SCHOOL OF MANAGEMENT AND MARKETING

MGMT940
Innovation and Entrepreneurship

SUBJECT OUTLINE
Wollongong Campus
Spring 2007

6 Credit Points

LECTURE: FRIDAY, 09.30-12.30
Building 19 Room G100

SUBJECT COORDINATOR : Associate Professor Sam Garrett-Jones
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EMAIL : sgarrett@uow.edu.au
OFFICE : 40.G12a
CONSULTATION TIMES : Tuesday 10.30-12.30 and Friday 13.30-15.30
Subject Description

True entrepreneurship and innovation are key to the future economic development in many nations. This subject investigates the innovation and entrepreneurial processes, including new venture creation (small firms) and intrapreneurship (established firms). Students will learn how to differentiate between a good idea and a real business opportunity. A key part of this subject is the development of a realistic written business plan for an innovative business opportunity and its presentation via an action learning process utilising teams.

Subject Objectives

On successful completion of this subject, students will be able:

1. To explain the concepts of innovation, the ‘entrepreneur’ and entrepreneurship and their management.
2. To analyse how knowledge contributes to innovation.
3. To identify how to commercialise innovation through entrepreneurship.
4. To identify and source an innovative business opportunity and to apply their skills to write and present a business plan for an enterprise based on the identified opportunity.

Tertiary Literacies

In the achievement of these learning objectives, the following tertiary literacies are regarded as central to the subject:

1. A commitment to continued and independent learning, intellectual development, critical analysis and creativity.
2. Coherent and extensive knowledge in a discipline.
3. Self-confidence combined with oral and written communication skills of a high level.
4. A capacity for, and understanding of, teamwork.
5. An ability to logically analyse issues, evaluate different options and viewpoints and implement decisions.
6. Information literacy and specific skills in acquiring, organising and presenting information.

Required Text


You are expected to purchase this textbook. The 1st edition (2004) is an acceptable substitute – be aware that there are differences, especially in the case studies. Copies of the first and second edition are available in the UOW Library Reserve Collection 658.022/186.

Additional Reading


**Video Resources**


This is not an exhaustive list of references. Students should also use the library catalogue and databases to locate additional resources.
### SECTION A: General Information

**Lecture Times**

Lecture/tutorial will be held on **FRIDAY, 09.30-12.30  Building 19, Room G100**

**Lecture Program**

<table>
<thead>
<tr>
<th>Wk</th>
<th>Date (week commencing)</th>
<th>Topics Covered</th>
<th>Readings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>23/07/07</td>
<td><strong>Introduction</strong>: Innovation and Entrepreneurship</td>
<td>Schaper &amp; Volery, Chapter 1 – The nature of small business and innovation</td>
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<tr>
<td></td>
<td></td>
<td>• Basic concepts – innovation, entrepreneur, opportunity, new venture</td>
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<tr>
<td></td>
<td></td>
<td>• Structure of the subject and assessments</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>30/07/07</td>
<td><strong>Entrepreneurship 1</strong>: Entrepreneurs – born or made?</td>
<td>Schaper &amp; Volery, Chapter 2 – The personality of entrepreneurs</td>
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<tr>
<td></td>
<td></td>
<td>• Case studies: Real life entrepreneurs</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>06/08/07</td>
<td><strong>Innovation 1</strong>: Creativity and innovation</td>
<td>Schaper &amp; Volery, Chapter 3 – Creativity, innovation and entrepreneurship</td>
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<tr>
<td></td>
<td></td>
<td>• Types of innovation</td>
<td>Drucker, 1985, Chapter 2: Sources of Innovation <em>(e-reading)</em></td>
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<tr>
<td></td>
<td></td>
<td>• Sources of innovative ideas</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>13/08/07</td>
<td><strong>Entrepreneurship 2</strong>: New ventures</td>
<td>Schaper &amp; Volery, Chapter 5 – Options for going into business</td>
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<tr>
<td></td>
<td></td>
<td>• Recognising and assessing opportunities</td>
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<td></td>
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<td>• Balancing opportunities and resources</td>
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<td>• Options for starting a business</td>
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</tr>
<tr>
<td>5</td>
<td>20/08/07</td>
<td><strong>Business planning 1</strong>:</td>
<td>Schaper &amp; Volery, Chapter 6 – Researching and analysing business opportunities;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Elements of a business plan</td>
<td>Chapter 7 – Preparing a business plan.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Research – sources of information 1</td>
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<tr>
<td></td>
<td></td>
<td>• Case study: FedEx</td>
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<tr>
<td>6</td>
<td>27/08/07</td>
<td><strong>Business planning 2</strong>:</td>
<td>Timmons – ‘New Business Mentor’ <em>(CD-ROM)</em></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Research – sources of information 2</td>
<td></td>
</tr>
<tr>
<td>Week</td>
<td>Date</td>
<td>Topic</td>
<td>Supporting Information</td>
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<tr>
<td>7</td>
<td>03/09/07</td>
<td><strong>Innovation 2: Legal and regulatory issues</strong></td>
<td>Schaper &amp; Volery, Chapter 8 – Legal issues; Chapter 10 – Accessing business advice and assistance</td>
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<td></td>
<td></td>
<td>- Intellectual property</td>
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<td>- government assistance</td>
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<td>- business registration</td>
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<tr>
<td>8</td>
<td>10/09/07</td>
<td><strong>Critical success factors in start-ups: Case study:</strong> Govworks</td>
<td>Startup.com (video)</td>
</tr>
<tr>
<td>9</td>
<td>17/09/07</td>
<td><strong>Reading week – no lectures</strong></td>
<td>Review readings for weeks 1-8</td>
</tr>
<tr>
<td>10</td>
<td>02/10/07</td>
<td><strong>Entrepreneurship 3: Finance and operations</strong></td>
<td>Schaper &amp; Volery, Chapter 9 – Financing new and growing business ventures; Chapters 11-14 – Managing key functions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Financing new ventures</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>- Operational considerations</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>08/10/07</td>
<td><strong>Entrepreneurship 4: Large and small firms</strong></td>
<td>Schaper &amp; Volery, Chapter 15 – Managing growth and transition; Chapter 16 – Corporate entrepreneurship</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Capacity for innovation</td>
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<td></td>
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<td>- Corporate entrepreneurship</td>
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<tr>
<td></td>
<td></td>
<td>- Growth and transition</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>15/10/07</td>
<td><strong>Assessment 4 Due:</strong> Business Plan presentations</td>
<td>-</td>
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<tr>
<td></td>
<td></td>
<td><strong>Review</strong></td>
<td></td>
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<td></td>
<td></td>
<td>- Current issues</td>
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<tr>
<td></td>
<td></td>
<td>- National differences in innovation and entrepreneurship</td>
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<tr>
<td></td>
<td></td>
<td>- Assessment</td>
<td></td>
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<tr>
<td></td>
<td>29/10/07</td>
<td><strong>Study recess – 1 week</strong></td>
<td></td>
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<tr>
<td>13</td>
<td>03/11/07</td>
<td><strong>Examinations until 16/11/07</strong></td>
<td></td>
</tr>
</tbody>
</table>

This schedule may be subject to change.
# Tutorial Schedule

<table>
<thead>
<tr>
<th>Wk</th>
<th>Date</th>
<th>Tutorial questions and activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>23/07/07</td>
<td>- Class discussion on literature review and other assignments</td>
</tr>
</tbody>
</table>
| 2  | 30/07/07  | - Read Case study: Pure Bliss Foods – Schaper pp. 24-27  
- Am I an entrepreneur? ‘Your entrepreneurial mind/ your management competencies’ questionnaires  
- Team formation and brainstorming |
| 3  | 06/08/07  | - What is creativity?  
- Definitions and scope of innovation.  
- What are the sources of innovation?  
- Where will you find your innovation opportunity? |
| 4  | 13/08/07  | - Team presentations:  
  (i) Find two possible innovative business opportunities that fit your team and that your team could write a business plan for.  
  (ii) Briefly describe the opportunities, how they were sourced and why they fit your team.  
  - Class discussion – SWOT analysis of opportunities presented. |
| 5  | 20/08/07  | - CLASS LIBRARY SESSION – IN LIBRARY  
Assessment 1 Due: Essay – Literature Review |
| 6  | 27/08/07  | - CLASS LIBRARY SESSION – IN LIBRARY |
| 7  | 03/09/07  | - Critical success factors in start-ups: Case study: Govworks  
Assessment 2 Due: New Venture Business Plan – Annotated Outline |
| 8  | 10/09/07  | - Team work – business plan preparation  
- What specialist advice will you need? Where will you look for it?  
- Will your business qualify for government assistance?  
- What are the key operational issues for your business? |
| 9  | 17/09/07  | Reading week – no lectures |
| 10 | 24/09/07  | Mid-session Recess |
| 11 | 02/10/07  | - Case study: Govworks – class analysis – Why did Govworks fail?  
Assessment 3 Due: New Venture Business Plan (written) |
<p>|    | 08/10/07  | - Case study: growth and corporate change |</p>
<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
</table>
| 12   | 15/10/07 | **Assessment 4 Due: New Venture Business Plan Presentation**  
- New Venture Awards |
| 13   | 22/10/07 | Exam Q&A session                                 |
|      | 29/10/07 | **Study recess – 1 week**                        |
|      | 03/11/07 | Examinations until 16/11/07                     |

This schedule may be subject to change.
SECTION B: Assessment

<table>
<thead>
<tr>
<th>Assessment 1</th>
<th>Essay</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title</strong></td>
<td>Literature Review</td>
</tr>
<tr>
<td><strong>Marking criteria</strong></td>
<td>Normal essay assessment criteria apply. Marks will be awarded for:</td>
</tr>
<tr>
<td><strong>•</strong> Research Effort and Use of Source Material (10%)</td>
<td></td>
</tr>
<tr>
<td><strong>•</strong> Quality of content and Analysis (60%)</td>
<td></td>
</tr>
<tr>
<td><strong>•</strong> Academic Writing Style and presentation (20%)</td>
<td></td>
</tr>
<tr>
<td><strong>•</strong> Depth of practical understanding (10%)</td>
<td></td>
</tr>
<tr>
<td><strong>See attachment</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Length</strong></td>
<td>1000-1250 words</td>
</tr>
<tr>
<td><strong>Weighting</strong></td>
<td>15%</td>
</tr>
<tr>
<td><strong>Due date</strong></td>
<td>Week 5 – 24 Aug 2007</td>
</tr>
<tr>
<td><strong>Category of assignment</strong></td>
<td>This is a Category 3 Individual Assignment (see definitions below).</td>
</tr>
<tr>
<td><strong>Where assignment is to be submitted and returned</strong></td>
<td>Submit: In Class, Week 5.</td>
</tr>
<tr>
<td></td>
<td><strong>Assignments without the correct cover sheet will not be accepted.</strong></td>
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<tr>
<td></td>
<td>Return: In Class.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assessment 2</th>
<th>Team Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title</strong></td>
<td>New Venture Business Plan – Annotated outline</td>
</tr>
<tr>
<td><strong>Marking criteria / Description</strong></td>
<td>Comprehensiveness and adequacy of business plan and work plan (100%).</td>
</tr>
<tr>
<td><strong>Length</strong></td>
<td>About 500 words</td>
</tr>
<tr>
<td><strong>Weighting</strong></td>
<td>5%</td>
</tr>
<tr>
<td><strong>Due date</strong></td>
<td>Week 6 – 31 Aug 2007</td>
</tr>
<tr>
<td><strong>Category of assignment</strong></td>
<td>This is a Category 2 Group Assignment (see definitions below).</td>
</tr>
<tr>
<td><strong>Where assignment is to be submitted and returned</strong></td>
<td>Submit: In Class, Week 6</td>
</tr>
<tr>
<td></td>
<td><strong>Assignments without the correct cover sheet will not be accepted.</strong></td>
</tr>
<tr>
<td></td>
<td>Return: In Class.</td>
</tr>
<tr>
<td>Assessment 3</td>
<td>Team Project</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Title</td>
<td>New Venture Business Plan</td>
</tr>
<tr>
<td>Description / Marking criteria</td>
<td>Detailed criteria for marking the business plan will be provided early in the session.</td>
</tr>
<tr>
<td>Length</td>
<td>Max 8000 words</td>
</tr>
<tr>
<td>Weighting</td>
<td>25%</td>
</tr>
<tr>
<td>Due date</td>
<td>Week 10 – 5 October 2007</td>
</tr>
<tr>
<td>Category of assignment</td>
<td>This is a Category 2 Group Assignment (see definitions below). If your team is not functioning properly, you must discuss solutions with the Subject Coordinator well in advance of the submission date for the assessment.</td>
</tr>
</tbody>
</table>
| Where assignment is to be submitted and returned | Submit: In class, Week 10  
Assignments without the correct cover sheet will not be accepted.  
Return: Collect from coordinator during Week 11 |

<table>
<thead>
<tr>
<th>Assessment 4</th>
<th>Team presentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Presentation of the New Venture Business Plan</td>
</tr>
</tbody>
</table>
| Marking criteria | • All members of the team must attend the presentation or a mark will not be awarded  
• Content and analysis (coverage, analysis, relevance) (50%) and  
• Quality of presentation (clarity, visual aids, time management, engagement/persuasiveness) (50%) |
| Length       | 20 minutes (presentation) + 5 minutes (class questions and discussion) |
| Weighting    | 15% |
| Due date     | Week 12 – 19 Oct 2007 |
| Category of assignment | This is a Category 2 Group Assignment (see definitions below). |
| Where assignment is to be submitted and returned | In Class, Week 12. |
Examination

<table>
<thead>
<tr>
<th>Final Examination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighting</td>
</tr>
<tr>
<td>Date</td>
</tr>
<tr>
<td>Time allowed</td>
</tr>
<tr>
<td>Structure of paper</td>
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</tbody>
</table>

NOTE: The examination format cannot be changed from that stated above without the written consent of all students enrolled in this subject.
APPENDIX

Assignment 1: Essay - Literature Review

Choose an academic journal article (or book section) relevant to one aspect of innovation or entrepreneurship. You can select your own article* (discuss with coordinator) or select from a pool of suggested literature that will be provided in class.

Write a brief review of the article covering the following questions:

- Summarise the main arguments made by the author(s). What is the current state of knowledge about the area based on the reading?
- What are the main problems or challenges identified by researchers in this area?
- What relevance or lessons does the article hold for an entrepreneur starting a new venture?

*If you pick your own academic journal article include a copy as an Appendix. ‘Clean’ copies are not required; your marked and annotated copy will be fine.

Assignment 2: New Venture Business Plan – Annotated outline

You are to submit an annotated written outline of the proposed content of your New Venture Business Plan (Assignment 3).

Show:

- The names of each member of your team (name, student no.)
- section headings (with at least one sentence describing the content),
- your strategy for data collection and analysis,
- a clear statement of each authors’ responsibilities for researching and writing each part of the final business plan.

Assessment 3: New Venture Business Plan

The assignment utilises student teams that replicate as closely as possible an actual new venture start up or ‘intrapreneurial’ management team. Teams should have 3 or 4 members with a mix of skills (creativity, financial, marketing etc).

Your task is to research, write and present a short business plan (or extended feasibility study) for an imaginary new venture which incorporates a significant degree of business innovation. The new venture can be a start-up company or can be associated with an established company (e.g. a new division, or product development activity).

The business plan for the new venture should cover

- The opportunity
- Company mission and goals
- The degree of innovation involved, innovation sourcing,
- Marketing and competitive advantage
- concept development and exploitation,
- company environment, organisational structure, staffing
- operational details, production/delivery,
• financial and risk analysis, forecasts, projections.

• Timeline for rollout of business

Use standard business plan texts as a guideline, but do not slavishly follow their headings – think about what you need to ‘sell’ the venture effectively. Concentrate on the innovative aspects of the business – i.e. those aspects that will give it a competitive advantage over other businesses.

The audience for your plan is financiers/investors that you wish to invest in the business. The document should be concise, persuasive and professionally presented.

Each part of the business plan must clearly indicate which student(s) were responsible for writing it.

**Assessment 4: Presentation of the New Venture Business Plan**

This is your opportunity to ‘sell’ your business idea to a group of potential investors (the class). You must quickly and effectively demonstrate the commercial potential of your new venture and the capacity of your team to deliver. This is a critical audience – a professional and persuasive presentation is essential or your business will not get off the ground!

To assist marking you may hand in your speaking notes or PowerPoint slides, but you are not required to do so.

* * *