FIT3134
IT-based Entrepreneurship

Unit Guide

Semester 2, 2010

Last updated: 06 Jul 2010

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FIT3134 IT-based Entrepreneurship - Semester 2, 2010

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Introduction

Welcome to FIT 3134, IT-based Entrepreneurship. This unit is intended for students who want to learn and grow, achieve financial independence, and gain a sense of accomplishment from transforming an idea into a company. The unit will cover the main steps in the start-up process, with a focus on IT-based enterprises. Teaching and learning will be based on lectures, discussions, case studies, guest presentations, and the preparation of a business plan for an IT-based start-up company.

Unit synopsis

This unit will give students insight into how digital entrepreneurs can identify, create, and pursue opportunities for IT-based products and services. These opportunities have been growing rapidly due to the steady increase in digital work flows and digital customers. Google, Facebook, YouTube, Twitter, and Flickr are well-known examples of digital entrepreneurship; there are many thousands of additional examples. In particular, this unit includes the study of entrepreneurship, opportunity analysis, feasibility analysis, intellectual property, market research, accounting, financial management, sources of funding, business models, teamwork, and business planning. Understanding these topics will allow students to more readily identify, analyse, and develop opportunities for the creation of IT-based products and services.

Learning outcomes

At the completion of this unit students will:

- be able to seek opportunities for the successful application of information technology, whether in an existing organisation or in a new enterprise;
- be able to evaluate IT-based opportunities in a purposeful and disciplined way, taking into account both opportunity and risk;
- be able to organise the pursuit of selected IT-based opportunities, including developing and managing structure, strategy, and finance;
- be able to present IT-based commercial opportunities to potential investors;
- be expected to learn and understand relevant financial and intellectual property issues, as well as technology issues;
- be exposed to the entrepreneurial point of view throughout the unit, and write a short essay on ethical concerns for entrepreneurs;
- learn how to do market research, how to create a value proposition, how to differentiate a product or service, and how to develop a go-to-market strategy;
- work in teams of 3 or 4, and thus build practical skills in teamwork and collaboration.

Contact hours

2 hrs lectures/wk, 2 hrs laboratories/wk

Workload

Workload commitments are:

- two-hour lecture (required) each week
- two-hour tutorial (required) each week, usually with advance preparation
- two to three hours of personal study for each hour of contact time, or 8 - 12 hours of personal study each week

time for group meetings, which can be face to face or virtual

Unit relationships

Prerequisites

FIT2002 or FIT3086 and completion of 96 points towards a degree or double degree in the Faculty of Information Technology.

Teaching and learning method

Teaching approach

The approach to teaching and learning includes a weekly two-hour lecture/discussion and a weekly two-hour tutorial. Each student should also allocate 8 to 12 hours per week for personal study and group meetings.

Timetable information

For information on timetabling for on-campus classes please refer to MUTTS, http://mutts.monash.edu.au/MUTTS/

Tutorial allocation

On-campus students should register for tutorials/laboratories using the Allocate+ system: http://allocate.its.monash.edu.au/

Unit Schedule

Week	Date*	Topic	References/Readings	Tutorials	Key dates
1	19/07/10	Introduction	initial assignment will be distributed by email	IT-based entrepreneur I -- Rohan Fernando	
2	26/07/10	Teams and Teamwork	text chapters 1 - 3	teamwork exercise -- introduction	
3	02/08/10	Opportunity Analysis	text chapters 4, 5, and 8	teamwork exercise -- debrief	
4	09/08/10	Business Models	text chapter 9	IT-based entrepreneur II -- James Horne	
5	16/08/10	Accounting for Entrepreneurs	chapter 17 of Byers et al Technology Ventures (third edition), to be distributed via MUSO	accounting practice	
6	23/08/10	Business Plans I	text chapter 10	accounting problem set	
7	30/08/10	Sources of Finance	text chapters 6, 11, and 12	progress presentations	
8	06/09/10	Sources of Wealth	text chapters 14 - 17	negotiation exercise	
9	13/09/10	Intellectual Property	text chapter 19	patent and trademark searching	
10	20/09/10	Marketing for Entrepreneurs	readings to be provided via MUSO	marketing exercise	
Mid semester break					

11	04/10/10	Business Plans II	readings to be provided via MUSO	elevator pitch	
12	11/10/10	Social Entrepreneurship	readings to be provided via MUSO	IT-based entrepreneur III	
13	18/10/10	Student Presentations	none	student presentations	

*Please note that these dates may only apply to Australian campuses of Monash University. Off-shore students need to check the dates with their unit leader.

Improvements to this unit

This unit is being offered for the first time.

Unit Resources

Prescribed text(s) and readings

Text books are available from the <u>Monash University Book Shops</u>. Availability from other suppliers cannot be assured. The Bookshop orders texts in specifically for this unit. You are advised to purchase your text book early.

Recommended text(s) and readings

The prescribed text is Swanson, James A and Baird, Michael L, Engineering Your Start-Up: A Guide for the High-Tech Entrepreneur, Second Edition (paperback), Professional Publications Inc, Belmont California USA 2003, ISBN 1-888577-91-6

There are literally thousands of books about entrepreneurship, ranging from weighty academic tomes to airport bookshop self-help paperbacks. A few that you might find useful are listed below. There will not be any required material from these books, but you might actually enjoy reading them.

Gerber, Michael E, The E-myth Revisited: Why Most Small Businesses Don't Work and What to Do About It, third edition (paperback) 1995, HarperCollins, New York, ISBN 0-88730-728-0

Gold, Steven K, Entrepreneur's Notebook: Practical Advice for Starting a New Business Venture, 2008, Learning Ventures Press, Lexington, Massachusetts USA, ISBN 0-9762790-4-5

Kawasaki, Guy, The Art of the Start, 2004, Portfolio, New York, ISBN 1-59184-056-2

Shane, Scott A, The Illusions of Entrepreneurship, 2008, Yale University Press, New Haven, Connecticut USA, ISBN 978-0-300-11331-0

Equipment and consumables required or provided

Students studying off-campus are required to have the <u>minimum system configuration</u> specified by the Faculty as a condition of accepting admission, and regular Internet access. On-campus students, and those studying at supported study locations may use the facilities available in the computing labs. Information about computer use for students is available from the ITS Student Resource Guide in the Monash University Handbook. You will need to allocate up to **n** hours per week for use of a computer, including time for newsgroups/discussion groups.

Study resources

Study resources we will provide for your study are:

weekly readings, weekly lecture slides, and weekly tutorial tasks, as well as this unit guide and the unit web site on MUSO. Student teams will be responsible for preparing weekly lecture notes to be distributed to the class.

Assessment

Overview

Examination (2 hours): 30%; In-semester assessment: 70%

Faculty assessment policy

To pass a unit which includes an examination as part of the assessment a student must obtain:

- 40% or more in the unit's examination, and
- 40% or more in the unit's total non-examination assessment, and
- an overall unit mark of 50% or more.

If a student does not achieve 40% or more in the unit examination or the unit non-examination total assessment, and the total mark for the unit is greater than 50% then a mark of no greater than 49-N will be recorded for the unit.

Assignment tasks

Assignment coversheets

Assignment coversheets are available via "Student Forms" on the Faculty website:
http://www.infotech.monash.edu.au/resources/student/forms/
You MUST submit a completed coversheet with all assignments, ensuring that the plagiarism declaration section is signed.

Assignment submission and return procedures, and assessment criteria will be specified with each assignment.

Assignment submission and preparation requirements will be detailed in each assignment specification. Submission must be made by the due date otherwise penalties will be enforced. You must negotiate any extensions formally with your campus unit leader via the in-semester special consideration process:
http://www.infotech.monash.edu.au/resources/student/equity/special-consideration.html.

- **Assignment task 1**

  Title:
  > tutorial participation
  Description:
  > Students are expected to prepare for, attend, and actively participate in all tutorials.
  Weighting:
  > 5%
  Criteria for assessment:
  > There will be 12 tutorials, beginning in the first week of the semester. Students will receive full marks for attending and participating in 10, 11, or 12 tutorials, four marks for 9, three marks for 8, two marks for 7, one mark for 6, and no marks for 5 or fewer.
  Due date:
  > throughout the semester
  Remarks:
  > Tutorial attendance will be recorded on a sign-in sheet. Students arriving more than 15 minutes late will not be allowed to sign the sheet, and will be regarded as absent for that

session. Students attending to emails, tweets, etc during class will also be regarded as absent for that session.

- **Assignment task 2**

  Title:
  preparation of lecture notes
  Description:
  Working in teams, students will prepare notes from each lecture and submit the notes for distribution via Blackboard. Each student will work on the notes for one lecture during the semester.
  Weighting:
  5%
  Criteria for assessment:
  Lectures are on Monday afternoons; notes should be submitted to the lecturer by 9am on the following Wednesday. One mark will be deducted if the notes are submitted by 9pm Wednesday, another mark for 9am Thursday, etc. The lecturer will not modify the notes but will assess them for accuracy, completeness, and usefulness.
  Due date:
  throughout the semester
  Remarks:
  A roster of teams, showing the lecture for which each team is responsible, will be distributed at the start of the semester.

- **Assignment task 3**

  Title:
  elevator pitch
  Description:
  An "elevator pitch" is a short (two or three minute) description of a project given by an entrepreneur to a potential investor, for example during a brief period when they are together in a lift. A member of each business plan team will be chosen at random to give an elevator pitch for their proposed business.
  Weighting:
  5%
  Criteria for assessment:
  The ideal elevator pitch is irrefutable, compelling, and greed-inducing. The pitches will be judged on these criteria, as well as adherence to a strict three-minute time limit. Each member of a team will receive the same marks.
  Due date:
  4 October in tutorial
  Remarks:
  Outside judges may be asked to participate in assessing and giving feedback on the elevator pitches.

- **Assignment task 4**

  Title:
  intellectual property search
  Description:
  Intellectual property, including patents, trademarks, URLs, and business names, is an important issue for start-up companies. Student teams will prepare and submit searches with respect to the name, URL, trademark, and patent landscape for their proposed business.

Weighting:

5%

Criteria for assessment:

Criteria are comprehensiveness, accuracy, and coherence of the searches, and the clarity of the description of the conclusions and actions to be taken. Each member of a team will receive the same marks.

Due date:

midday 20 September

• **Assignment task 5**

Title:

presentations of business plan

Description:

Each team will give two presentations regarding its business plan for a proposed IT-based start-up company. The first presentation is a progress report mid-way through the semester, and the second presentation is on the last day of class. The progress report should be no longer than six minutes and should be targeted at other members of the class. The final presentation should be no longer than 15 minutes, and should be targeted at potential investors. Formats for the presentations will be discussed in advance.

Weighting:

5% for progress report, 10% for presentation

Criteria for assessment:

The progress report and presentation will be assessed on:

presentation style (25%)

visual aids (15%)

clarity and completeness of description (30%)

viability of proposed business (30%)

All members of a team will receive the same marks.

Due date:

progress report 30 August in tutorial, final presentation 18 October in class and tutorial

• **Assignment task 6**

Title:

business plan for a proposed IT-based start-up business

Description:

The business plan is intended to be a general planning and funding document, aimed at outside investors, for an IT-based start-up business. The plan should describe the management team, the market(s), the product(s) or service(s), and the financial projections.

Weighting:

30%

Criteria for assessment:

Business plans will be assessed based on:

executive summary and overview (10%)

management team (10%)

markets (20%)

products/services (25%) including IP, operating strategies, and critical risks

financial projections (25%) including cash flow statement, income statement, balance sheet, and funds required

offer to investor (10%)

Due date:
midday 18 October

Remarks:
Student teams should submit both an electronic copy (in Word) and a hard copy. Elaborate bindings and formats are not required.

- **Assignment task 7**

  Title:
  negotiation exercise

  Description:
  The ability to negotiate is extremely important to an entrepreneur. This exercise, to be done by students in pairs, will allow students to practice and observe their own negotiation style, and to give and receive feedback regarding negotiation skills.

  Weighting:
  5%

  Criteria for assessment:
  Assessment will be based on the quality of the agreement reached.

  Due date:
  23 August in tutorial

Examination

-
  Weighting:
  30%

  Length:
  2 hours

  Type (open/closed book):
  Open book

  Electronic devices allowed in the exam:
  Laptop computers will be allowed, but no connections to the Internet will be allowed, and no communication with anyone except the examination supervisor.

  Remarks:
  The examination will consist of an evaluation of a business plan for a proposed start-up business.

See Appendix for End of semester special consideration / deferred exams process.

Due dates and extensions

Please make every effort to submit work by the due dates. It is your responsibility to structure your study program around assignment deadlines, family, work and other commitments. Factors such as normal work pressures, vacations, etc. are not regarded as appropriate reasons for granting extensions. Students are advised to NOT assume that granting of an extension is a matter of course.

Students requesting an extension for any assessment during semester (eg. Assignments, tests or presentations) are required to submit a Special Consideration application form (in-semester exam/assessment task), along with original copies of supporting documentation, directly to their lecturer within two working days before the assessment submission deadline. Lecturers will provide specific outcomes directly to students via email within 2 working days. The lecturer reserves the right to refuse late applications.

A copy of the email or other written communication of an extension must be attached to the assignment submission.

Refer to the Faculty Special consideration webpage or further details and to access application forms: http://www.infotech.monash.edu.au/resources/student/equity/special-consideration.html

Late assignment

Assignments received after the due date will be subject to a penalty of 5% per day, including weekends. Assignments received more than seven days after the due date will not be accepted.

Return dates

Students can expect assignments to be returned within two weeks of the submission date or after receipt, whichever is later.

Feedback

Types of feedback you can expect to receive in this unit are:

Informal feedback on progress in labs/tutes

Graded assignments with comments

Solutions to tutes, labs and assignments

Appendix

Please visit the following URL: http://www.infotech.monash.edu.au/units/appendix.html for further information about:

- Continuous improvement
- Unit evaluations
- Communication, participation and feedback
- Library access
- Monash University Studies Online (MUSO)
- Plagiarism, cheating and collusion
- Register of counselling about plagiarism
- Non-discriminatory language
- Students with disability
- End of semester special consideration / deferred exams