

BSN3702/TR3002 – New Venture Creation

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Course Outline

Aims and Objectives

Once a new business has been created through the process of market validation and product development there comes the need for capital and strategic investment support. Here business model clarity and communication play a major role.

The purpose of this course is to:

- Help students understand the process, challenges, risks and rewards of starting up a new business
- Equip them with the tools required to articulate a business model, target investors and secure funding
- Improve the chances of success in running a business through a well-defined investor communication strategy

Learning objectives are:

- Ability to create investor targeting strategies
- Develop investor pitch for funding
- Understand equity and partnership negotiation strategies and options
- Create post funding investor communication strategies
- Formally present a business pitch to investors
- Form and work successfully within a team

Pre-requisites

No pre-requisites required

Teaching Modes

Classes will consist of lectures and field work, both of which are compulsory. The lectures and field work will facilitate the construction a strategic approach to investor identification, targeting and management. Relevant topics will be covered at the outset to help students conceptualize an investor pitch, identify relevant groups of investors, develop equity/partnership negotiation options and create an ongoing investor communication strategy.

All will require active discussion and participation. Specifically students will be expected to participate actively in class through group discussion, detail field work and a final presentation to the class.

Time and Venue (August 2021)

Week 1	Tues 10 August	Elements of a fund raising process Business Model Canvas (BMC)
Week 2	Tues 17 August	Creating a pitch Identifying types of investors and reasons to invest
Week 3	Tues 24 August	Pitch development break out groups (based on case projects)
Week 4	Tues 31 August	Understanding investment options (equity, cash, other)
Week 5	Tues 7 Sept	Investor investment options negotiation break out groups
Week 6	Tues 14 Sept	Creating effective investor communication strategies
Recess Week	Sat 18 Sept-Sun 26 Sept	
Week 7	Tues 21 Sept	Part of Recess Week
Week 8	Tues 28 Sept	Field work (with ongoing interaction with professors)
Week 9	Tues 5 Oct	Field work (with ongoing interaction with professors)
Week 10	Tues 12 Oct	Field work (with ongoing interaction with professors)
Week 11	Tues 19 Oct	Field work (with ongoing interaction with professors)
Week 12	Tues 26 Oct	Preliminary pitch presentation (by teams)
Week 13	Tues 2 Nov	Final pitch and investor targets presentation (by teams)

Synopsis

Students will learn the process of investor identification and management through actually working through the process themselves. Participants will:

- Develop an investor pitch based on a business idea
- Identify potential groups of investors or crowd funding options
- Articulate equity options for investors

Each presentation will need to include:

- Business model and value proposition summary
- Target market and competitive rationale for investors
- Key reasons for investors to invest

- Equity approach for investors and negotiation strategy
- Investor communication strategy

By the end of the course, each student team should have produced a business pitch whose elements can be utilized for a new business investment strategy.

Assessment

The course will have no final written exam and will be 100% based on the following continuing assessment components:

- Participation (10%) - will depend on timely class attendance, alertness and ability to engage. This will be based on each individual
- Investor Pitch, Targeting and Negotiation Presentation (70%) – will be evaluated on the quality of the idea, and the thoroughness and professionalism of the plan. Teams will be required to submit a draft before the final business model presentation. The draft will not be graded but any late submission will count towards penalty points in the final. Business model presentations will be restricted to a maximum of 25 pages. This will be based on the group performance. If there is reason to determine if a team member has not performed or was not engaged, it will affect that persons grades and not the whole team.
- Presentation (20%) - will be evaluated on persuasiveness and professionalism. This will be based on the group.

Academic Honesty & Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources. Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubts, you should consult your instructor.

Additional guidance is available at:

<http://www.nus.edu.sg/registrar/adminpolicy/acceptance.html#NUSCodeofStudentConduct> and Online Module on Plagiarism: <http://emodule.nus.edu.sg/ac/>

Text & Readings

The following books on a range of topics, while not required, are highly recommended:

1. The Startup Game – William Draper III
2. Technological Revolutions and Financial Capital - Carlota Perez

3. Venture Deals – Brad Feld, Jason Mendelson, Dick Costolo
4. The Art of Start Up Fund Raising - Alejandro Cremades
5. The Entrepreneurial Bible to Venture Capital - Andrew Romans
6. Term Sheets and Valuations - Alex Wilmerding
7. Introduction to Private Equity - Cyril Demaria
8. The Business of Venture Capital - Mahendra Ramsinghani