



Lee Business School
Department of Management, Entrepreneurship, and Technology

New Venture Feasibility

MGT 709

Class time: Thursday, 7:00 – 9:45pm

Learning Objectives

- This course emphasizes the development of a feasibility analysis as students choose business opportunities they will pursue. In conjunction with business module analysis and interactions with local entrepreneurs, students will assess the technical, merits, operational logistics, consumer needs and demands, and the financial viability of their new venture.
- The Lean LaunchPad method will be used in the classroom to develop interdisciplinary teams and immersive projects. The objective from these team projects is to convey an “evidence-based methodology for scalable startups” to use in real world scenarios. The class purposely exchanges lecture time for team/instructor interaction.
- The key output from the course will be a preliminary **business model** for a new venture that can be revised into an investment quality, comprehensive business plan for investors. The class modules and teaching methods are based on established processes for executing feasibility analyses that are timely, complete, organized, and professional. Students will develop a business plan and interview professionals to determine the feasibility of their project. Pairing with engineering school students, community members, and/or university faculty is strongly encouraged, but in certain instances other businesses may be pursued with permission of the instructor. **At the end of the semester, student teams will present their preliminary business plans.**

COURSE MATERIALS

No course materials required.

ASSIGNMENTS & GRADING

| Deliverable | Weight | Responsibility |
|---|--------|----------------|
| Preliminary Plan I <ul style="list-style-type: none"> ● Company/Project Description ● Mock Interviews ● Discovery Narratives ● Industry Analysis & Trends | 10% | Group |
| Preliminary Plan II <ul style="list-style-type: none"> ● Strategic Position & Risk Analysis ● Target Market Analysis ● Operations & Technology Plan ● Professional Interviews | 10% | Group |
| Preliminary Plan III <ul style="list-style-type: none"> ● Income Statement Three-Year Projection ● Feasibility Analysis ● Peer Review | 10% | Group |
| Final Group Narrative - Full Feasibility Analysis | 15% | Group |
| Group Meeting Description(s) | 5% | Group |
| Final Presentation | 15% | Group |
| Business Plan Including Executive Summary and Appendices (Final Deliverable) | 10% | Group |
| Participation and Professionalism | 10% | Individual |

The Lean LaunchPad

Lean LaunchPad is an alternative way of approaching new business ideas. Through a methodical approach, Lean LaunchPad helps identify a repeatable path through understanding and validating customers' needs before launching any business idea. This is done through actual customer interviews and "getting the heck outside."

Working in groups, students will select an available projects for consideration by the class. Using Lean LaunchPad principles, a feasibility analysis using a business model canvas will be completed for the business idea. Students will then test their hypothesis by conducting customer interviews. The canvas and insights will be presented to the class for peer review and improvement. At the end of the course students will have a feasibility analysis of their idea to present to the class.

The Business Model Canvas & Course Modules

The **Company Description** will describe the vision and mission of your new venture as well as the *business model* that your venture will employ. For this component of the business plan and each of the components described below your team will be graded based on timeliness, completeness, organization, quality, and professionalism. **Management & Organization** is the next component of the business plan and will describe the members of your management team and the value that they bring to the venture, your board of directors and/or board of advisors as well as any consultants you will use, your management and organizational structure, and the type of business entity (i.e., the legal form of the business) you have

chosen to use and why. The **Feasibility Analysis** is a useful device for identifying the strengths and weaknesses of your business idea; but **does not** go in the business plan.

The **Industry Analysis and Trends** describes the nature of the industry within which you will launch your new venture, any current trends that might be relevant, potential barriers to entry, opportunities present for your new firm, and so on. The **Industry and Analysis and Trends** is an assessment of the industry. It is important that you attach a *dollar figure to the overall size of the industry* (or industries) within which your new venture will operate. The **Target Market** is the next component of the business plan and will describe in as much detail the market(s), size in dollars, any trends within it that might be relevant, the customers you will target, and the extent to which this market is ready for what you intend to offer. Think of this as a refinement of the *Industry and Analysis and Trends* section that describes the particular market(s) you will target. In addition, it is important that you attach a *dollar figure to the overall size of the specific market* (or markets) within which your new venture will operate.

The Competition will describe your competitors, their share(s) of the market, any advantages you will have over them (i.e., your “competitive advantage”), and your competitive position relative to them as a result. In this section you should also describe what *share of this market you expect to achieve*, how you will achieve it, and with what timing.

The **Strategic Position & Risk Analysis** is the next component of the business plan and will describe the strategic, competitive approach you will take vis-à-vis your competitors as a result of your assessment of them and any risks associated with this approach. In this section you should also describe *the unique value proposition* that you will offer to your customers/clients.

The **Operations** will describe exactly how you will produce and deliver your goods and services and why this will help to differentiate your firm from your competitors, including your choice of methods and locations.

The **Technology Plan** will describe the information systems that your firm will use to be competitive including to what extent your firm will go online and why.

The **Marketing Plan** will describe not only the nature of the company’s brand, but also the key components of the company’s approach to marketing itself and its products and services such as the messaging, the audience(s), and the vehicles for delivering the messages to the audiences. In this section you should also be explicit about the sales approach that accompanies the marketing plan and helps to achieve it. What type of sales structure will you create, why, and how will you use it to generate sales?

The **Financial Statements**, perhaps the most important and difficult, will include the following components:

- Income Statement Three-Year Projection and Income Statement Annual - The income statement shows whether your company is or will make a profit and at what point.
- Cash-Flow Projection - The cash-flow projection shows whether the company has the cash to pay its bills.
- Balance Sheet - The balance sheet shows how much the company is worth overall and will help investors to determine whether or not to invest and what equity stake to demand from you.
- Sources and Uses of Funds- The sources and uses of funds statement shows where you will get your financing and how you intend to use that funding, which will also be of key interest to investors and/or anyone who loans you money for your new venture.

- Assumptions - The assumptions section makes explicit any underlying assumptions you have made for any of these financial statements. For example, you will want to explain how you generated the revenue projections in the “top line” of your income statement.
- Break-Even- In addition to these financial statements, you should also include a break-even analysis that shows at which point income will exceed expenses and you will begin to earn a profit. In addition to the break-even, you should also estimate an “investor” payback point, the point at which net income after taxes exceeds the amount invested in the new venture.

Each of these statements should tie together the revenues, funding, and expenditures underlying each of the components of the business that you have reported on in prior sections of the business plan.

Your business plan should include within the text a written section describing each of these financials at a high level and then ending with the “ask”, the amount that you are seeking in investment and the equity stake you are prepared to give for that investment. You might include some summary charts or graphs within the text, but you should push the actual financial statements to the back of the business plan as appendices.

The **Preliminary Business Plan Including Executive Summary and Appendices** is the compilation of the current, edited, versions of each of the preceding components, together with the addition of the Executive Summary and all appendices. This deliverable is to be submitted as one, seamless document that includes 1) a title page with your company’s name, logo, tagline, the date, and your team member names, 2) a numbered table of contents, 3) page numbers throughout the document, 4) each of the components described above, and 5) anything else you deem appropriate in order to make this a professional level document. As will each of the individual components of the business plan, the full version of the business plan will be graded based on timeliness, completeness, organization, quality, and professionalism.

For the **Final Presentation** each team will be given 20 minutes to present their preliminary business plan, thus simulating typical investor pitches. These presentations will be graded based on delivery, visual aids, organization, and quality.

To combat instances of freeloading, a **Team Assessment** will be required from all team members. This assessment will be used to help determine individual project grades.

Class Professionalism & Participation: Students will be evaluated based on their level of professionalism in class and in class-related activities outside of class. Professionalism includes, but is not limited to, arriving to class on time, paying attention during course lectures and guest presentations, etc. Class participation involves participation during lectures, and guest presentations. Here are some additional pointers regarding participation:

If you almost never speak out in class or miss several classes, you will receive a participation grade of 5 or lower. If you rarely say anything inspired, your participation grade will be in the 8-10 range (depending on how “occasionally” and how well prepared you are). “Inspiration” - the path to a “15” participation grade – involves such actions as:

- ✓ applying conceptual material from the readings, lectures, or guest presentations
- ✓ doing a bit of outside reading and applying it in the discussion
- ✓ integrating comments from previous lectures or presentations

- ✓ reaching back to something said previously that is pertinent to the discussion at the moment
- ✓ taking substantive issue with a classmate's analysis in a positive way
- ✓ pulling together material from several places
- ✓ drawing parallels from previous lectures and discussion
- ✓ tying in briefly an experience you have had that is relevant to the discussion
- ✓ generally demonstrating that you have carefully read and understood the assigned readings and lectures
- ✓ not dominating class discussion

TENTATIVE COURSE CALENDAR (THIS WILL CHANGE)

| Date | Topic | Speaker | Assignments and Deliverables |
|-------|---|------------------------|---|
| 9/1 | Course Introduction & Guest Speakers | | MicroFridge |
| 9/8 | Introduction of team projects options | | |
| 9/15 | Intro to Business Model Canvas & Customer Development | TBD | Evaluate Projects, Select Team Projects |
| 9/8 | Value Proposition | TBD | Customer discovery annotations |
| 9/15 | Customer Segments | TBD | Mock Interviews |
| 9/22 | Distribution Channels | TBD | Update Customer Discovery Narratives |
| 9/29 | Customer Relationships (Get/Keep/Grow) Part 1 | TBD | Industry Analysis & Trends |
| 10/6 | Customer Relationships (Get/Keep/Grow) Part 2 | TBD | Professional Interviews |
| 10/13 | Revenue Streams | TBD | Strategic Position & Risk Analysis/Preliminary Plan 1 |
| 10/20 | Partners | TBD | Target Market Analysis |
| 10/27 | Resources, Activities, and Costs | TBD | Operations & Technology Plan |
| 11/3 | Resources & Costs | TBD | Feasibility Analysis |
| 11/10 | Approaching Investors - Balance Sheets | TBD | Three year projection /Preliminary Plan 2 |
| 11/17 | Practice Presentations | Practice Presentations | Peer Review |
| 11/24 | <i>No Class - Thanksgiving</i> | | |
| 12/1 | | | Preliminary Plan 3 (Financials) |
| 12/8 | Final Presentations | In-Class Presentation | Final Plan Submission & Presentation |

CLASS CONDUCT & UNIVERSITY POLICIES

Academic Misconduct—Academic integrity is a legitimate concern for every member of the campus community; all share in upholding the fundamental values of honesty, trust, respect, fairness, responsibility and professionalism. By choosing to join the UNLV community, students accept the expectations of the Student Academic Misconduct Policy and are encouraged when faced with choices to always take the ethical path. Students enrolling in UNLV assume the obligation to conduct themselves in a manner compatible with UNLV's function as an educational institution.

An example of academic misconduct is plagiarism. Plagiarism is using the words or ideas of another, from the Internet or any source, without proper citation of the sources. See the Student Academic Misconduct Policy (approved December 9, 2005) located at: <https://www.unlv.edu/studentconduct/student-conduct>.

Copyright—The University requires all members of the University Community to familiarize themselves with and to follow copyright and fair use requirements. You are individually and solely responsible for violations of copyright and fair use laws. The university will neither protect nor defend you nor assume any responsibility for employee or student violations of fair use laws. Violations of copyright laws could subject you to federal and state civil penalties and criminal liability, as well as disciplinary action under University policies. Additional information can be found at: <http://www.unlv.edu/provost/copyright>.

Disability Resource Center (DRC)—The UNLV Disability Resource Center (SSC-A 143, <http://drc.unlv.edu/>, 702-895-0866) provides resources for students with disabilities. If you feel that you have a disability, please make an appointment with a Disabilities Specialist at the DRC to discuss what options may be available to you. If you are registered with the UNLV Disability Resource Center, bring your Academic Accommodation Plan from the DRC to the instructor during office hours so that you may work together to develop strategies for implementing the accommodations to meet both your needs and the requirements of the course. Any information you provide is private and will be treated as such. To maintain the confidentiality of your request, please do not approach the instructor in front of others to discuss your accommodation needs.

Religious Holidays Policy—Any student missing class quizzes, examinations, or any other class or lab work because of observance of religious holidays shall be given an opportunity during that semester to make up missed work. The make-up will apply to the religious holiday absence only. It shall be the responsibility of the student to notify the instructor within the first 14 calendar days of the course for fall and spring courses (excepting modular courses), or within the first 7 calendar days of the course for summer and modular courses, of his or her intention to participate in religious holidays which do not fall on state holidays or periods of class recess. For additional information, please visit: <http://catalog.unlv.edu/content.php?catoid=6&navoid=531>.

Transparency in Learning and Teaching—The University encourages application of the transparency method of constructing assignments for student success. Please see these two links for further information: <https://www.unlv.edu/provost/teachingandlearning>
<https://www.unlv.edu/provost/transparency>

Incomplete Grades—The grade of I—Incomplete—can be granted when a student has satisfactorily completed three-fourths of course work for that semester/session but for reason(s) beyond the student's control, and acceptable to the instructor, cannot complete the last part of the course, and the instructor believes that the student can finish the course without repeating it. The incomplete work must be made up before the end of the following regular semester for undergraduate courses. Graduate students receiving

“I” grades in 500-, 600-, or 700-level courses have up to one calendar year to complete the work, at the discretion of the instructor. If course requirements are not completed within the time indicated, a grade of F will be recorded and the GPA will be adjusted accordingly. Students who are fulfilling an Incomplete do not register for the course but make individual arrangements with the instructor who assigned the I grade.

Library—Students may consult with a librarian on research needs. For this class, the subject librarian is https://www.library.unlv.edu/contact/librarians_by_subject. UNLV Libraries provides resources to support students’ access to information. Discovery, access, and use of information are vital skills for academic work and for successful post-college life. Access library resources and ask questions at <https://www.library.unlv.edu/>.

Tutoring and Coaching—The Academic Success Center (ASC) provides tutoring, academic success coaching and other academic assistance for all UNLV undergraduate students. For information regarding tutoring subjects, tutoring times, and other ASC programs and services, visit <http://www.unlv.edu/asc> or call 702-895-3177. The ASC building is located across from the Student Services Complex (SSC). Academic success coaching is located on the second floor of the SSC (ASC Coaching Spot). Drop-in tutoring is located on the second floor of the Lied Library and College of Engineering TEB second floor.

UNLV Writing Center—One-on-one or small group assistance with writing is available free of charge to UNLV students at the Writing Center, located in CDC-3-301. Although walk-in consultations are sometimes available, students with appointments will receive priority assistance. Appointments may be made in person or by calling 702-895-3908. The student’s Rebel ID Card, a copy of the assignment (if possible), and two copies of any writing to be reviewed are requested for the consultation. More information can be found at: <http://writingcenter.unlv.edu/>.

Rebelmail—By policy, faculty and staff should e-mail students’ Rebelmail accounts only. Rebelmail is UNLV’s official e-mail system for students. It is one of the primary ways students receive official university communication such as information about deadlines, major campus events, and announcements. All UNLV students receive a Rebelmail account after they have been admitted to the university. Students’ e-mail prefixes are listed on class rosters. The suffix is always @unlv.nevada.edu. Emailing within WebCampus is acceptable.

Final Examinations—The University requires that final exams given at the end of a course occur at the time and on the day specified in the final exam schedule. See the schedule at: <http://www.unlv.edu/registrar/calendars>.