



University of California, Santa Barbara
Business Planning for New Technology Ventures

ENGR185/285C, Spring 2006

Professor Gary S. Hansen

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CLASS: Wed., 6 – 10:00 PM

CLASSROOM: ESB 2001

OFFICE HRS: by appointment

This is a course about conceiving, creating and implementing business plans. We will focus on the business plans needed for start-up companies or for new ventures within existing businesses. But, this course is not about simply writing of a lengthy formal “plan”; rather it is about first developing solid business ideas rooted in identifiable business principles, creating a viable business model, and finally communicating that model through a written document to acquire critical tangible and intangible resources. We will include non-traditional planning topics such as the theory of constraints, franchising, just-in-time management, innovation “S” curves, tipping points, leadership and other topics of operational excellence that need to be addressed in the planning phase.

The course has three elements. First, every participant must have a business idea that has passed some initial screening of viability so that a business plan can be developed and improved each week of the course. **Goal 1: To develop a fundable business plan by early June.**

Second, each participant will be expected to present to the class each week the current status of his/her plan and to propose the next critical tasks in its development. The class will then take on the role of “consultants” and practice finding solutions to each other’s “current” planning issues. **Goal 2: To practice presenting business issues, plans and solutions in real time, to be exposed to common planning problems, and to develop protocols for finding solutions.**

Third, in order to create viable business models, one must be current in the business literature and language. In order to accomplish this, we will read several of the most respected works on strategic thinking, marketing, and planning and invite business leaders to join us in the discussion of these works. **Goal 3: To become familiar with the leading business literature relevant to current new venture planning, to gain a familiarity with how executives and key decision makers think and act, and to build our individual “strategic business perspective.”**

Grading will be determined by the progress and completeness of the business plan, the quality and extent of ones’ participation in helping others solve their business planning issues, and the quality and extent of knowledge demonstrated from the readings/discussions. In addition to the business plan, there will be one individual paper, drawing from the readings and discussions about how best to develop a dynamic, current, useful business plan.

READINGS:

(I strongly suggest that you buy these immediately either at your local book store or at Amazon. Don't delay. They will not be at the UCSAB bookstore.)

The 7 Habits of Highly Effective People, Stephen R. Covey, Free Press, 1989, 2004.

The E-Myth Revisited: Why Most Small Businesses Don't Work and What to do about it, Michael E. Gerber, Harper Business, 2nd Edition, 2001.

Good to Great, Collins, Harper, 2001.

Crossing the Chasm: Marketing and Selling High-Tech Products to Mainstream Customers, Moore, Harper Perennial, 1991.

The Tipping Point: How Little Things Can Make a Big Difference, Malcom Gladwell, Little Brown and Company, 2002.

The Innovator's Dilemma, Clayton M. Christensen, Harper Business, 2000.

They Made America: Two Centuries of Innovators from the Steam Engine to the Search Engine, Harold Evans, Little Brown, 2004. (Don't buy this one, until after the first class.)

The Leadership Challenge, James M. Kouzes & Barry Z. Posner, 2003.

SUPPLEMENTAL READINGS:

Principles of Marketing, 9th Edition, Philip Kotler and Gary Armstrong, Prentice Hall.
Analysis for Financial Management, Robert Higgins, 6th Edition, Irwin McGraw Hill.

GRADING:

Class Participation	30%
Paper on New Venture Planning	30%
Business Plan	30%
Leading class discussion	10%

In addition to attending and actively participating in each class, you need to turn in two written documents. The first is a business plan. Even if you won the B-Plan competition, the plan must be an updated version of anything I or any judges have seen. I expect full financials, executive summary, and a fully developed business model consistent with the readings of this course. Put a cover page on the plan and telling me the strengths and weaknesses of the document (your chance to set expectations).

The second document is a paper between 5 and 10 pages. It is to be written by each student independently. It should provide a summary and an integration of all the readings for this course and how they apply to the process of creating, presenting and implementing a new venture business plan.

Participants will also be expected to have fun!

Harvard Case Purchase:

Professor Information:

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Course Information:

Course Name: Business Plan
Course Number: ENGR185/285C
Course Level: NON_BUS_GRAD
Course Start Date: 04/2006
Expected Enrollment: 25
Reference Code: c90314
Professor Display Names: GARY HANSEN
Student Access URL:
<http://harvardbusinessonline.hbsp.harvard.edu/relay.jhtml?name=cp&c=c90314>

Product Information:

Product #: 97409
Product Format: Sealed Electronic Download
Product Title: How to Write a Great Business Plan
Product Type: Harvard Business Review Article
Publisher: Harvard Business School Publishing

Product #: 85503
Product Format: Sealed Electronic Download
Product Title: Milestones for Successful Venture Planning
Product Type: Harvard Business Review Article
Publisher: Harvard Business School Publishing

Product #: 9-386-075
Product Format: Sealed Electronic Download
Product Title: Pre-Start Analysis: A Framework for Thinking About Business Ventures
Product Type: Note
Publisher: Harvard Business School Publishing

**Business Plans that Get Funded
Course Outline and Schedule (Spring 2006)**

April 5

Team Organizational Meeting – outline course and create study plans

Business Planning Basics

Prepare a planning “milestone” guide for the quarter.

Required Reading:

How to Write a Great Business Plan, William A. Sahlman, HBR, July-Aug 1997, (97409).

Milestones for successful Venture Planning, Zenas Block & Ian C. Macmillan, HBR, Sept. – Oct. 1985, (85503).

Pre-Start Analysis, HBS, (9-386-075).

Supplemental Reading:

Spend a Day in the Life of Your Customer, Francis J. Guillard & Frederick D. Sturdivant, HBR, Jan – Feb 1994, (94103).

Note on Market Definition and Segmentation, HBS, (9-579-083).

Marketing Myopia, Theodore Levitt, HBR, Sept. – Oct. 1975, (75507)

April 12

The Discipline of Success

Read:

The 7 Habits of Highly Effective People, Covey

April 19 (Class will be held in Engineering 1, RM 2114)

Business vs. Hobby

Prepare an executive summary and elevator pitch on your business idea.

Read:

The E-Myth, Gerber

Are you an entrepreneur, a manager or a technician? Why? What lessons of this book apply to your business?

April 26

Building or Building Great (Byron Myers & Brenton Taylor)

Read:

Good to Great, Collins

May 3 (Class will be held in the Engineering II Pavillion)

Market Selection and Product to Market

Read:

Crossing the Chasm: Marketing and Selling High-Tech products to Mainstream Customers, Moore.

May 10

Planning for Growth, Rapid Growth

Read:

The Tipping Point: How Little Things Can Make a Big Difference, Gladwell.

May 17

Technology Cycles and Entry Strategies (Richard Zulch)

Read:

The Innovators Dilemma, Christensen.

May 24

TMP Business Plan Competition

Attend, take notes, cheer for the class favorites!

Corwin Pavilion, 3:00 – 6:30 PM

May 31

“I won, what do I do now?” Party

Read:

They Made America: Two Centuries of Innovators from the Steam Engine to the Search Engine, Evans.

June 7

Leadership

Read:

The Leadership Challenge, James M. Kouzes and Barry Z. Posner, 2003.

Book Presentation Assignments

April 12 **The 7 Habits of Highly Effective People, Covey**

Ryan, Katharine, Anand, Simon

April 19 ***The E-Myth*, Gerber**

Natalie, Christine, Jessica

April 26 ***Good to Great*, Collins**

Brett, Ben, Ronny

May 3 ***Crossing the Chasm: Marketing and Selling High-Tech products to Mainstream Customers*, Moore.**

David, Marshal

May 10 ***The Tipping Point: How Little Things Can Make a Big Difference*, Gladwell.**

Christopher Mata, Jonathan, Gabriel

May 17 ***The Innovators Dilemma*, Christensen.**

Shahin, Chris Verke, Tam

May 31 ***They Made America: Two Centuries of Innovators from the Steam Engine to the Search Engine*, Evans.**

Eran, Ajay, Chad

June 7 ***The Leadership Challenge*, James M. Kouzes and Barry Z. Posner, 2003.**

Brad, Katrise, Simon

Business Presentation Assignments

April 12

Digital Health – Ryan and Gabe

KarbonBoard – Tom and Jessica

Laptop Case – Ronny, Christopher Mata, Simon, Marshal

April 19

Bike Racks - Katharine, Brett, and Anand

EMT – Eran, Ajay, Chad, Anand

Neighborhood Handyman - David

April 26

Sheer Technologies- Johnathan

VeriTint- Brad

SafetyNet – Chris Verke, Shahin

May 3

Women Inc- Natalie, Christine

Save10Million – Ben

Lucidix - Tam

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