

## The DTU Master Student's Guide to the Entrepreneurial Course at DTU

Course 42435, E06

# Knowledge based Entrepreneurship

10 recommendations

August 2006

This is a User's Manual, which allows you to increase your benefits from participating in the DTU entrepreneurial course considerably.

But you need to read it before it works!

### We need to know You better

We need to know your coordinates, a little about your personality and whether you are already part of a team or looking for one. If you have a business idea already, and you plan to develop it as part of this course: please tell us. The course ID form is available at the site, and you may [click here](#). ID forms on paper are also handed out at first lecture – and collected. And the lecture room is #45, build. 303. (The Math – box)

Best for us: download the ID-form, print it out, fill it and give it to us at first lecture. That will allow us to establish teams before 2. lecture, and you will gain a full week of valuable time.

### Getting into a group

Entrepreneurship is a team-sport, and you have to join a group to conclude this course. If you are not already part of one, please use the ID form to specify your needs to allow us to find a proper match for you

### Pedagogies and didactics.

The course builds on traditional university didactics in a slightly modified form: that is lectures with frequent breaks to allow for questions and debates.

We will invite some quest lectures to achieve insight in current conditions for financing high-tech ventures and to learn from real-life experiences.

Their knowledge is often not available in any other than the verbal form, and they often disseminate highly valuable experiences, insight, news and disclosures that will allow you to interact efficiently and wisely with venture capital or to exercise business management in an appropriate and timely manner. Demonstrating good command of the information rendered at lectures certainly also impacts your marks at exam. So:

**Recommendation #1: *don't miss the lectures if you possibly can.*** We accept you not being there, however, if you have to go to a funeral: you own!

The textbook is being updated as we go. Since it still is not available in a printed form, you may [get](#) the latest update at the course web site at any time during the course. For your own personal use, mind you.

## **The Team + the Advisors**

Your group is going to produce a business plan in a parallel to the lectures. We know from earlier traumatic experiences, that small groups and groups, starting late, run into work overload problems. Don't be the next sample, so:

Recommendation #2: **4 – 5 members is a good team-size.** Try to recruit up to that.

You are probably highly trained in group- and project work already. Use your skills! Organize the group, share the work, take responsibility, appoint a helmsman, meet regularly, be accessible and practise good project management. So:

Recommendation #3: **get your team up and running from day one.** (Thursday 14/9)

Coaches and mentors will be available throughout the course until exam. Maybe even after, if you're a serious entrepreneur, so:

Recommendation #4: **get yourself one or more senior advisors.** IPL Greenhouse+ has access to such people. Ask us.

## **The Project plan**

The project will typically include two milestones and three work periods:

Kick-off: the team is formed. (No later than Thursday, 14 September)

1. The quest for the business opportunity and the idea: the transformation via rough estimates and quick calculations into a business model

First milestone: Product/service + Business model are fixed

2. Research and analysis: the assumptions are verified, hypotheses are substantiated. The marketplace materializes.

Second milestone: The information needed to develop an action plan is available.

3. Business planning: from sketch to action plan, resource plan, time schedule and budget.

Termination: Go-No go decision + pitching the project at exam.

Each task takes its time. In particular: do not rush for the right idea. The first work period is usually a highly frustrating one, and groups tend to jump to the first viable idea that comes into view. Reduce the risk of a clearly better candidate materializing after point of no return by being persistent! So:

Recommendation #5 **allow three weeks from kick-off to finalise your portfolio of ideas, to select the most perspective and to develop a business concept. Spend an-**

**other two – three weeks doing market research, and finally use three to four weeks to finalize your business plan and your presentation.**

Here is a tentative time schedule:

Kick-off:	Week 37	Team formed.	14 September
1. milestone:	Week 40	Product /business concept OK	5 October
2. milestone	Week 43	Market research finalised	26 October
Project deadline:	Week 48	Business plan completed	30 November

You have access to vocational guidance throughout the project period.

### **The Business Idea**

Getting the right idea is probably the most complicated part of being a successful entrepreneur. You may however prepare yourself for the challenge by introducing a few principles and filtering criteria – which we will address in the first lecture. To get you started: here they are:

1. Your professional skills must be fully exploited in the development and marketing of your product/service. This is mandatory in this course. We don't want you to spend 5 years in higher education to start a travel agency or an ethnic bakery. Your competitive strength is embedded between your ears. Use it – or lose it.
2. Look for the "pain". No pain: no company. You must identify a clear need for your product/service, You must be able to clearly explain the values that your solution to the problem creates for your customer, and then you need to quantify your value proposition. At the beginning you may have to guess a lot, but later in the business planning process you need to be more specific. If you can do that, you win!
3. Last, not least: keep your business model simple and focussed. That makes your project easier to plan, easier to communicate and easier to execute. (Tony Blair: "If you cannot communicate your policy, you cannot execute it. Same goes for business start-up projects.) So:

**Recommendation #6: *apply the KISS maxim (Keep It Simple Stupid) to your business model, while staying competitive on advanced knowledge, and solving real problems for real customers in a way that creates non-trivial values.*** Quite simple, right?!

### **The Business Plan**

The internet is loaded with templates, literature, samples etc. Just try the links at [www.entrepreneur.dk](http://www.entrepreneur.dk) or make a search on Google and find yourself a suitable template that fits your specific professional domain.

The textbook for this course, which is also available from [the course website](#), includes a section on business planning, designed to be used as a template, for your convenience. You may download it in a MS-WORD format and start writing in it.

**Recommendation #7:** *You don't need to build your own business plan from scratch. Save some time by downloading a template. [www.entrepreneur.dk](http://www.entrepreneur.dk) offers a battle proven sample which works OK in most cases.*

## **Economy**

A budget on cash flow is mandatory. More budgets are considered an asset. We will look into that in one of the lectures. But since cash is as essential to your company as gasoline is to your car, you better get that budget right – or your engine will stop in the middle of the race. So:

**Recommendation #8:** *put some emphasis on establishing a credible cash flow budget.* Some spreadsheet models are available from the course web-site.

## **Crash Landing is not an Option**

Sometimes at the end of an analysis and planning period, it turns out, that the venture doesn't work. Do not panic, however, if by the end of the course, you cannot get your company up and flying because it turns out that the market potential and the revenue generated from it is so little, that cash goes negative. In real life, you would have to modify your business idea and/or your business model and start planning all over again. In this course, you have to present your results at a fixed date so you cannot start from scratch. And we have given top marks to crews that concluded that their project was the direct and fastest way to bankruptcy – and hence dropped it. This is just as important to conclude as the opposite - and also a more difficult conclusion to accept and present.

## **Exams**

The final highlight of this course is your 20 minutes pitch to the teacher and the censor, disguised as investors, whom you desperately need to put some cash into your venture. The oral presentation counts for 1/3 while the business plan counts 2/3.

In general, the oral presentation tends to increase marks. So:

**Recommendations #9:** *prepare a persuasive presentation of your business case.* We will discuss how by the end of the course.

By the end of the course, we hope that you start considering in earnest if this venture is worth launching - once you have achieved your Masters degree, mind you!

## **Practical details**

Deliverables: Business plan with annexes, hand outs etc. is submitted as PDF or WORD or EXCEL files – via mail-attachments, CD-ROMs or USB sticks. No paper, please!

Deadline for submitting your business plan is Thursday, 14 December 12:00 to [johe@ipl.dtu.dk](mailto:johe@ipl.dtu.dk) or send your CD-ROM to me or pass by with a USB stick, build. 424, ground floor, East wing.

Exams: 22 December from 08:00 a.m... Details on location and schedule to follow. Exams plan will be uploaded to [the course web site](#) and to the CampusNet and broadcasted to everybody. So don't worry you will get it – or it will get you!!

## Communications

A summary of each lecture will be broadcasted to the participants the day before.

The CampusNet will be set up with proper rights to everybody to allow chat, file sharing etc.

All materials will be uploaded to [www.entrepreneur.dk](http://www.entrepreneur.dk) and to CampusNet. So:

Recommandation #10: ***check your mailbox the day before each lecture and get your stuff at [www.entrepreneur.dk](http://www.entrepreneur.dk) and the CampusNet before we start.***

Looking very much forward to seeing you

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