Entrepreneurial Mindset and Action (Fuqintrd 698)
2023 Daytime MBA – Summer Term

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Classroom: MBA2008 (for Classes 1 and 6) and Kirby Reading Room (for Classes 2, 3, 4, 5)

Course website: https://fuqua.instructure.com/courses/2775

Entrepreneurial Mindset and Action (EMA) Course Objective

Business today requires leaders with an innovative spirit combined with the ability to see opportunities, create value, and marshal resources to solve big problems for the benefit of their companies, customers, and society. The EMA course will help you develop these perspectives and skills through experiential learning activities. It is designed to equip you to innovate in entrepreneurial ventures and in established organizations across for-profit and non-profit contexts.

EMA Guiding Processes and Principles

This course is organized around key processes and principles of successful entrepreneurship. The processes reflect Duke Innovation and Entrepreneurship activities associated with “discover, develop, and deliver” and involve key steps in managing successful innovation. The principles are designed to help you avoid common pitfalls that undermine many entrepreneurial activities. Innovating often involves uncertainty and making decisions with limited information. These principles will help you manage this uncertainty by adopting certain ways of thinking and acting. The principles are: (1) prioritize deep customer focus and listening; (2) interrogate assumptions; (3) test your ideas through prototyping and pivot when necessary; (4) adopt a bias for action; (5) build resources to succeed—don’t fly solo; and (6) be resilient and learn from failure. While these principles may seem obvious at first glance, they can be challenging to implement in practice. Course activities are designed to teach you how to use these processes and act on these principles.

Learning Objectives

By the end of the course, you will learn the steps needed to take an entrepreneurial venture from inception through pitch and to:

- use research to uncover unmet customer needs and opportunities
- employ design thinking techniques to develop innovation concepts
- develop innovative solutions by prototyping and experimenting
- overcome mind-set barriers that inhibit successful innovation
- evaluate business opportunities
- assess funding options and develop a plan for securing resources
- pitch your ideas
- leverage the entrepreneurial environment and resources at Fuqua and Duke
- work effectively in diverse teams

Course Materials

- Course packet of cases and readings
- Harvard Business School Publishing cases and simulations. You will be able to access these through https://hbsp.harvard.edu/. You will receive a login and a password for accessing these materials on the HBS website.

Course Assessment

We expect all students to (1) attend every class prepared to make meaningful contributions to class discussions, (2) complete required assignments on time, and (3) contribute to their teams for class assignments.

An Entrepreneurial Venture (EV) Project lies at the heart of this course. This EV Project will involve taking an idea from inception through investor pitch and use in-class activities, out-of-class assignments, and readings to teach you key concepts, frameworks, and skills that will guide you on the project.

Given the EV Project and the experiential basis of the course, we will not have a mid-term or final exam. Instead, grading is based on case-based assignments (15%), EV preparatory assignments (40%), and the EV final project (45%). The table below contains information on all assignments, including due dates, weighting, and whether they are completed by the individual student or team.

Assessment Type	Assignment	Due Date and Time	Weight/ Team (T)- Individual (I)
Case-based Assignments (25%)	Posse Ride Customer Immersion	8/7: 10AM	10% (I)
	Pizza Experience Innovation Pitch	8/10-8/11: 1 hour before your class	5% (I)
EV Preparatory Assignments (35%)	EV Project Sector Selection	8/9: 10PM	Not graded (T)
	EV Project Research Description	8/14-8/15: 1 hour before your class	15% (I)
	EV Project Prototyping Preparation	8/17-8/18: 1 hour before your class	10% (I)
	EV Project Proposal	8/20: 8PM	5% (T, Pass/Fail)
	EV Project Proposal Feedback	8/23: 3PM	10% (I)
EV Project Final Deliverables (40%)	EV Project Pitch	8/31: 3PM	10% (T)
	EV Project Deck	8/31: 3PM	35% (T)
	EV Project Evaluation of Feedback	8/31: 9PM	Not graded (I)

Course assessment notes:

- Each assignment will be scored 0-3 and then scaled to its weight for your final grade. For example, if the weight of the assignment is 10% and you score 2, you will receive 2/3*10 points at the end of the term. You will see a score of 0-3 on Canvas and this will be converted to points for your final grade.
- All assignments are submitted through the course website in Canvas. Bring a paper copy of the assignment to class for reference during the class discussion.
- After a 15-minute grace period, late work will receive a grade of zero—no exceptions.
- Final grades are required to follow Fuqua's recommended distribution for core courses: SP (no more than 25%), HP (no more than 40%), and P, LP, F (at least 35%).
- Students will work in their C-LEAD teams for all team-related assignments.
- At the end of the course, students will be asked to evaluate other team members' contributions to all teamwork. If there is general agreement that a member has not adequately contributed, team points will be adjusted to reflect this before determining final course performance. Students will be asked to assign up to 100 points for each team member and the average of these submitted scores will be

calculated. A score of 100 is used to reflect that a student has pulled his or her weight on the team and the student will receive 100% of team points for his/her final grade. If, on the other hand, the average of these scores is 90, the student will receive 90% of the team points for his/her final grade.

The Entrepreneurial Venture (EV) Project

The EV Project involves developing a new concept for an innovation. We will use in-class activities, out-of-class assignments, and readings to guide you through this process. Key aspects of the innovation process will be taught, including research tools, design thinking skills, and prototyping activities. Together with readings and lectures, these class activities will equip you to develop your innovation, determine your target customer and business model, identify revenues and costs, and attract investors. This project will be completed by your C-LEAD team.

As detailed in the syllabus, five intermediate EV Project activities are designed to support your progress: EV Project Sector Selection, EV Project Research Description, EV Project Prototyping Preparation, EV Project Proposal, and EV Project Proposal Feedback.

The final EV Project deliverables are described in detail in the EV Project Guidelines in Canvas. These include the EV Project Deck, which addresses key topics covered in the course, and the EV Project Pitch, which is a two-minute video pitching your idea to investors.

Course TAs

Teaching assistants are an integral part of the success of this course. They assist in grading assignments, posting scores, and helping run workshops. If you have questions about any aspect of the course, including your scores, please contact us directly—not the TAs.

MBA Teaching Assistants: Alyssa Barnea, Daniela Benzaquen, Alison Bergmann, Austin Brandt, Alexander Dobrinov, Yuval Dekel, Annie Forrest, Sarah Gillman, Theresa Huckleberry, Tanner Hintze, Sofie Jacobs, Ayushi Jain, Binuk Kodituwakku, Greg Levin, Clara Rigou, Joyce Shin, Bhavna Tripathy, Ryan Van Slyke, and Brandon Yip.

Ph.D. Teaching Assistants: Demi Oba, Jackie Pan, Megan Trillo, and Henry Chen.

Class Attendance and Participation

We expect you to attend every class with your assigned section and to sit in the same seat. The former is necessary because team activities will occur in Classes 2-5. The latter is helpful because it will allow us to quickly get to know you and learn your name. However, if an insurmountable conflict arises and you must attend another session for Classes 1 or 6, please let us know you are visiting from a different class. We recommend that you stay in the back of class until just before it begins so you do not take a seat used by another student. When we are nearly ready to begin, you can quickly find a seat.

Given the experiential nature of the class, we have decided that students should not be graded on participation for EMA. There are just too few opportunities when the class meets in a traditional manner. Given this, we will use attendance and participation only for borderline grade decisions. Attendance information will be collected via the Fuqua Check-in app that is being used across classes at Fuqua.

Although not a formal part of your grade, we expect you to be actively involved in class activities and discussions. This means asking questions and sharing your opinions, ideas, and experiences. Here are a few tips:

- Focus on offering the highest quality comments and questions in class. Quality should be emphasized over quantity.
- Come prepared to each class having thoughtfully considered the readings and cases.
- If you have already participated on a topic and have your hand up, we will call on other students for that topic. Don't take this personally.
- We reserve the right to cold call students in class. We will do so in each class to foster student engagement. If you draw a blank, you can simply say "I need to pass on that question."
- We encourage you to participate by posting to the class discussion board after class. Sharing your experiences and examples for a given topic is a great way to contribute to the learning experience. The Discussion Board for a given class will be released at the end of the second day for that class.
- We will also have a designated "EV Project" Board that will be information-only and not for discussion purposes. Watch this board carefully for EV Project-related announcements.
- Use your Fuqua-issued name placard during Classes 1 and 6 so we and your classmates can get acquainted with you more easily. If you forget yours, we will have spare name placards in the front of class. We will use name tags in Classes 2-5 given you will be working at round tables in Kirby.
- If you must miss class for an extraordinary reason, report it in Canvas using the "Absences" link on the left side of the course page. You do not need to email your professor. Recordings of all classes are made available via Panopto *after* the final section of a class ends.

Classroom Norms

This class will observe Fuqua classroom norms associated with *promptness*, *courtesy*, and *preparedness*. These norms express and preserve the underlying value of the classroom experience. These norms have been developed in conjunction with students over the years and are implemented in all classes. A complete description of these norms can be found on the course Canvas site.

As a quick review, we will begin and end class on time. Be in your seat, on time, at the beginning of class, and after breaks. If you arrive late, please take a seat at the back of the room until a break or a time when you can move to your seat without disrupting the class. Hand-held devices or laptops cannot be used in class and only beverages may be brought into the classroom. Your level of preparedness is important to the class. In class, raising your hand, listening carefully, and not interrupting one another will make the class more effective and fun for all.

Meeting in Kirby Reading Room

Given the experiential nature of the class, we will use Kirby Reading Room to take you through several workshop experiences and simulations. We have round tables set up for Classes 2-5. When you enter, find a table for your team. If your team has six members, bring an extra chair from the perimeter. We have found that it helps if all bags are left in this perimeter area to avoid too much congestion around the tables. There will be name tags on each table for you and your team to use during these sessions because your normal Fuqua-issued name placards will not work.

Preparing and Submitting Assignments

The Harley-Davidson Posse Ride Customer Immersion assignment uses the type of case you will process in your MBA program (most are paper cases, while this unique case is multimedia to allow for customer interviews and photos). Cases describe ambiguous business problems. In nearly all situations, a case will represent your first exposure to a particular problem. Solutions will not be straightforward.

Important: *When solving cases, do not look up material about the company (on the web or in reference materials) before working on the case or discussing it in class.* Doing so is considered an Honor Code violation. The syllabus contains details on the length of the assignment, due date, and whether it is individual or team. *Teams should not meet to discuss the individual assignments.*

To complete all assignments, download and complete the assignment form in Canvas. Once ready, upload it into Canvas where the assignment will be graded. You can use either PDF or WORD for your submissions. Given you have a restricted number of words, focus on answering the assigned questions and nothing more—a lengthy introduction is not necessary. In our experience, points tend to be lost for three reasons: (1) part of the assignment is not answered; (2) inadequate depth; or (3) work is not carefully proofed or track changes are left in the document. Inadequate depth usually occurs because too many ideas are offered. Select a few ideas, describe them in sufficient detail, and justify them effectively. More than 2-3 ideas is probably too many. Late assignments will receive a grade of zero.

Course Announcements

We will post announcements in Canvas under "Announcements." To ensure you receive the announcements as email notifications, please go to "Account-Notifications" and verify that you have your "Announcement Notification" set to "ASAP." We will post announcements after class to note any follow-ups (e.g., Follow-up to Class 1) and before a class as a look-ahead (e.g., Looking Ahead to Class 2).

The Honor Code

The Fuqua Honor Code applies to all aspects of this course. With the exception of using outside reference materials for the final project, you may not use notes or materials (including conversations and internet content) from any source other than current-year course materials to prepare for class or to complete any graded assignment. This means you should not look for information about the companies we examine in our case studies, assignments, or in-class experiences before class unless otherwise released from this obligation by your professors. Do not share information about course activities with students in other sections outside of class because this may reduce the value of the experience for them. If you ever have a doubt or a question regarding how the Honor Code applies to any aspect of this course, please contact us.

Course Calendar (see next page and summary on final page)

DISCOVER

CLASS 1: August 7-8 (Moorman)
Location: MBA2008 Classroom

Prioritizing Deep Customer Focus and Listening

Why is This Topic Important to EMA?

Innovation requires that you deeply understand your customers. This means going deep into their lives and businesses to identify unmet needs and "walking in the customer's shoes" to identify new opportunities. This is rarely accomplished through surveys and experiments alone and instead requires engaging with customers in their natural environments and striving to understand what they are thinking and feeling. This can lead to important discoveries. Understanding your customers and gaining insight is an ongoing process throughout the entrepreneurial journey.

We will use a case and readings to examine this topic. The "An Anthropologist Walks into a Bar" article provides examples of customer discovery tools and how they are used by companies. We will study the Harley-Davidson Posse Ride case in which managers ride with Harley owners on a road rally. The case includes videos of riders talking in detail about the product and the experience. This is a one-of-a-kind case that adopts a clear strategy of deep customer focus. We will bring it into the present time period by considering how we can leverage insights from the case to grow the company.

Preparation:

- Video case: Building a Brand Community on the Harley-Davidson Posse Ride (HBS 501009-HTM-ENG). Important: To reach this video, go to http://hbsp.harvard.edu and log in with your Duke email ([first name].[last name] @duke.edu). Your section-specific password to access the website was emailed before the first week of class.[1]
- "An Anthropologist Walks into a Bar," *Harvard Business Review*.
- Giff Constable (2014), *Talking to Humans* (pages 11-43—a very easy read): You may find it useful to return to this reading in your preparation for Class 3.

Individual Assignment: Posse Ride Customer Immersion (Due 8/7, 10AM). Download the "Posse Ride Customer Immersion" file in Canvas to prepare your submission. Submit the completed file in Canvas before the due date/time and bring a copy to class. No outside sources should be used for this case.

EV Project Sector Selection: August 9, 10PM

Select the broad sector for the EV Project and have one member submit this choice in Canvas. The goal of this first step is get your team started on the project. The choices are: fashion, home, sports, pets, personal care, baby care, food and cooking, transportation, technology, and travel. Making a change later is not a problem. Once you have selected a broad sector, begin discussions about how you can narrow it a bit so you know what types of people to interview and what to observe. For example, if you select transportation, you might focus on improving public transportation. (*Continues next page)*

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[1] Once registered, click through three times: (1) Click on Coursepacks at the top of the screen; (2) Click on our course; and (3) Click on "View 'Multimedia Case" on the right-hand side of the title. Please try to open up the multimedia case well in advance of class. If you have technical problems: (1) Delete your cache and cookies and restart your browser using the following procedure (http://forio.com/hbp-support/how-to-cache.html) and (2) Ensure your browser settings are correct using: http://forio.com/hbp-support/#check/multimedia/omc. If you are still having issues, call 1-800-810-8858 (24 hours a day, 7 days a week).

Your innovation needs to be *B2C (business-to-consumer)*, meaning the primary customer is not a business. We require this to make the research process, which happens between Classes 2 and 3, easier on team members. We also require that you operate as if your innovation is emerging from a *for-profit* enterprise. This requirement will allow you to address all project guidelines, which include issues related to financing. Note that your innovation can also have a social impact (see EV Project guidelines).

DISCOVER

CLASS 2: August 10-11 (Moorman)
Location: Kirby Reading Room

Identifying Valuable Marketplace Opportunities

Why is This Topic Important to EMA?

Translating customer observations and interactions into insights that harbor opportunity for innovative solutions follows deep customer focus. This class builds on Class 1 by examining a set of tools for developing ideas and opportunities that create new value in the marketplace.

Preparation: This class requires several unique forms of preparation. These have been designed so we can use our class time to discuss and debrief what you learned.

- Clayton M. Christensen, Taddy Hall, Karen Dillon, and David S. Duncan (2016), "Know your Customers 'Jobs to be Done,'" *Harvard Business Review* (*Skim only to reinforce Class 1).*
- Blue Tree Exercise: You will be paired with 2 or 3 other class members and assigned a role via email—Dr. Lee Matthews, Professor Chris Richards, or an observer. If there are four people in your group, there will be two observers. Each role has an associated one-page brief. The observers will read both the Matthews and Richards briefs. You should set up a time to meet with your group outside of class for 15 minutes—no longer. This meeting can be electronic as long as you are face-to-face. During the meeting, Matthews and Richards will be involved in a discussion based on their briefs. Observers should stay quiet and make notes about what happened and stop the meeting at 15 minutes. Do not discuss what happens among your group members. (If your group has more than one observer, they should take notes independently and not discuss anything between themselves.) Do not discuss what happens with any other student in your section or any other section. We will debrief in class.
- Knowledge Transfer Exercise: Think about a typical doctor's visit and how it might be improved. To generate ideas, consider the strategies and business models of the following companies and industries: the App Store (Last name begins with A-E), Airbnb (F-L), financial services (M-R), grocery stores (Q-T), and the Apple Store (U-Z). Jot down a few ideas to share in class.
- Watch Steve Blank's "The Business Model Canvas: 9 Steps to Creating a Successful Business Model: Startup Tips" at https://warpwire.duke.edu/w/lc4FAA/ and take notes. This is a ten-minute video that introduces the all-important business model. To save you time, your Class 1 handout contains slides reflecting the content of this video and the core features of the business model canvas used in your EV Project. We will debrief in class.

Individual Assignment: Pizza Experience Innovation Pitch (Due 8/10 or 8/11: 1 hour before your class. Watch the "Introduction to Innovation Templates" video (20-minutes) at https://warpwire.duke.edu/w/09AFAA/. Download the "Pizza Innovation Pitch" file available in Canvas to prepare your submission. Submit the completed file in Canvas before the due date/time and bring a copy to class.

DEVELOP

CLASS 3: August 14-15 (Moorman)
Location: Kirby Reading Room

Developing Innovations to Serve Unmet Customer Needs
(In-class Design Thinking Workshop)

Why is This Topic Important to EMA?

Developing innovations that draw on customer insights is a process of divergence and convergence that involves being open to what your research is saying, developing “how might we” questions, brainstorming solutions, and forming concepts that leverage the offering and the business model to help customers get the job done. We will practice this entire process—often called the “design thinking process”—in a workshop-style class.

Design thinking is premised on the deep customer focus we observed in the Harley-Davidson case, in Steve Blank’s admonition to “Get out of the building,” in Constable’s book about “Talking to Humans,” and in the focus on the underlying “jobs to be done” studied in our first two classes. It involves using empathy and deep in-context experiences with customers to uncover unmet needs and jobs to be done that require new sources of value. This session has been developed to equip you with an understanding of design thinking tools for innovating in this class for the EV Project, in other classes at Fuqua, and in your jobs.

How to Approach the Design Thinking Workshop

Using your research inputs, we will simulate all of the steps in the design thinking workshop. You will move between class-level instruction where concepts and activities will be introduced and team-level practice at your individual tables where you will do the actual work.

Notes to make the session a success:

- You will perform a set of research activities (outlined below) before class, complete the individual research preparation assignment, and share your findings with your team before arriving for class (see class submission times in the syllabus). If you do not share findings with your team before class, your team will fall behind during the workshop—please be sure to take this step.
- You will work in your C-LEAD teams during class; do not attend a different session.
- Do not allow one person or a small group to dominate the conversation for this session. Be on the lookout for this in yourself and others and strive to quickly get a handle on it.
- Reminder to keep phones, email, and other social media activities off for these two hours. Go deep with your team and stay focused to generate the best ideas.
- Capture your activities on the pad of paper on your easels using the markers and sticky notes on your team table (don’t use regular pens as they are hard to read). Take a picture of each page you work on before removing it. During the workshop, you will be asked to make certain choices. Having photos of the pages will allow you to revisit the pages later with your team when you may want to repeat certain steps of the process.
- Stand up, move around, and keep the energy flowing. I may occasionally ask teams to stand up to bring more energy and focus to the exercise.

Reading Preparation: While the IDEO Guide (see the course pack) and the "How to Synthesize" video are required, the remainder of the linked methods should also be very helpful in guiding your research activities:

- IDEO Guide: "Planning Observations: What to Do."
- IDEO Design Kit Methods (https://www.designkit.org/methods.html) with a focus only on the "Inspiration" methods, which will be used in your research or discovery of customers' unmet needs and associated insights. Do not examine "Ideation" and "Implementation" until after Class 3 if you want more detail on these steps.[2]
- Watch "How to Synthesize Your Individual and Team Insights"—a 20-minute tutorial from IDEO Senior Director David Schonthal, Clinical Professor, Northwestern University (https://warpwire.duke.edu/w/5yUEAA/). David recommends that you work through this process with your team. This is not necessary because we will do this during the workshop.

Detailed Research Activities:

Perform the research activities 1-6 below before class. All team members are required to #1 and #2. Divide these rest of the activities among team members so that everyone has three activities (doubling up on activities 3-6 is not a problem). You do not need to use all of the bulleted tools, but use as many as you can to generate the best insights.

In all your research activities, keep an open mind. Collect observations, take photos/videos, and make detailed notes. These observations often come together in interesting ways to help you develop your innovation—it is difficult to tell what will be useful until you see all of your team's findings.

You may not yet know the target customer and this is challenging. Either pick a focus or do some initial interviews to make that choice. We encourage you to think about targeting underserved customers; for example, older adults or BIPOC people. If you pick a target customer and want to change later once you get more information, this is not a problem. Find the best customer for your innovation.

1. Interview 3-4 people about their experiences in the general area of the innovation.

    - Adopt the "documentary film maker" metaphor and explain that you would like them to describe their experiences using products and services in this area. Work to build a timeline of details related to the decision to use the offering by asking the person to "walk you through" what happened. This will provide a map of the "customer journey." Ask your informants to share what they do in the area, what they do not do, and when these activities occur. How do they feel? What are they thinking? What delights them? What frustrates them?
    - Be on the lookout for the job to be done or benefit the person was seeking in a situation. This will likely be unexpressed, but using the "Five Whys" will help you detect it (see details below).
    - Probe with empathy to gain an understanding of what happened, what struggles were encountered, what needs went unmet, and what is on the person's wish list.

Interview tips:

- Interview tips from the Design Kit: https://www.designkit.org/methods/interview.html and use of expert interviews: https://www.designkit.org/methods/expert-interview.html

[2] The Stanford Design School offers many tools you can review on your own when you have more time. A good source is the Design Thinking Bootleg (visit: https://dschool.stanford.edu/resources/design-thinking-bootleg and download the "D.School Bootleg Deck" on the right-hand side of the page).

- Demos of good1/good2 and weak interviews posted in Canvas. (These are a bit staged and dated, but observe how the interviewer builds rapport, asks open-ended questions, listens to what the interviewee is saying, and probes without leading)
- Reminders from Constable's book on pages 77-80 and the IDEO Guide.

Tools you might find useful:

- The Five Whys: https://www.designkit.org/methods/the-five-whys.html
- Extremes and mainstreams: https://www.designkit.org/methods/extremes-and-mainstreams.html. Interview people who do a lot or a little of this behavior; for example, consumers who go to four movies per month and those that go to one every few years.
- Customer journey maps: https://hbr.org/2010/11/using-customer-journey-maps-to
- Draw it: Ask people to draw what happened to them as they share information with you. Sometimes this can produce new information: https://www.designkit.org/methods/draw-it.html
- Collage: Have the person make a collage about their experiences in the area before the interview and ask them about the images they selected and what they mean: https://www.designkit.org/methods/collage.html

2. Visit the location where the person engages in this behavior. This might be, for example, the gym, the doctor's office, the mall or a store, a crafts room at their house, in online forums, or at a local shop or restaurant. Think about the McDonald's researchers from Harvard camping out at the restaurant for insights. Ideally you would do the interview and the visit at the same time. However, you might find it helpful to observe first and then do interviews after you understand what people are doing (or not doing). Regardless, have the person show you the context for the relevant behavior. For example, if you are focused on cooking, ask the person to show you their kitchen, their cooking instruments, their latest meals (including eating out), and anything else you see in that space that looks relevant. If you are using digital tools for the visit, have the person use a camera to show you their space and tools. If the location cannot be visited, have the person show you photos or take a video so you can see what is happening.

   - What motivates and interests these people?
   - What are their current activities in this area? When do different types of activities happen and why? Again, what is the job to be done and what gets in the way/helps it occur?
   - What are people creating on their own in this area? What types of make-shift solutions and short-cuts are they using to get the job done? This type of innovation usually points to important gaps that need to be filled.

   Tools you might find useful:

   - Immersion: https://www.designkit.org/methods/immersion.html
   - Guided tour: https://www.designkit.org/methods/guided-tour.html
   - Photojournal: You can use a modified version of this process by asking people to take photos while they are engaging in an activity or to share pictures they have already taken: https://www.designkit.org/methods/photojournal.html

3. Visit businesses, organizations, or platforms (in person and/or online) that are currently competing in this area. What opportunities or barriers do you see in these environments? What is the current array of offerings (across categories) that people use to get this job done (fill this need)?

4. Think about and try to visit other types of successful businesses, activities, platforms, and organizations that might provide inspiration to think about your innovation context in a unique way that might yield an innovation. Remember in class when we thought about improving the doctor visit from the perspective of Airbnb, the Apple Store, the App Store, grocery stores, and financial services? Experiment with different "industry" lens to identify ways to improve the customer's experience in the area of your innovation. One tool that can be helpful is analogous inspiration: https://www.designkit.org/methods/analogous-inspiration.html

5. Investigate how people engage with this innovation area online. What are they talking about? Posting? Creating? The tools in #1 and #2 can be used to engage with people as well as to perform a simple analysis of text. How are people interacting with these sites and stores? (You can interview people while they are on these sites for insight.)

6. Look at secondary research around the innovation area. What new trends, products, services, and experiences are influencing shifts in the industry? https://www.designkit.org/methods/secondary-research.html

EV Project Individual Assignment: EV Project Research Description (Due 8/14 or 8/15: 1 hour before your class). Download the "EV Project Research Description" file in Canvas to prepare your submission. Submit the completed file in Canvas before the due date/time and share with your team. Bring a copy to class because your research will be used for the first step in the design thinking workshop.

DEVELOP

CLASS 4: August 17-18 (Adelino)
Location: Kirby Reading Room

Prototyping as Disciplined Experimentation
(In-class Prototyping Workshop)

Why is This Topic Important to EMA?

Prototypes are constructed to communicate the concept and to give customers something to react to during the development process. Designing appropriate tests and showing low-fidelity prototypes to customers allows for efficient use of resources by identifying elements and ideas that miss the mark before substantial investments are made. Learning to obtain feedback from the people around you is a critical skill of bringing successful innovation projects to market.

In class we will work on developing Class 3 ideas (or others your team developed) into sketches that you can use to obtain customer feedback. We will focus on the "surface" along which your innovation meets the customer and start by quickly developing ideas for making specific parts of the innovation concrete. You will then convene as a team to select the best solutions and develop your first prototype. This will be a rough, low resolution version of your innovation, designed to get reactions from your classmates.

Individual Assignment: EV Project Prototyping Preparation (Due 8/17 or 8/18: 1 hour before your class). This assignment has 3 parts: (1) Define Target Customers; (2) Draw the Solution Map; and (3) Search for Analogous Offerings. Download the "EV Project Prototyping Preparation" file in Canvas to prepare your submission. Submit the completed file in Canvas before the due date/time and bring a copy to class.

Preparation:

- Jake Knapp, John Zeratsky and Braden Kowitz (2016), *Sprint: How to Solve Big Problems and Test New Ideas in Just Five Days*, Chapters 5 and 8.
- [Optional] Giff Constable (2018), *Testing with Humans*: https://testingwithhumans.com/ contains a link to a free version of the book for academic purposes.

How to Approach the Prototyping Workshop:

- As with the Design Thinking Workshop, you will work in your C-LEAD teams during class, so do not attend a different session.
- We will simulate steps in the prototyping process. Your team will move between class-level instruction where activities will be introduced and team work at your individual tables.
- Do not allow one person or a small group to dominate the conversation for this session. Be on the lookout for this in yourself and others and strive to quickly get a handle on it.
- Reminder to keep phones, email, and other social media activities off for these two hours.
- Stand up, move around, and keep the energy flowing.
- There will be a range of different types of materials available in class so your team can simulate the experience of customers interacting with your innovation.

EV Project Proposal: Team Assignment, August 20, 8PM

The EV Project Proposal is an opportunity to present the key elements of your EV Project to student peers for feedback. This proposal will reflect what you have learned in the Design Thinking and the Prototyping Workshops and your tentative ideas and directions.

This proposal and feedback have three teaching objectives. First, because many of the elements are similar to the final EV Project, this proposal will help your team make progress on the project. Second, 10-15 of your EMA classmates will give your team intermediate feedback on the proposal, which will allow you to make improvements for the final EV Project. Third, evaluating the quality of ideas and giving advisory input are two key activities that consultants, venture capitalists, product managers, and investment bankers looking at potential deals and strategy options are often asked to do in their work. This exercise will give you an opportunity to practice this skill while also benefiting your classmates.

The proposal will focus on four required elements—customer needs, the innovation, target market, and competitive differentiation. Download the "EV Project Proposal" file available in Canvas for complete details to prepare your submission. Submit the completed file in Canvas before the due date/time. This assignment will be graded as Pass/Fail. Student peers will provide feedback to your team by August 23 so your team can use it when developing the final EV Project due on August 31.

DELIVER

CLASS 5: August 21-22 (Adelino)
Location: Kirby Reading Room

Securing Resources: Raising Funds and Attracting Talent
(In-class Start-up Game)

Why is This Topic Important to EMA?

Effective communication of ideas and concepts is an essential skills for all business professionals. This class will require you to incorporate what you have learned to develop a story and effectively communicate it in order to secure resources. The role of leaders as persuasive agents of change will also be discussed.

We will play "The Startup Game" in class, in which you will be assigned a role of founder, employee, or investor. The game is designed to give a quick introduction to the messy and challenging world of raising capital and finding talent.

Preparation: Watch the videos and prepare for your role in the Startup Game (emailed 2 days before class). To reach this video, go to http://hbsp.harvard.edu and log in with your Duke email ([first name].[last name] @duke.edu). Your section-specific password to access the website was emailed before the first week of class.

Tips for the Game:

- Watch the videos provided by The Startup Game simulation (http://hbsp.harvard.edu) to prepare for your role in the game.
- Be in communication with other members of your startup or investment team throughout the game.

- Consider timing—mistakes can arise from making deals too early or too late!
- Consider how you can form alliances to obtain a good outcome given the objectives of your role.
- Employees should work jointly with the startup team after being hired.

EV Project Proposal Feedback, August 23, 3PM (Individual Assignment):

You will provide feedback on the two EV Project Proposals randomly assigned to you from across all six sections. The goal of this assignment is to offer your classmates relevant, specific, and constructive feedback to help them improve their final EV Project. *Relevant* means your feedback closely relates to the characteristics and goals of the project, *specific* means your feedback is sufficiently detailed to help the team figure out next steps, and *constructive* means your feedback offers recommendations for resolving weakness.

This feedback will be shared with the teams that submitted these two proposals. Following this, each team member will evaluate the quality of the feedback you have provided (on its relevance, detail, and constructiveness). Importantly, this does not mean that your feedback has to be positive. Instead, feedback should be instructive and useful to teams and should include both positive and negative information as well as recommendations for resolving problems.

Using no more than 200 words total for <u>each</u> proposal, please address the following points: (1) Evaluate the main strengths of the innovation/idea. (2) Identify two potential weaknesses and offer short recommendations for their resolution. Submit your feedback before the due date/time in Canvas under "EV Project Proposal Feedback" in the text boxes provided. We are using this approach instead of the normal document upload used in other assignments to allow the feedback to be easily shared with the two different teams.

DELIVER

CLASS 6: August 24-25 (Adelino)
<u>Location: MBA2008 Classroom</u>

Evaluating Business Opportunities and Determining Funding

Why This Topic is Important to EMA?

With an idea that has been validated by the target user, it is important to plan for the next steps. These include identifying and valuing opportunities and considering what must happen for a venture to succeed. We will discuss how you can determine the main sources and uses of cash for your project and how those influence your ability to raise capital from outside investors. The sources and uses of cash combine to form free cash flows to the firm and those, in turn, determine the financing needs over time. After discussing cash flows, we will turn to how you can value those future cash flows: how to account for timing and risk as well as the role of qualitative aspects when investors evaluate entrepreneurial firms. Finally, having established a framework for valuation, we will consider potential financing alternatives.

Preparation:

- Case: Punchtab (HBS 9-812-033)

Final EV Project Deliverables, August 31

- **EV Project Deck, 8/31, 3PM (Team):** Follow the EV Project guidelines in Canvas. You will not present this presentation except as part of the EV Project Pitch (see next point).

- **EV Project Pitch, 8/31, 3PM (Team):** Follow the EV Project guidelines in Canvas. Record a video of up to two minutes pitching your idea to investors. Precise content is left up to the teams, but the goal is to convince investors to buy into your company—this is not an ad for customers.

- **EV Project Proposal Feedback Evaluation, 8/31, 9PM (Individual):** You will evaluate the quality of the feedback offered to your team on its EV Project Proposal with regard to its relevance, detail, and constructiveness.

Faculty Bios

Manuel Adelino is Professor of Finance at the Fuqua School of Business at Duke University, a Faculty Research Fellow at the National Bureau of Economic Research, and a Research Affiliate of the Center for Economic and Policy Research. His research on entrepreneurial finance and household finance has been published in top finance and economics journals (including the *Journal of Finance*, the *Journal of Financial Economics*, the *Review of Financial Studies*, and the *Journal of Monetary Economics*). He received a Ph.D. in Financial Economics from MIT Sloan School of Management. Before MIT, he worked at McKinsey as a Business Analyst and was a summer analyst at Goldman Sachs.

Christine Moorman is the T. Austin Finch, Sr. Professor of Business Administration, Fuqua School of Business, Duke University and member of the marketing faculty. Her research examining the nature and effects of learning and knowledge utilization about marketing by consumers, organizations, and financial markets has been published in top marketing and management journals (including the *Journal of Marketing Research, Journal of Marketing, Journal of Consumer Research, Marketing Science,* and *Academy of Management Journal*) and supported by the National Science Foundation. She served as the Editor-in-Chief of the *Journal of Marketing* (2018-2022), is founder of The CMO Survey (www.cmosurvey.org), and author of *Strategy from the Outside In: Profiting from Customer Value* (2011 Berry Book Prize Winner) and *Strategic Market Management*.

2023 Entrepreneurial Mindset & Action

Discover

- Prioritizing Deep Customer Focus and Listening (Posse Ride Customer Immersion)
- Identifying Marketplace Opportunities (Pizza Innovation Pitch)

Develop

- Developing Innovations to Serve Unmet Customer Needs (Design Thinking Workshop)
- Prototyping as Disciplined Experimentation (Prototyping Workshop)

Deliver

- Securing Resources: Raising Funds and Attracting Talent (The Startup Game)
- Evaluating Business Opportunities and Determining Funding (Punchtab Business Evaluation)

Entrepreneurial Venture Project and Pitch →