

*****DRAFT Q 9/10/2006*****

**EN 190 SYLLABUS
FRAMEWORKS FOR ENTREPRENEURSHIP
FALL 2006**

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COURSE DESCRIPTION

Course Vision

Brown's academic curriculum allows students to achieve personal fulfillment and intellectual growth through the freedom to explore one's own passions. However, when looking at their future, many Brown students see few career prospects that will allow them to utilize the independent mindset and entrepreneurial spirit they have developed as undergraduates. Perceived fallback options in traditional fields such as medicine, law, and business have become increasingly narrow and are less likely to provide long-term security or opportunities for true ingenuity. At the same time, today's dynamic cultural landscape indicates that the future job marketplace will place an increasing premium on flexibility and independence, and provide the most personally fulfilling and financially rewarding careers to individuals willing to forge an independent approach. As such, Brown students are uniquely qualified to succeed in this new paradigm.

Course Purpose

The purpose of this course is to provide students with a roadmap and the necessary tools to pursue ventures harmonious with their long term interests and passions. The course will be divided into four parts: (1) the philosophy of entrepreneurship; (2) paradigms, structures, and tools; (3) strategic planning and tactical analysis; and (4) challenges, opportunities, and the role of ethics. In Section One, students will be introduced to the mindset of the entrepreneur. Section Two will explore the key business skills and basic knowledge necessary for pursuing a self-defined career path. Section Three provides an introduction to strategic models and an empirical analysis of the strategic planning and related tactics of several major organizations. By providing students with an opportunity to critique several of the figures introduced earlier in the class, the final section will highlight the role of ethics, protections, and mentors in defining success.

Course Organization

The course will be a limited enrollment seminar for juniors and seniors. In addition to weekly seminar meetings, there will be occasional optional sections to provide an opportunity for students to strengthen their skills in accounting and finance. Class members are encouraged to participate in all sections. Students may set up conference meetings to discuss their individual projects.

GRADED EXERCISES

The final project will require a working knowledge of each of the seminar topics. Working in partners, each student will be asked to write a personal statement answering specific questions about their future goals, interests, and values. Based on this questionnaire, the pairs will interview each other in order to develop a personal sense of their partner's goals. Each individual will then write a five-year life plan for their partner based on the information gleaned from this process, according to *their partner's* beliefs. The goal of the project will be to help students think clearly about their passions without the preconceived notions and prejudices that necessarily inform their own thoughts. This project will be completed by the end of reading period to assure that the significant time commitment does not interfere with other academic obligations.

In addition to this project, we have assigned several short exercises due one week after the related seminar. The success of the course will depend on commitment and participation. Short assignments are due one week from the day they are presented. Reading assignments should be completed for the week of seminar in which they are listed.

READING ASSIGNMENTS

The majority of assigned readings are contained in two course packets available at Jo-Art. In addition, the following books will be used for the course, and are available for purchase at the Brown Bookstore:

Rand, Ayn. *The Fountainhead*. New York: The Bobs Merrill Company, 1943.

Hill, Nathaniel. *Think and Grow Rich*. New York: Fawcett Columbine, 1988.

Students will be expected to read the *Wall Street Journal* regularly, either in its paper or online form. Copies of the readings and supplemental materials are on reserve at the Rockefeller Library.

SCHEDULE OF ASSIGNMENTS

ENTREPRENEURSHIP

Week 1: Introduction to the Philosophy of Entrepreneurship

- **Controlling Questions:** What is your passion? What characteristics define you? What future role would best capitalize on your skills and interests? If you don't know what you want to do, what steps are you taking to discover your passion?
- **Reading:**
 - *The Wall Street Journal*
 - "Corporate Bad Guys Make Many Seek the Road Less Traveled"
 - "Taste of Death: Desperate Indonesians Devour Country's Trove of Endangered Species"

Week 2: The Mindset of the Entrepreneur

- **Controlling Questions:** What traits are held in common by successful entrepreneurs? What qualities set them apart? What compromises have entrepreneurs made to achieve their vision? How does the New Curriculum at Brown presume an entrepreneurial approach to achieving one's vision?
- **Reading:**
 - *The Wall Street Journal*
 - *The Fountainhead* (will continue throughout the semester)
 - Chapters 1-2 of *Think and Grow Rich*
 - Myers-Briggs Personality Analysis:
<http://www.humanmetrics.com/cgi-win/JTypes1.htm>
 - "Memorandum: To Students in Entrepreneurial Finance"
 - "The Entrepreneurial Life: What It Takes"
 - "Jack Grubman: The Power Broker"
 - "The Prophet of Telecom"
 - "Alone at the Top"
 - "Closing the Gender Gap"
 - "City Slipper: LA Mayor, Awkward but Effective, Melds Brain and Bumbling"
 - "Robert Redford Has This Problem"
 - "Frustration, Rewarded"
 - "The Leaders Who Run Toward Crises"
 - "Pete Siebert, a Soldier Skier Who Built the Vail Resort, Is Dead at 77"
 - "How a Temp Worker Became An Accidental Entrepreneur"
- **Quiz on *The Wall Street Journal***

PARADIGMS, STRUCTURES, AND TOOLS

Week 3: Legal Entities and Formalities of Organization

- **Controlling Questions:** What is the purpose of a business entity? What different forms of entities are there? What are the benefits and consequences of a sole proprietorship, partnership, LLC, or corporation? How do taxes play a role in this decision?
- **Reading:**
 - *The Wall Street Journal*
 - Chapters 3-4 of *Think and Grow Rich*
 - "Boss-zilla"
 - "Protecting Yourself"
 - "Corporate Formations and Capital Structure"
 - Operating Agreement
 - "Sweet and Vicious"
 - "Nantucket Nectars"
- **Assignment:** Paper 1- Due Monday October 2nd, 9 am
- **Schedule optional review session on WSJ**

Week 4: Measurement and Management of Data

- **Controlling Questions:** How do you know what data to analyze? What is the relationship between measurement and management? What role does data analysis play in the development of an effective strategic model and tactical plans?
- **Reading:**
 - *The Wall Street Journal*
 - Chapters 4-5 of *Think and Grow Rich*
 - “After Years of Battling Miramax, Disney Might Rewrite the Script”
 - “Louis Agassiz as a Teacher”
 - “An Efficiency Drive: Fast Food Lanes are Getting Even Faster”
 - “Steve Hanson Wants You to Be Happy”
 - “Attention to Detail Makes Heartland the Envy of the Trucking Industry”
 - “Backlash Rises Against Flashy Ads For Prescription Pharmaceuticals”

Week 5: Milestones in Finance and Economic Cycles

- **Controlling Questions:** Can you use economic cycles for prediction? How can taking market trends into account be used to maximize career opportunities? How do businesses take advantage of and protect themselves from economic cycles? What is the life cycle of the capital structure for a business?
- **Reading:**
 - *The Wall Street Journal*
 - Chapters 6-7 of *Think and Grow Rich*
 - “The Past is Prologue, Says a 91-Year-Old Who Knows Markets”
 - “Safe as Houses?”
 - “Rising Home Prices Cast Appraisers In a Harsh Light”
 - “Buyers Get Free Down Payments On Homes, Paid for by Builders”
 - “Scrutiny of Down-Payment Gifts Threaten Charitable Movement”
 - “New Federal Report Indicates Housing Market May Be Cooling”
 - “Is the Housing Boom Over?”
 - “The New Economy: What it Really Means”
 - “The Threat of Deflation”
 - “The Way It Is”
 - “Fear Itself”
 - “Bush Team Offers First Loan to a Nation in Financial Crisis”
 - “New Yorkers Ponder Brand New Start of It As the Attack Recedes”
- **Additional readings to be supplied**

Week 6: Marketing, Market Research, and Advertising

- **Controlling Questions:** Is everyone indeed selling something? If so, who is the client? How do you communicate with them?
- **Reading:**
 - *The Wall Street Journal*
 - Chapters 8-9 of *Think and Grow Rich*
 - “Cash Cows: Hamburger Joints Call Them Heavy Users- But Not To Their Faces”

- “Practically Everybody in Dunn, NC Reads the Daily Newspaper”
- “Customers Tuning Out? Try an Alternative Approach”
- “Fresh Marketing Tactics Help Writer Push His Thrillers to Mass Audience”
- ~~“Quite Contrary: How Gingham and Polyester Rescued a Retailer”~~
- “Christopher & Banks Shuns Trends in Fashion, Targets Mothers in 40s”
- “Literary Portrait Power”
- “Who’s that Girl?”
- “High Court To Hear Nike Case Involving Commercial Speech”
- “Everybody’s Business: How to Sell a Mustang (or Anything Else)”
- “How Technology Tailors Price Tags”
- **Assignment:** Paper 2- due Monday October 30, 9 am

Week 7: Management, Leadership, and Task Prioritization

- **Controlling Questions:** What are the qualities that characterize a good manager? A good leader? How do these qualities compare in importance to industry experience? If, according to the Pareto Principle, 80% of results flow out of 20% of activities, how can you achieve effective time and life management?
- **Reading:**
 - *The Wall Street Journal*
 - Chapters 9-10 of *Think and Grow Rich*
 - “Do You Need an Expert on Widgets to Head a Widget Company?”
 - “Taking on Titans: Trustbuster Joel Klein, Once Viewed as Timid, Faces a Very Full Plate”
 - “Bertelsmann Taps Attorney Klein for a Top Post”
 - “The New Schools Chancellor”
 - “Jack on Jack”
 - “HBS Update”
 - “Lennar Corp Thrives as Residential Builder With Oddball Culture”
 - “Shackleton’s Techniques For Surviving Antarctica Inspire Business Leaders”
 - “Kay Graham Deserved a Pulitzer for Management Too”
 - “How Much Is Your Time Worth?”
 - “Principles of Personal Management”
- **Assignment:** Task Prioritization Assessment
- **Discuss Final Project**

STRATEGY

Week 8: Introduction to Strategic Models

- **Controlling Questions:** What is strategy? How do you use a strategic model as a framework to develop a long-term plan toward the fulfillment of your vision?
- **Reading:**

- *The Wall Street Journal*
- Chapters 11-12 of *Think and Grow Rich*
- “What is Strategy?”
- “How Competitive Forces Shape Strategy”
- “Industry Evolution”
- “Strategy Under Uncertainty”
- “US Government Fishes for Answers to Outbreak of Micro-Organisms Hurting Seafood Industry”
- “Keeping Your Financial Footing at 22—So You Can Buy That House at 32”
- “How to Boost Your Credit Score”
- “Psst! ‘Human Capital’”
- **Assignment:** Strategic Plan due next week
- **Optional Section**

Week 9: Application of Strategic Analysis and Tactical Planning

- **Controlling Questions:** What is the difference between strategy and tactics? How can you plan for the unforeseen? How do you decide when to review, refine, and redefine your strategy and related tactics?
- **Reading:**
 - *The Wall Street Journal*
 - Chapters 13-15 of *Think and Grow Rich*
 - “If You Can’t Get A Man With a Gun, Big Bucks Might Work”
 - “Why Start-ups Fail”
 - “Levin Faces Biggest Challenge of Long Career/ Case’s Plan: Managing From E-Mail Distance”
 - “AOL Shakes Up Its Management as New Media Makes Way for Old”
 - “Failed Effort to Coordinate Ads Signals Deeper Woes at AOL”
 - “AOL Time Warner’s Steve Case Resign Amidst Intense Pressure”
 - “The Spoils of War in Kabul Now Include Thai Restaurant”
 - “Southwest Airlines: 1993(A)”
 - “Large Air Carriers Are Beginning to Discover the Benefits of Simplicity”
 - “In the Midst of Stormy Weather, Southwest Airlines Finds a Patch of Blue”
 - “Humor Has Returned to Southwest Airlines”
 - “Jet Blue Skies”
 - “Tech Pioneer’s New Business Jet: Seats Six for \$850,000”
 - “The Tiger Fund is Gone: Who’s Next?”
 - “How the Soros Fund Lost a Game of Chicken Against Tech Stocks”
 - “Buffett Turns Wary on Rise of Stock Prices”
 - “Warren Buffett and How He Does It: Finding Bargains in Good Times and Bad”
 - **Excerpts from Berkshire Hathaway Shareholder Letters**
- **Assignment:** Detailed Personal Statement for Final Project

CHALLENGES, OPPORTUNITIES, AND THE ROLE OF ETHICS

Week 10: Fraud, Accounting, and Accountability

- **Controlling Questions:** Should there be a presumption of good faith and fair dealing in business? What is the value of this presumption? How do the scales of justice account for the difference between mistake, misrepresentation, and fraud? What are the types of schemes that were used to inflate corporate earnings? How did the increased use of options contribute to the incidence of questionable business accounting? What are the implications of GAAP vs. pro-forma reporting?
- **Reading:**
 - *The Wall Street Journal*
 - “Corporate Earnings: Who Can You Trust?”
 - “SEC Faces Hurdles Beyond Low Budget in Stopping Fraud”
 - “Levitt to Leave S.E.C. Early; Bush to Pick 4”
 - “How Analysts’ Pay Packets Got So Fat”
 - “3Com Inventory Gain Bears Faults of Pro-Forma Results”
 - “As Market Bubble Neared End, Bogus Swaps Provided a Lift”
 - “Enron Deals Cost JP Morgan; Bank Plans 1.3 Billion Charge”
 - “Salomon IPO Suit Claims Special Accounts Were Used”
 - “Citigroup Deals Helped Enron Raise Deals Disguised as Cash”
 - “A Subprime Maverick Turns Tables”
 - “Citigroup’s Subprime Reforms are Questioned”
 - “Debased, A Bassist for Ozzy Osbourne First Frets, Then Sues”
 - “Medical Journal Says Merck Study Omitted Key Data”
 - “Pensions Unplugged”
- **Assignment:** Interview Partner for Final Project

Week 11: People and Patterns of Behavior

- **Controlling Questions:** What is integrity? How have the decisions of entrepreneurs considered in this class been informed by their value systems? What impact have these decisions had on their employees, financial markets, and the collective psyche of the American people? How do you maintain a moral compass while you are successfully pursuing your passion?
- **Reading:** *The Wall Street Journal*
 - *The Fountainhead*
 - “Padded Resumes”
 - “The Rise and Fall of Dennis Kozlowski”
 - “Rainmaker in a Firestorm”
 - “Citigroup Probe Now Leads to An Elite Nursery School”
 - “Why Grubman Was So Keen to Get His Kids Into the Y”
 - “Reviewing Harvard’s Business Review”
 - “Harvard Editor Faces Revolt Over Welch Story”
 - “SEC Investigates Retirement Deal With Jack Welch”
 - “Here’s the Retirement Jack Welch Built: \$1.4 Million a Month”
 - “Executive Affairs: GE’s Jack Welch Meets His Match in Divorce Court”
 - “A Question of Character”

- “Greed, Grasso and a Gilded Age”
- “Can You Forgive Him?”
- “Swain’s Business History Troubled”
- “Partying Like It’s 1999”
- “For Silicon Valley, Stocks’ Fall Upsets the Culture of Options”
- “Hopes for AT&T Wireless Get Short Circuited”

Week 12: Protections

- **Controlling Questions:** If fraud, prejudices, and other destructive influences are part of the cultural landscape, how does the system attempt to define, quantify, and respond through the provision of remedies? How can the models we have studied be used to evaluate the protections within the system? Where do these protections emanate from? Who and what deserves protection?
- **Reading:**
 - *The Wall Street Journal*
 - “Enron Meets 3Q Estimates Excluding Hefty Charge”
 - “Enron’s CEO Skilling, Quits Two Top Posts”
 - “Employees 401(k) Plan is a Victim as Enron Tumbles”
 - “Police Probe Ex-Enron Executive’s Death”
 - “Panel Questions Jeffrey Skilling on Accuracy”
 - Enron Verdict
 - *Regents of University of California v. Bakke*
 - “Not Fit to Lead”
 - “Lott and the Race Card”
 - “At Augusta National, Microsoft’s Bill Gates Hits an Iron (Curtain)”
 - ~~“Case Study: Two Women’s Drive Opens a Closed Door”~~

Week 13: Support Systems, Mentors, and Course Wrap-Up

- **Controlling Questions:** Who do you admire and why? How do these people respond when confronting challenging situations, unforeseen circumstances, or great opportunities? How can you forge relationships with these role models to inform your decisions in similar situations?
- **FINAL PROJECT DUE December 11, 2006**