Lean Entrepreneurship

Course Code: MC932A
Instructors: Fábio Póvoa and Renato Toi  TA: Bruna Botelho
Days and Times: Tue and Thu, 4-6 pm. Feb 20th to July 1st, 2014
Location: Room 322 (CC22), IC3
Texts:  
1) Running Lean: Ash Maurya
2) Startup Owner's Manual: Blank & Dorf
3) Business Model Generation: Osterwalder, et al

Online Lectures: http://www.udacity.com/view#Course/ep245/CourseRev/1
Biz model canvas tool: Lean Stack: https://leanstack.com

Prerequisite: Passion in discovering how an idea can become a real company
Goal: An experiential learning opportunity showing how founders build startups

Course Description
This course provides real world, hands-on learning on what it’s like to actually start a company. This class is not about how to write a business plan. It’s not an exercise on how smart you are in a classroom, how well you write code or what your patent is, or how well you use the research library to size markets. And the end result is not a PowerPoint pitch deck for a VC “demo day.” And it is most definitely not an incubator where you come to build the “hot idea” that you have in mind.

This is a practical class – essentially a lab, not a theory or “book” class. Our goal, within the constraints of a classroom and a limited amount of time, is to create an entrepreneurial experience for you with all of the pressures and demands of the real world in an early stage startup. The class is designed to give you the experience of how to work as a team and turn an idea into a company.

You will be getting your hands dirty talking to customers, partners, and competitors, as you encounter the chaos and uncertainty of how a startup actually works. You’ll practice evidence-based entrepreneurship as you learn how to use a business model to brainstorm each part of a company, and customer development to get out of the classroom to see whether anyone other than you would want/use your product. Finally, based on the customer and market feedback you gathered, you will use agile development to rapidly iterate your product to build something customers would actually use and buy. Each block will be a new adventure outside the classroom as you test each part of your business model and then share the hard-earned knowledge with the rest of the class.

The Flipped Classroom
Unlike a traditional classroom where the instructor presents lecture material, our lectures are online at Udacity.com. Watching the assigned lectures is part of your weekly homework. The information in them is essential for you to complete your weekly interviews and present the insights the teaching team will expect in your presentation for that week.
We expect you to watch the assigned lectures for the upcoming week before class and we will use time in class to discuss questions about the lecture material and to provide supplemental material. You need to come prepared with questions or comments about the material for in-class discussion. We will cold-call about the online lecture material.

**Experiential Learning**

You will be spending a significant amount of time in between each of the lectures outside the class talking to customers. Each week your team will conduct at least 15 customer interviews focused on a specific part of the Business Model Canvas. This class is a simulation of what startups and entrepreneurship are like in the real world: chaos, uncertainty, impossible deadlines in insufficient time, conflicting input, etc.

**Team Teaching and the Inverted Lecture Hall**

Sitting in the back of the classroom are experienced instructors, professionals who've built and/or funded world-class startups and have worked with hundreds of entrepreneurial teams. We won't be "lecturing" in the traditional sense, but commenting on and critiquing each team's progress. While the comments may be specific to each team, the insights are almost always applicable to all teams. Pay attention.

**Peer-to-Peer Comments**

While other teams are presenting the results of their weekly experiments, the rest of the class is expected to attentively listen, engage, and react to what they see and hear. Sharing insights, experience, and contacts with each other is a key way that this unique laboratory achieves results. (And it is a significant part of your grade as well!)

**Class Culture**

Startups communicate in a dramatically different style from the university or larger culture most of you are familiar with. At times it can feel brusque and impersonal, but in reality is focused and oriented to create immediate action in time- and cash-constrained environments.

We have limited time and we push, challenge, and question you in the hope you will quickly learn. We will be direct, open, and tough – just like the real world. We hope you can recognize that these comments aren't personal, but part of the process. This approach may seem harsh or abrupt, but it is all part of our wanting you to learn and appreciate that as entrepreneurs you need to learn and evolve faster than you ever imagined possible.

This class pushes many people past their comfort zone. If you believe that the role of your instructors is to praise in public and criticize in private, you're in the wrong class. **Do not take this class.** If you come from a culture where receiving critiques in front of your peers – on a weekly basis – that may feel abrupt and brusque – embarrasses you, **do not take this class.** It's not personal, but it is by design a part of the class to emulate the pace, uncertainty, and pressures of a startup. In return, we also expect you to question us, challenge our point of view if you disagree, and engage in a real dialog with the teaching team.

**Amount of Work**
Teams have reported up to 20 hours of work each week. Getting out of the classroom is what the effort is about. If you can’t commit the time to talk to customers, this class is not for you. Teams are expected to have completed at least 15 in-person or Skype video interviews each week, focused in the Business Model Canvas area of emphasis for that week.

This means in total over the 10-week+ course, you will have completed at least 150 interviews. For those with easy to access interview groups, e.g., consumer product/service businesses, more interviews will be expected.

**Team Organization**
This class is team-based. Working and studying will be done in teams. You will be admitted as a team. Teams must submit a proposal for entry before the class begins.

Projects must be approved before the class. Team projects can be software, a physical product, or a service of any kind. The teams will self-organize and establish individual roles on their own.

**Suggested Projects**
While your first instinct may be a web-based startup, we suggest that you consider a subject in which you are a domain expert. In all cases, you should choose something for which you have passion, enthusiasm, and hopefully some expertise. Teams that select a Web or mobile-based product will have to build the site or app for the class.

Do not select this type of project unless you possess the necessary skill and are prepared to see it all the way through.

**Only Project**
Given the amount of work this class entails, there is no way you can do the work while participating in multiple startups. A condition of admission to the class is that this will be the only startup you are working on this semester.

**Deliverables**
Meaningful Customer Discovery requires the development of a minimum viable product (MVP). Therefore, each team should have the applicable goal of the following:

1. Teams building a physical product must have a bill of materials and a prototype.
3. Your weekly Lean Stack narrative is an integral part of your deliverables. It’s how we measure your progress, and it is required that you maintain and update it at least once per week, if not after every customer insight.
4. Your team will present a weekly in-class PowerPoint summary of progress.

**Grading Criteria**
This course is team-based and 85% of your grade will come from your team progress and final project.

The grading criteria are broken down as follows:
15% Individual participation consists of four parts:
a) quality of the written peer-to-peer comments you provide throughout the semester, during class presentations in LeanStack software; b) attendance at each class; c) timely viewing of ALL Udacity videos (those that fall far behind will be asked to leave the class and return when they are caught up) and d) a grade from your fellow team members at the end of the course, (in the form of a private email sent by each team member to the teaching team assessing the relative participation of other team members' performance and productivity throughout the semester).

40% Out-of-the-building Customer Discovery progress, as measured each week by a) quality of weekly blog write-ups and b) Canvas updates and presentations. All team members are expected to perform interviews and contribute to the weekly blog entries.

20% Team weekly “lessons learned” presentation (see appendix for format). Team members must:
1) State how many interviews were conducted that week (include on cover slide).
2) Present detail on what the team did that week, including changes to Canvas.
3) Follow the assigned topics to be covered each week as outlined in the syllabus. Team members may be called on randomly to present their team’s findings that week.

25% Team final presentation (see appendix for format).