

## RCSC 325

### Retail Entrepreneurship

**Instructor:** **Scott Hessel**  
McClelland Park, Room 406E  
shessel@email.arizona.edu - PREFERRED  
Telephone: (520) 621-8573 (*checks voice mail infrequently*)

**Office Hours:**  
Please use the link below for all office appointments:  
<https://my.timedriver.com/B17FN>

---

**Course Materials:** Regni, Rosalie Jackson., and Jimmie G. Anderson. *Entrepreneurship in Action: A Retail Store Simulation*. New York: Fairchild, 2009. Print. [Required] ISBN: 978-1-56367-595-9

Course Reading Packet – available via Harvard Business School Press.  
*Required Readings:* <http://cb.hbsp.harvard.edu/cb/access/14257647>  
*Recommended Readings:* <http://cb.hbsp.harvard.edu/cb/access/14257662>

**Suggested Materials:** Standard or Financial Calculator (Hewlett Packard/Texas Instruments)

**Course Description:** This course is designed to introduce students to the challenges and opportunities associated with a startup retail business venture. Through the development of a retail business plan, guest speakers, lectures and other in-class activities, the course will cover issues including the life and psychology of the small business retailer, identification of potential retail opportunities, the risks and challenges of starting a retail venture, decisions about location including web-based retailing and development of a new venture business plan. In addition, this course will introduce students to issues related to the on-going management of the growing retail business enterprise.

**Learning Objectives:** At the conclusion of the course, the student will be able to:

- Explain the various personal challenges a new retailer business owner must face and apply that knowledge to their own lives as it relates to starting their own retail business venture.
- Identify the wide range of retail business opportunities including franchising, brand new startups, internet-based businesses and others.
- Analyze the business and marketing opportunities and challenges of any one specific new retail venture.
- Discuss the various options for financing a new retail venture and understand the positives and negatives of each option for them personally.
- Understand the impact of the location decision including for web-based businesses on a retail business' success and understand how to compare various locations to one another.
- Define the key elements of a new venture business plan and apply this learning to a specific new venture opportunity.
- Understand the key components involved in establishing and managing, on a going-forward basis, the operations of a new retail venture.
- Describe the basic steps of a budgeting procedure, including inventory management, and apply that learning to a specific business situation
- Understand the key issues involving human resource management in a retail business environment including legal considerations
- Describe the basic information technologies available to the new retail business venture.

- Understand the various sales and marketing elements and challenges to a new retail business and analyze the appropriateness of each to a specific business opportunity.

**Grade Policy:** The weights for the various elements of the course will be as followed:

Evaluation Component	Grade Weight
New Venture Business Plan	
Written Plan*	30%
3-Minute Video Presentation*	5%
Poster Session Pitch and Summary Evaluation*	10%
Idea Generation Exercise*	5%
Case Analyses (2 cases)	20%
Material Engagement	30%

\*: individual grades may be impacted by end-of-year group self-evaluation.

Course Grade Distribution	
A	> 90%
B	> 80%
C	> 70%
D	> 60%
E	Below 60%

## Lecture Outline

Below is the expected schedule; this is subject to change as the course progresses. The instructor will announce any substantive changes to this schedule. The items under the column "Readings" **SHOULD BE COMPLETED BEFORE THE WEEK SPECIFIED BELOW. DUE DATES ARE SUBJECT TO CHANGE.**

Key: Required Reading Packet; *Recommended Reading Packet*  
 ‡ available in D2L Content > Supplementary Readings

Topic	Readings
<b>Week 1 – August 20</b>	
<ul style="list-style-type: none"> <li>• Course Introduction</li> <li>• Entrepreneurship as New Venture Creation</li> </ul>	<u>Article: "Small Business is Not a Little Big Business"</u> <u>Article: "Test of the Fainthearted"</u> <i>Article: "Reluctant Entrepreneur"</i> <i>Article: "Natural Born Entrepreneur"</i>
<b>Week 2 – August 27</b>	
<ul style="list-style-type: none"> <li>• Career Development and Entrepreneurship</li> <li>• Founding a New Venture: Solo or Team?</li> </ul>	<u>Article: "Strengths Become Weaknesses: Cognitive Biases in Founding Decision-making"</u> <u>Article: "Assembling a Startup Team"</u>

Week 3 – September 3	
<ul style="list-style-type: none"> <li>• Founding a New Venture: Solo or Team?</li> <li>• Founding a New Venture: Team Relationships</li> </ul>	
Week 4 – September 10	
<ul style="list-style-type: none"> <li>• Founding a New Venture: Team Relationships</li> <li>• Founding a New Venture: Roles</li> <li>• Founding a New Venture: Rewards</li> <li>• Founding a New Venture: The Three Rs</li> </ul>	† <u>Book Chapter: <i>The Founder's Dilemmas</i> - Chp. 7 – “The Three Rs Systems: Alignment and Equilibrium”</u>
Week 5 – September 17	
<ul style="list-style-type: none"> <li>• Founder's Issues – con't</li> <li>• Idea Generation and Refinement</li> </ul>	<u>Case: “Smartix: Swinging for the Fences”</u> <u>Article: “DNA of Disruptive Innovators”</u> <u>Article: “Discovery Skill #3: Observing – How Watching Your Customers, Other Companies, and the World Around You Can Lead to Game Changing Innovation”</u> † <u>Book Chapter: <i>The Startup Owner's Manual</i> – Chp. 2: “The Customer Development Manifesto”</u>
Week 6 – September 24	
<ul style="list-style-type: none"> <li>• Idea Generation and Refinement</li> <li>• Venture Basics</li> </ul>	<u>Case: “Alison Barnard”</u> <u>Article: “Legal Forms of Organization”</u> <u>Website: <a href="http://www.sba.gov/category/navigation-structure/starting-managing-business/managing-business/running-business/insurance">http://www.sba.gov/category/navigation-structure/starting-managing-business/managing-business/running-business/insurance</a></u>
Week 7 – October 1	
<ul style="list-style-type: none"> <li>• New Venture Plan: An Introduction</li> <li>• New Venture Plan: Formatting from the Café to the Boardroom</li> <li>• New Venture Plan: The Venture's Business Model</li> </ul>	<u>Case: “Chegg: Textbook Rental Takes Flight”</u> † <u>Book Chapter: <i>Business Model Generation</i> – Chp. 2: “The Business Model Canvas”</u>
Week 8 – October 8	
<ul style="list-style-type: none"> <li>• New Venture Plan: The Venture's Business Model</li> </ul>	
Week 9 – October 15	
<ul style="list-style-type: none"> <li>• New Venture Plan: The Venture's Business Model</li> </ul>	<u>Case: “Zipcar: Refining a Business Model”</u> <u>Book: “Entrepreneurship in Action: A Retail Store Simulation”</u>
Week 10 – October 22	
<ul style="list-style-type: none"> <li>• New Venture Plan: Location</li> <li>• New Venture Plan: Merchandising Plan</li> <li>• New Venture Plan: Marketing</li> </ul>	<u>Article: “Eager Sellers and Stony Buyers”</u> <u>Book: “Entrepreneurship in Action: A Retail Store Simulation”</u>

Week 11 – October 29	
<ul style="list-style-type: none"> <li>• New Venture Plan: Personnel/HR Plan</li> <li>• New Venture Plan: Visual Merchandising/Store Layout</li> <li>• Financial Planning/Forecasting</li> </ul>	Website: <a href="http://www.nfib.com/business-resources/business-resources-item?cmsid=60430">http://www.nfib.com/business-resources/business-resources-item?cmsid=60430</a> Book: <u>"Entrepreneurship in Action: A Retail Store Simulation"</u>
Week 12 – November 5	
<ul style="list-style-type: none"> <li>• Financial Planning/Forecasting</li> <li>• Cash Flow Management</li> </ul>	Article: <u>"Cash Management Practices of Small Companies"</u> Article: <u>"How Fast Can A Company Afford to Grow?"</u>
Week 13 – November 12	
<ul style="list-style-type: none"> <li>• New Venture Financing</li> </ul>	Article: <u>"Bootstrap Finance: The Art of the Startup"</u> Article: <u>"Financing the Business: Where's the Money?"</u>
Week 14 – November 19	
<ul style="list-style-type: none"> <li>• Pitching a New Venture</li> </ul>	Article: <u>"Pitching Business Opportunities"</u> Article: <u>"How to Pitch a Brilliant Idea"</u>
Week 15 – November 26	
<ul style="list-style-type: none"> <li>• Pitching a New Venture</li> <li>• Small Business Evolution</li> </ul>	Article: <u>"The Five Stages of Business Growth"</u>
Week 16 – December 3	
<ul style="list-style-type: none"> <li>• Poster/Pitch Evening</li> </ul>	

## Course Activities

The following section describes the activities that will take place during the semester. As indicated, most of these are graded but others are simply required though not graded activities. Where indicated, additional information will be forthcoming.

### 1. *New Venture Business Plan*

The major activity of the course will be the completion – in groups of one to three students – of a properly developed business plan and related materials.

- *Written New Venture Plan:* Each team must complete a new venture business plan on their business opportunity. Prior to starting work on this plan, each team must submit a short – less than one page – business summary/explanation to the instructor for approval. ***This is due by Monday, September 17 via the Dropbox.*** This plan must cover all aspects appropriate for the venture and be based on actual secondary and primary market research and investigation. A basic template of a new venture business plan will be provided but students should utilize other resources including principally the required text, *Entrepreneurship in Action: A Retail Store Simulation* by Rose Regni and Jimmie Anderson. Key sections of the plan based on this text will be covered during the latter parts of the semester. Students are encouraged to begin planning ahead as it is anticipated that this activity – the research and writing – will take at least eight to ten weeks to complete.

- **3-Minute Video Presentation:** Each team will be responsible for creating a video presentation of their proposal not to exceed three minutes. The content of this presentation will be detailed later in the semester but will provide a comprehensive but concise explanation of the business venture, its market opportunity, sales and marketing plan, merchandising plan and potential financial returns. The actual content of the video can be developed creatively by the team. Various video editing tools are available including [www.youtube.com/editor](http://www.youtube.com/editor) and [www.pixorial.com](http://www.pixorial.com) but one may use whatever video tools they may have at their disposal. Greater in-class discussion and written instructions will be provided later in the semester. The basic rubric for this exercise is below:

Grade	Content (75%)	Production Design (25%)
A	<ul style="list-style-type: none"> <li>• Comprehensively covers all key elements of new venture as appropriate for specific business.</li> <li>• Provides a highly organized and logical structure to the content that progress one's argument through the entire video presentation</li> <li>• Effectively presents the team's argument with extensive supporting evidence for the profitability and viability of the business opportunity pursued by the team.</li> </ul>	<ul style="list-style-type: none"> <li>• Composition of video effectively employs multiple creative elements (e.g., close ups, video pans, voice overs)</li> <li>• Overall composition is well organized and fluidly moves from one shot to another.</li> <li>• Projects a highly professional image of the team and the business opportunity (e.g., video/audio quality, composition, speaker appearance/demeanor)</li> </ul>
B	<ul style="list-style-type: none"> <li>• Covers most of the key elements of new venture as appropriate for specific business.</li> <li>• Provides a largely organized and logical structure to the content but is not entirely clear in its progression.</li> <li>• Presents a reasonably organized argument for the profitability and viability of the business opportunity but does not provide sufficiently convincing evidence to support it.</li> </ul>	<ul style="list-style-type: none"> <li>• Composition of video employs no more than two creative elements (e.g., close ups, video pans, voice overs)</li> <li>• Overall composition is fairly well organized but does not completely move in a smooth fashion from one shot to another.</li> <li>• Projects a somewhat professional image of the team and the business opportunity (e.g., video/audio quality, composition, speaker appearance/demeanor)</li> </ul>
C	<ul style="list-style-type: none"> <li>• Covers a few of the elements of new venture as appropriate for specific business but leaves out some key issues.</li> <li>• Provides only a somewhat organized structure to the content but the logic through the presentation is to a certain degree difficult to follow.</li> <li>• Less than effectively presents the team's argument by leaving out key elements of one's argument or not presenting them in a clear, thought out way.</li> </ul>	<ul style="list-style-type: none"> <li>• Composition of video employs only one creative elements (e.g., close up of speaker, voice overs)</li> <li>• Overall composition is not well organized and moves in a somewhat haphazard way between frames/scenes.</li> <li>• Projects a less than professional image of the team and the business opportunity (e.g., video/audio quality, composition, speaker appearance/demeanor)</li> </ul>

- **Poster Pitch Evaluation:** At the end of the semester, a formal venture pitch and poster session will be organized for the class in the lobby of McClelland Park. This is tentatively scheduled for Tuesday, December 4 from 4:30pm to 6:00pm. Teams will prepare a desktop presentation of their business concept (details to follow) along with collectively preparing and answering a variety of questions by independent judges. These judges will be randomly assigned to the various teams and answer predefined questions of the teams. Teams will be judged based on the completeness and professionalism of their visual and oral presentations to the judges. Each team must also prepare a one-page executive summary of their plan which will be provided to each judge prior to the poster/pitch evaluation event. ***These summaries are due by Friday, November 30 via the Dropbox.***

## 2. *Idea Generation Exercise*

Each student team – as selected for the new venture plan activity – will also collaborate on an idea generation exercise. This will entail taking some basic information about a hypothetical retail business opportunity and devising a specific idea on how to develop and exploit this opportunity. More detail on this exercise will be provided in class.

## 3. *Case Analyses*

Students are required to write two case analyses from the five (5) cases noted in the syllabus and provided in the Required Reading List (link above). Students are still required to read all of the cases as their discussion will be part of the overall material engagement score as described below in greater detail. These cases cover some of the main elements of the course including founder decisions, business model development and new venture plan integration and idea generation and refinement.

**NOTE:** Unless stated otherwise, all case analyses are to be submitted via Dropbox within the course's D2L site. There will be two folders; one for cases submitted by the correct due date/time and another folder for late submissions. EMAILED OR HARD COPY SUBMISSIONS WILL NEITHER BE ACCEPTED NOR GRADED. You are responsible for making sure you upload your paper by the given time.

**NOTE:** Case write-ups must be single spaced, in a standard font, 11 point minimum, with maximum margins of 0.75 inches on all sides and **MAY NOT EXCEED ONE (1) PAGE.**

**NOTE:** Cases that exceed one page will have two (2) points deducted from their score; cases that are uploaded past the stated deadline will have ten (10) points deducted from their score. Each student is responsible for ensuring that their case successfully is loaded into the appropriate D2L dropbox. Late submissions should be uploaded to the Late Case Submission dropbox folder in D2L.

**NOTE:** All case submissions will be automatically uploaded and assessed by Turnitin.com for plagiarism. Individual student write-ups will be analyzed in comparison to all previous student papers enrolled in the course as well as other papers available on the internet. If a case analysis is shown to be significantly drawn from other papers, students will be subject to the UA Code of Academic Integrity.

## 4. *Material Engagement*

An important element in understanding this varied information is to be critically engaged in the material presented in class, provided for in the Harvard Business reading packets, and your own independent effort (e.g., reading articles from popular and academic journals, television, visiting new retail startups). As a result, a major element of the course's grade will be based on the degree of engagement that a student shows in all of these materials. The more frequently and more critically one demonstrates one's engagement with these materials, the higher one's score on this assessment. A more detailed rubric is provided below.

The methods that one may demonstrate this engagement are provided below but a student may do so in other ways so long as it is in an attempt to highlight one's understanding and involvement with the material covered in the class. The basic methods a student may use include:

- *In-Class Discussions:* Each class period will involve material drawn from the reading packet and cases as well as the instructor's personal experience. Students may draw on these materials specifically through in-class discussions.
- *Online Discussion Topics:* The instructor will post very discussion topics within the D2L Discussion module in which students may provide their opinions and analysis. These should include both one's own original posting and responding to and engaging other students' comments too. These topics

may be based on a discussion initiated in class as well as new topics independently provided by the instructor.

- *In-Office/Informal Instructor Visits:* Students may select a 15 minute block of time during the instructor’s regular office hours (see link above on selecting an appointment time) to discuss any of the topics raised in class. These should be beyond individualized help on a course assignment or grade check. One may also discuss the course’s topics in an informal basis outside of regular office hours should the occasion present itself.
- *Email Comments:* Students may also email the instructor regarding any comments one may care to share on the material covered in the course. All of these comments should be sent to a special email address – [ihaveathought@hessells.net](mailto:ihaveathought@hessells.net) – rather than the instructor’s regular email address. These emails will be saved throughout the entire semester to ensure proper credit.

Assessment Criteria: It is very important to note that assessment of these engagement opportunities will not be based on the number of comments or length of discussion/email posts alone but also their quality. In this regard, quality is demonstrated by how well one’s thoughts are articulated, how extensive one refers to class material (e.g., readings, lectures, cases), and how well one uses proper composition in written submissions (e.g., spelling, grammar, syntax). A basic rubric is presented below:

Grade	Frequency (50%)	Content (50%)
A	<i>In-Class:</i> two to four comments per week <i>D2L Discussions:</i> original post on all topics with two to four response postings (within first week of discussion posting) <i>Personal Visits:</i> three or more visits during the semester <i>Email Comments:</i> three or more emails during the semester	Refers extensively to material presented in the class (e.g., refers to specific articles and cases and their presented arguments/facts); demonstrates deep understanding of the material; presents opinions in a concise and logically defensible structure; uses proper composition.
B	<i>In-Class:</i> one to two comments per week <i>D2L Discussions:</i> original post on most (75% or more) topics with one to two response postings (within first week of discussion posting) <i>Personal Visits:</i> two or more visits during the semester <i>Email Comments:</i> two or more emails during the semester	Refers frequently but not always to material presented in the class (e.g., refers to general topics but not to specific articles and cases and their presented arguments/facts); demonstrates moderate but not extensive understanding of the material; presents opinions fairly well but not always in a completely concise and logical manner; has occasional errors in composition.
C	<i>In-Class:</i> one comment per week <i>D2L Discussions:</i> original post on all posted topics with none to one response postings (within first week of discussion posting) <i>Personal Visits:</i> one visit during the semester <i>Email Comments:</i> one email during the semester	Refers occasionally – less than 50% of the time – to material presented in the class (e.g., generally shares personal opinions on subject alone); demonstrates basic understanding of the material; presents opinions in a fragmented but largely understandable structure; has frequent errors in composition.

### Course/University Policies

**Attendance:** Attendance will be taken daily based either on a signup sheet/list or completion of an in-class activity. Students who have more than **three** unexcused absences may result in an entire lost letter grade. It is each student’s responsibility to make certain he or she indicates their attendance on the signup sheet but actual attendance is based on being in class for the entire period (e.g., signing the sheet and then immediately leaving is a missed class)

- All holidays or special events observed by organized religions will be honored for those students who show affiliation with that particular religion.
- Absences pre-approved by the UA Dean of Students (or Dean's designee) will be honored.

**Statement of copyrighted materials:** Students are advised that all lecture notes, lectures, study guides and other course materials disseminated by the instructor to the students, whether in class or online, are original materials and as such reflect intellectual property of the instructor or author of those works. All readings, study guides, lecture notes and handouts are intended for individual use by the student. Students may not distribute or reproduce these materials for commercial purposes without the express written consent of the instructor. Students who sell or distribute these materials for any use other than their own are in violation of the University's Intellectual Property Policy (available at [http://www.ott.arizona.edu/uploads/ip\\_policy.pdf](http://www.ott.arizona.edu/uploads/ip_policy.pdf)). Violations of the instructor's copyright may result in course sanctions and violate the Code of Academic Integrity.

**Special Needs and Accommodations Statement:** Students who need special accommodation or services should contact the Disability Resources Center, 1224 East Lowell Street, Tucson, AZ 85721, (520) 621-3268, FAX (520) 621-9423, email: [uadrc@email.arizona.edu](mailto:uadrc@email.arizona.edu), <http://drc.arizona.edu/>. You must register and request that the Center or DRC send me official notification of your accommodations needs as soon as possible. Please plan to meet with me by appointment or during office hours to discuss accommodations and how my course requirements and activities may impact your ability to fully participate. *The need for accommodations must be documented by the appropriate office.*

**Professional Behavior:** The course involves a variety of subjects that may result in the expression of various attitudes, beliefs and opinions. As a result, it is absolutely necessary that these opinions are respected by all students in the class. Any comments directed personally at an individual or group that would be considered offensive or hurtful will not be tolerated. Any student exhibiting this behavior may be subject to university disciplinary procedures.

**THE USE OF THE FOLLOWING TECHNOLOGIES ARE NOT ALLOWED IN THE CLASSROOM UNLESS AN ACCOMMODATION IS REQUIRED BY UNIVERSITY POLICY FOR A SPECIFIC STUDENT:**

- Computers (unless specifically required for an in-class activity as noted by the instructor)
- Cell Phones (ALL cell phones must be either turned off or put away during class time unless otherwise required in class as determined by the instructor)

In addition, the following behaviors should be avoided:

- Peer conversations with other students during lectures or presentations in the class
- Showing up for class late or leaving early without prior approval by the instructor
- Using any other electronic device (e.g., iPods) or exhibiting other behavior that would disrupt the class in any way.

**Academic Dishonesty:** Students are encouraged to share intellectual views and discuss freely the principles and applications of course materials. However, graded work/exercises must be the product of independent effort unless otherwise instructed. Students are expected to adhere to the UA Code of Academic Integrity as described in the UA General Catalog. See: <http://web.arizona.edu/~dos/uapolicies/cai2.html>

**Students w/Disabilities:** If you anticipate issues related to the format or requirements of this course, please meet with me. I would like us to discuss ways to ensure your full participation in the course. If you determine that formal, disability-related accommodations are necessary, it is very important that you be registered with Disability Resources (621-3268; [drc.arizona.edu](http://drc.arizona.edu)) and notify me of your eligibility for reasonable accommodations. We can then plan how best to coordinate your accommodations.

**Subject to Change:** Information contained in the course syllabus, may be subject to change with advance notice, as deemed appropriate by the instructor.