

BUSINESS&MARKETING SCHOOL



Academic Guide

Subject: Business Creation

4th year

***DEGREE IN MARKETING AND SALES
MANAGEMENT (TSDMK)***

Academic Year 2014/2015

Campus:	Pozuelo (Madrid)
Teacher:	Fernando Moroy Hueto
Term and year:	2 nd Semester, 4 th Year
Type:	OB Obligatory
Language:	English
ECTS Credits:	4,5
Hours per week:	3

Business Management Department

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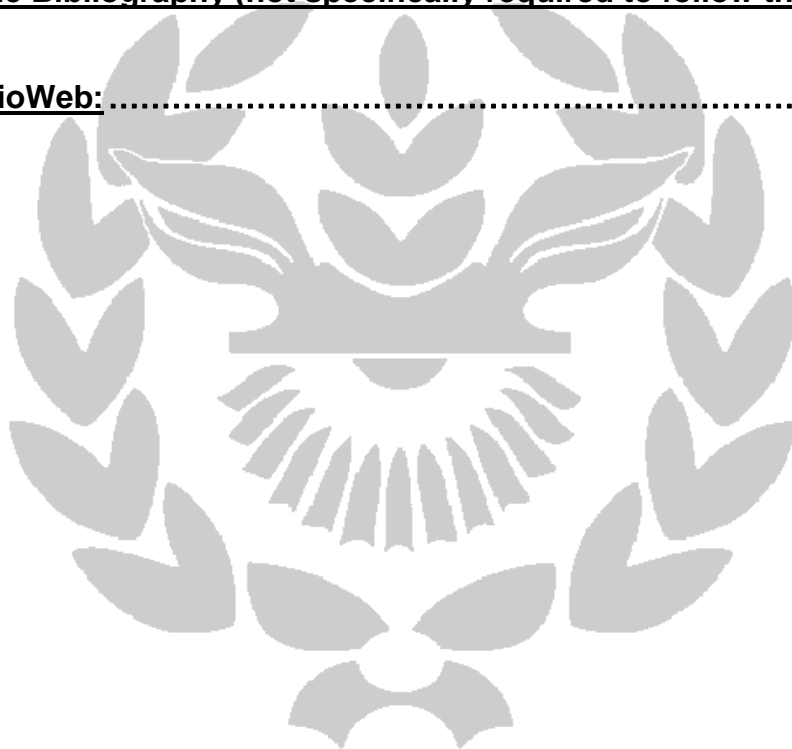
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1. Teacher's Contact Information

Fernando Moroy Hueto

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2. Description of the subject

To develop the entrepreneurial bent of the students. Is true that successful entrepreneurs share common attitudes and behaviors.

All the activities of the Business Creation program try to help the entrepreneurs to run their own companies.

3. Goals and expected takeouts:

The subject will provide the students all the tools to become a successful entrepreneur and therefore how to conceive, launch and build companies that could create value (not only money) at the long haul.

The entrepreneur's preparedness for the entrepreneurial process is very important. Hence the program will reach the next main aims:

- To think about the attitudes and behaviors of the entrepreneur.
- To understand the great difference between an idea and an opportunity.
- To figure out the need to build a team.
- To write a business plan to launch the Company.

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4. Competencies:

Primary and General Competencies:

CT01- Analisis and syntesis.

CT02- Organization and planning.

CT08- Problem solving.

CT09- Decision making.

CT10- Apply formal criteria to problems, based on technical instruments and techniques.

CT14- Work in interdisciplinary groups and teams.

CT21- Autonomous learning.

CT18- Critical and self-critical skills.

CT27- Sensitivity to environmental and social issues.

CT28- Practical applicability of learnings.

CT26- Motivation for quality.

Specific Competencies:

CE04- Being able to provide assessment and write reports about specific situations happening in real companies and markets.

CE05- Being able to prepare projects on marketing and market research for companies or specific functional areas.

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TRAINING ACTIVITIES:

TOTAL DISTRIBUTION OF THE WORKING SCHEDULE

Teaching hours	Non teaching hours
45 hs	90 hs

4.1 Training Activity

- **AFE1- Preparation of the theory contents.**

Hours		Classroom
Total: 35 hs	Teaching: 35	100
	Non teaching: 0	

- **AFE3- Group work.** This teaching methodology requires the creation of small research Works. Bibliography, structure, and content will be evaluated. There will be a joint discussion among the students. This activity may require an oral presentation.

Hours		Classroom
Total: 76 hs	Teaching: 0	50
	Non teaching: 76	

- **AFE4- Debate and constructive criticism.** Debate and constructive criticism to current issues related to the subject. The themes will be proposed by the teacher, who will act as a moderator, incentivating student participation, based on the learnings from previous clases.

Hours		Classroom
Total: 10hs	Teaching: 10	100
	Non teaching: 0	

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- **AFE5- Academic mentoring.** The teacher will be available to meet periodically with the students, individually or in groups, to review the status of the Works and to provide orientation and solve doubts.

Hours		Classroom
Total: 14 hs	Teaching: 0	100
	Non teaching: 14	

4.2 Teaching Methodologies

- MD1- Theoretical sessions
- MD2- Practical sessions
- MD3- Mentoring

5. Evaluation System:

We will apply continuous evaluation. Assistance to class sessions is mandatory.

To be able to pass the subject by continuous evaluation the assistance to the sessions must be of at least a 70%.

Evaluation System:

- SE2 Group work: 70%
- SE3 Theoretical tests: 20%
- SE5 Active participation: 10%

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PONDERATION OF THE CONTINUOUS EVALUATION

EVALUATED ACTIVITY	Ponderation	Evaluation system	Remarks
E.1 Written tests: At least 2 tests	Each test will have a specific percentage value, adding up to 20%: TOTAL: 20%	(SE3)	No final exam will be required if the student achieves a 5 over 10 in all the tests or a 6 over 10 on average..
E.2 Mandatory Work	TOTAL: 70%	Grupal (SE2)	
E.3 Active Participation	TOTAL: 10%	Problem solving and individual practical Works. Participation in class. (SE5)	
FINAL EXAM	40%	Alternative exam, for students who don't pass the continuous evaluation (SE3)	Ordinary and extraordinary examination sittings

- The methodology is specially practical in order that the students build a business plan to launch a new Company.
- Issues addressed will require a priori knowlwdge of the main managerial áreas like: strategy, marketing, finance, human resources, operations, etc. The entrepreneurial process needs to put it all together in the right order, "learning by doing".

To achieve this goal, we´ll divide the class in two parts:

- a) 1st part: a teacher´s pesentation about the main topics of the subject highlighting the critical points.
- b) 2nd part: Tutorial.
There will be working groups (máximum 5 people) each group will develop a new business and therefore will write a business plan.

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Hence this subject has their classes divided in two parts: theory and practice. The teacher will explain the process to build the business plan at the first part and after each group will explain each order how they are developing the project.

The teacher doesn't explain managerial áreas (strategy, finance, marketing, human resources, operations, etc), to built the business plan. Coach and tutor the groups to build the business plan.

Final output for each group: The Business Plan for a new business.

- The students will not have to attend the final exam in case their achieved grade is at least 5 over 10 in each test or a 6 over 10 on average. To pass the subject the student must also present the mandatory work.
- Students who haven't atended at least a 70% of the class sessions will be evaluated only taking into account the final exam, and with a máximo of 70%, both in the ordinary and extraordinary examination sittings.
- All the students repeating the subject and not required to attend the class sessions will be evaluated only through the final exam. In that case the exam will have a value of 100%.

5.1 Written tests

The written tests in continuous evaluation will be done within the regular class hours, and there will not be individual exam revisions.

5.2 Mandatory Works

The students, either individually or as a part of a group, will execute the mandatory works requested by the teacher, who will detail the general norms and rules of evaluation.

The works must be original and unpublished. The students can include up to a 25% of published works always including the proper citations. Plagiarism will imply a fail in the subject as a whole, not only in the specific work where the plagiarism is found.

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5.3 Active participation:

During class sessions the teacher will solve some of the exercises requested to the students.

There may be unexpected/surprise written tests during class sessions. Also, during the course of the subject there will be an evaluation of the active participation of the students and their behaviour.

5.4 Final exam

The continuous evaluation will apply to both official exam sittings: ordinary and extraordinary, and the ponderation over the total of the grade will be 40% in both cases. There will be an exception to this rule for students repeating the subject, who are not required to attend the class sessions. In that case the value of the final exam will be of up to 100%.

There will not be any exam in any date different to the official dates designated by the school.

The students will be able to review their final exam in the specified official date that will be published together with the grades of the exams.

Structure of the final exam

The final exam will be composed of theoretical questions and practical exercises. The exam will have a value of 10 points and the student will have to prove the understanding and the basic required knowledge associated with the subject.

According to the Yearly Academic Guide, there will be a correction between +1 and -1 that will be automatically applied to the final grade depending on the assistance to the class sessions.

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6. Program of the subject

6.1 Course Detail

- 1.-INTRODUCTION/ PRESENTATION. EXECUTIVE SUMMARY.
- 2.-BUSINESS DESCRIPTION.
- 3.-STRATEGIC PLANNING.
- 4.-MARKETING AND SALES PLAN.
- 5.-OPERATIONS PLAN.
- 6.-ORGANIZATION AND HUMAN RESOURCES.
- 7.-ECONOMIC AND FINANCIAL PLANNING.
- 8.-CONTROL SYSTEMS, BALANCED SCORECARD AND CONTINGENCY PLANS.
- 9.-CONCLUSIONS.

a. *Course Development*

- 1.-INTRODUCTION/ PRESENTATION. EXECUTIVE SUMMARY.**
- 2.-BUSINESS DESCRIPTION.**

- 2.1. Description of the business idea.
- 2.2. The election of the business name.
- 2.3. Business activity.
- 2.4. Describing the product/service from the technical, commercial and customer view.
- 2.5. Products/services portfolio.
- 2.6. Needs met and the customer benefits they will receive with your purchase or acquisition.
- 2.7. Differences with regard to competition. Differential advantages.
- 2.8. Mission, vision, and values.
- 2.9. Type of business association (for example Business Corporation). Legal aspects.
- 2.10. Market research.
 - 2.10.1. External Analysis
 - 2.10.2. Internal Analysis
 - 2.10.3. Location Criteria.

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3.- STRATEGIC PLANNING.

- 3.1. Strengths and weaknesses of the company.
- 3.2. Company objectives
- 3.3. Our competitive strategy.
- 3.4. Corporative strategies.
- 3.5. General strategies.
- 3.6. Porfolio strategy.
- 3.7. Marketing strategies.
- 3.8. Setting objectives.

4.- MARKETING AND SALES PLAN.

- 4.1. Products, services.
- 4.2. Selling prices for each product and service.
- 4.3. Distribution channels.
- 4.4. Sales force.
- 4.5. Promotion (Communication).

5.- OPERATIONS PLAN.

- 5.1. Description of the process: manufacturing process, service process, etc, the process workflow.
In deep, describe the interaction (workflow) between the customer and the company.
- 5.2. Operating cycle, number of units to manufacture, volume máximo to manufacture, numbers of hours and days to meet production forecast, personnel needs, their qualification and costs.
- 5.3. Geographic location of the facilities (installations). Advantages and disadvantages, labor force qualification, their total cost, labor unrest, tax incentives and local government help to build the factory there, environmental regulation, proximity to raw material sources and/or to the customers, accessibility of facilities (installations).
- 5.4. Buildings required in square meters, stores, security systems, others fixed assets, etc.
- 5.5. Study and analyze the financial instruments to get these fixed assets, production capacity, estimated cost and accrual of the acquisition. Finally, the depreciation period and the yearly depreciation, compared to the competition.
- 5.6. Strategy of the manufacturing process, outsourcing strategy: reasons, who they are, their cost and qualifications.
- 5.7. Description of the quality control processes, inventory control and inspection procedures.

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6.-ORGANIZATION AND HUMAN RESOURCES.

- 6.1. Personnel needs, profiles and qualifications. The organization chart.
- 6.2. Competences and skills required. Profiles and experienced people required.
- 6.3. The compensation system. How to train, evaluate and compensate the people.

7.-ECONOMIC AND FINANCIAL PLANNING.

- 7.1. Investment Plan (to start the business).
- 7.2. Financial Plan.
- 7.3. Treasury Plan (forecast, prevision 1 year)
- 7.4. Profit and Loss Account (forecast, prevision 5 years)
- 7.5. Balance Sheet (forecast, prevision 5 years)
- 7.6. Break-even point.
- 7.7. Ratios: profitability, solvency, liquidity, investor.

8.-CONTROL SISTEMES, BALANCED SCORECARD (KPI TO MANGE THE COMPANY) AND CONTINGENCY PLANS.

9.- CONCLUSIONS.

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7. Relationship among competencies, Subject units and evaluation system

COMPETENCIES	TRAINING ACTIVITIES	UNITS	EVALUATION	PONDERATION
CT01 CT02 CT08. CT09 CT10 CT14 CT21 CT18 CT27 CT28 CT26	AFE1 AFE3 AFE4 AFE5	U.1 U.2 U.3 U.4 U.5 U.6 U.7 U.8 U.9	S2 S3 S5	30%
CE04 CE05	AFE1 AFE3 AFE4 AFE5	U.1 U.2 U.3 U.4 U.5 U.6 U.7 U.8 U.9	S2 S3 S5	70%
	TOTAL EVALUATION			100%

8. Recommended information sources

Mandatory Reading

Timmons, Jeffrey A.; Spinelli, Stefen Jr (2009): New Venture Creation. Entrepreneurship for the 21 st Century. (Eight Edition). McGraw Hill International Edition.

Further Reading

- **Friend, G; Zehle, S (2009):** Guide to Business Planning (Second edition). The Economist and Bloomberg Press, New York.
- **Osterwalder, A; Pigneur, Y; (2010):** Business Model Generation. (1 st edition) John Wiley and Sons, Inc.
- **Harvard Business School Press, Pocket Mentor (2007):** Creating a Business Plan. Harvard Business School Publishing, Boston.

8.1 BiblioWeb:

There are several online resources about the subject. During the course we will share the most updated and interesting.