Teaching Internet Entrepreneurship

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At the beginning of 2000, Cal Poly Pomona College of Business Administration launched a task force to create an undergraduate E-Business Program. Twelve faculty members worked hard to develop a core of six four-unit courses including practicum or senior project and then began work on six specialty career tracks.

Required Core Courses:
- EBZ 301: Introduction to Electronic Business.
- EBZ 304: e-Business-enabled Supply Chain Management.
- EBZ 306: e-Business Startup and Development.
- EBZ 466: e-Business Practicum.

Specialty Career Tracks:
1. Accounting and Transaction Processing
2. Content Creation and Management
3. Customer Relationship Management
4. E-Business Entrepreneurship and Strategy
5. Enterprise Integration Applications
6. Supply Chain Management

The first course EBZ 301 was taught January 2001 launching the program. At the end of spring 2002 we have almost 200 enrolled in the program and have actually seen seven graduates with the EBZ option/concentration (business administration is major.)

This paper concerns the development of content and process for the course EBZ 306 E-Business Startup and Development, the sixth core course requirement for the EBZ concentration. It presents a model of the course as presented and calls for suggestions for improvement as well as enhancement.

Having taught entrepreneurship for many years and been involved in the development of many entrepreneurship courses as well as degree programs; the importance of a combination of unique learning experiences was a very clear mandate.

Historic literature indicates a varied list of pedagogues as useful for stimulating learning in the entrepreneurial classroom. Ronstadt (1985) called for an “action-oriented approach . . go out and do it . .”

Winslow, Solomon and Tarabishy (1997) . . data indicate what teaching methods were offered. They include: (1) case studies (2) lectures of business owners; (3) development of business plans; (4) guest speakers; (5) research projects; (6) community development; (7) onsite visits; (8) creation of business plans; (9) discussions; (10) small business institute counseling (11) feasibility studies (12) internships.

In fact, numerous studies have revealed that traditional textbook/lecture is an inappropriate if not boring way to deliver entrepreneurial instruction. (Ahiarah 1989 and others.)

The treatment of entrepreneurship on the Internet comes with an obvious ready-made core pedagogical tool. Effective use of this tool and the instructional materials supporting it are not so ready. My website for EBZ 306, a course I teach at Cal Poly Pomona is designed for both home research and in-class presentation. I shall begin with the components of this course:

GRADING AND EVALUATION

The following weightings will determine student evaluations.

INDIVIDUAL - INTERNET RESEARCH EXERCISE 10%
INDIVIDUAL - SELF DEVELOPMENT EXERCISE 10%
INDIVIDUAL - FOUR ASSIGNMENTS 40%
INDIVIDUAL - BOOK REPORT eBoys or Burn Rate 10%
GROUP - E-BUSINESS WEB BUSINESS PLAN 20%
CLASS PARTICIPATION, ATTENDANCE, 10%
TOTAL 100%
Each component is linked to the page description for the assignment or project.

The Internet Research Exercise contains 13 carefully constructed questions to expose students to be the best sources of Internet information on individual companies and industry trends, changes, conditions and forces, that is opportunities and threats. For example, here are two questions from the actual exercise:

1. The most significant source of information on publicly traded corporations is the Securities and Exchange Commission - EDGAR Data Base. It is very important for finding corporate SEC filings. Always seek the most current "Form 10-K". Click on "Search Edgar Archives." Find the blank space and type in Yahoo or Yahoo Inc. Set "Start" to 1999 and "End" to 2002. Click return. Spot the most current 10-K (you may have to scan down the page.) Click on "Yahoo Inc." and find the financial statements. (Confused? -- try the SEC Edgar Instructions/Tutorial.) Copy the "profit and loss statement" and paste it on to your assignment. This copy paste is acceptable as long as you cite the 10-K using the formats found at either: American Psychological Association - APA Style.org Or, Purdue University English Dept. interpretation of APA and other style sheets.

2. Industry Analysis - Though more vague and difficult to find, the researcher is searching for external dynamics. These might include -- industry: lifecycle, concentration levels, changes, trends, successes, failures, downturns, collapses, key industry players or biggest competitors. Unless the company is on the list of largest global influencers, they are not likely to be able to individually change or impact these external or industry conditions. In effect, these "externalities" are beyond control of the individual company.

Answer 1: In your own words, create a list of five industry conditions. (No, not from the Internet, just be creative and list five) Discuss why it would be important to research and utilize current information about these conditions when analyzing or researching a company.

For example: Let's assume that I am preparing a case -- say "Yahoo.Com." I must provide information about the appropriate industry/(ies) First, I must identify the industry -- probably by SIC number.

Answer 2 in 11 steps: Step 1. Click on Hoovers.com. 2. At the top click on "companies & industries," then, 3. click on "industries" from the immediate menu on the left. 4. Click on "Complete List" on right side of page. 5. Type "Yahoo" into the search box and hit return. 6. Click on "YHOO NASDAQ", then, 7. click on the "industry" tab - (found on right screen.) 8. hat is the SIC number, and 8. what is the industry name? 9. Click on "Media - Internet & Online Content Providers" 10. click on SIC tab - right screen. 11. What are the three SIC Codes related to this industry?

Yes, these two questions are a bit confusing -- indeed by design. The student is forced to discuss the questions with team members and I can use them in class for extended oral discussion. I am a bit mean, I use this same question with MBA students and have a standing threat to fail a graduate student who does not know what a P&L statement is. The copy paste in question 1 leads to a discussion concerning plagiarism and paraphrasing. If links get stale, I reward the student who emails me this information first so that I may correct the exercise.

The individual self-development exercise, provides a choice of unique challenges. The student selects the one that appears to provide the best individual learning based on interest or career track choice. These include “check your credit” with the three US credit reporting agencies. I only want a photocopy of the credit agency name and student name turned in. A student’s credit report is singularly his/her business, not mine. I feel confident, however, in the process of pushing the student to examine his/her own credit report. Many do not know that it exists. They also do not connect a future SBA small business loan with this report.

Other self development items include write an individual mini business plan, establish a working business on eBay, etc.

The four assignments are designed to be the heart of the course. They are:

1. Description of the Business Opportunity including a discussion of: (a) the Internet business model, (b) description of customers/target market, the eMarketing Strategy, including competitive advantage, (c) brief overview of competition, (d) expectations/benchmarks, (e) start-up capital requirements (f) fulfillment, inventory, warehousing, delivery, or outsourcing, and part 2 - the individual 3 page website.

2. A project to learn as much as possible about the March-April 2000 dot com stock correction. (a) Select and research one Internet dot com failure (such as Boo.com.) (b) Discuss at least five major reasons why it failed. (c) Include at least 10 characteristics of the successful dot com for the next generation.

3. Generate at least three alternative web hosts for evaluation. Weigh, evaluate and analyze these three resulting in a final decision with justification. Finally, develop a step-by-step plan and schedule, detailing how you will launch your business with this provider. Considerations in analysis: shared, co-located or dedicated service, factors such as customer and technical support, uptime guarantees, facilities that can outlast disaster, connection types to the Internet, speed, flexibility, scalability, security, backup, equipment, software, and of course prices.
4. Develop a **three page marketing plan** for the individual business you developed in Assignment 1.

The **book report** on eBoys or Burn Rate. These two books were selected to provide a picture of the “golden years” of the dot com run up. Both books are readable and allow students to see what happened and a little bit about why. They are meant to be historic accounts (yes, four years ago is history in the e-world, and I am 8 dog years old!)

Finally, the **e-business web business plan** utilizes a format developed from experience and several recommended formats. This is a group project and involves both a three page working website (transaction software cannot function on university servers) and an oral formal presentation before the class.

For in class lectures, I use the following PowerPoint presentations:

<table>
<thead>
<tr>
<th>Topic:</th>
<th>PowerPoint:</th>
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<tbody>
<tr>
<td>Introduction</td>
<td>Introduction</td>
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<tr>
<td>Start Up Ideas - The Opportunity</td>
<td>Start_Up_Ideas</td>
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<tr>
<td>Setting Up a Budget and Sticking to It</td>
<td>Budget</td>
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<tr>
<td>Domain Names</td>
<td>Domain Names</td>
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<tr>
<td>Creating Online Branding</td>
<td>Branding</td>
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<tr>
<td>Provide Customer Service</td>
<td>Customer Service</td>
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<tr>
<td>Building Community</td>
<td>Building Community</td>
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<tr>
<td>Setting Up Storefront</td>
<td>Storefronts</td>
</tr>
<tr>
<td>Understanding Back End and Hosting</td>
<td>Back_End_and_Hosting</td>
</tr>
<tr>
<td>Business Planning &amp; Venture Funding</td>
<td>Planning &amp; Funding</td>
</tr>
<tr>
<td>Promoting to Your Target Market</td>
<td>Promotion</td>
</tr>
</tbody>
</table>

Each slide in the presentations contains both information bullets and links to relevant websites. For example:

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**Top Level Domains**

- Seven new TLDs listed: [http://www.icann.org/tlds/](http://www.icann.org/tlds/)
- Introducing .biz – the new Internet domain built especially for business: [http://www.neulevel.biz](http://www.neulevel.biz)
- **What’s in a .name?**
  [http://www.qnr.com/](http://www.qnr.com/)  A .name domain has three ‘levels’. The first level is the actual '.name' suffix and the second and third levels are your first and last name. So a .name web address will look like this: First name.Last name.name or Last name.First name.name. Your email address will be easy to remember too: First name@Last name.name or Last name@First name.name.
- Registry Whois Search: [http://www.internic.net/whois.html](http://www.internic.net/whois.html)
- The Accredited Registrar Directory -- Listing by Location of Registrar: [http://www.internic.net/origin.html](http://www.internic.net/origin.html)
This slide provides interesting information supported with links. The students in the laboratory each can use the links to read the supporting information while the lecturer comments. Do they ever engage in “chats” or games with the little messenger while teacher is pouring out heart and soul, you ask? Oh yes, that is why the “freeze” on instructors screen button is so critical in the pc lab. I emphasize that “frozen comments” are just long enough to cause the loss of a friend or game!

These slides are available online and students are encouraged to use them at home.

Pedagogical Materials

I have found the following textbooks to be useful in this course:


Course objectives or expected outcomes are simple and achievable:

COURSE OBJECTIVES

· Identify business opportunities
· Classify business opportunities, e.g., start-up, process improvement, new marketing channel, etc.
· Evaluate opportunities, in terms of business potential and organizational feasibility
· Design an Internet start-up or new eBusiness program within an existing organization
· Write and orally present a business plan

Finally, the following rules are critical:

1. Downloading, Scanning, Copying and Rearranging to be used as the final project will not be permitted. Violations of this will be treated as major infraction of Cal Poly cheating rules. The Internet provides invaluable resources for students and practicing professionals. We shall learn here how to use them effectively. You will want to download and use these resources. Simply do not use downloaded or scanned text as final assignments.

2. A roll sheet will be passed at most class meetings and each absence will count 2 percentage points off the students final weighted average. If you have what you think to be a 90 weighted average after all work is completed, two absences will result in lowering that average to 86 and you will receive a B. Excuses will be considered on an individual basis

3. Assignments will be accepted late on the last day of class, not on the day or class period after they are due. They will receive only partial credit and will not be returned. This is only somewhat better than getting a 0 for that assignment. Avoid this problem by turning each assignment in on the due date.

Conclusion

The results have been good overall. The first two attempts without a computer laboratory were tedious and difficult to work. Students of e-Commerce must be engaged in Internet navigation. Most have been doing this since teenage years. This incredible new learning tool is there classroom, their reading materials and their careers -- interaction, navigation and motivation are the critical ingredients.

Bibliography