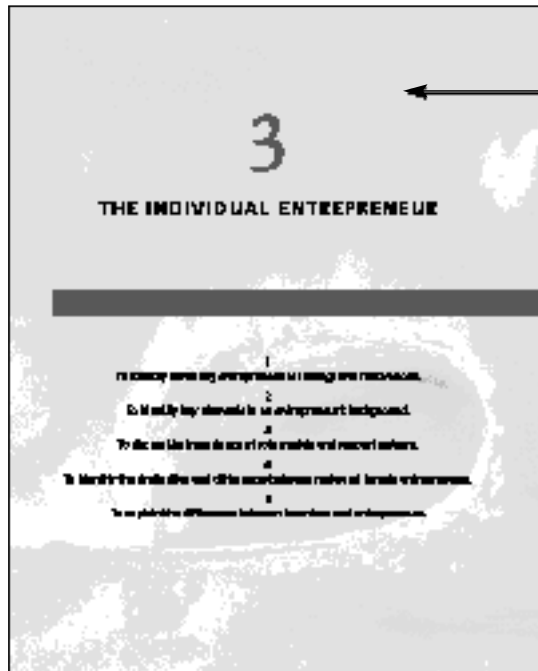


# GUIDED TOUR

*Entrepreneurship* has been designed to instruct students on how to formulate, plan, and implement a new venture through detailed descriptions of how to embark on a new venture in a logical manner. Actual case studies and entrepreneur profiles throughout the book help illustrate successful and not-so-successful ventures.

Please take a moment to look through the highlighted features and better acquaint yourself with the focus of the book and its pedagogical features.

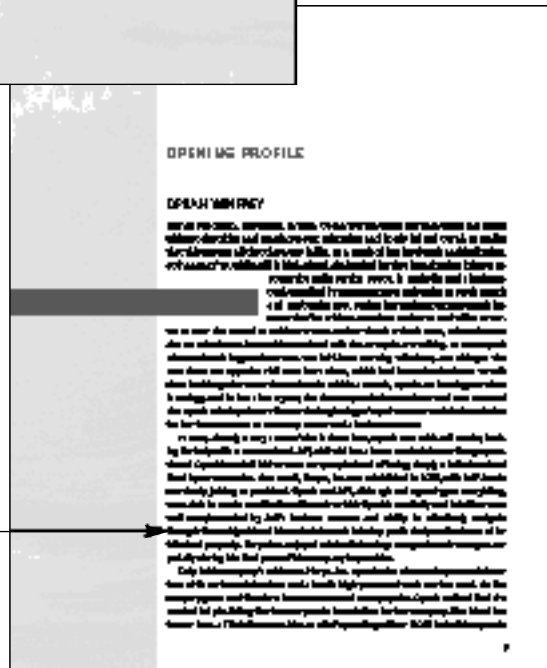


## LEARNING OBJECTIVES

Each chapter begins with objectives that outline what students should gain from reading the chapter.

## OPENING PROFILES

To make the study of entrepreneurship as meaningful as possible, every chapter includes a profile of an entrepreneur whose career is especially relevant to the chapter material.



## AS SEEN IN ENTREPRENEUR MAGAZINE

### PROVIDE ADVICE TO AN ENTREPRENEUR ABOUT FIRM AND SOCIETAL BENEFITS

If you have ever wondered whether you have an entrepreneurial gene in your body, you may soon find out. J. Craig Venter is a scientist—and an entrepreneur. He started Celera Genomics Group in 1998 with one main mission: to map the human genome. Now he is working out of a nonprofit organization he founded in Rockville, Maryland: the Center for the Advancement of Genomics. His goal is to mass-produce CDs with everybody's personal genetic maps, and sell them for \$1,000 each. Who gets? Presumably people who want to see what life-threatening genes are lurking in their bodies. Venter's organization will work on producing a gene CD for you now—if you have half a million dollars.

And when do business and science not work well together?

Venter: They collide when people let the pursuit of money overrule their ethical decisions. And it doesn't just happen with science and business. I've seen more greed in the academic community than in the business community. It depends on people's individual ethics. There have been cases of [unethical behavior] with clinical trials of drugs, for example, or scientists diverting their government-funding research lab into private companies. And, of course, we've seen businessmen having their companies buy

I read an article stating ev

genome code should

What's wrong with it

J. Craig Venter: That's one

ever heard. I would be

free. I would like to

like people to just del

it's a pain to go to the

understand that legal

determine their own

happens because of s

these things cost huge

Somebody has to pay

OK, so assuming business

can entrepreneurs be

Venter: The reason scien

breakthroughs is bec

made money in their

that to help society. A

people involved don't

have pure, altruistic i

to help society by cre

disease, or you can be

financial greed. But it

U.S. encourages peop

of their background

the table.

## ETHICS

The financial scandals of 2002 have already led to increased action by legislators and associations, and many companies are beginning to develop a code of ethics for all employees.

There are a number of advantages to implementing a code of ethics. The more your employees are aware of proper conduct, the more likely they are to do the right thing. They'll better understand their responsibilities and expectations and assume the appropriate level of accountability when identifying and managing business risks.

A code of ethics is more than just a formal document outlining related policies. It's about integrating positive values throughout an organization. Here are some key components to an effective program:

### LEADERS SET THE EXAMPLE

Employees often model their own behavior after executives, managers, and others who've succeeded in the company. Therefore, everyone at every level must adhere to the firm's guidelines. What seems like a small action—discussing confidential financial information with a colleague, for instance—can have a ripple effect throughout all staff. If senior management (don't) follow the highest ethical standards at all times, they shouldn't be surprised when those who report to them fail to do so.

### ETHICS IS A CORE VALUE

Companies known for their ethical business practices make ethics a key element of their corporate culture. Conducting yourself with integrity is considered important as bottom-line results. Ethical stand

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ties are avoided at almost any

once, and intrapreneurs learn

sible moment.

Whereas traditional man

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three groups are also refle

Ethics box.

are applied any time a decision is made or an action is taken, not just during controversial situations.

A recent survey by our company found that more organizations are taking ethics into account when hiring employees. Fifty-eight percent of chief financial officers polled said the qualities that impress them most about applicants, aside from ability and willingness to do the job, are honesty and integrity. That's [a] substantial increase from only 32% in 1997.

### EMPLOYEES FEEL SAFE TO SHARE CONCERNS

The work environment must be one in which people feel they can deliver bad news to management without fear of repercussions. In an ethics-driven company, staff members can report any type of wrongdoing—whether it is false information on an expense report or major financial fraud—and feel confident they will not suffer negative career consequences.

Once supervisors are made aware of a potential problem, they need to take immediate action. Failure to follow through on even minor issues can undermine the success of an ethics program.

Having a code of ethics will not prevent every crisis, but it will ensure that staff members have a clear understanding of expectations. Collaborate with em

## AS SEEN IN ENTREPRENEUR MAGAZINE

Articles from *Entrepreneur* magazine present current topics in entrepreneurship and allow students to analyze business opportunities and advise entrepreneurs.

## ETHICS BOXES

These articles spotlight ethical issues that entrepreneurs face and offer examples of how real-life entrepreneurs have responded to these challenges.

## CHAPTER SUMMARY

Every chapter ends with a summary of the important concepts to reinforce the learning objectives and remind students of what they have read.

## IN REVIEW

Research tasks and class discussion questions are included at the end of each chapter to encourage thinking and classroom debate. A list of selected readings provides sources of further information for students who want to delve deeper into chapter topics.



### RESEARCH TASKS



1. Interview two women entrepreneurs and find out whether they believe that the tasks of being an entrepreneur are different for them than for their male counterparts. What are the advantages of being a female entrepreneur? What are the disadvantages of being a female entrepreneur? Are these differences substantial or minor?
2. Interview two minority entrepreneurs and find out whether they believe that the tasks of being an entrepreneur are different for them than for their "nonminority" counterparts. What are the advantages of being a minority entrepreneur? What are the disadvantages? Are these differences substantial or minor?
3. Are female entrepreneurs more likely to start certain businesses than male entrepreneurs? Are minority entrepreneurs more likely to start certain businesses than nonminority entrepreneurs? Provide evidence (including statistics) to support your answer.
4. Speak to three entrepreneurs and find out what motivated them to become entrepreneurs. Also find one person who, at one time, considered becoming an entrepreneur but did not do so. Find out why this person did not become an entrepreneur.
5. Research the biographical/personal accounts of five entrepreneurs. What do they say are the key factors that led them to pursue an entrepreneurial career?

### CLASS DISCUSSION



1. We know that people with high IQ scores, or even high SATs or high GMATs, do not necessarily do any better than others in school. How predictive do you believe personality tests are in predicting success as an entrepreneur? What is more predictive? What are the dangers of classifying people using personality tests as "not very entrepreneurial" or "very entrepreneurial"? What are the potential benefits?
2. Why do role models impact the decision of people to become entrepreneurs? Do you think that a person whose parent was an entrepreneur of a failed business is more or less likely to start his or her own business than a person whose parents were managers of large, established companies?
3. To what extent do men and women differ as entrepreneurs in terms of the types of companies they create and manage, the industries in which they operate, the challenges faced, and their sources of competitive advantage? Are these differences greater or less than they were five years ago? Are we going to soon find that there are no differences between women and men entrepreneurs?
4. To what extent do minority entrepreneurs differ from nonminority entrepreneurs in terms of the types of companies they create and manage, the industries in which they operate, the challenges faced, and their source of competitive advantage? Are these differences greater or less than they were five years ago? Are we going to soon find that there are no differences between minority and nonminority entrepreneurs?