
THE BUSINESS PLAN PRESENTATION

Yves Plourde wrote this case under the supervision of Professor Deborah Compeau solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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It was the last day of class for the participants of the Emerging Entrepreneurs Project in FarEast, Russia, and the students were about to present their business plans to the instructors. The past two weeks had been a very insightful experience for the participants and the instructors. The last day's business plan presentations were intended to be the pinnacle of these two weeks. A few minutes before class, Gary Garlikov, a student who had some difficulties speaking English, approached Alejandro Rodriguez, one of the two course instructors, and said: "I will not present today. Thank you very much for your help on the project. I enjoyed learning about being an entrepreneur." Rodriguez was concerned. If Garlikov did not present, he would not be credited for his participation in the program. While Rodriguez considered how to respond, another student, Dimitri Toltevsy, jumped into the conversation to assure Rodriguez that Garlikov *would* present. While Toltevsy's interruption seemed to solve Rodriguez's concern regarding Garlikov not presenting his business plan, Rodriguez was uncomfortable with what appeared to be a bullying attitude on the part of Toltevsy. The class was about to start. Rodriguez needed to take action.

THE EMERGING ENTREPRENEURS PROJECT

The Emerging Entrepreneurs project was a student-driven organization at Northern Business School (NBS) with the mandate to teach modern business practices to students and entrepreneurs in the newly developing economies of Eastern Europe. The program sites included Moldova, Russia, Ukraine and Macedonia. The ultimate objective was to help the participants develop foundational skills in business decision-making and entrepreneurship, so that they could contribute to moving the former Soviet Union economy forward through their own inventions. The volunteer instructors were students from the various business programs at NBS, including the undergraduate, the MBA and the PhD programs. Over its 20 years of existence, Emerging Entrepreneurs had successfully built relationships with its partners, and the participating schools were highly satisfied with the collaboration with their North American counterpart.

To achieve its objective, Emerging Entrepreneurs' curriculum was designed around different elements, with a mix of business case discussions and brief lectures, each focusing on one element to consider when launching a new venture. While the business cases placed the students in the context of real-life situation,

the lectures provided some background knowledge to serve as guidance for the case to be covered on the following day. To reinforce what students had learned, they were required to develop a real business plan for a potential venture. At the end of the two weeks, students were expected to have a full business plan to present in a *Shark Tank*-style sales pitch format.¹ The business plan presentation was a requirement for the successful completion of the program, and many participants considered their work on the presentation as the most valuable part of the program. Throughout the program, the participants received feedback on their business idea, and those who successfully completed the program received a certificate of participation.

In preparation for Emerging Entrepreneurs, the volunteer instructors were divided into site teams for the purpose of building team spirit. The main focus of the pre-departure training was the content of the program, which remained limited, with each site preparing one case to be presented in front of the other student volunteers. The participants also received an introduction to the Russian culture; however, because of the costs associated with the program and the logistics necessary to transport all the participants to their sites, most of the pre-departure attention related to the financing, planning and preparation of the project. Emerging Entrepreneurs provided an opportunity for the volunteers to hone their leadership skills, an implicit objective of the project. The atmosphere for this year was lively, and the participants were confident that the preparation had gone well, with everyone ready to undertake their mission abroad.

The FarEast site had four instructors: Mike Czekowski, Sanjanya Mayar, Anna Tausch and Rodriguez. Although Rodriguez had some teaching experience as a ski coach and a rollerblade instructor, he did not have any formal teaching experience in a classroom environment. As the only PhD student and the only non-native English speaker at this site, Rodriguez was thrilled with the opportunity to gain valuable teaching experience in a cross-cultural environment. In FarEast, Rodriguez would be teaching in tandem with Tausch, an MBA student. Tausch was a very enthusiastic person, very determined and full of energy. She had strong opinions about the world and was not afraid to say what she thought was right. Tausch had worked in the not-for-profit sector for numerous years and had decided to pursue a career in the corporate sector. Participating in Emerging Entrepreneurs was an opportunity for her to help the Russian economy, and, of course, do some travelling before getting a new job!

THE FAREAST SITE

In FarEast, Emerging Entrepreneurs partnered with National University (National). National hosted various liberal arts programs and was well known in Russia for its innovative approaches to education and its modern knowledge-intensive management system. According to the Ministry of Education and Research, National was one of the leading economic universities in Russia. Located in the far east of Russia, the school reflected a mixture of its communist heritage and the emerging turn toward a more open-market economy. The shift to a market economy was still difficult, many years after the collapse of the Soviet Union. The professors, trained in a system where the economy was planned and centrally managed, lacked the practical experience of a system that was based on privately owned corporations. By filling this gap, the Emerging Entrepreneurs team could contribute to the education of their students.

¹ Shark Tank was a reality television program featuring entrepreneurs who pitched their business ideas in an effort to secure investment financing from a panel of venture capitalists. The contestants were usually product designers or service operators who had what they considered to be a viable and potentially very profitable business idea, but lacked funding and direction. They pitched their idea to five rich entrepreneurial businesspeople, the eponymous "sharks." Before the show, the contestants named an amount of money that they hoped to secure. According to the rules, if contestants did not raise at least this amount from the sharks, they received nothing. When contestants raised the requisite amount of money, they promised, in return, to give the sharks a percentage of the company's stock, which was the chief point of negotiation.

The students at National were from various backgrounds, some from the wealthiest families of Russia, and others from more modest origins attended university on a full scholarship. The Emerging Entrepreneurs program at National was open to students on a voluntary basis. It was not a degree requirement but an extra-curricular program supported by the school. The program had been attended widely in the past, with more than 100 participants in previous years. The program was very popular, mostly because of the certificate the students received after their successful completion of the program. The Russian business community was also familiar with the program; the students who had participated in the past had received extra consideration in the community when applying for jobs.

In terms of collaboration and logistics, National University was responsible for coordinating student enrollment, class scheduling and room booking; the Emerging Entrepreneurs team was responsible for the instruction. Although communication was sometimes difficult, the National University officials seemed satisfied with both the agreement they had so far and the seven-year relationship they had built with Emerging Entrepreneurs. This year had been particularly difficult, as a new translator had replaced the translator who had dealt with Emerging Entrepreneurs in the past. Nevertheless, the team overcame these difficulties and arrived at the FarEast airport on a Tuesday morning, after two layovers, first in London, England, and then in Moscow. The team members were relatively tired due to the jet lag and their long flight, but were ready for their duties, which they would begin by teaching that afternoon.

Soon after their arrival in FarEast, and prior to their first class, the team met with the deans from two programs, the president of the university and the vice-president of International Affairs. The meeting was held in the presence of the translator. During this very formal meeting, university officials introduced themselves, as did the Emerging Entrepreneurs team. The university officials expressed their interests in collaborating further, and in sending Russian students to NBS. The Emerging Entrepreneurs team replied that they would convey the university's interest to the individuals in charge of the program. The university officials also reiterated the value of Emerging Entrepreneurs in the education of their students and their satisfaction with the quality of instruction. During the meeting, the Emerging Entrepreneurs team discussed the possibility of extending the program to three weeks instead of two. The university officials replied politely that they would start by seeing how the program proceeded this year, and then consider an extension later.

As the meeting came to an end, the dean of the Economics department raised an issue that had occurred in the previous year. This issue was new to the team, as none of them had previously participated in Emerging Entrepreneurs at this site. The concern was that some students in the previous year had received a black and white photocopy of their certificate of participation. Certificates, in Russia, were important because they were a way of distinguishing the top students. For instance, at the end of their undergraduate education, Russian undergraduate students received either a red diploma or a blue diploma. The red diploma corresponded to an honours degree and was considered the highest academic award for Russian-trained undergraduates. Considering the high unemployment rate and the aspirations of the students, certificates could make an important difference between attaining a prestigious job, a less prestigious job or, worse, being unemployed. The university officials wanted to ensure the students would receive the most out of their education at National and insisted that this year's certificates needed to look official.

THE CLASSROOM ENVIRONMENT

After the meeting with the university officials, Rodriguez and Tausch met their students. Rodriguez and Tausch were both anxious, as it would be their very first time teaching in front of a large group. Fortunately, all the participants looked very keen and were very welcoming as the translator introduced

Rodriguez and Tausch to the group. The translator soon left, and Rodriguez and Tausch started the class, trying to learn a bit about their students on that first day. They explained the teaching plan for the next two weeks and talked about the case method, entrepreneurship and the business plan, a key element for the completion of the program. They did not discuss the importance of attendance, nor the necessity to present the business plan on the last day of the program, but they thought that it had been obvious that participation was required to receive a certificate.

Overall, that first day went well, allowing Rodriguez and Tausch to get a sense of their class. The participants were in their third year of study in the undergraduate program in Economics and International Relations. All the students were in their early twenties, and most did not have prior work experience. The class comprised 28 female students and two male students. The disparity in the mix of male and female students was later explained to Rodriguez and Tausch as the result of the compulsory military service for males who did not attend university. Many young men chose military service instead of school since university was not always easily accessible. The two male students were Gary Garlikov and Dimitri Toltevisky. In class, they usually sat together. Garlikov was small and looked much younger than his age. He was not shy and was ready to speak up, but he lacked the presence that Toltevisky had. Toltevisky was tall and strong, and spoke with much confidence in class. He was, in fact, very authoritative with the rest of the group.

The capacity of the students to communicate in English varied within the group: some students demonstrated strong communication skills in the English of Shakespeare, whereas others had difficulties combining different words in one sentence. The class also included a group of *Buryat* students, the largest Aboriginal population of the area. These students were quieter than the other students, and were easily identifiable because their physical features resembled those of people from Mongolia. The Buryats had some difficulties communicating in English because the intonations used to pronounce words in English were very different from the sounds used in their Mongolian dialect. Rodriguez and Tausch soon realized that communication was also a matter of social status. Students who had travelled abroad and lived outside Russia were, in most cases, from wealthier backgrounds. This disparity was also reflected in their clothing and their attitude, as these students were typically more confident in their abilities than students from more modest origins. Garlikov was clearly in this second category.

After the first day's introduction, Tausch and Rodriguez started their "real" work with the students. They started learning more about the students, and then introduced them to the case method. The program was definitely an adaptation, as both Rodriguez and Tausch were trying to determine what level the students were at and their degree of understanding. After the second class, Garlikov approached Tausch to ask her what was wrong with his English. In class that day, Tausch had called on Garlikov but had passed quickly to another student without understanding what Garlikov had said. Garlikov was difficult to understand. It was not that his English was poor, but his pronunciation and the way he structured his sentences made him difficult to understand. He may have been thinking too quickly to correctly express his ideas in words. When Tausch was approached by Garlikov, she quickly said that nothing was wrong with his English, and Garlikov seemed relatively satisfied with her response. After this incident, the situation improved, as Rodriguez and Tausch paid more attention to what he was saying, and were very careful to ask follow-up questions to clarify what he had said.

Garlikov was not the only student for whom communication was challenging. Tausch and Rodriguez tried to encourage more participation from the Buryats. Although they were very smart, communicating with these students was difficult as they were much quieter than the other students and did not participate

much. Tausch and Rodriguez tried to include them in the class discussions by “cold calling”² on them. This tactic was challenging since these students would speak with a very monotone voice that was difficult to understand, both for the other students and for the instructors. When Rodriguez and Tausch asked the Buryat students to speak up, other students sometimes showed signs of impatience. Thus, Rodriguez and Tausch tried to balance the different contributions to try to maintain the attention of the class and to keep some form of order in the classroom.

After the first few days, attendance dropped significantly, leaving the instructors teaching a core group of 16 students. Tausch and Rodriguez were told not to worry too much about the absences because the students were preparing for exams in the following week. This particular group of students had their exams scheduled earlier than the other students because they had been selected to participate to a summer exchange in the United States. Because participation in Emerging Entrepreneurs was an extra-curricular activity, and considering the importance of grades for the students, this explanation made sense to Rodriguez and Tausch. It was, in fact, true that the students had a very demanding schedule, with courses six days a week, from Monday to Saturday. It was also true that Rodriguez and Tausch had not been clear about the mandatory attendance at classes and the mandatory presentation of the business plan to successfully complete the program. Thus, they decided to keep working with the students who attended class and to not worry too much about the absent students.

As the class moved forward, Tausch and Rodriguez noticed another issue, which related to Toltevsy. Toltevsy clearly dominated the classroom when he was there, with no other students being willing to participate. Even when Rodriguez and Tausch called on other students, Toltevsy would respond quickly, influencing the quality of the debate. His behaviour was problematic, especially because Toltevsy did not read the cases prior to class. Instead, Toltevsy would have lunch with a young woman from the group and ask her to summarize the case. Fortunately, Toltevsy had been absent for most of the sessions, which had helped keep the group engaged. Another positive result of Toltevsy not attending classes was that Tausch did not have to ask Rodriguez to tell Toltevsy what to do because Toltevsy would not listen to Tausch. Rodriguez and Tausch concluded that Toltevsy’s behaviour toward Tausch was probably a cultural aspect of Russian society, in which men took a more prominent role in public.

Despite these challenges, Rodriguez and Tausch had greatly improved their teaching skills over the course of the program. Enthusiasm and engagement from the students soon replaced the low participation of the first few days, and the students seemed to enjoy the opportunity to have group discussions about the cases, an activity that was unusual in their other courses at National. The group projects were also going well; the students demonstrated their creativity and their mastery of the concepts they learned.

THE GROUP PROJECTS

In terms of projects, the teams had been working hard to find innovative ideas. One group was working on the design and marketing of a device to open a door without the need for a key. Another group of students who were interested in fashion decided to provide a service that would help business people to select appropriate attire to wear. This latter group comprised the Buryats. Another group comprised the most popular girls of the class, who were working on a project that would draw from the rich Russian history and traditions, with the objective to organize ballroom nights. Each of these three groups had four to five students each. Clearly, all students in these groups were contributing and collaborating on the projects.

² “Cold calling” refers to asking for participation from students who were not expecting to give their opinion. The word “cold” is used because the person receiving the “call” for participation has not specifically asked to talk.

The last group included the two men, Garlikov and Toltevsy. Although Garlikov pretended he was working with Toltevsy, Rodriguez and Tausch knew that Garlikov had done all the work himself. Every day that Toltevsy attended class, he would leave after the first part of the session, saying that he had other business to attend to. Nevertheless, Garlikov developed his project, with Rodriguez paying extra attention to him to ensure that he was making progress. In terms of business idea, Garlikov had designed “Massage on-the-go,” a massage service for workplaces to combat job stress. Garlikov had spent the previous sessions planning the launch of his business and was very enthusiastic about it, making significant progress in developing his business strategy. The situation with Toltevsy was continued to be ambiguous. Unsure whether they should intervene, Rodriguez and Tausch decided not to take any action to clarify the situation. Garlikov seemed to accept the situation and was working well on his project, which supported their decision.

Despite the support from Tausch and Rodriguez, Garlikov expressed concerns at the beginning of the second week about his business idea not being “a grand” idea. It was true that his idea was different from the other projects, which were more ambitious. Also, because of the nature of his business, he did not need to develop extensive financials since his project did not require significant upfront investments. Despite Garlikov’s perception of his project, Rodriguez believed that it was realistic, with a real potential to succeed. The project was also a good fit with Garlikov’s personality, who appeared to be averse to risk. At the time, Rodriguez had decided to share his own experience as an entrepreneur, when he developed his rollerblading school, so that Garlikov would not be concerned that his business idea required almost no financial investment.

THE BUSINESS PLAN PRESENTATION

On the day of the presentations, a few minutes before class, Garlikov took Rodriguez aside from the group in the classroom. He said: “I will not present today. Thank you very much for your help on the project. I enjoyed learning about being an entrepreneur.” As he spoke, Garlikov looked uncomfortable. Rodriguez asked Garlikov why he did not want to present, and Garlikov simply replied that he would not present. He mentioned that he had learned a lot in the last two weeks, but that he could not present today. Rodriguez insisted that Garlikov should present, as he had worked hard on his project and he owed it to himself to present. Nevertheless, Garlikov was not ready to present. Rodriguez asked Garlikov one more time why he did not want to present, only to learn that Garlikov was afraid that other students would laugh at him.

While Garlikov and Rodriguez were talking, Toltevsy was nearby, listening to the conversation. When he heard that Garlikov would not present, Toltevsy jumped into the conversation. Toltevsy told Rodriguez in a very confident way not to worry because Garlikov would present their project. Interestingly, whereas Garlikov had talked about *his* project, Toltevsy had talked about *their* project. Rodriguez began to be concerned about Toltevsy threatening Garlikov to present. At that exact moment, Tausch came by to tell Rodriguez that the presentations were about to start. The class was waiting. Garlikov was still not ready to present, although Toltevsy had assured Rodriguez that Garlikov would present their project. Rodriguez needed to decide what to do.