

**Special Graduate Subject Offering**  
**“Entrepreneurship in Construction and Real Estate Development”**  
**MIT – CRE**  
**11.345J/1.462J**  
**Wednesday 12:30-2:30 – W31-301**  
**2-0-4 Units, H2 – 9/9 – 10/28**  
**Fall, 2009**

The purpose of this subject is to explain the role of and the opportunities for the entrepreneur in the built environment. The built environment is defined as all the components and services that go into the structures and infrastructure in which we live.

We will discuss the definition of entrepreneurship; the concepts, skills, strategic planning, know how, know who, information, attitudes, alternatives and resources that entrepreneurs need. We will then review the evaluation of ideas, opportunities, and how one sorts them into viable entrepreneurial businesses.

We will have guest speakers’ address their outlook of what might be the status of the built environment over the next ten years. Entrepreneurs in the built environment will discuss the founding and the current and future positioning of their firms. We will discuss the steps to develop an opportunity into a business. With that basic foundation in place, we will evaluate the built environment and specifically the gaps in the design/construct/development enterprises that may lend themselves to entrepreneurial opportunities.

We will then develop groups within the class to brainstorm as to the opportunities that exist. These groups will then develop a strategic plan to launch that business.

**Faculty:**

John Kennedy has been a Lecturer at MIT’s Center for Construction Research and Engineering, and currently a Lecturer at MIT’s Center for Real Estate Development, where he has taught courses on Strategic Marketing, Real Estate and Entrepreneurship. He founded and harvested companies in the design construct enterprise and is currently a Partner of Kennedy Ventures LLC.

**Topics Include:**

- Entrepreneurship in New and Existing Firms
- Analytical Framework of Entrepreneurship
- Requirements for Success
- Creative Visualization
- Recognizing Opportunities in our Business
- Strategic Positioning of Entrepreneurial Opportunities

## **Class Readings, Assignments and Guest Lecturers**

**TEXT:** New Venture Creation – Entrepreneurship for the 21<sup>st</sup> Century, Sixth Edition by Jeffrey A. Timmons and Stephen Spinelli, Jr., McGraw-Hill/Irwin

**9/9/09**      **Introduction – Course Topic**

### **Entrepreneurial Theories**

### **Introduction by example of Course Deliverable**

*Readings:*

- Text – Chapter 1 – “The Entrepreneurial Revolution”
- Text – Chapter 2 – “The Entrepreneurial Process”
- Text – Chapter 3 – “The Opportunity: Creating, Shaping, Recognizing, Seizing”

**9/16/09**      **The Opportunity: Creating, Shaping, Recognizing, and Seizing**

*Readings:*

- “Marketing Management” Chapter 3, by Philip Kotler “Laying the Groundwork Through the Market Oriented Strategic Planning”
- The 20-Slide Presentation

*Assignment Due:*      First essay on Problem 3 from Chapter 1;  
New venture idea (conceptual only)

*Guest Lecturer:*      Thomas Ragno, Principal,  
King Street Properties LLC

*Guest Lecturer:*      James Ansara  
Founder, Shawmut Design & Construction

**9/23/09**      **Positioning and Managing New Ventures**

*Readings:*

- “Strategic Positioning for Improved Profitability for Engineering and Construction Organizations” by William F. Maloney and Donn E. Hancher
- *Text* – Chapter 7 – “The Entrepreneurial Mind in Thought and Action:
- *Text* – Chapter 8 – “The Entrepreneurial Manager”
- *Text* – Chapter 9 – “The New Venture Team”
- The Executive Summary

*Assignment Due:* Exercise Page 264: Quick Look, the Personal Entrepreneurial Strategy

*Guest Lecturer:* Gabe Cole, President & CEO, Enclave Properties LLC  
Chairman, RTE Group, Inc.

*Guest Lecturer:* Don Charsky,  
CEO, Ability Capital Resources Inc.

*Guest Lecturer:* Xin Zhang,  
Resource in New Business Venture

**9/30/09      **Selecting Business Opportunities****

- *Session for students to choose opportunities by team, to develop new business*

**10/7/09      **Venture Capital / Real Estate Capital / Funds Capital****

*Readings:*

- *Text* – Chapter 14 – “Obtaining Venture and Growth Capital”
- *Text* – Chapter 12 – “The Business Plan”

*Guest Lecturer;*      *Douglas Mitchell Sr.* Vice President  
Beacon Capital Partners

*Guest Lecturer:*      Jon Davis, Partner  
Davis Marcus

*Assignment Due:*      Teams selected for business enterprises  
Final Draft of Opportunities for business enterprise  
as team

**10/14/09      **Legal Issues in the New Venture / Deal Structure****

*Readings:*

- *Text* – Chapter 15 – “The Deal: Valuation, Structure, and Negotiation”
- “Marketing for the Construction Industry – The Marketing Planning System” by Norman Fisher
- Strategic Planning for Competitive Advantages in Construction Enterprises, by Betts & Ofori

*Guest Lecturer:*      Thomas Swaim  
Partner, Holland & Knight, LLP

*Guest Lecturer:*      Joseph Fallon,  
CEO, FHO Partners

*Guest Lecturer:* Thomas Andrews  
Partner, Labspace Inc.

*Assignment Due:* *Conceptual Executive Summary” per team*

**10/21/09 Managing Growth and the Troubled Company**

*Readings:*

- *Text* – Chapter 17 – “Managing Rapid Growth: Entrepreneurship Beyond Startup”
- *Text* – Chapter 18 – “The Entrepreneur and the Troubled Company”

**Financing the New Venture**

*Readings:*

- *Text* – Chapter 13 – “Entrepreneurial Finance”
- *Text* – Chapter 16 – “Obtaining Debt Capital”

*Guest Lecturer:* Ted Tye, Partner, National Development

*Guest Lecturer:* James F. Kennedy, Vice President, Real Estate  
*JP Morgan Asset Management*

*Assignment Due:* *Conceptual “20-Slide Presentation” per team*

**10/28/09 Student Presentations of Strategic Business Plans**

*Panel:* William Cress, Prospectus Inc.  
  
Tom Ragno, King Street Properties  
  
Gabe Cole, RTE