Business Fundamentals Class

After conducting an extensive survey on approximately 2,000 University of Illinois at Urbana-Champaign students from nearly every discipline on campus and interviewing several prominent students interested in entrepreneurship, a common theme of feedback has arisen: “I want to start a business, but how do I do it?” Currently, UIUC performs an excellent job in providing classes and events at which a student can learn about the trials and experiences an entrepreneur will endure through their business life cycle. Though these seminars provide benefit through inspiring and connecting future entrepreneurs, no class or structure yet has attempted to teach students the fundamentals of putting a business together at a mass scale.

Conversely, in Chicago, professionals from many of the core industries necessary for the support of entrepreneurship, venture capital, legal, incubators... etc., have been asking about ways in which they can connect with Champaign. Many of these same individuals and organizations bring industry or world leading expertise from a vast number of experiences and resources. From their perspective, they see great development capabilities in Champaign that they wish to help further. So far, no clear path has existed for them to work with the university in a way which will best suite their professional expertise.

A solution to simultaneously provide benefit to both of these parties is a new campus course focused entirely on the fundamental aspects of creating a business. Teaching this course would be experts from Chicago or the nation who can speak to these topics with a great deal of knowledge so that future entrepreneurs can learn from the best. As we have learned from numerous professionals through interviews, correct legal and financial advice can make as much of a difference as to the success of a group as can the development of the product. An example of this is the anecdote of an entrepreneur who learned through reading books that financing through equity can be the most expensive from of capital raising. As a result, the entrepreneur decided to rely on debt financing for his seed round investment. Unbeknownst to him, because of debts superiority over equity in bankruptcy, his startup could be acquired by the lender if he was late on a single payment. Luckily, a lawyer stepped in and saved him from allowing his company to be acquired by the lender over a single payment. The proposed fundamentals class would eliminate this lack of knowledge within future Champaign entrepreneurs.

Proposed sections in the class could follow a chronological path which an entrepreneur would encounter various challenges in the growth of their idea into a business. Within these classes would be sections on topics such as:

- Incorporating a business
- Finding and choosing an appropriate mentor
- Choosing the best accountant and lawyer for your industry
- Deciphering the financial and legal aspects of venture capital deals
- Understanding equity allocations in employment contracts
- How to find startup partners
- Splitting up equity among founders
- Types of intellectual property
- Filing a patent
- Patent lawsuits
- Licensing intellectual property
- Hiring employees
The preeminent goal of the class is to supply students with the expertise needed to either make knowledgeable decisions when creating their company or understand their contracts when signing with a startup. Seminar lessons from top industry representatives in the entrepreneurial space should accomplish the goals of providing a preliminary education on how to prepare for these events along with where to find more resources to learn further. To extend the reach of the class, recording and publishing the lessons online should provide the information to students who are not able to attend the lectures.