



A Primer on Entrepreneurship

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Coaching Entrepreneurship



A junior associate enters your office looking for advice on becoming an entrepreneur.

"I feel like I need to pursue some of the entrepreneurial ideas that I have, but I don't know where to start. Can you give me some pointers about what I can do?"

Framework

Pre-Entrepreneurial Activity

If I'm not yet ready to take the leap, what can I do to set myself up to be an entrepreneur in the future?

Entrepreneurial Initiating Activity

Once I am ready to commit, what are the key activities / skills I need in order to begin?

Pre-Entrepreneurial Activity

Pre-Entrepreneurial Activity

- **Build network**
- Gain functional experience
- Gain industry experience
- Engage in entrepreneurial-related activity
- Develop personal readiness

- Join entrepreneurial groups or associations for ideas and support about the process of getting started.
- Join relevant industry groups to understand current trends and to develop connections.
- Let your friends and family know about your intent and leverage their network and connections to help you.
- Cultivate 3 to 5 mentoring relationships with people who can advise you on things such as industry expertise or the entrepreneurial process.
- Look for potential business partners with functional/industry strengths which are complementary to yours.
- Get to know key entrepreneurial supporters within the organization



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- Know your functional strength and take on roles improve your abilities, but...
- Acknowledge weaknesses and understand what you don't like to do. This information will help identify team needs later.
- Work in smaller, self-contained units where you can see and appreciate how the "whole thing" works.
- Don't be afraid to get your "hands dirty". It'll be good training for when you become an entrepreneur.
- Rotational programs may enhance skill development and cross-functional perspectives.



Pre-Entrepreneurial Activity

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- Take on roles within an organization which would give you insight on:
 - Current industry trends
 - Current industry players
 - Gaps in customer satisfaction
 - New product development
- Consider the question, "What is a low-cost way to better fulfill the needs of the customer?"
- Consider the question, "What practices which occur in other industries make sense to import?"
- Understand how your value chain works, why it's successful and how value is "shared" across the chain.

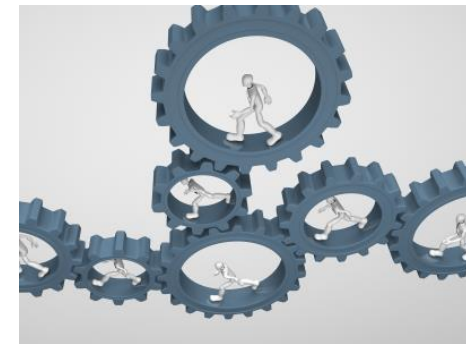


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- Take on roles within organizations which involve the following elements:
 - P&L Responsibility
 - New Product Launch
 - Market testing / piloting
 - M&A Deal
 - Hiring a Team
- Entrepreneurs are doers. Carve out time every week to work “in your garage” on your entrepreneurial projects. Build prototypical products, sites, etc.
- Consider ways to use your “prototype” in pilots to refine your product and to develop potential applications.



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- Work towards eliminating your debt and to even creating a small amount of savings for seed funding.
- Clean up and maintain excellent credit.
- Use reflection, coaching, and self-assessment tools to connect with your personal source of excellence and inspiration.
- Talk to other entrepreneurs on a regular (weekly) basis. Their ideas and attitude will begin to rub off on you.
- Build social connections with people to whom you wish to aspire.



Entrepreneurial Initiating Activity

- Identifying and shaping opportunities; motivated by individual needs or driven by market. Initiated by needs or new knowledge / technology.
- Based on your knowledge of the industry/environment, understand the industry's current models and practices.
- Understand the current gaps in satisfying customer needs.
- Based on your passion, expertise, network, and resources, develop an idea which would address the gaps in customer needs better than they are being addressed today.
- Draft an initial value proposition.

Entrepreneurial Initiating Activity

- **Discovery**
- Assessment
- Planning
- Funding/Launching
- Growing



Entrepreneurial Initiating Activity

- What's involved: determining the feasibility of ideas, markets and ventures
- Understand who the people are whom you are targeting.
- Pilot your message to your customer segments. What do they think?
- Refine your value proposition.
- Determine whether the idea generate enough revenue to be self-sustaining in the long run?
- Analyze the possible responses of potential competitors. How do the "big guys" play?

Entrepreneurial Initiating Activity

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Entrepreneurial Initiating Activity

- What's involved: developing the plan for a venture, identifying resources and protecting intellectual property)
- Take an inventory of your assets and resources which you can apply to the venture:
 - Financial
 - Human Resources (functional expertise)
 - Intellectual Property
 - External Support / Collaboration
- Develop a pro-forma (5-year) financial model
- Develop operational plan to launch business including milestones & resources (incl. funding needs)

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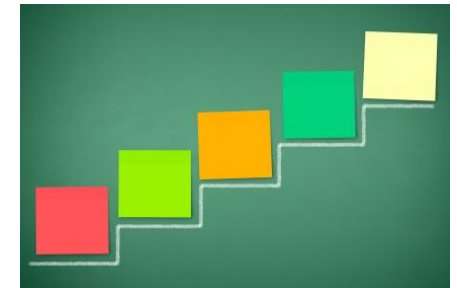


Entrepreneurial Initiating Activity

- What's involved: identifying and acquiring the financial, human and capital resources needed for a startup, operating the venture
- Evaluate the appropriate sources of funding. Identify individuals, groups of people, and/or organizations who may be interested in investing in the venture.
- Develop investment materials to secure funding; conduct "road show" for institutional investors
- Prepare and disseminate communication materials to engage potential contributors / collaborators.
- (continued on next slide)

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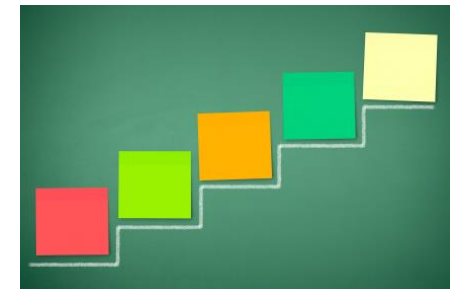


Entrepreneurial Initiating Activity

- (continued from previous slide)
- Expand business plan to include a launch plan, noting that some launch activities occur before funding or sales.
- Identify key hires; focus on largest value add.

Entrepreneurial Initiating Activity

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Entrepreneurial Initiating Activity

- What's involved: making decisions about the venture's future growth and development)
- Execute, execute, execute.
- In the early stages:
- Monitor customer feedback, adjust / respond immediately.
- Monitor rate of incoming work versus capacity. Prioritize incoming sales/work against your target consumers and vision for the organization.
- Monitor burn rate / cash flow.
- As business moves through various growth stages, plan for changes in the skills needed, financial resources, partnerships, reporting, etc.

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There is only one success – to be able to spend your life in your own way.

– Christopher Morley