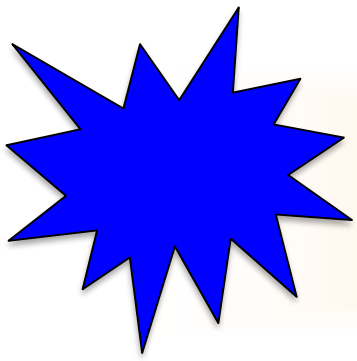# Entrepreneurship and You

Iain Verigin

iain.verigin@gmail.com

September 2016

Agenda

- Pecha Kucha talk

- Address "My Questions"

- Slideware

- Q&A (Chat)

Story Telling

- Pecha Kucha Talk January 2015

- Link
  - http://genomics.entrepreneurship.ubc.ca/news-and-events/events/announcing-the-2015-great-program-showcase-event-january-29th/pechakucha-presenter-iain-verigin/

My Questions

- What is Entrepreneurship?

- What is the purpose of a Business?

- Entrepreneurship
  - You – What is the journey like?
  - Process – What is the process?
  - Customers – How do I learn about them?
  - Scorecard – How do I keep score?

Q & A

Answers

My Questions

What is Entrepreneurship ?

Entrepreneurship Is About …

Radical Change

Change What?

- Changing the Status Quo
  - Yes. Entrepreneurship is in conflict with the status quo.

- Changing the prevailing ideas, products, services, … **think 10x better**.

- **Changing "peoples" behavior**

? How ?

"How-To" on Radical Change

Introduction to
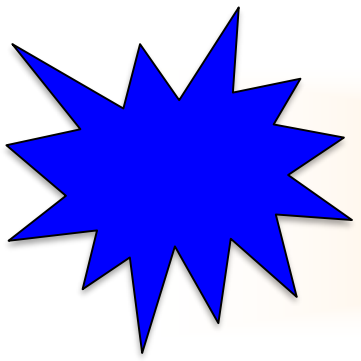# Lean LaunchPad
(iain's version)

Purpose　　　　**Process**

Customers　　　**Scorecard**

You

Your Purpose

"There is only one valid definition of business purpose"
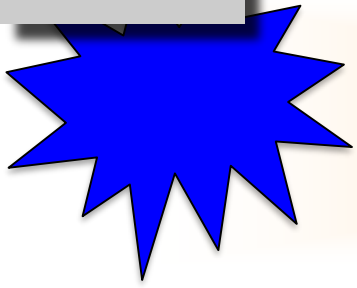
To Create a Customer

Selling becomes Superflous

- *to know and understand the customer so well* that the **product** or service fits him and **sells itself**.

- **to make selling superflous**.

- That says Peter Drucker – is the Aim of Marketing.

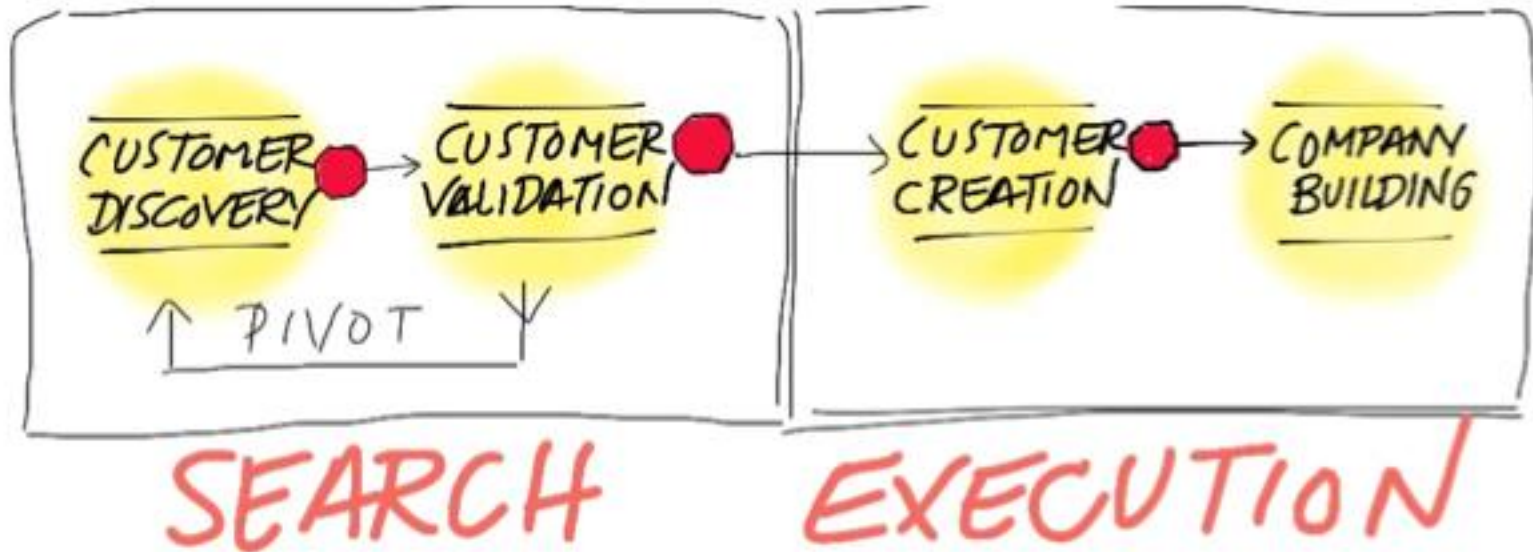- Reference: pages 20 & 21 in "Essential Drucker".

Aside

The Process

Lean LaunchPad – Steve Blank

A *startup* is
a temporary organization
in search of a scalable,
repeatable, profitable
business model.

Search vs. Execution

Execution Like This
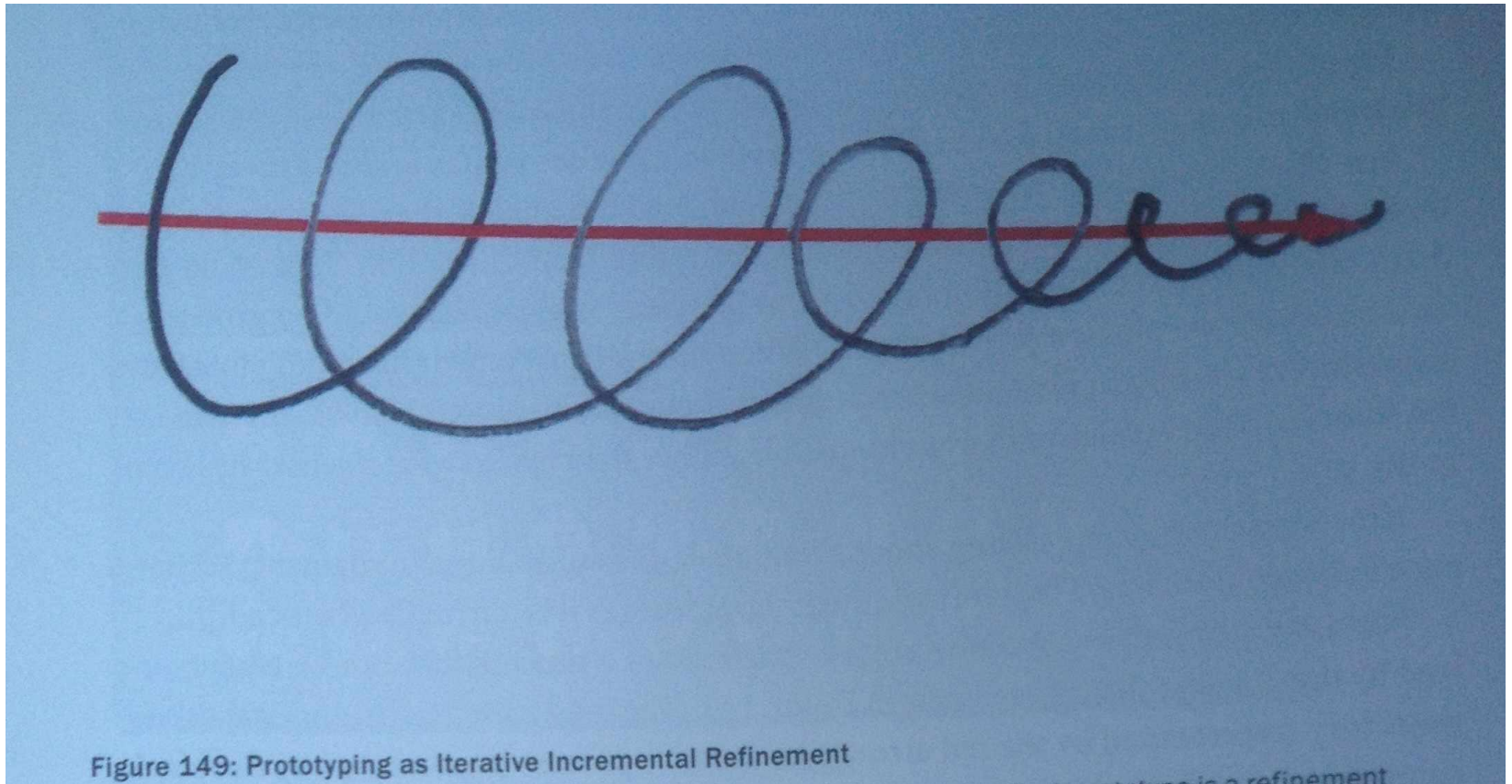
Figure 149: Prototyping as Iterative Incremental Refinement

Bill Buxton, "Sketching User Experience"

Search Looks Like This

Figure 150: Design as Branching Exploration and Comparison

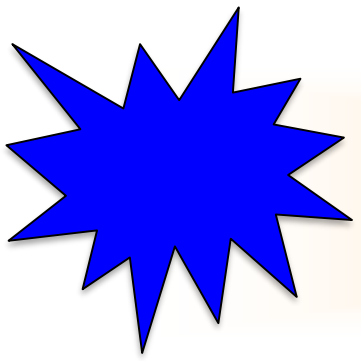Bill Buxton, "Sketching User Experience"

!@#$
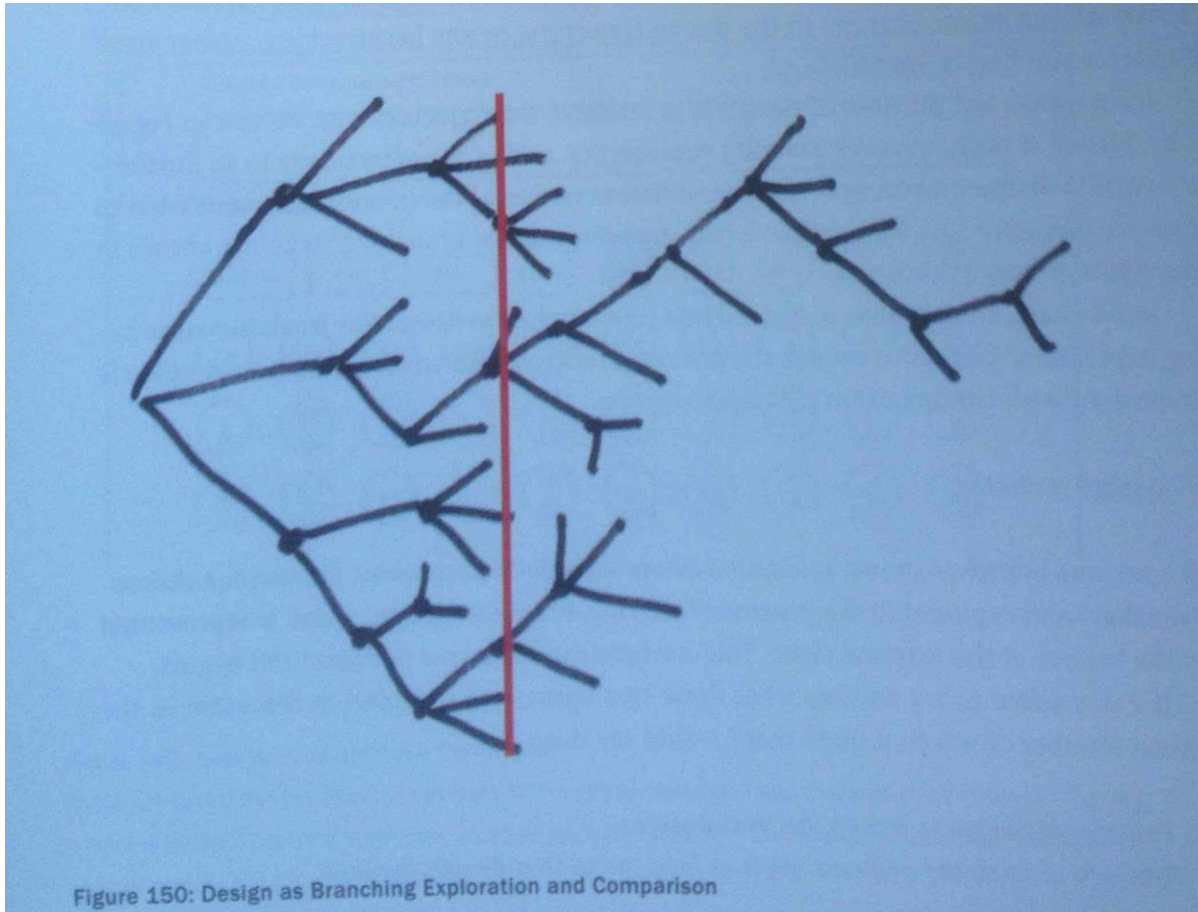
- Yup Search is not pretty.

- Persistence. Grit. Cheer. (are your friends)

PERSISTENCE

GRIT

CHEER

Customers?

Day in the Life of Your Customer

- "Who Is Your Customer?"

- If you know who it is. Then prove it.

- ACTION: Sketch what they do now.
  - Then sketch what their world will be like with your new invention.

"Service/Product" Journey

- "Who Is Your Customer?"

- **I Don't Know** is the most common answer.

- ACTION -- Sketch Your Product and the People it "touches" through it's usage.

(This service, or product, journey gives you a "top level" insight to your customer.)

Ambulance
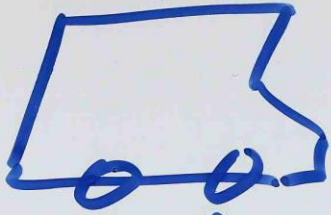
Medic
Patient

"Emergency"
- Nurse
- Medics
- Doctors
- Patient

Who
Specifies?
Pays?

Whose Problem
Do You
Solve?
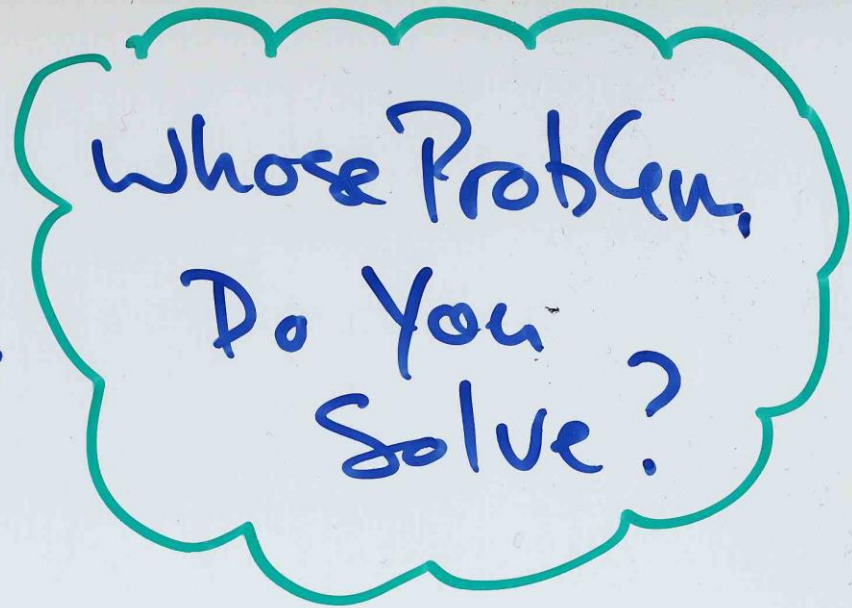
"Operating
Room"
- Nurse
- Doctor
- Other.
- Patient

Who
Specifies?
Pays

:Service Journey V0.1:

Next – More Formal
Value Proposition Canvas
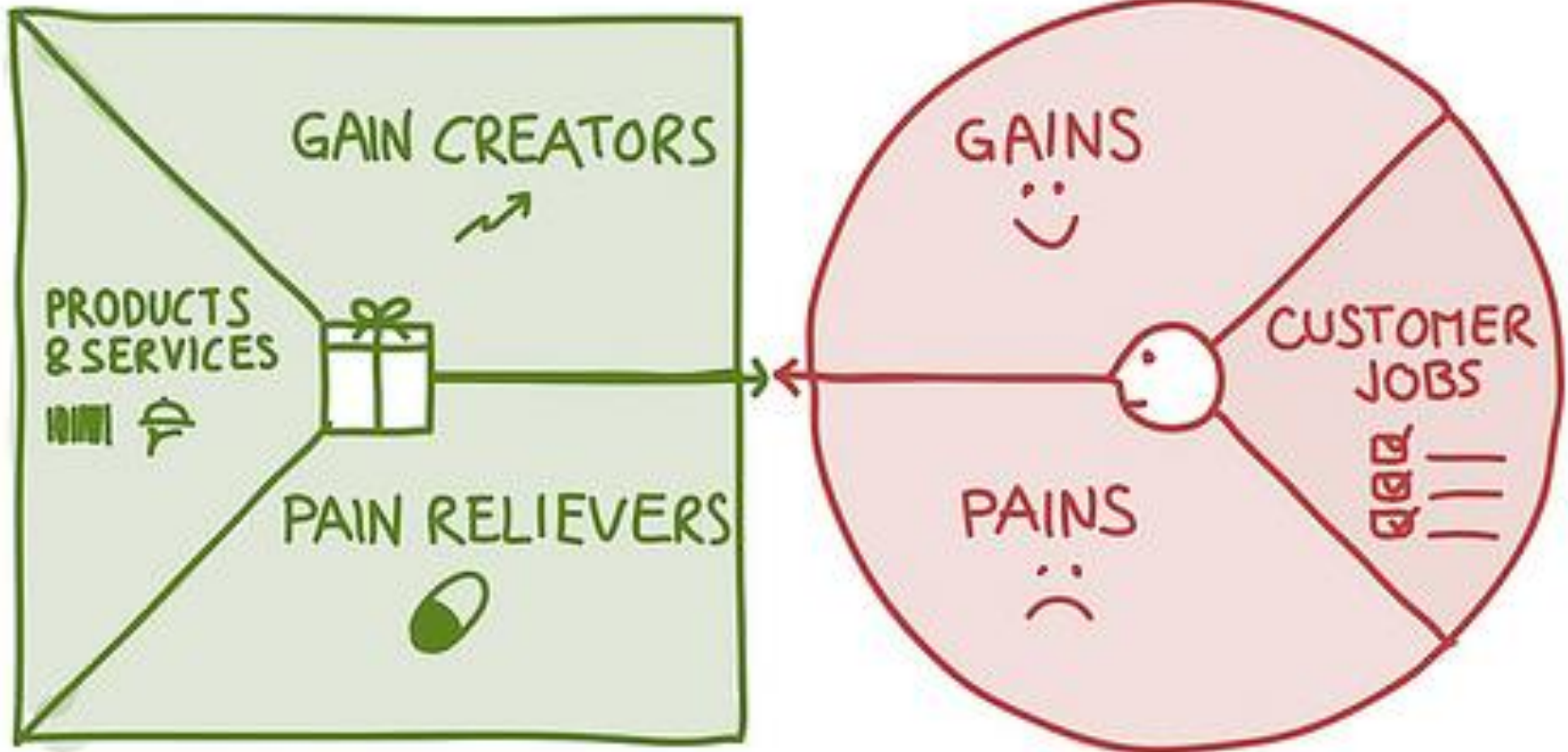
:Whose Problems continued:

MammOptics
Excursions into hospitals

Leading doctors	Debra Ikeda Jason Davies Jafi Alissa Lipson Sunita Pal	STANFORD HOSPITAL & CLINICS *Stanford University Medical Center*
Patients	6 women >40 8 women <40	
Technicians	Alicia X-ray mammography	UCSF University of California San Francisco
Hospital Managers	Paul Billings Holly V. Gautier	El Camino Hospital® THE HOSPITAL OF SILICON VALLEY

:Whose Problems continued:

Customer Workflow (Customer Jobs)

Insurance

Patient

PCP OB/GYN

Mammography

Radiologist

MammOptics

Technician

Hospital Administration

ACOG ACS

Doctor specialty committee
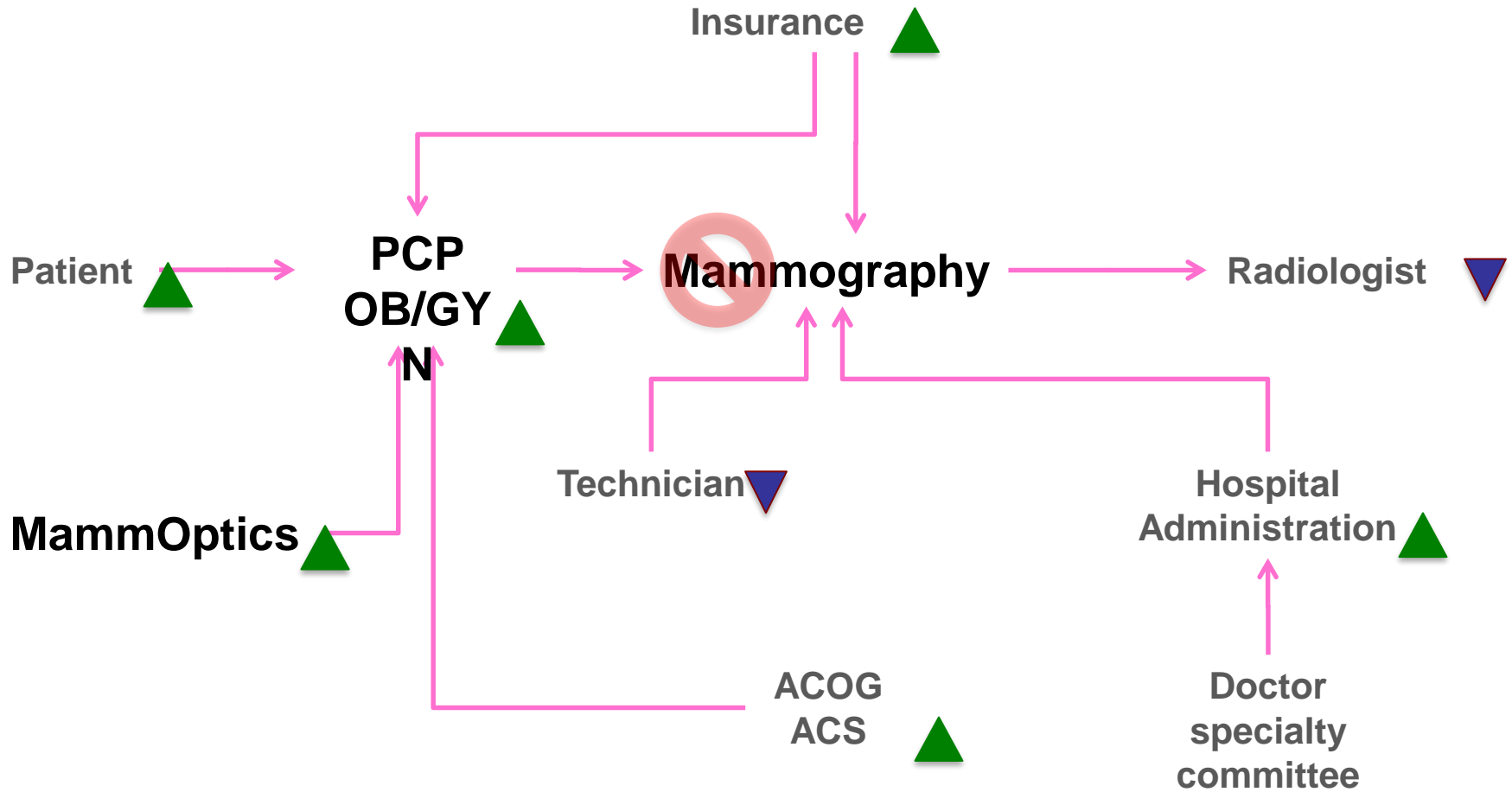
:Whose Problems continued:

MammOptics
Hospital purchasing decision tree

Unions
Saboteour

Other departments
Saboteour

Capital Spending Committee
Decision maker
Influencers

Hospitals
Economic buyer

Doctors and patients
Users

MammOptics

Lead doctors
Influencers

Sales representative
Recommender

Insurance
Reimbursement
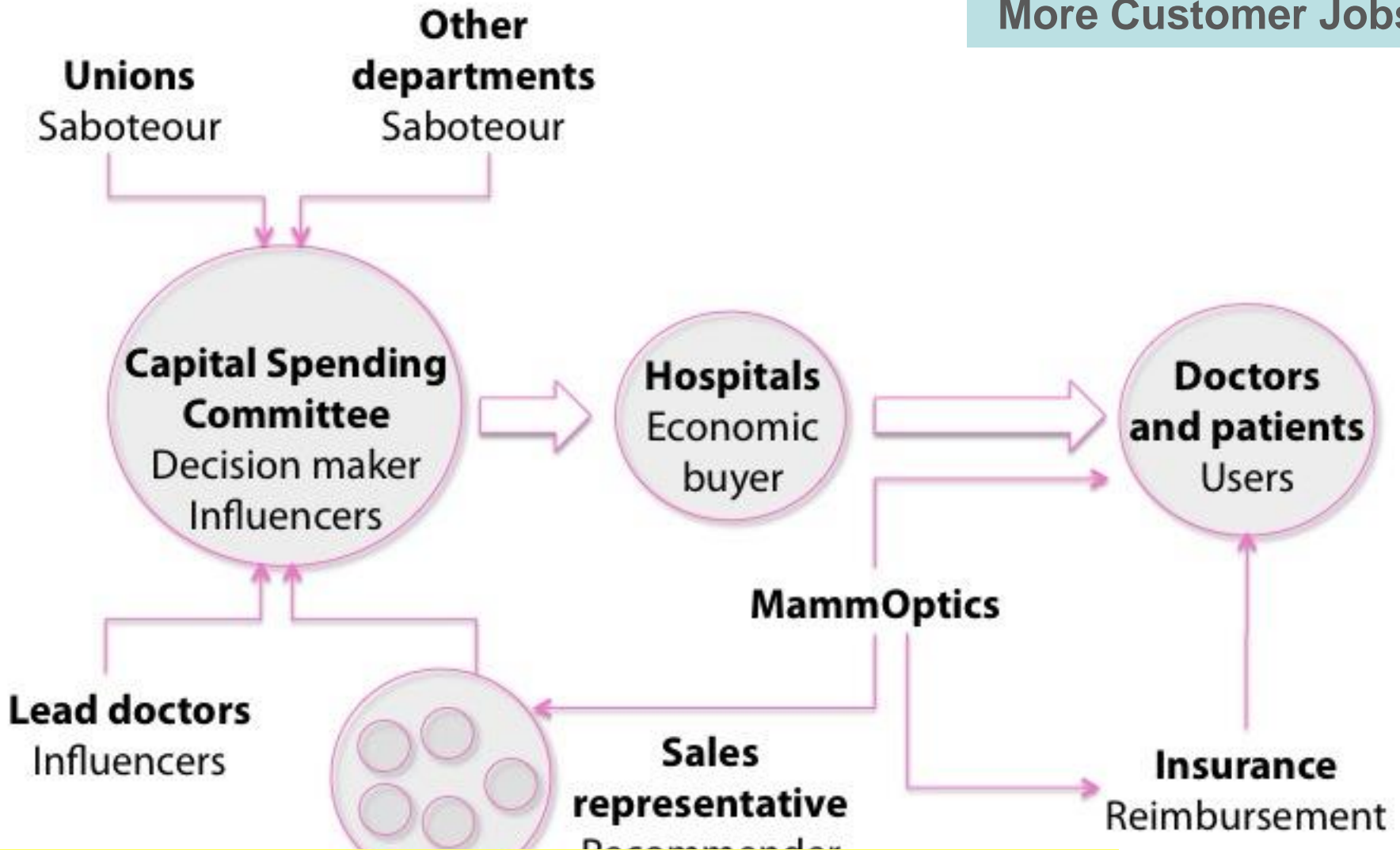
:Whose Problems continued:

Where Does The Customer Get Their Insights & Inspiration?

Get to know your customer to determine where they get their "Insights & Inspiration"

For you to be successful you need to become part of their "Insight & Inspiration" Chart. That is your path to "Market Adoption".

:Whose Problems continued:

Puppies!

Twitter

heylululemon.com
HEY

R&D Program!

Facebook

Instagram

Ambassadors

INSIGHTS
&
INSPIRATIONS

Shopping

Pinterest

lululemon.com
Product Reviews

Fashion Blogs

Stores!

Trade shows

Feedback
Boards

Trend Reports

Guest Education Centre

Magazines

Fit Sessions
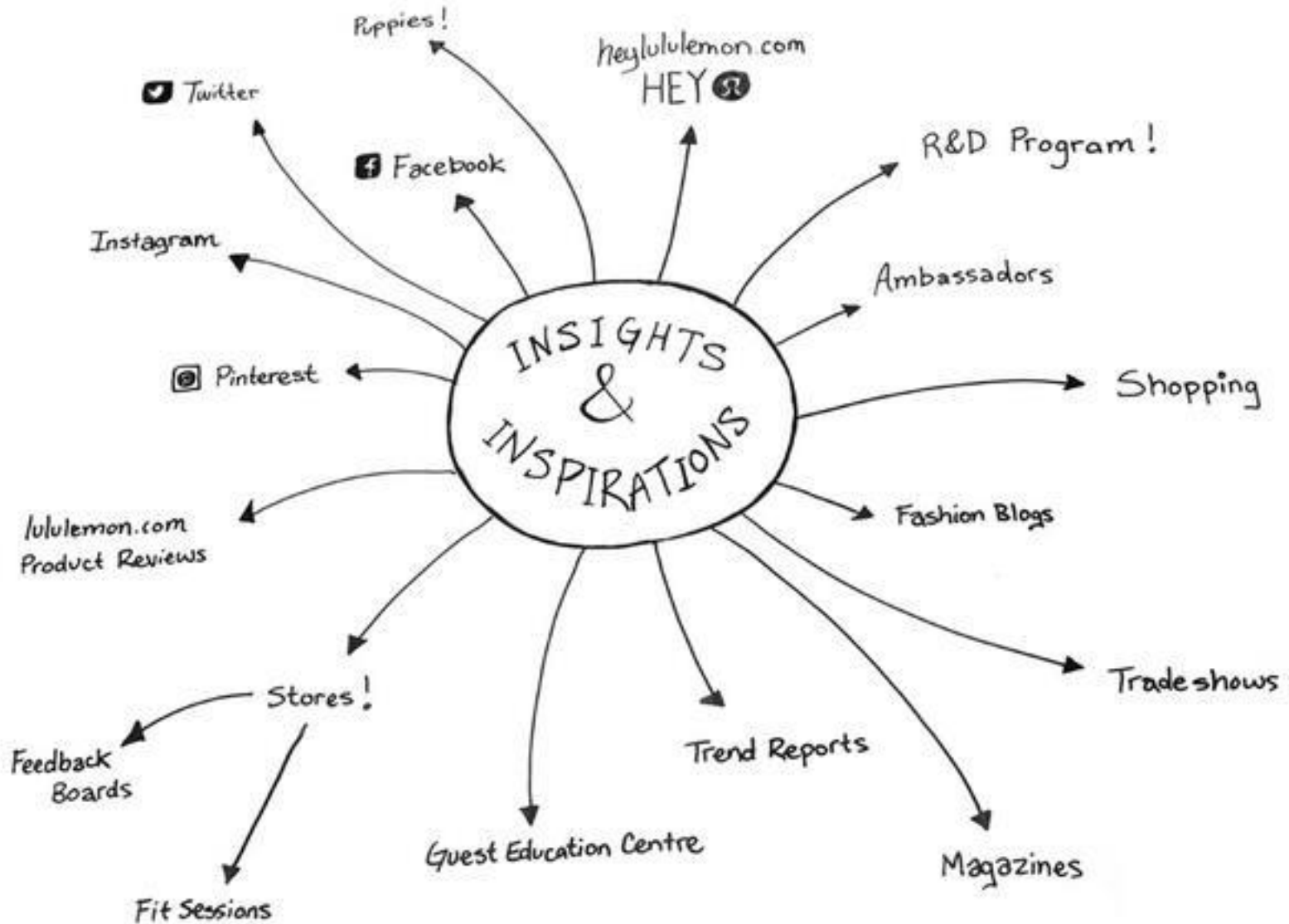
:Whose Problems continued:

You Have To Break/Change Something 10X

When you know how the eco-system works you're ready to BREAK IT!

- for the better <smile>

Three Types of Markets

	Existing Market	Resegmented Market	New Market
Customers	Existing	Existing	New & New Usage
Customer Needs	Performance	1. Cost 2. Perceived Need	Simplicity & Convenience
Performance	Better/Faster	1. Good enough at the low end 2. Good enough for new niche	Low in "traditional attributes", improved by "new" metrics
Competition	Existing Incumbents	Existing Incumbents	Non-consumption & other startups
Risks	Existing Incumbents	1. Existing Incumbents 2. Niche strategy fails	Market Adoption

Source: 4 Steps to the Epiphany, Steve Blank
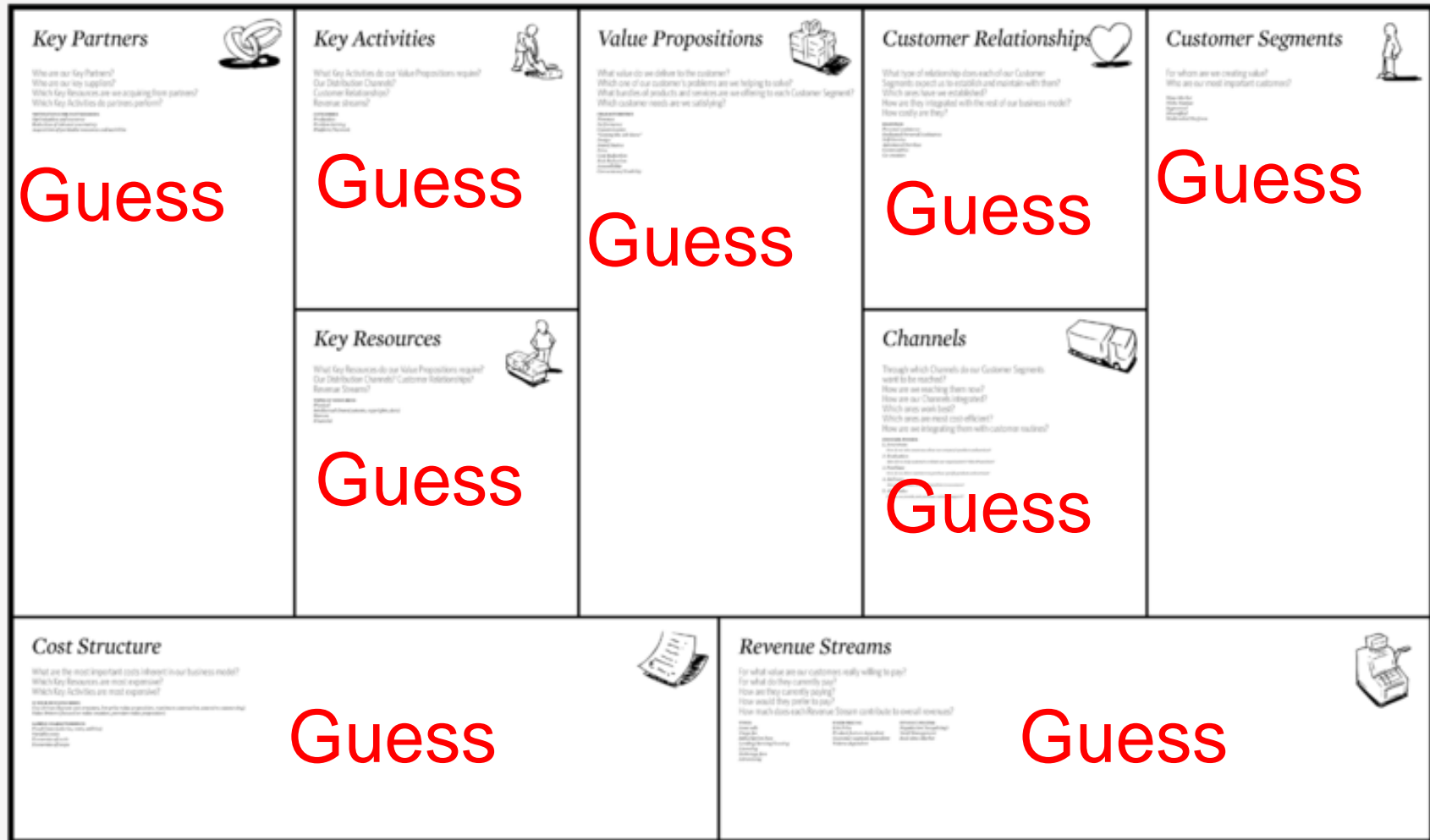
35
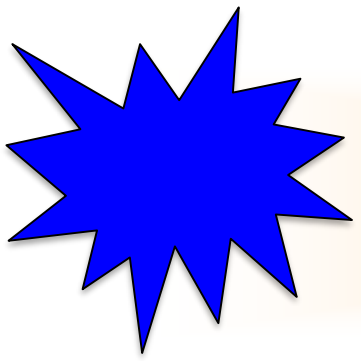
The Scorecard

:Score Card: (Hypothesis Summary)

The Business Model Canvas
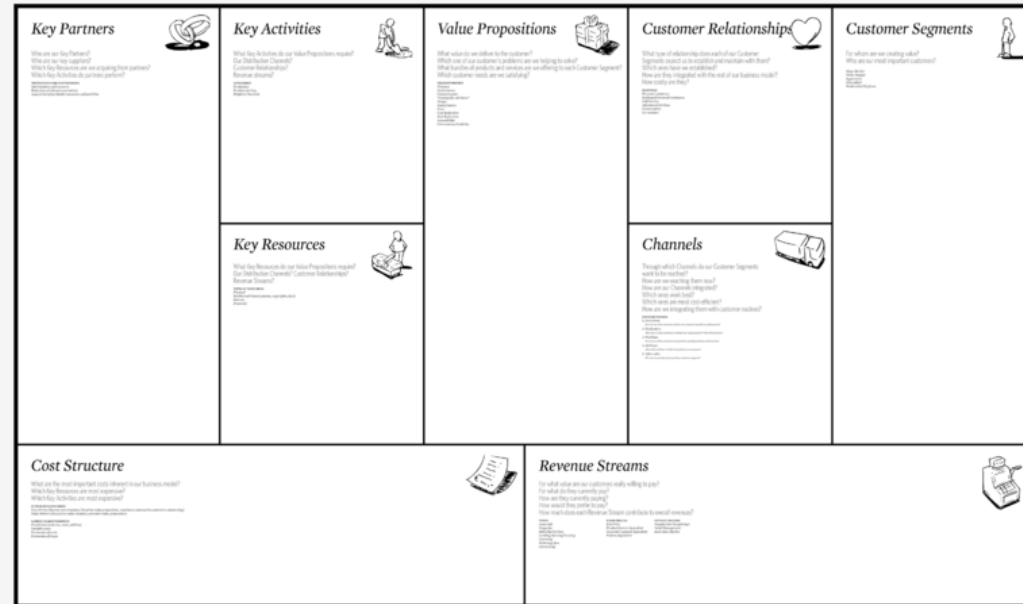
Designed for: Designed by: On: Iteration:

Key Partners
Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

Guess

Key Activities
What Key Activities do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue streams?

Guess

Key Resources
What Key Resources do our Value Propositions require?
Our Distribution Channels? Customer Relationships?
Revenue Streams?

Guess

Value Propositions
What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundles of products and services are we offering to each Customer Segment?
Which customer needs are we satisfying?

Guess

Customer Relationships
What type of relationship does each of our Customer Segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

Guess

Channels
Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are our Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

Guess

Customer Segments
For whom are we creating value?
Who are our most important customers?

Guess

Cost Structure
What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
Which Key Activities are most expensive?

Guess

Revenue Streams
For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

Guess
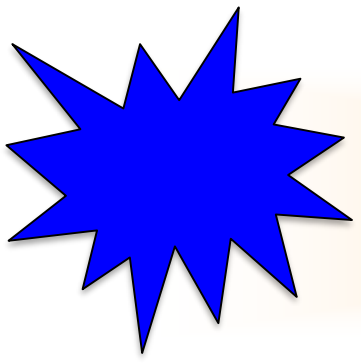
www.businessmodelgeneration.com

Keep Track

Week n

Week 2

Week 1

You

Seven Important Skills for Tomorrows Entrepreneurial Leaders

1. Creativity and Opportunity Evaluation
2. Real-time Strategy and Decision Making
3. Comfort with Change and Chaos
4. Teamwork
5. Evangelism, Selling, Negotiation, and Motivation through Influence and Persuasion
6. Oral and Written Communication
7. Basics of Start-Up Finance and Accounting

- Reference --- Byers - E145 - http://stvp.stanford.edu

It's a List of "Soft Skills"

- AND we're all hardcore nerds <ironic smile>

- AND… believe it or not …

   You're likely to be really good with "Soft Skills".

UBC Fizzers Have Rocked

- 2 of top 4 market cap in BC (2017).
  - T-NET 20 Stock Index http://www.bctechnology.com/stocks/t-net20.cfm
  - 1. **MDA** - $2.7B, xCEO Dan Friedman (retired 2016)
  - 3. **Avigilon** – $0.81B, Founder-Andrew Martz

  - X2016. **PMC-Sierra** – Acquired for $2.5B by Microsemi
    - 1st CEO - Ralph Bennett,
    - COO Colin Harris (retired 2015)
    - Fizz Professorship donors (Curtis Lapadat, Alex Chiu, myself, CH, and KH-ee)
- More small companies with Fizz leaders.
  - Zaber
  - Boreal Genomics
  - Starfish – Scott Phillips
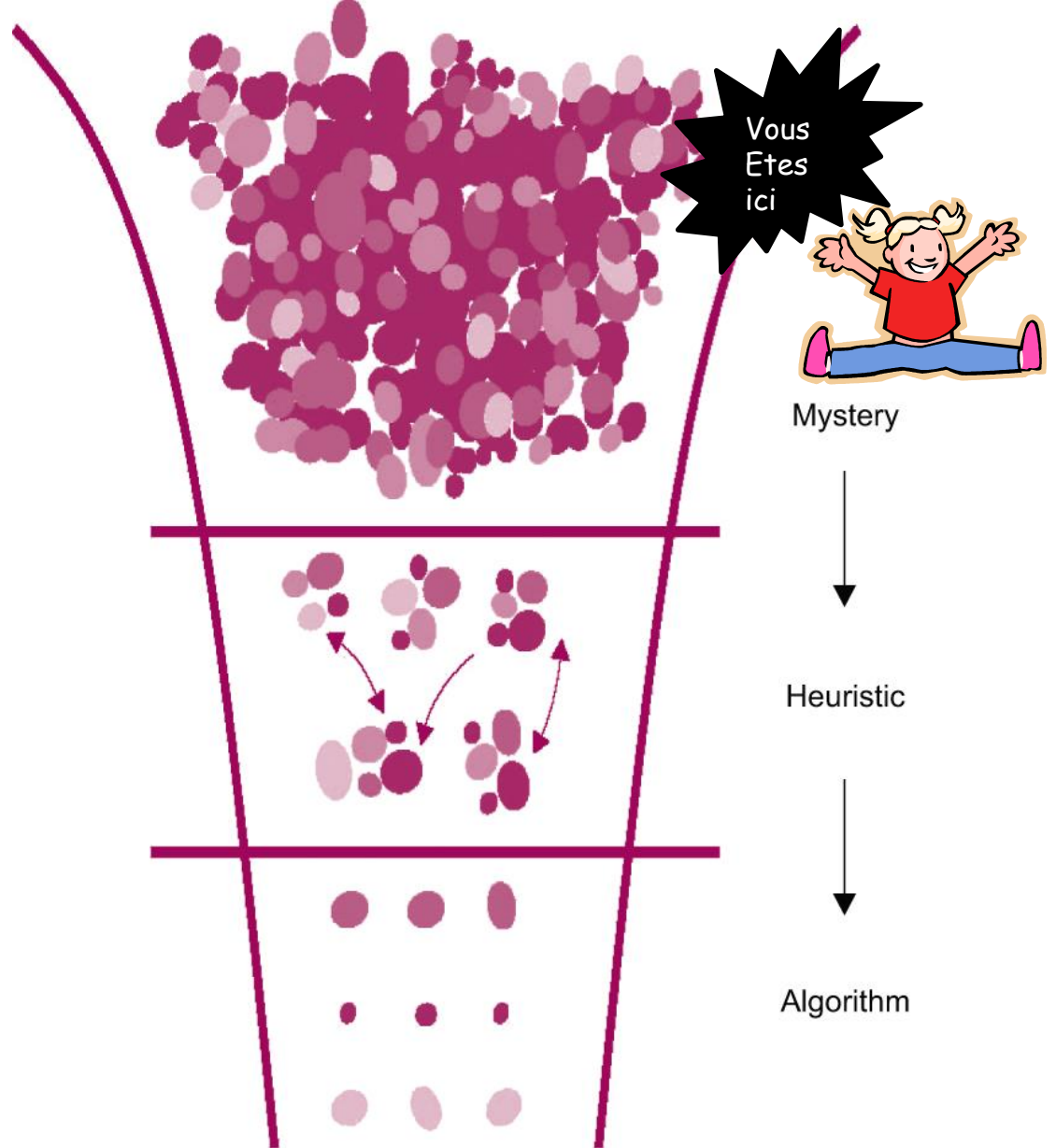 - GRIN – Justin Lemire-Elmore

YOU & THE PROBLEMS EVOLVE
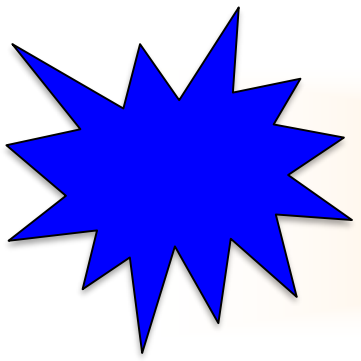
Knowledge Funnel

* You start in the

"Mystery Zone"

(the guesses)

* Success is getting it to

"Heuristic zone"

(discovering the "rules-of-thumb"

* Grand Slam is getting it to the

"Algorithm zone"

Vous
Etes
ici

Mystery

Heuristic

Algorithm

Source: Design of Business, Roger Martin

44

Summary

No one knows the answer!
You've got to discover it.

Act

Fix & Adjust

Review & Learn
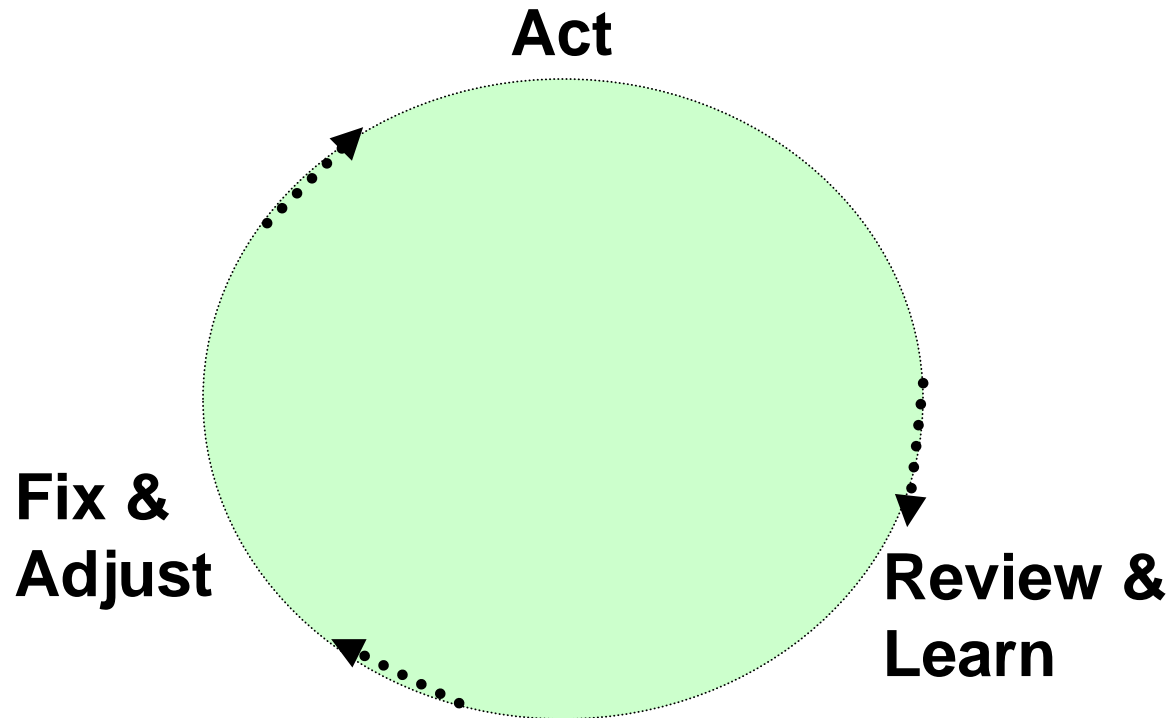
Be Persistent. Be Gritty. Have Fun. <smile>

This is everything u need to know :-)

People AND Technology

- Notice that I didn't talk about technology at all today.

- You're deep technical knowledge allows you the opportunity to solve "peoples problems" with technology.
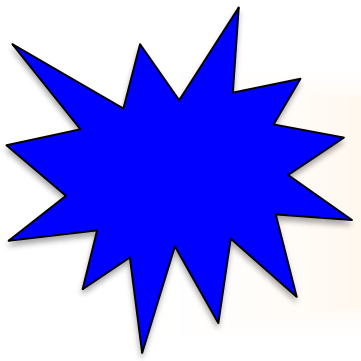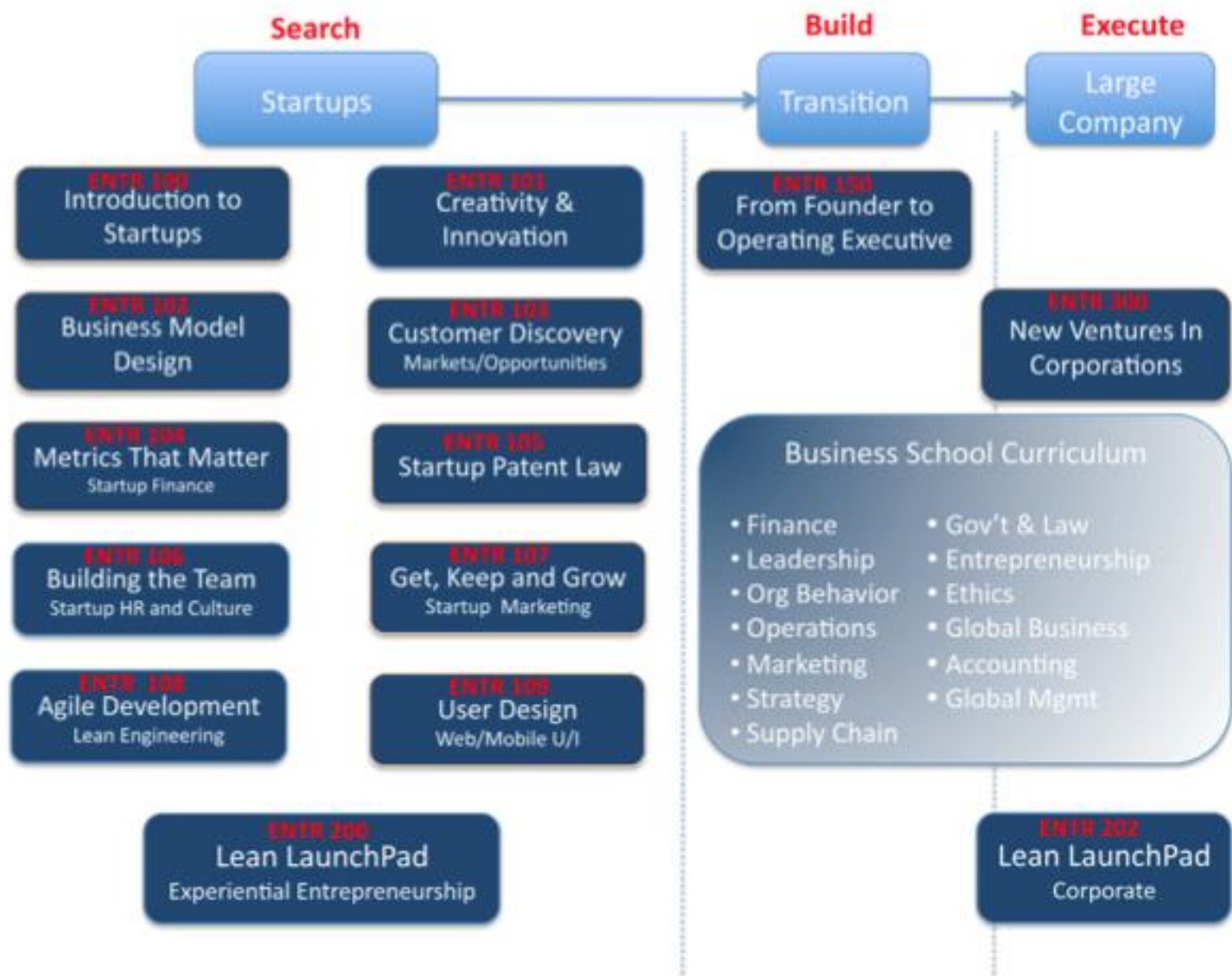
END
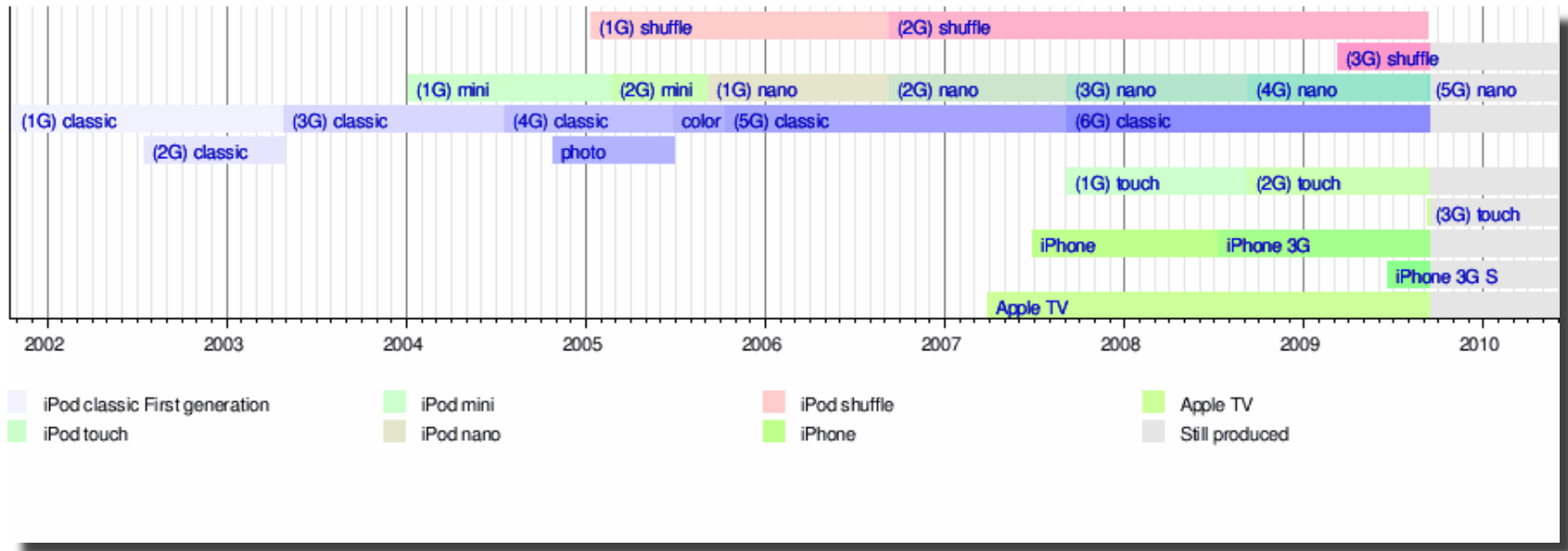
More

Context for Lean LaunchPad

Search **Build** **Execute**

Startups → Transition → Large Company

ENTR 100
Introduction to Startups

ENTR 101
Creativity & Innovation

ENTR 150
From Founder to Operating Executive

ENTR 102
Business Model Design

ENTR 103
Customer Discovery
Markets/Opportunities

ENTR 300
New Ventures In Corporations

ENTR 104
Metrics That Matter
Startup Finance

ENTR 105
Startup Patent Law

ENTR 106
Building the Team
Startup HR and Culture

ENTR 107
Get, Keep and Grow
Startup Marketing

ENTR 108
Agile Development
Lean Engineering

ENTR 109
User Design
Web/Mobile U/I

Business School Curriculum

- Finance
- Leadership
- Org Behavior
- Operations
- Marketing
- Strategy
- Supply Chain

- Gov't & Law
- Entrepreneurship
- Ethics
- Global Business
- Accounting
- Global Mgmt

ENTR 200
Lean LaunchPad
Experiential Entrepreneurship
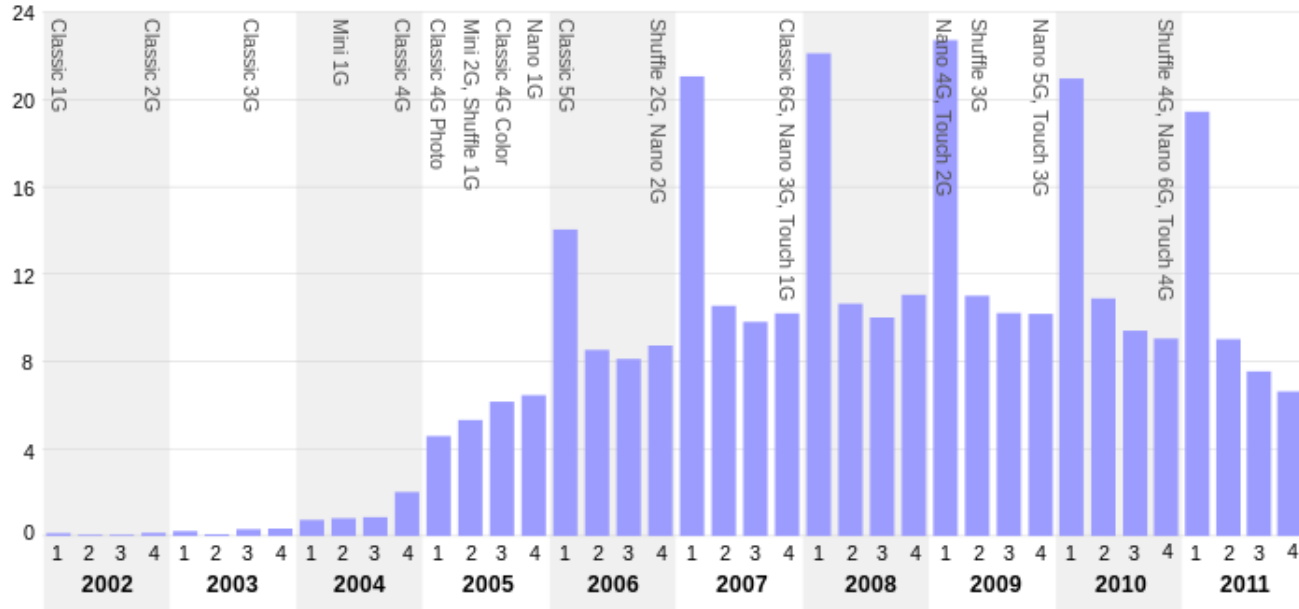
ENTR 202
Lean LaunchPad
Corporate

A Product That Sells Itself

iPod Timeline

Cycling, Cycling, and more Cycling

iPod Sales Chart

Units sold worldwide in Millions, per fiscal quarter

Classic 1G
Classic 2G
Classic 3G
Mini 1G
Classic 4G
Classic 4G Photo
Mini 2G, Shuffle 1G
Classic 4G Color
Nano 1G
Classic 5G
Shuffle 2G, Nano 2G
Classic 6G, Nano 3G, Touch 1G
Nano 4G, Touch 2G
Shuffle 3G
Nano 5G, Touch 3G
Shuffle 4G, Nano 6G, Touch 4G

Units sold worldwide in Millions, per fiscal year
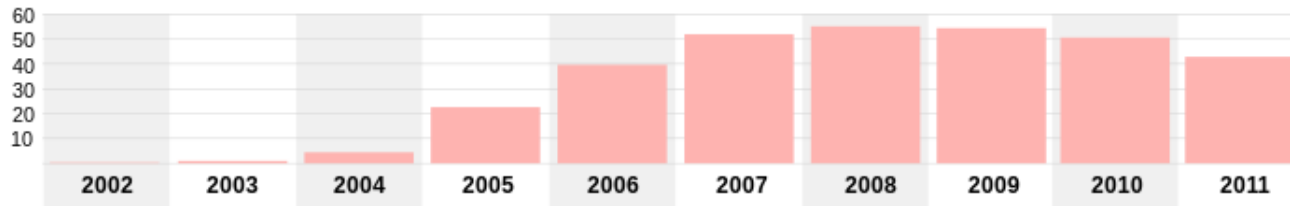
Source Apple Inc   Created using Gnumeric and Inkscape

? Instant Success ?

In 4th year after launch.
(ie 6 years)

This is as fast as it gets.

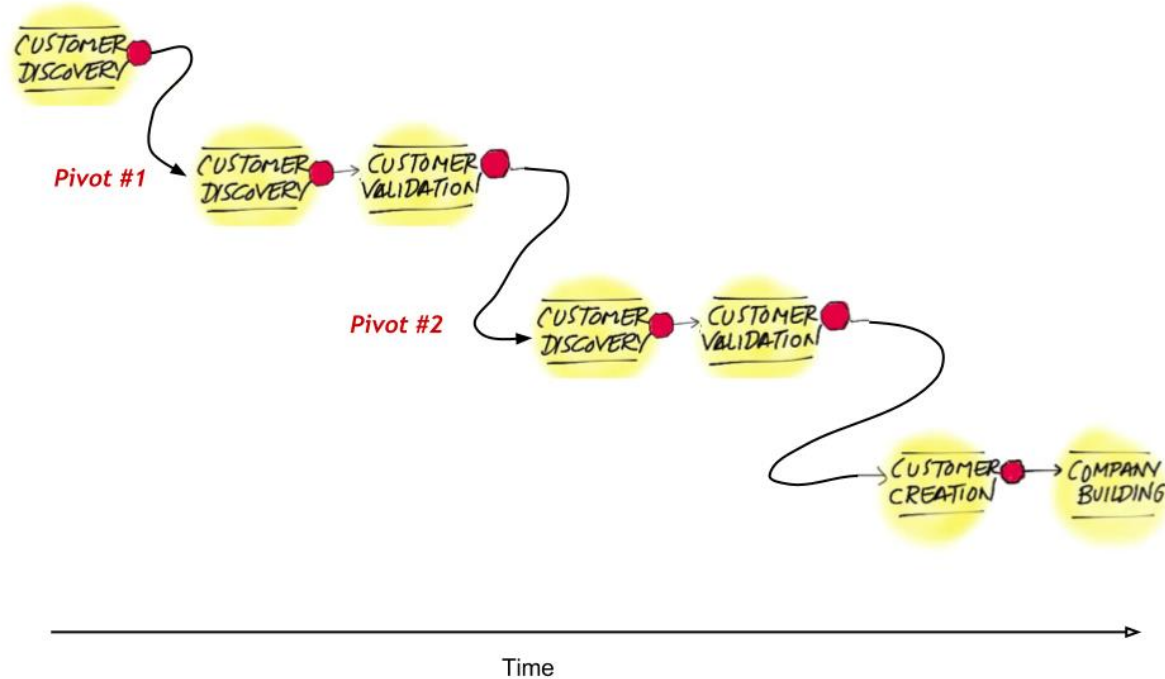http://en.wikipedia.org/wiki/File:Ipod_sales_per_quarter.svg

NB. Apple's fiscal year ends in September. This means that Q1 includes the holiday season, which accounts for jumps in the data.
Fiscal Q1 is Oct - Dec of previous year. So Q1 of 2008 is Oct - Dec of 2007, Q2 of 2008 is Jan - Mar of 2008 and so on.

"startups are not simply smaller versions of large companies" – Steve Blank

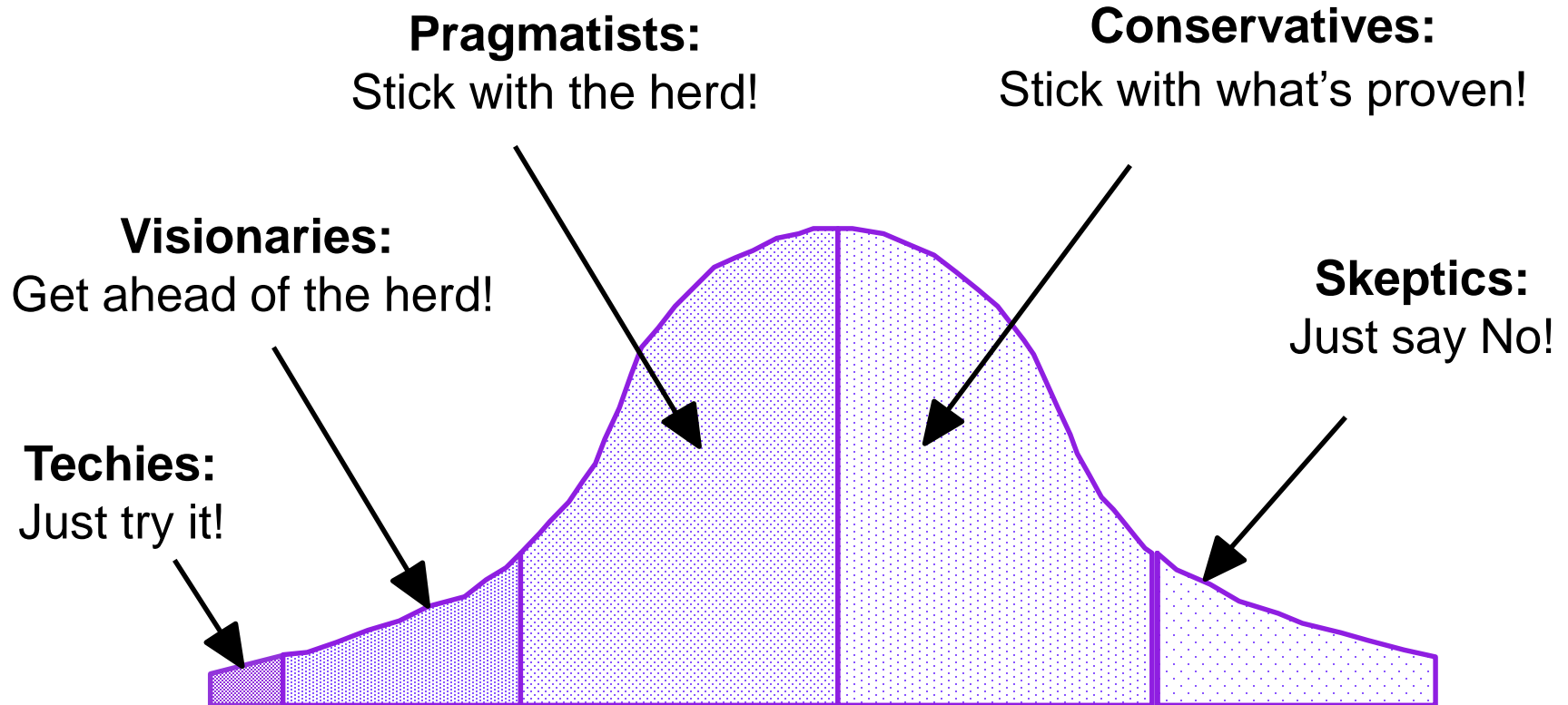**Means** that we don't know what the business plan is!

Means we've got to figure it out!
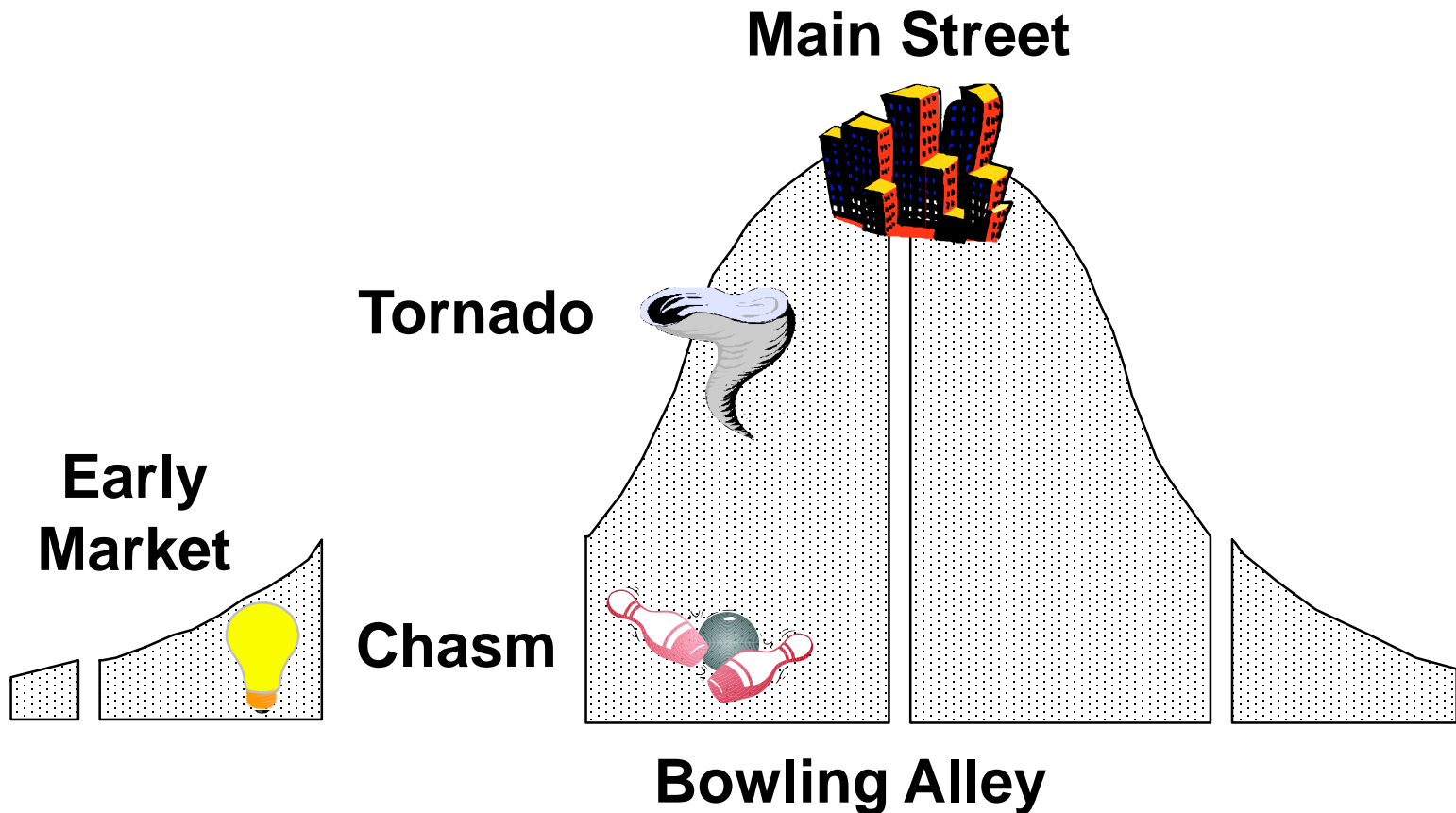
"7 Steps" (Minimum) Customer Development
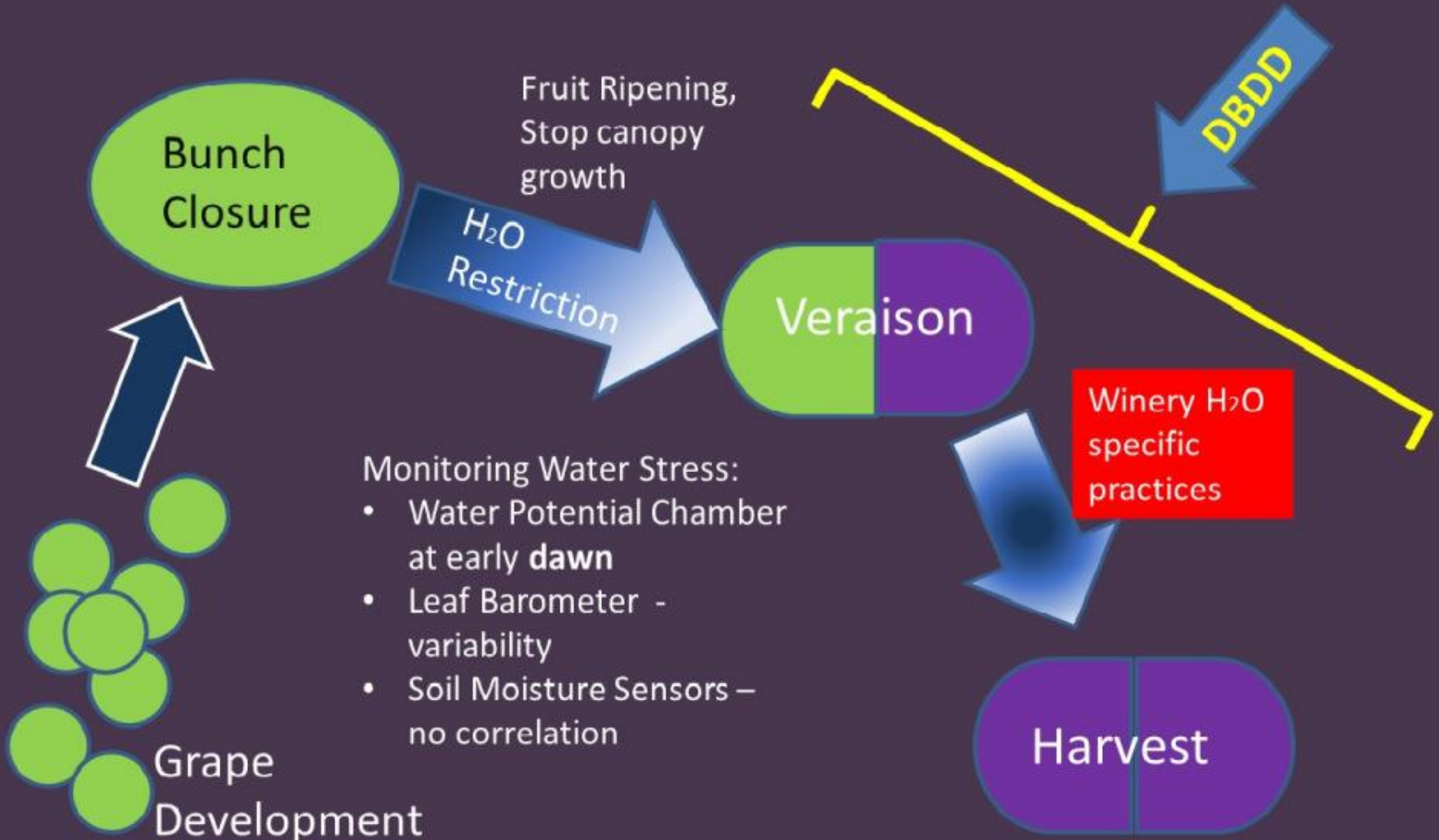
Underlying Drivers in Growth Markets

"Technology Adoption Strategies"

Visionaries:
Get ahead of the herd!

Pragmatists:
Stick with the herd!

Conservatives:
Stick with what's proven!

Skeptics:
Just say No!

Techies:
Just try it!

Technology Adoption Life Cycle

Main Street

Tornado

Early Market

Chasm

Bowling Alley

"Day" in Life of Winemaker –
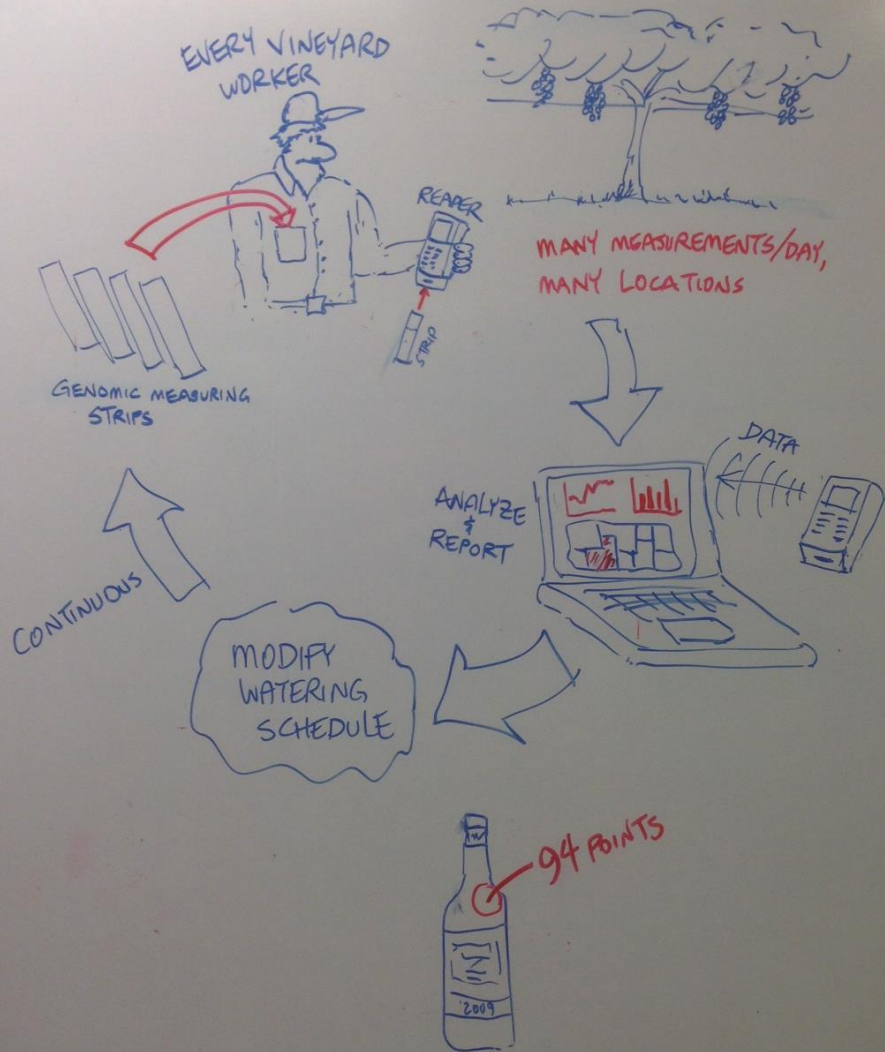
:example:

:example:

Lecture Objectives

1. **Define "entrepreneurial leadership"**

   - and its process in high-technology industries

2. **Dispel common myths & misconceptions**.

3. **Learn skills**

   - important for 21st century technology leaders.

4. **Stimulate continuous learning**

   - and personal reflection regarding entrepreneurship and your future.