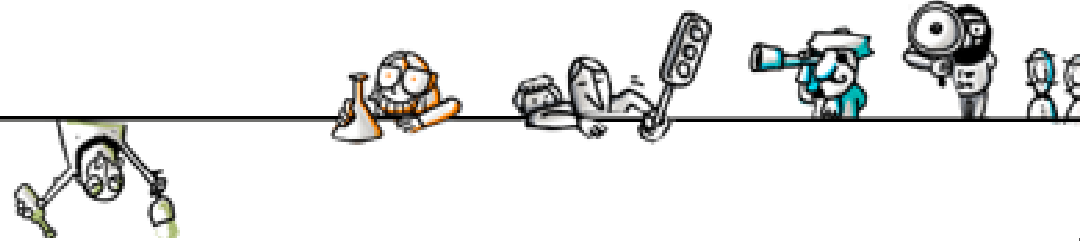


CT436

Advanced Professional Skills



WEEK 2: ENTREPRENEURSHIP, CREATIVITY & IDEA GENERATION

Dr. Owen Molloy

owen.molloy@universityofgalway.ie

ENTREPRENEURSHIP

Creation of new businesses

...trying is the first step towards failure

Homer Simpson



WHAT IS ENTREPRENEURSHIP?

- The formation of a new venture that produces a product/offering that creates some value to make it economically sustainable

In contemporary markets, entrepreneur act as:

innovators or developers who identify and capture opportunities

transform the opportunities into merchandisable concepts

create value through multiple stakeholders and resources

take risks whilst seeking rewards for their ventures and efforts (Kuratko, 2016)



ENTREPRENEURIAL PROCESS

**Identify an
opportunity**

Establish a vision

**Persuade
others**

**Gather
resources**

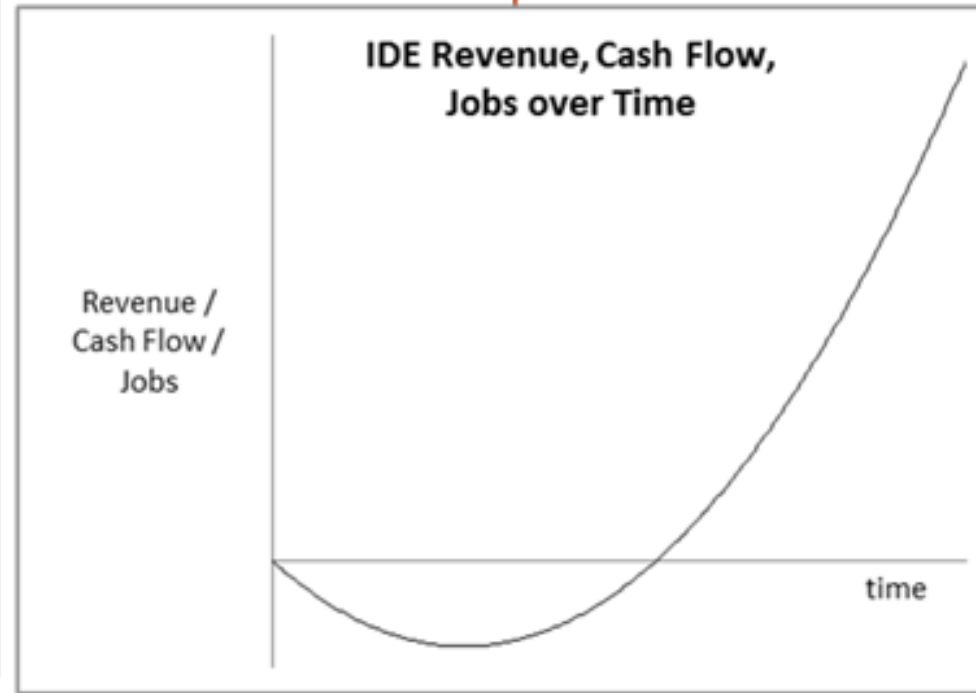
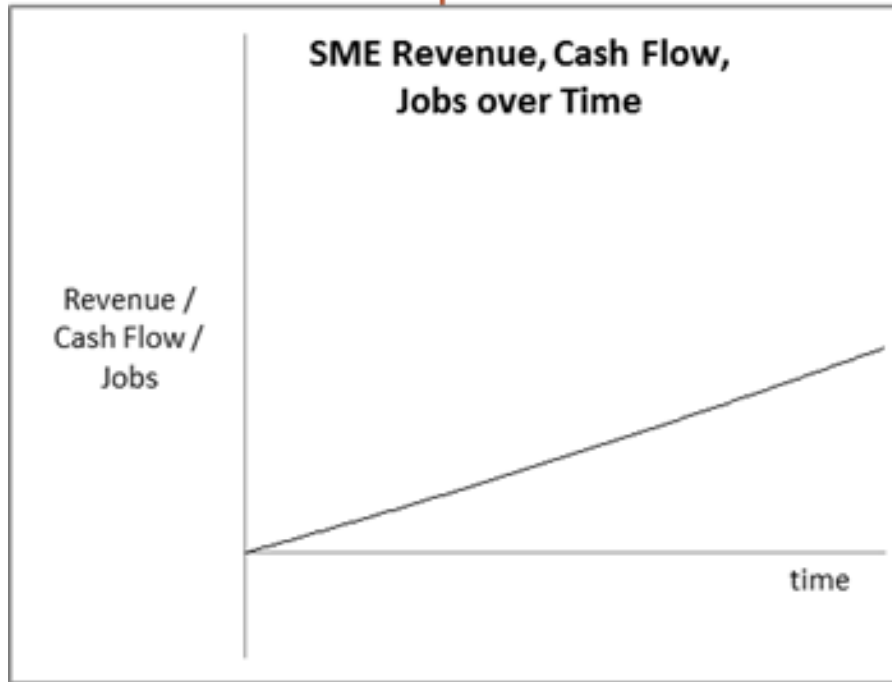
**Create new venture,
product or market**

**Change/adapt with
time**

“Existing Business” Model

VS

Innovation-Based “New Business” Model



- Δt is short
- Linear growth (capped)
- Less investment required

- Δt is long
- Exponential growth (uncapped)
- A lot of investment required

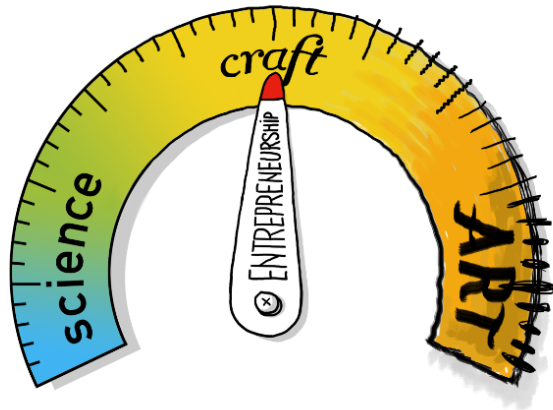
- The formation of a new venture that produces a product/offering that creates some value to make it economically sustainable

CAN ENTREPRENEURSHIP BE TAUGHT?

We know it is in there,
but we just can't seem to find
that entrepreneurship gene...



THE TRUTH



THE TWO ENDS
OF THE SPECTRUM

Accessible. not something available only to a gifted few

Learnable. a number of fundamental skills that can be taught and learned

Values unique products. Goal to make something new and valued

Built on fundamental concepts. basic principles which improve chances of success

Apprenticeship. best learned when theory combined with apprenticeship-type training

INNOVATION

- “Executing an idea which addresses a specific challenge and achieves value for both the company and customer”

<https://www.ideatovalue.com/inno/nickskillicorn/2016/03/innovation-15-experts-share-innovation-definition>

Innovation = Invention * Commercialization



WHAT YOU NEED . . .

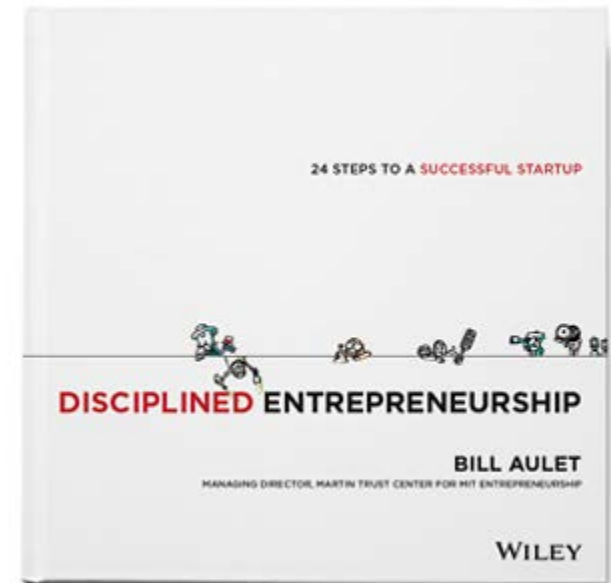
1. Idea
2. Team
3. Process

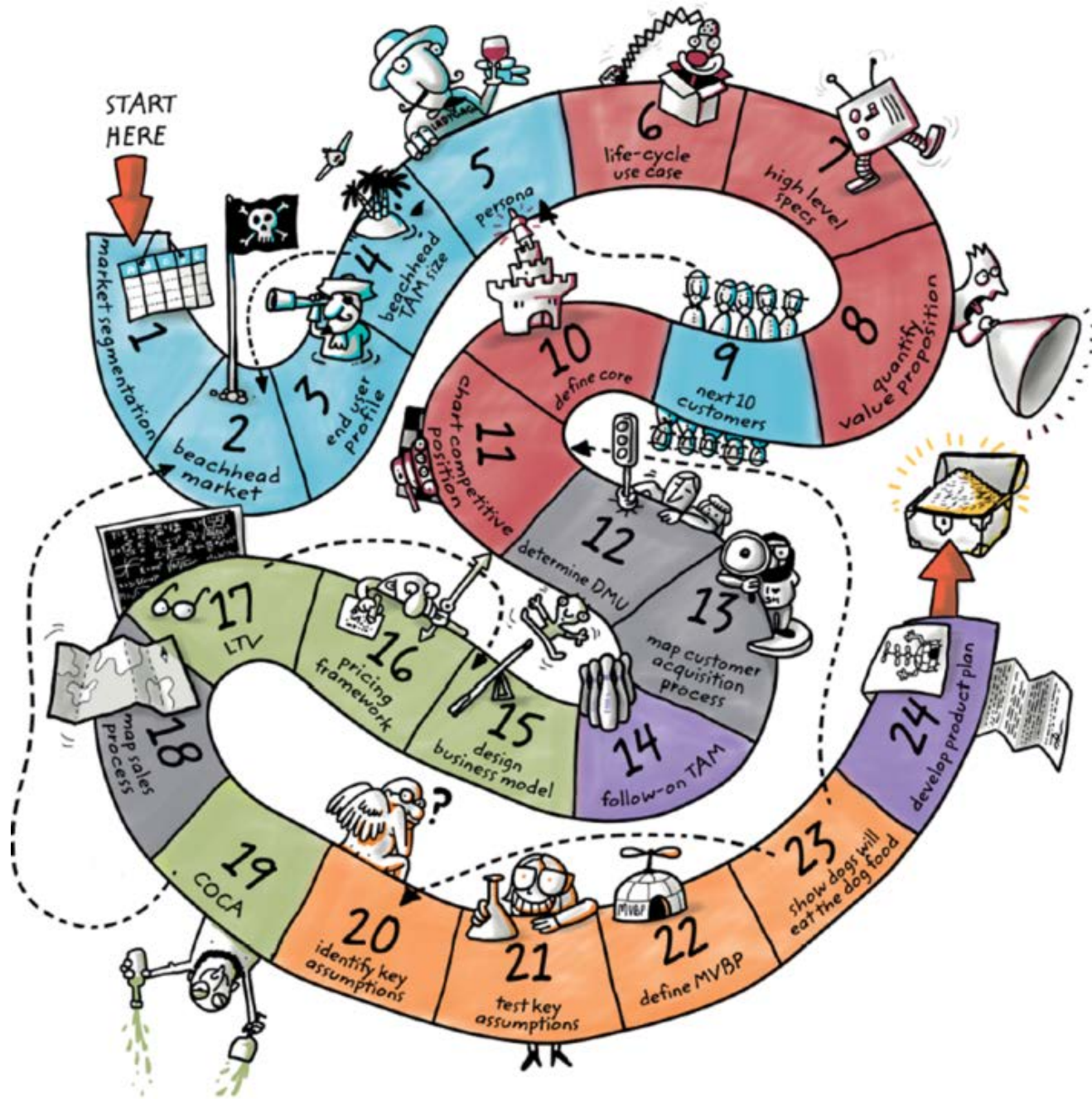


READINGS

DISCIPLINED ENTREPRENEURSHIP

- Substantially increases your odds of success
- Provides more structure to one of the two critical elements in starting a company
- Common language
- Identifies questions & weak points





Process – e.g. Disciplined Entrepreneurship (Bill Aulet, MIT)

WHO IS YOUR CUSTOMER?

- 1 Market Segmentation
- 2 Select a Beachhead Market
- 3 Build an End User Profile
- 4 Calculate the TAM Size for the Beachhead Market
- 5 Profile the Persona for the Beachhead Market
- 9 Identify Your Next 10 Customers

HOW DO YOU MAKE MONEY OFF YOUR PRODUCT?

- 15 Design a Business Model
- 16 Set Your Pricing Framework
- 17 Calculate the Lifetime Value (LTV) of an Acquired Customer
- 19 Calculate the Cost of Customer Acquisition (COCA)

WHAT CAN YOU DO FOR YOUR CUSTOMER?

- 6 Full Life Cycle Use Case
- 7 High-Level Product Specification
- 8 Quantify the Value Proposition
- 10 Define Your Core
- 11 Chart Your Competitive Position

HOW DO YOU DESIGN & BUILD YOUR PRODUCT?

- 20 Identify Key Assumptions
- 21 Test Key Assumptions
- 22 Define the Minimum Viable Business Product (MVBP)
- 23 Show That "The Dogs Will Eat the Dog Food"

HOW DOES YOUR CUSTOMER ACQUIRE YOUR PRODUCT?

- 12 Determine the Customer's Decision-Making Unit (DMU)
- 13 Map The Process to Acquire a Paying Customer
- 18 Map the Sales Process to Acquire a Customer

HOW DO YOU SCALE YOUR BUSINESS?

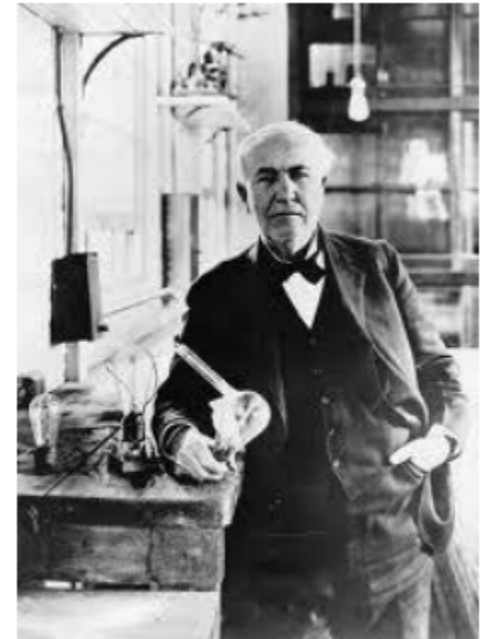
- 14 Calculate the TAM Size for Follow-on Markets
- 24 Develop a Product Plan

WORK ON AN IDEA THAT YOUR TEAM IS EXCITED ABOUT

- You will enjoy the class a lot more and will gain much better understanding of the material
- Take the ideation and team formation phase very seriously- it can greatly determine your experience with the class
- If you find that your idea hits a dead end, do not be afraid to change it mid-way through the semester!

IMAGINE...

- You are Thomas Edison
 - You have just invented the light bulb
 - Now build a plan for a business - How would you do this?
-
- What is the problem?
 - Who is the market?
 - What is the competition?
 - What is your USP?



GOOD ENTREPRENEURIAL BUSINESS IDEAS ARE:

Market Driven

- Solve a problem
 - Find a market need
 - Customer focused not product driven
- Targets an identified sizeable market segment

GOOD ENTREPRENEURIAL BUSINESS IDEAS ARE:

Feasible

- Attractive – there is a demand
- Achievable – it can be done
- Durable – it lasts
- Value creating – it is worth something
- Safe
- Affordable

GOOD ENTREPRENEURIAL BUSINESS IDEAS ARE:

Unique

- Faster/Better/Cheaper
- Differentiated (vs. commodity)
- They have a “Special Sauce”

GOOD ENTREPRENEURIAL BUSINESS IDEAS ARE:

Fundable

- Revenue stream
- Manageable risk
- Sustainable - Market exists with frequency of purchase
- Scaleable or Replicable
- Barriers to entry
- Growth potential
- Product pipeline
- Exit plan
- Innovative

GOOD ENTREPRENEURIAL BUSINESS IDEAS ARE:

Innovative

Invention	Totally new product/service/process
Extension	New use or different application of an already existing product/service/process
Duplication	Creating a replication of an existing concept
Synthesis	Combining existing concepts and/or factors into a new formula for use



WORKING IN TEAMS!





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Which team would you prefer to work in?

GOOGLE PROJECT ARISTOTLE

• 2 years • 180 Teams • 37,000 employees



To answer the question: “What makes a team at Google effective?”

SOME LEARNINGS

- Teams have a collective I. Q.
- Two behaviors that all the good teams generally shared
 - (1) members spoke in roughly the same proportion i.e. “equality in distribution of conversational turn-taking”
 - (2) members all had high “average social sensitivity” i.e. skill at intuiting how others felt based on their tone of voice, their expressions and other nonverbal cues etc.

<https://rework.withgoogle.com/print/guides/5721312655835136/>

1

Psychological Safety

Team members feel safe to take risks and be vulnerable in front of each other.

2

Dependability

Team members get things done on time and meet Google's high bar for excellence.

3

Structure & Clarity

Team members have clear roles, plans, and goals.

4

Meaning

Work is personally important to team members.

5

Impact

Team members think their work matters and creates change.

re:Work

PSYCHOLOGICAL SAFETY



A sense that people will not be embarrassed or punished for speaking up.

PSYCHOLOGICAL SAFETY

- In [her TEDx talk](#), Edmondson offers three simple things individuals can do to foster team psychological safety:
 - Frame the work as a learning problem, not an execution problem.
 - Acknowledge your own fallibility.
 - Model curiosity and ask lots of questions.



<https://www.youtube.com/watch?v=LhoLuui9gX8>

PSYCHOLOGICAL SAFETY

- To measure a team's level of psychological safety, Edmondson asked team members how strongly they agreed or disagreed with these statements:
 - If you make a mistake on this team, it is often held against you.
 - Members of this team are able to bring up problems and tough issues.
 - People on this team sometimes reject others for being different.
 - It is safe to take a risk on this team.
 - It is difficult to ask other members of this team for help.
 - No one on this team would deliberately act in a way that undermines my efforts.
 - Working with members of this team, my unique skills and talents are valued and utilized.

EI BUSINESS PLAN

PRODUCT OR SERVICE

- **Product or service** (What is the company proposing to do and what problem does it solve? Can you describe the products/services it will offer? How is this different to what is currently available on the market or how does it improve a current product?)
- **Future plans** (Are there plans to develop the product(s) or service(s), or add new product(s) or service(s), in the future? How advanced is the project idea/Business? How much work is required to take the project to the next stage?)

EI BUSINESS PLAN

MARKETING

- **Market research** (Describe how the market research was carried out and give examples. Describe the market size and number of possible customers)
- **Customers** (who are your customers? How do you know they are interested in your products and their spending behaviours? What are the needs/wants of the customers? What is your unique selling point?)
- **Market trends or issues.** (Describe and trends or key issues or anticipated in the market that may affect the market place)
- **Competitors** (Who are the competitors and what are their strengths and weaknesses?)

EI BUSINESS PLAN

INTELLECTUAL PROPERTY

- **Have you legally protected your Product/Service to date?** if yes please describe
- **Are you aware of any other Patents, trademarks or copyright issues with your product?** If so describe

PEOPLE

- **What is the potential for employment in Ireland in this company?**

WAYS TO START A NEW VENTURE

I have a technological breakthrough!



I have an idea!



I have a passion!



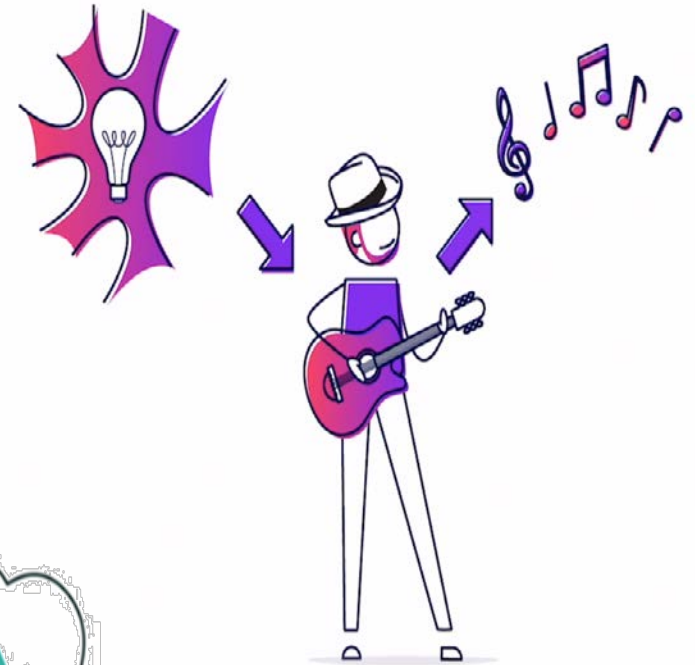


- Problem finding & Solving
 - Relevance
 - *The degree to which your solution actually solves the problem*
 - Value
 - *Importance to the customer (or to the creator)*
 - Novelty
 - *i.e. originality*

WHAT IS CREATIVITY?

New – Useful - Surprising

Artistry is not a necessary condition for creativity

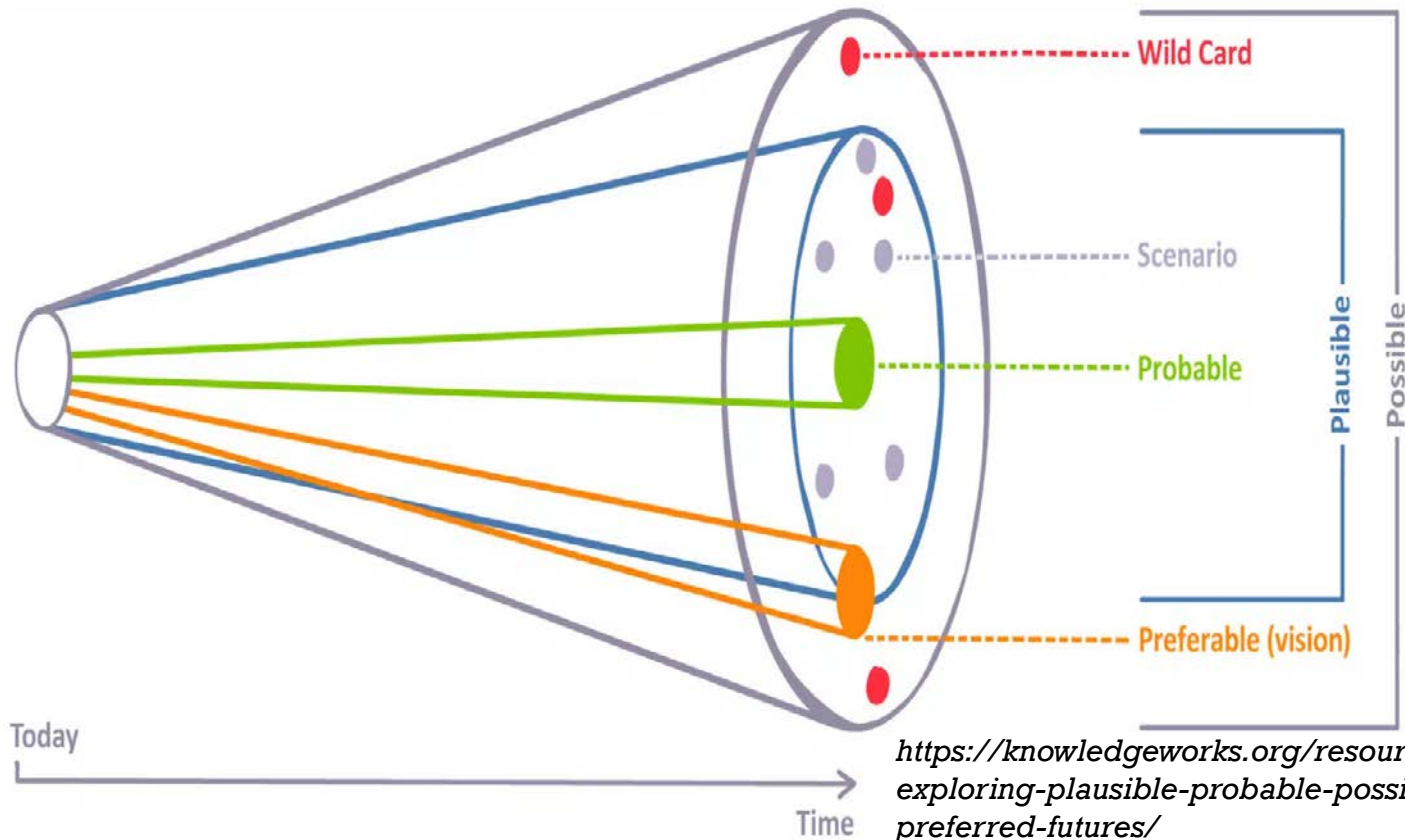


COMBINATIONAL CREATIVITY

- A common misconception is that creativity cannot be cultivated, and that instead some lucky people have an innate sense of creativity. Creative people are often seen as a rarity: smart, curious, and able to look at the world with fresh eyes.
- According to classical psychology research, there are three main types of creativity:
 - exploratory (generating new ideas within a given space)
 - transformational (ignoring fundamental rules to come up with potentially impossible but highly creative ideas)
 - combinational creativity (combining old ideas to come up with something new)
- “Combinational creativity: the myth of originality”, Anne-Laure Le Cunff, <https://nesslabs.com/combinational-creativity>

INNOVATING FOR NOW AND TOMORROW

- A useful tool to help us explore / find problems is to consider how our lives might change – today, tomorrow, next year, next decade,...
- *Cone of plausibility* – useful in exploring possibilities



WHERE TO LOOK – HOW ABOUT EMERGING TECHNOLOGIES / PLATFORMS? PLEASE LOOK AT THESE – LOTS OF REMINDERS OF THE RANGE OF POSSIBILITIES!

- <https://technologymagazine.com/top10/top-10-emerging-technology-platforms-for-enterprise>
- https://www.ey.com/en_ie/emerging-technologies
- [https://www3.weforum.org/docs/WEF Top 10 Emerging Technologies of 2023.pdf](https://www3.weforum.org/docs/WEF_Top_10_Emerging_Technologies_of_2023.pdf)
- <https://www.linkedin.com/pulse/top-10-technologies-shape-future-business-daniel-bron-/>
- <https://medicalfuturist.com/ten-ways-technology-changing-healthcare/>
- <https://aicorespot.io/top-6-emerging-technology-trends-in-transportation/>
- Or search Google “emerging technology trends in X” where X is your area of interest

Team Exercise: Probable Futures

- *I will set up a variant of this as your teams first assignment, taking into account emerging technologies*
- Take an area of your life or work e.g.
 - Education
 - Healthcare
 - Recreation
 - Sport
 - Agriculture 😊
 - Socialising
 - ...?
- Q1: how has this changed in the last 5 years?
- Q2: how will it change in the next 5 years?
- Q2b: what problems / challenges do you see that will offer opportunities for innovation?

Exercise: Repurposing (Common household appliances)

- Can you come up with ways to repurpose working or broken items of these ?



- Hairdryer
- Hair Straightener
- Toaster
- Electric toothbrush
- Iron
- Coffee machine
- Fridge
- Kettle
- Vacuum cleaner
- Shaver
- Blender
- Ice machine
- Foot spa
- Pressure washer



EXPECTED MODULE DELIVERABLES (EXACT ORDER AND DETAILS TBD)

- These will be finalised in the weeks ahead, but will largely follow previous years, i.e.:
 - Portfolio (for documenting the project, meetings, showing how idea has advanced) (15%)
 - *(you will use an online free tool for this – suggestions to follow ...)*
 - Video (25%)
 - Product brochure, QVP (Quantified Value Proposition) & (customer) Persona(e) (20%)
 - EI Template (Basic Business Plan) (30%)
 - Submit video to EI student Entrepreneur awards (5%)
 - Attendance (5%)

The exact order and %'s may vary slightly