Agenda

- Pecha Kucha talk
- Address “My Questions”
- Slideware
- Q&A (Chat)
Story Telling

• Pecha Kucha Talk January 2015

• Link
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
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)
Plan

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 superfluous.

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

• Reference: pages 20 & 21 in “Essential Drucker”.
The Process
A startup is a temporary organization in search of a scalable, repeatable, profitable business model.
Search vs. Execution

SEARCH

CUSTOMER DISCOVERY
CUSTOMER VALIDATION

EXECUTION

CUSTOMER CREATION
COMPANY BUILDING

↑ PIVOT
Execution Like This

Figure 149: Prototyping as Iterative Incremental Refinement

Bill Buxton, “Sketching User Experience”
Search Looks Like This

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.)
Service Journey V0.1:

Who: Problems

- Patient

What: Emergency

- Nurse
- Medic
- Doctors

Who: Pays

- Operating Room
  - Nurse
  - Doctor
  - Other
  - Patient
Next – More Formal Value Proposition Canvas

:Whose Problems continued:
MammOptics
Excursions into hospitals

<table>
<thead>
<tr>
<th>Leading doctors</th>
<th>Debra Ikeda</th>
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<tr>
<td></td>
<td>Jason Davies</td>
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<td></td>
<td>Jafi Alissa Lipson</td>
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<td></td>
<td>Sunita Pal</td>
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<table>
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<th>Patients</th>
<th>6 women &gt;40</th>
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<tbody>
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<td></td>
<td>8 women &lt;40</td>
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<table>
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<th>Technicians</th>
<th>Alicia X-ray mammography</th>
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<tr>
<th>Hospital Managers</th>
<th>Paul Billings</th>
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<td></td>
<td>Holly V. Gautier</td>
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</tbody>
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:Whose Problems continued:
Customer Workflow (Customer Jobs)

MammOptics

Patient

PCP OB/GY

Mammography

Insurance

Radiologist

MammOptics

Technician

ACOG ACS

Hospital Administration

Doctor specialty committee

:Whose Problems continued:
Hospital purchasing decision tree

- Capital Spending Committee
  - Decision maker
  - Influencers
- Hospitals
  - Economic buyer
- Doctors and patients
  - Users
- MammOptics
  - Sales representative
  - Recommender

Lead doctors
  - Influencers
- Unions
  - Saboteur
- Other departments
  - Saboteur

More Customer Jobs

: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:
:Whose Problems continued:
Market Adoption

- Key Opinion Leaders (KOLs)
- American College of Obstetricians and Gynecologists (ACOG)
- Medical Journals
- Breast Cancer Advocacy Groups
- Continuing Medical Education
- Conferences

: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

<table>
<thead>
<tr>
<th></th>
<th>Existing Market</th>
<th>Resegmented Market</th>
<th>New Market</th>
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<tbody>
<tr>
<td><strong>Customers</strong></td>
<td>Existing</td>
<td>Existing</td>
<td>New &amp; New Usage</td>
</tr>
<tr>
<td><strong>Customer Needs</strong></td>
<td>Performance</td>
<td>1. Cost</td>
<td>Simplicity &amp; Convenience</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Perceived Need</td>
<td></td>
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<tr>
<td><strong>Performance</strong></td>
<td>Better/Faster</td>
<td>1. Good enough at the low end</td>
<td>Low in “traditional attributes”, improved by “new” metrics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Good enough for new niche</td>
<td></td>
</tr>
<tr>
<td><strong>Competition</strong></td>
<td>Existing Incumbents</td>
<td>Existing Incumbents</td>
<td>Non-consumption &amp; other startups</td>
</tr>
<tr>
<td><strong>Risks</strong></td>
<td>Existing Incumbents</td>
<td>1. Existing Incumbents</td>
<td>Market Adoption</td>
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<tr>
<td></td>
<td></td>
<td>2. Niche strategy fails</td>
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Source: 4 Steps to the Epiphany, Steve Blank
The Scorecard
Score Card: (Hypothesis Summary)

The Business Model Canvas

- Key Partners
- Key Activities
- Value Propositions
- Customer Relationships
- Customer Segments

- Key Resources
- Channels
- Cost Structure
- Revenue Streams

Guess
Guess
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Guess

Keep Track
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

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).
  – 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
You start in the “Mystery Zone” (the guesses)

Success is getting it to the “Heuristic zone” (discovering the “rules-of-thumb”)

Grand Slam is getting it to the “Algorithm zone”

Source: Design of Business, Roger Martin
Summary
No one knows the answer!
You’ve got to discover it.

Act

Review & Learn

Fix & Adjust

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
Context for Lean LaunchPad

**Search**
- **Startups**
  - ENTR 100: Introduction to Startups
  - ENTR 102: Business Model Design
  - ENTR 104: Metrics That Matter (Startup Finance)
  - ENTR 106: Building the Team (Startup HR and Culture)
  - ENTR 108: Agile Development (Lean Engineering)
  - ENTR 200: Lean LaunchPad (Experiential Entrepreneurship)

**Build**
- **Transition**
  - ENTR 103: Creativity & Innovation
  - ENTR 105: Customer Discovery (Markets/Opportunities)
  - ENTR 107: Get, Keep and Grow (Startup Marketing)
  - ENTR 109: User Design (Web/Mobile U/I)

**Execute**
- **Large Company**
  - ENTR 100: From Founder to Operating Executive
  - ENTR 200: New Ventures In Corporations

**Business School Curriculum**
- Finance
- Leadership
- Org Behavior
- Operations
- Marketing
- Strategy
- Supply Chain
- Gov’t & Law
- Entrepreneurship
- Ethics
- Global Business
- Accounting
- Global Mgmt

**Lean LaunchPad**
- Corporate
A Product That Sells Itself
Cycling, Cycling, and more Cycling
? Instant Success ?

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

This is as fast as it gets.

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
Technology Adoption Life Cycle

- **Early Market**
- **Chasm**
- **Bowling Alley**
- **Tornado**
- **Main Street**

Copyright © Geoffrey A. Moore, 2005, from the book “DEALING WITH DARWIN”
"Day" in Life of Winemaker –

- Bunch Closure
  - Fruit Ripening, Stop canopy growth
  - Monitoring Water Stress:
    - Water Potential Chamber at early **dawn**
    - Leaf Barometer - variability
    - Soil Moisture Sensors – no correlation

- Veraison
  - Winery H$_2$O specific practices

- DBDD

- Harvest

:example:
BEFORE

TAKE MEASUREMENT

ATV WITH WATER STRESS MEASURING TANK

MEASUREMENTS PER DAY SMALL

RECORD IN BOOK

REPEAT

MODIFY WATERING SCHEDULE

81 POINTS

example:

AFTER

EVERY VINEYARD WORKER

MANY MEASUREMENTS/DAY, MANY LOCATIONS

GENOMIC MEASURING STRIPS

CONTINUOUS

MODIFY WATERING SCHEDULE

94 POINTS

ANALYZE & REPORT
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.