The Entrepreneur, Intrepreneur and Team

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For this section, we use the term "Entrepreneur" as a description of a person with the need to "make things happen". Typically this person can operate either within a large corporation, where he is called an "Intrepreneur"; or outside of an established corporation, where he is called an "Entrepreneur".

The skill set is the same. At times during the course, we will address specific differences, as they arise.

The Big Picture of E/Intrepreneurship

The Intrepreneur and the Entrepreneur have much the same skills, behaviors, attitudes, and values.

Their mission is the same: Develop a new product or opportunity

Their resources differ slightly in the difficulty in:
- Access to capital
- Ability to recruit a team
- Risk and Reward

The law of conservation of knowledge:

"The sum of what you know, plus what you think you know, is always a constant."

Corollary:

- Know as much about your business as possible.
- Opportunities outside your field often look very attractive
- When you really understand a business, you realize how little you know.

Characteristics of a successful person:

- o Organized
- o Determined
- o Confident
- o Honest
- o Intelligent
- o Diligent
- o Devoted
- o Shrewd
- o Visionary
- o Hard Working
- o Passionate
- o _____
- o _____
- o _____
- o _____
- o _____
- o _____
- o _____

Are these Skills they learned, Attitudes they have, Behaviors they do, or Values they hold?

Which comes first, Value, Behavior, Attitude, or the Skills?

Rule: "Fake it 'til you make it"

Skill set of the Entrepreneur

1.   The technology and products
2.   Business: How it works
3.   The customer and his needs
    - Customer for the product
    - Management, employees, the organization, etc
4.   People
    - How to hire or select
    - How to manage and inspire
    - Relationship management
5.   Leadership
    - Presence, excitement, drive
    - Belief that he/she is leaving a legacy
6.   Delivery
    - How to make things happen
    - Project management
7.   Himself
    - Strengths and weaknesses
    - Motivation and drive
    - When to get help
8.   Communication
    - Listening
    - Well written and spoken
    - Up and down the organization
9.   Balance
    - With his family
    - With his faith

Note: The skills of an Entrepreneur and an Intrepreneur are the same.

Skill set of the Entrepreneur (cont.)

	Creativity/ Technical	Make it Happen/ Project Mgt.	Sales/ Relationship
	----------------	----------------	------------
_____	low	low	low
Salesman	low	low	high
Administrator	low	high	low
Sales Manager	low	high	high
Inventor/engineer	high	low	low
Promoter	high	low	high
Engineering Mgr.	high	high	low
Intrepreneur	high	high	high

The chief job of a manager, who controls investment, (investor, internal or external to the organization) is to separate the "Promoters" from the true "Intrepreneurs".

Rule: "The primary job of the Intrepreneur is to make it happen"

Fatal Flaws of an Intrepreneur or an Entrepreneur:

- Doesn't Listen
- Hires inappropriately: Incompetent or No diversity
- Incompetent
- Un trustworthy
- Can't make decisions
- Lack of appropriate skills
- Lacks motivation to reach goal
- Control Freak
- Doesn't know customer or market
- Dismissive of competition
- Remains focused on technology, instead of business
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Rule: "Weakness + Ego = Disaster"

Rule: "Insanity is doing the same thing over and over, and expecting a different result"

Rule: "Know your Fatal Flaws. Get appropriate help"

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How to detect a winning team:

- Prior Record (resume)

- Recommendation from someone you trust

- Quality of the Business Plan
    Care in Preparation
    3 R's (Reality, Relevance, Relativity)

- History of Struggle and eventual win.
    No Pain, no Gain
    Best indicator of success

- Your Gut
    2 minute rule on competence and trust
    Your Beliefs
    Detect leadership

- Others

Rule: "No pain, no gain"

Rule: "The three most important components for the success of a project are the team, the team, and the team."

  Corollary: "The Driver, the Driver, the Driver"

Team, Team, Team

Rule: "Bet on the Jockey, not the horse"

Professional Investors (VC's) state it's "team, team, team". Old VC's say it's the Driver, Driver, Driver.

Studies at MIT of startups, show that the success of a venture is linearly proportional to the **<u>number of founders</u>**, up to 4-5 or so.

- ❑ After that, it levels off.
- ❑ Clearly, 100 founders is a disaster
- ❑ <u>One</u> has to be the leader, the others have to be "signed on".

The team must have appropriate **diversity.** There are many types of diversity, including:

- ❑ Personality type
- ❑ Functional discipline
- ❑ Skill sets
- ❑ Gender
- ❑ Race
- ❑ Experience
- ❑ Age
- ❑ Country of origin or experience
- ❑ (Other)
- ❑ _____
- ❑ _____
- ❑ _____

Rule: "The most important thing for success of a venture is the team, with a strong, recognized leader"

Rule: "The diversity must be appropriate to the venture".

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Personality types: DISC/ DEAA analysis:

1.   People are different
    - Personality styles
    - How they communicate
    - How they make decisions
    - How they buy
    - How they react emotionally

2.   With every person, you have a comfort zone
    - Highest with people like yourself
    - Smallest with those opposite your personality

3.   Know your style, your comfort zone, and how your style impacts others

4.   Use this to your advantage
    - Learn to act in a mutual comfort zone

Rules:
- o "You must have a driver on your team. Someone has to be driving the bus"

- o "Sometimes, your job is to stand firmly behind a leader and push"

- o "If you want to be a driver, go practice. Leaders are made, not born"

You can take some self tests at www.morgantraining.com. follow links to pre-work center. Some additional notes to those on-line are in the Appendix.

Personal Culture Issues:

Like it or not, your thinking is restricted by your past experiences. Your ability to think along a new paradigm is limited by these experiences.

Rule: "To a Hammer, a Nail is always the right solution"

Examples of natural tendencies:
- Approach problems from your past perspective
- Hire people like yourself
- Set up your finances like your previous employer
- _____
- _____
- _____
- _____

Under stress, you will tend to revert to your "roots"

Examples of Personal culture beliefs:
- All problems can be solved by more engineering
- We need to manufacture everything ourselves
- We can't trust corporate partners
- Our "intellectual property" is important, and must be protected at all costs
- _____
- _____
- _____
- _____

Rule: "Beware of limitations from your past that are inappropriate for the business."

Summary of "Team" Issues for a Successful Business or Project:

1. Who are the key people
    - o Education
    - o Experience
    - o Past accomplishments
    - o Reputation in industry
    - o Knowledge of industry
    - o Knowledge of customers
    - o Skill set they have

2. Who else needs to be on the team
    - o How will they recruit
    - o Can they recruit
    - o What other skills are needed

3. What is their history of struggle
    - o How will they respond to adversity
    - o Do they have the backbone to make hard choices
    - o Are they committed to the venture

4. What are their motivations
    - o Why do they want to do this
    - o Is their passion other than money
    - o What are their "psychic contracts"
    - o Who is the driver? Can he make it happen?

Rules: The E/Intrepreneur and Team

- The law of conservation of Knowledge: "The sum of what-you-know, plus what-you-think-you-know, is a constant"

- Insanity: "Doing the same thing over and over and expecting a different result"

- No Pain, No Gain

- The primary skill needed in an Entrepreneur is "Make it Happen"

- Weakness + Ego = Disaster

- Know your Fatal Flaws. Get appropriate help.

- To a hammer, a nail is always the right solution

- Team, Team, Team // Driver, Driver, Driver

- You must have a Driver on your team

- Your team must have appropriate diversity

- Acknowledge and beware of any limitations from your personal culture.