Maryland Climate Leadership Academy

CC-P® Prep Series

Enterprise-102:
Fundamentals of Entrepreneurship & Innovation

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Administered by:

Agenda for this Module

- Entrepreneurship Fundamentals
- Expectations & Value Proposition
- Practice Principles for Entrepreneurship
- Driving Innovation through Exercises

ENTREPRENEURSHIP FUNDAMENTALS

Understanding Entrepreneurship

Definition:

The activity of setting up a business or businesses, taking on financial risks in the hope of profit.

Applied Here:

The activity of setting up a new program, project or initiative, taking on risks in the hope of successful mission outcome.

What Characterizes an Entrepreneur?

- Need for achievement
- Desire for independence or autonomy
- Desire for responsibility
- Risk-taking
- Self-confidence
- Future-oriented and optimistic
- Energetic
- Organizing capacity
- Decision-making

Comparing Entrepreneur's Mindset to the Employee's

Employee	Entrepreneur
Work is something to get away from	Work is something to be excited about
Serious effort is applied in short periods of time	Serious effort is applied constantly
Support is earned or deserved	Support is created
Income and recognition must come immediately	Income and recognition might come in the future
The work grind is exhausting	The work grind is invigorating
Sense of accomplishment comes from recognition	Sense of accomplishment comes from creation

What Drives Entrepreneurship?

- Spontaneity
- Motivation for Achievement or Outcome
- Induced by Leadership

Factors Impacting Entrepreneurship

- Working independently (or outside the normal process)
- Ambition
- Compelling reasons
- Institutional and/or occupational experience
- Moral support and encouragement
- Imitative encouragement (after the fact)
- Available resources and infrastructure
- Support from third-party organizations
- Open and merit-based environment
- Products, markets and technology

Key Steps for Successful Entrepreneurs

- Identification of needs & evaluation of opportunities
- Developing an idea into a plan
- Building a strong organization or team
- Determining needed resources
- Establishing sound objectives and metrics
- Managing the venture
- Willingness to adapt
- Deliver outcomes

EXPECTATIONS & VALUE PROPOSITION

Testing a Conceptual Product/Service

- Question the concept of the business product/service
- Identify the value proposition
- Evaluate achievement
- Refine the design

Questioning the Concept

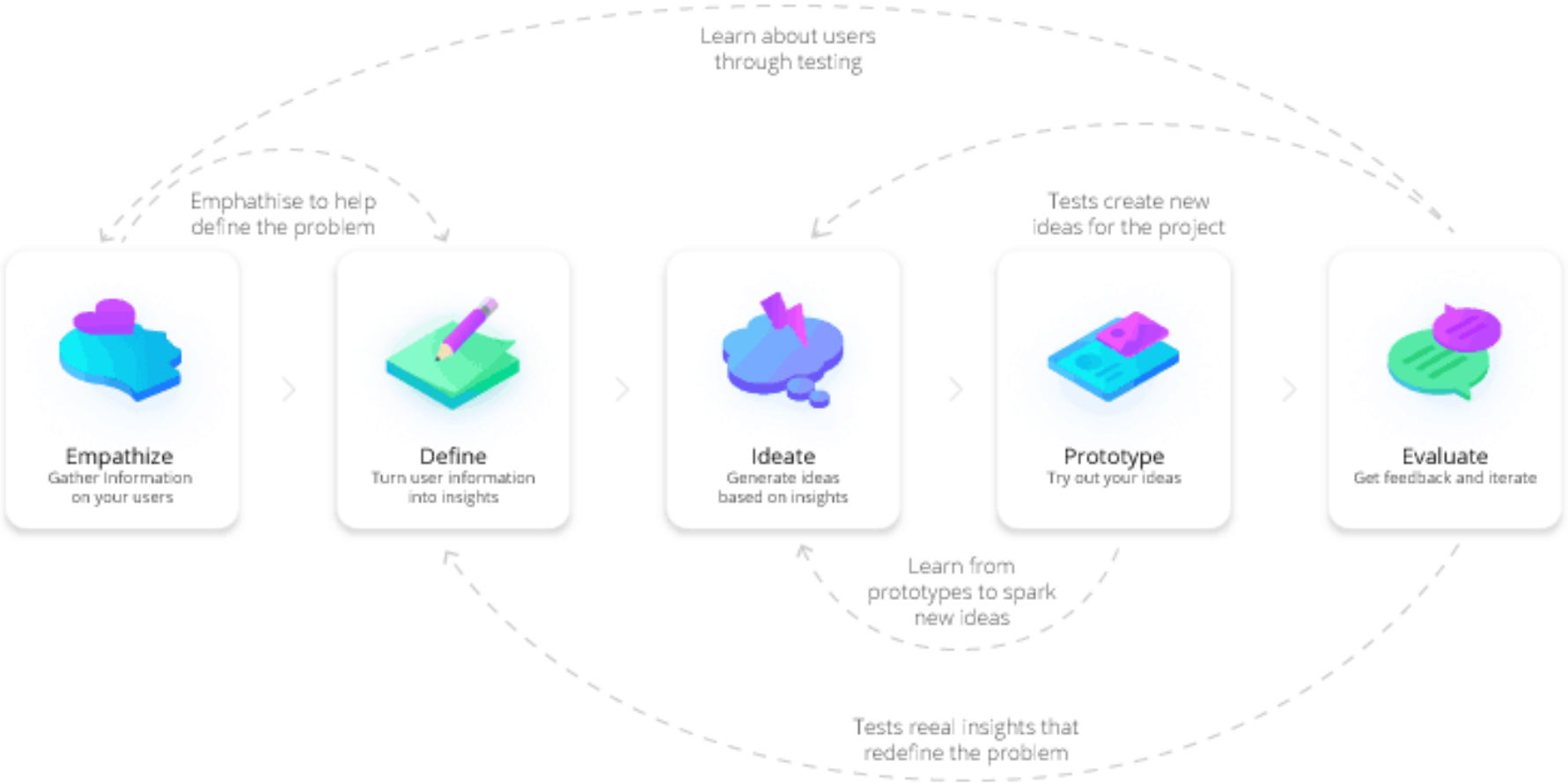
- What need or objective is being met?
- Why does this need or objective exist?
- What does this product/service do?
- How does this product/service work?
  - Is that process logical to key users/dependants?

Determining the Value Proposition and Sustainability

- How strong a priority is this need or objective?
- Will this need/prioritization likely increase or decrease over time?
- Can the benefits of the product/service be segmented
- Can expectations be exceeded?
- Are there additional benefits (or co-benefits) from using the product/service?
- Are there perceived risks from adopting this product/service?

Evaluating Value Achievement & Refining the Design

- A non-linear process needed



PRACTICE PRINCIPLES FOR ENTREPRENEURSHIP

Becoming an Effective Solution Provider

- First priority needs to be providing solutions (not money or recognition)
- Passion brings success
- Adaptive mindset enables you to source funding, find good partners, and build a good team
- If you are involved with inexperienced persons, you are bound to fail as fast as you had started. Only passion can keep you if you find yourself in such situation.
- Willingness to impact others no matter how seemingly small they might be

Have a Sound Vision

- You are not doing this merely to make a living
- Your vision should be impactful based upon the mission, values and priorities of your organization/community
- Have a defined purpose and pursue it

Choosing the Right Team

- Gather a team with a similar mindset and attitude towards achieving a common goal (and ultimately, the project's vision)
- Do not involve individuals without the needed knowledge or expertise to the project team
- Must have the same drive, tenacity, perseverance and an underlying belief in themselves and the value they can add to the success of the project or initiative
- Must be motivated and dedicated

Ensure Your Project/Initiative is Viable

- Make sure your project or initiative is actually fulfilling a need
- Be willing to deviate from norms and innovate where it makes sense to do so, but not just because you want to be different
- Ensure your project/initiative is accessible to a variety of stakeholders

Securing the Resources or Capital Needed

- Develop a strong business plan
- Capital should be your least worry when you have a needed solution
- Examine how your project/initiative aligns with state/national government initiatives, grant programs and philanthropic interests

Accountability

- Must be accountable to the success or failure of the project or initiative
- Maintain a detailed accounting of how the project or initiative was developed and implemented
- Ensure that key stakeholders, supporters and funders are kept in the loop as you move forward
- Manage resources wisely
- Be able to speak to and apply the basic principles of the project or initiative

Expanding & Replicating

- Successful initiatives are built upon strong processes and planning
- Plan for expansion, succession and replication
- Focus on outperforming your own efforts
- Remain focused and dedicated to the vision of the project or initiative
- Expansion and replication also requires strong communication and public recognition
  - Apply for recognition
  - Publish case studies and white papers
  - Deliver public presentations

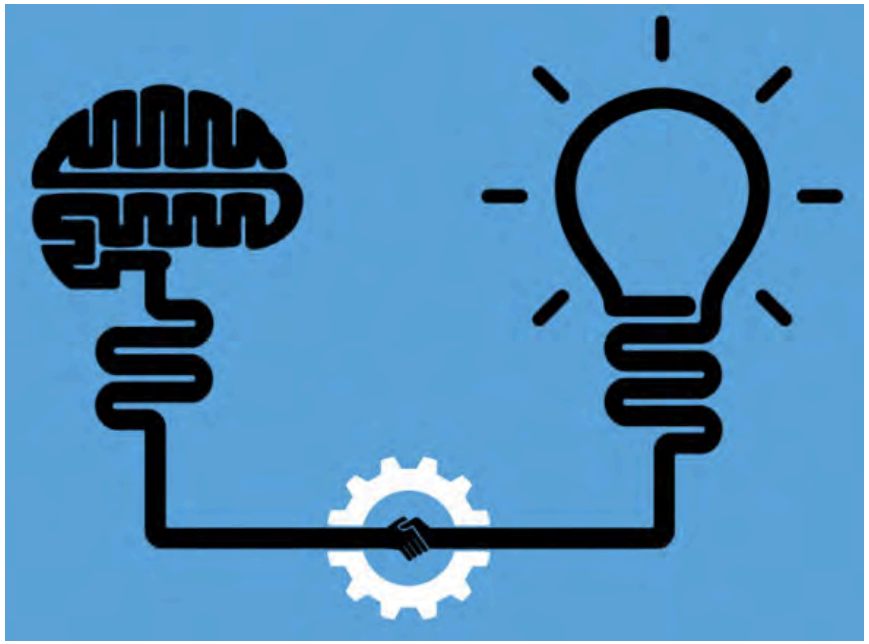
Prioritization

- Categorize actions in order of importance
- Set your priorities based on your strategic planning goals and do not deviate
- Do not allow external stakeholders to distract you
- Realize that proven numbers/metrics don't lie
- Targets and objectives should always be defined

Persistence

- Successful entrepreneurs are goal-getters
- Understand what “quitting too soon” really is
- Be accepting of failure and leverage it to **intelligently** try again
- Determination is paramount

DRIVING INNOVATION THROUGH EXERCISES



Sample Exercise #1: Reverse Assumptions

ASK:

What is the widespread practice or belief that governs a current practice or service?

THEN:

- State your challenge, which in this case is identify the assumptions that seem to influence the way practitioners think about the practice or service
- List your assumptions
- Challenge assumptions (ask why?)
- Reverse each assumption (write the opposite)
- Record differing viewpoints that might prove useful
- Ask how to accomplish each reversal, list as many useful viewpoints and ideas as you can (ask what if? and why not?)

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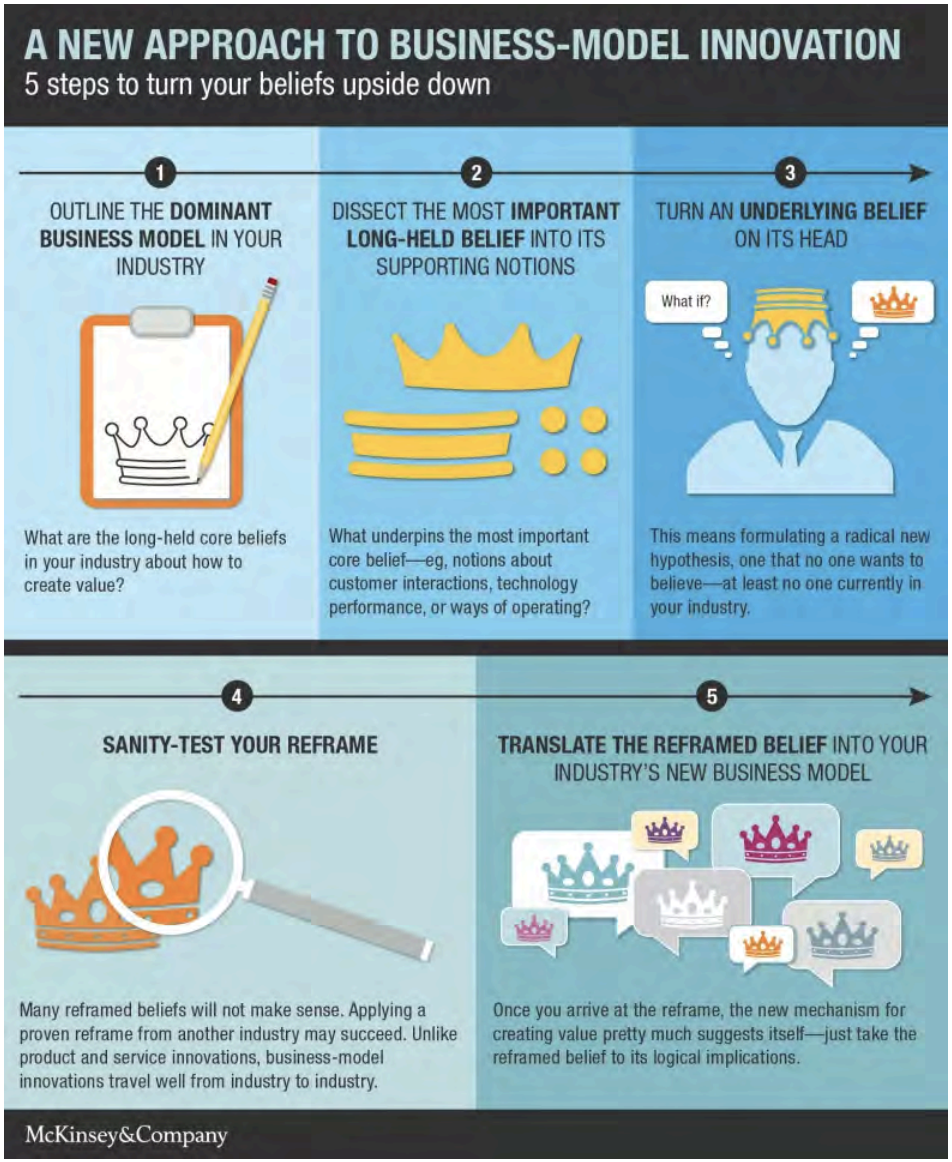
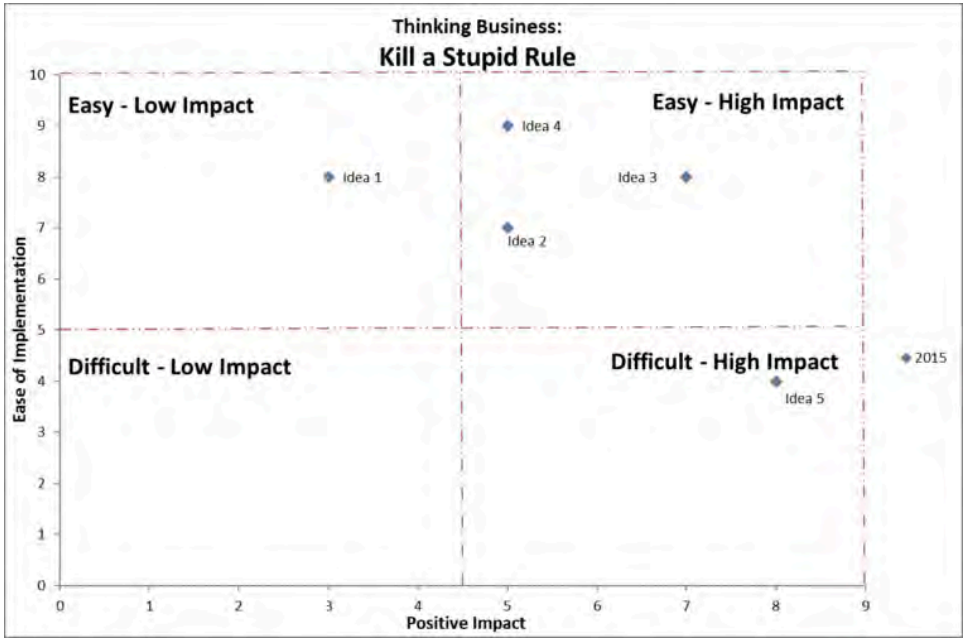


Sample Exercise #2: Kill a Stupid Rule

- **Answer the following question:**
  "If you could kill or change all the stupid rules that get in the way of doing your work or better serving our customers, what would they be, and how would you do it?"
  - This can be done in an employee meeting or virtually by using email.
  - Note that leaders can often be blind to many of these Stupid Rules because we are so used to them or perhaps we are not exposed to the impact that they may be having on the business.
  - The best way to uncover the Stupid Rules is to ask the people in the organization that have to live with them each and every day.
- **Collect all the ideas** that are submitted and sort them by themes

Sample Exercise #2: Kill a Stupid Rule *(continued)*

Next steps:



- **Meet with your leadership team:**
  - Run through each idea submitted
  - Place each idea into a rating grid;
    - Vertically – ease of implementation (Difficult at the bottom and Easy at the top)
    - Horizontally – positive impact to the organization if the rule is killed (Low at the left and High at the right)
    - The top right quadrant would be the easiest rules to kill with the highest impact.
    - Out of the stupid rules that end up in the top right quadrant, pick the rules that the leadership team wants to kill
    - Prioritize selected rules with "kill" dates and who will own process to kill the rule

Sample Exercise #2: Kill a Stupid Rule *(continued)*

Final steps:

- **Have the leadership team pick the one rule** they would like to see killed immediately and do it immediately
- **Communicate the good news to the team**