

8/July/2013

# **Class 8 – Review of Team Best Practices + Idea Pivots**

*Summer 2013*

Accelerating Information Technology Innovation



# Reminder to have Completed your Customer Needs Analysis by Tuesday

- **Milestone 2 – Customer Needs and Competitive Analysis by Tuesday (7/9/2013)**
- • **Identifying Customer Needs**
  - Interview 15 customers (5 persons per team member)
  - Identify other key stakeholders and begin to identify contacts (Governments, Energy Departments, Schools, etc)
- Based on interviews and/or surveys, develop an organized list of customer needs for your product as described in class.
- Identify product concepts/sketches that you believe would be competitors in addressing your market opportunity. List key strengths and weaknesses of each.

# **Mistakes young entrepreneurs make...(from Fortune Magazine)**

- **You are trapped in the “college bubble”**
- **You have no prototype.. Or you do, but your users are irrelevant**
- **You didn’t research the competition**
- **you haven’t talked to customers**
- **You didn’t practice your pitch**
- **You make stuff up instead of saying “I don’t know”**
- **You seek confirming, not disconfirming evidence**





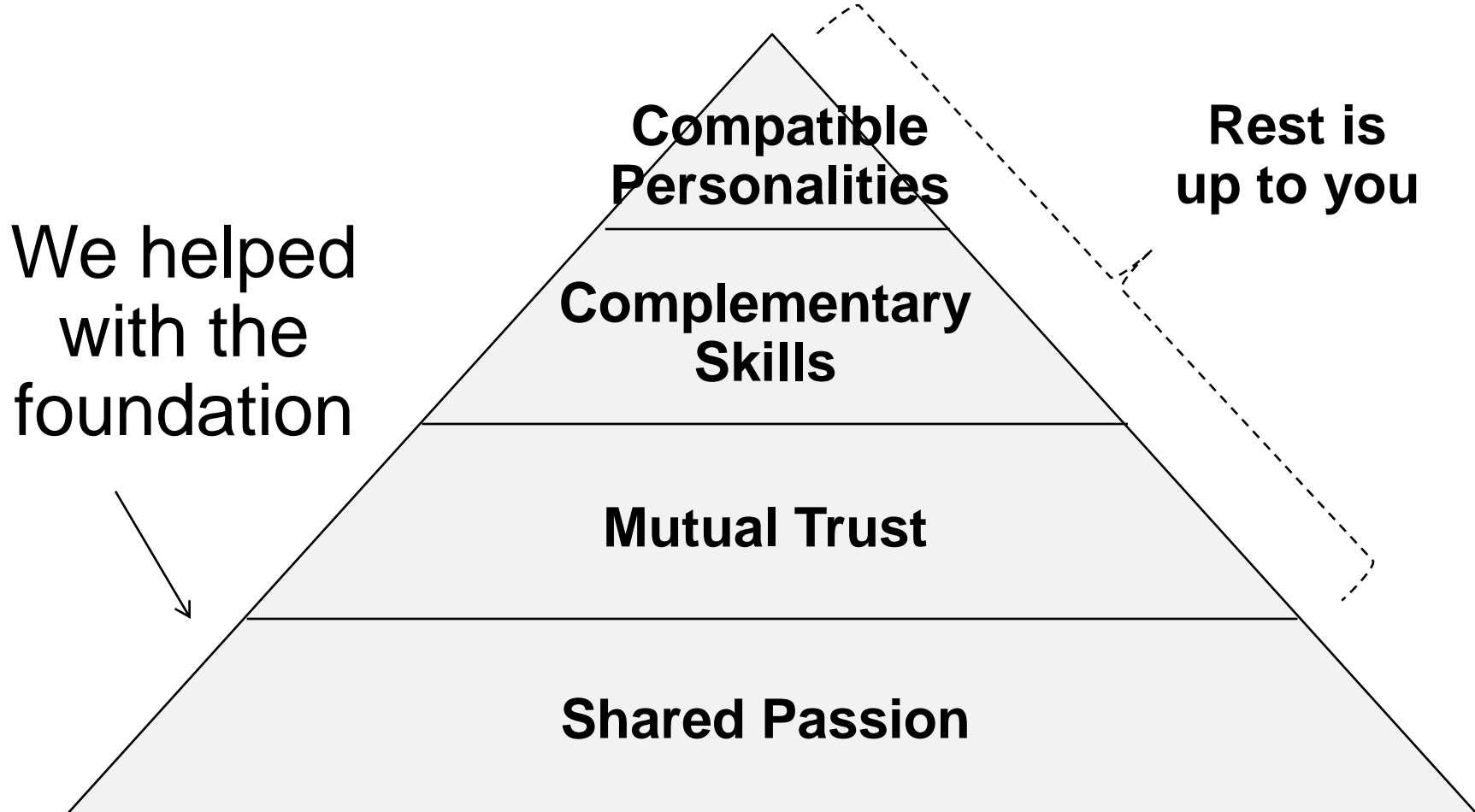
# Today's Agenda

- Reflection on Last Two Weeks
- Team Best Practices
- Idea Pivots

If time permits

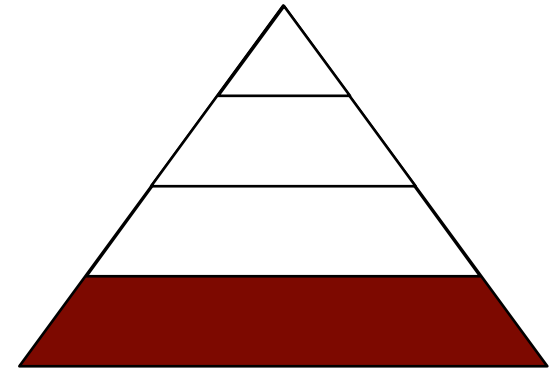
- Your Minimum Viable Product

# Key Elements of a Strong Team



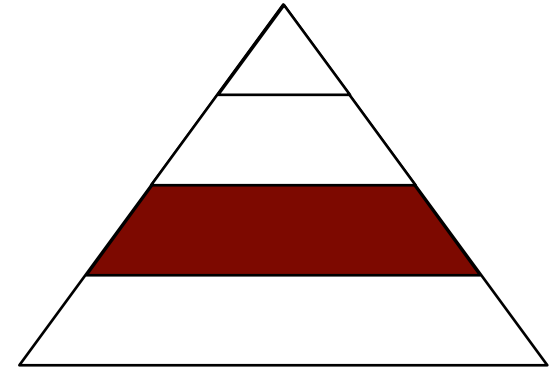
# The importance of Shared Passion

- Do you share a passion for the same problem?
- Will you both be committed to solving the problem?
- Even when /times are bad?



# Mutual Trust

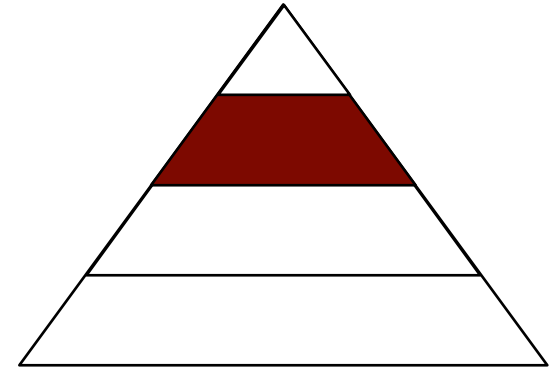
- **Something will go wrong!**
- Situations, things, **people change...**
- You need to find someone you trust
  - Will they be loyal?
  - Will they be persistent?
  - Will they be fair?
  - Will they be honest?
  - Will they respect you? Will you respect them?
  - Will they help you be better?
- Believe in your instincts





# Complementary Skills

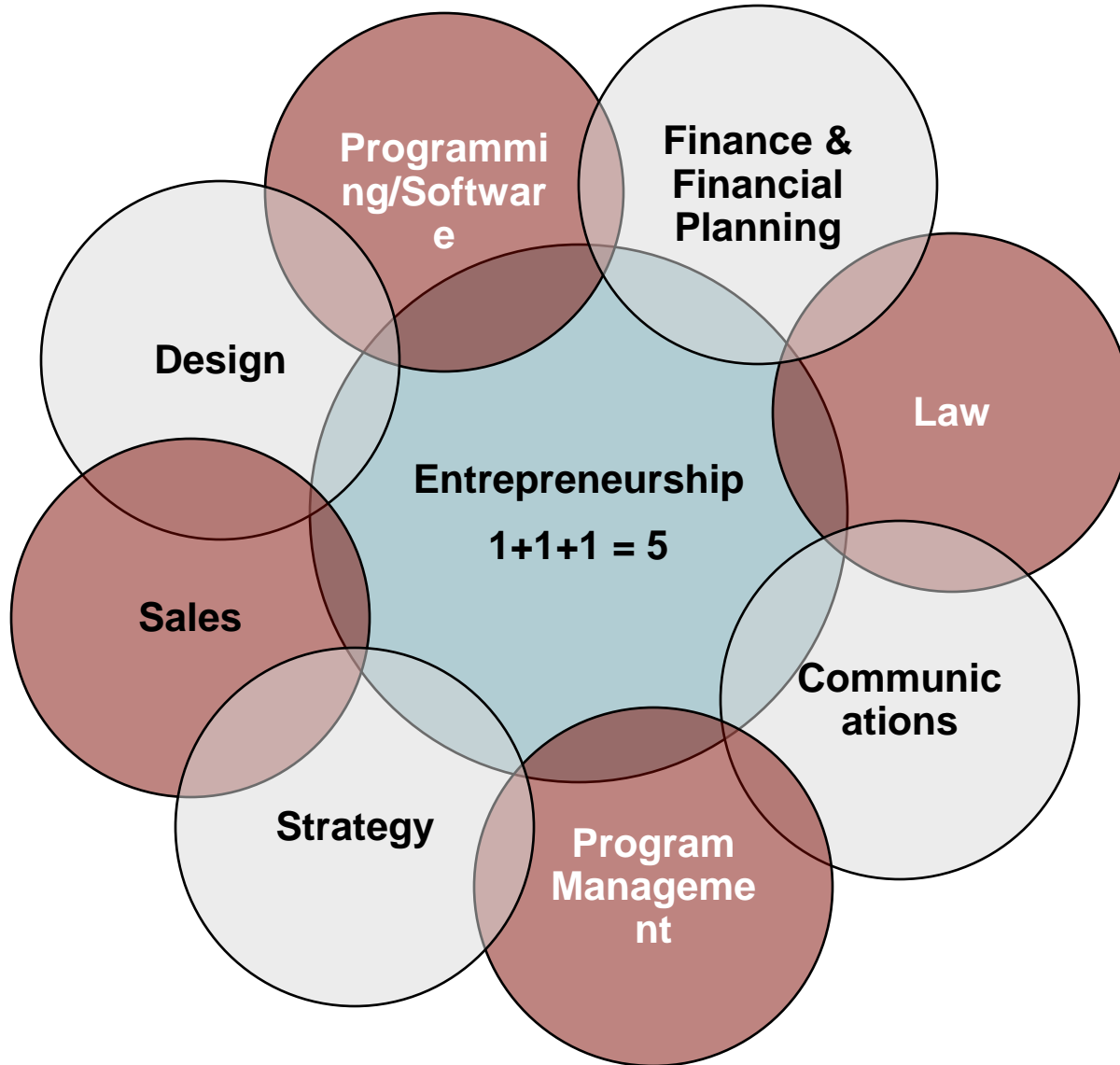
- Teammates complement your skills
- Fill in your gaps
- Work together to become more:
  - Symbolically:  $1 + 1 + 1 = 5$



## Exercise:

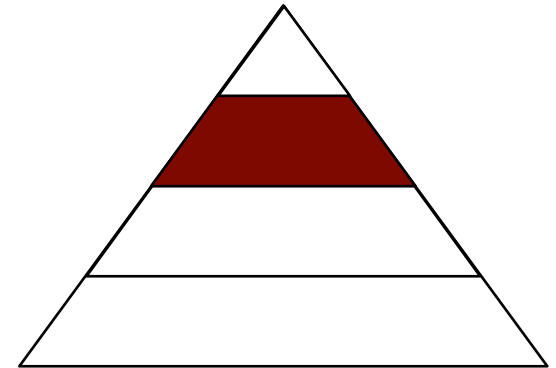
Spend 5 minutes – each person to learn one new skill or hidden talent that you previously did not know about each of your team members

# Areas of Expertise



# Roles

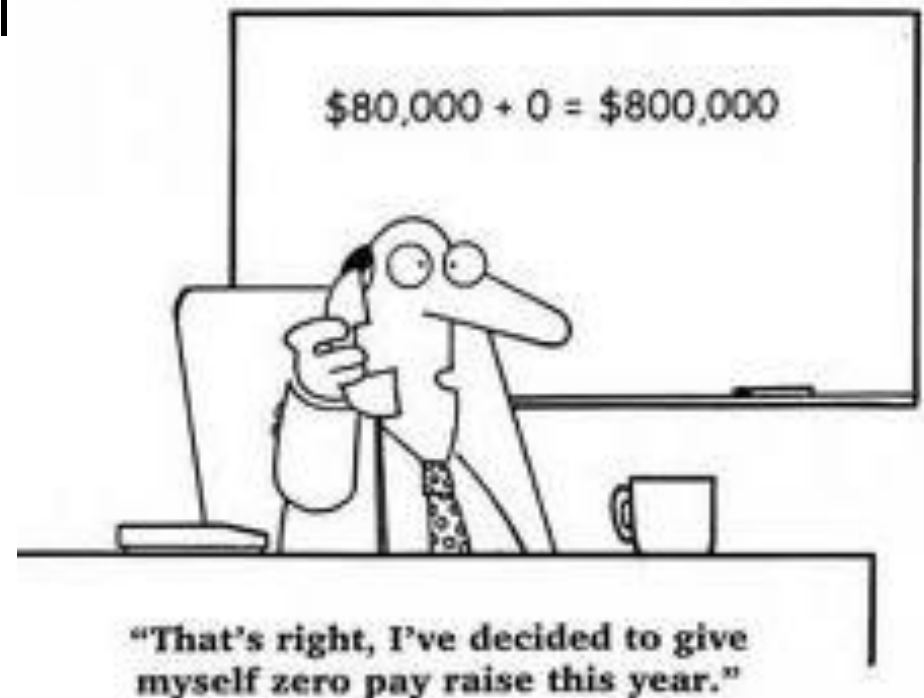
- One person will not do every job!
- *Specialization*
- Be very clear on your team who does what jobs
- Some overlap between roles



# Roles – Choose the right people for the job

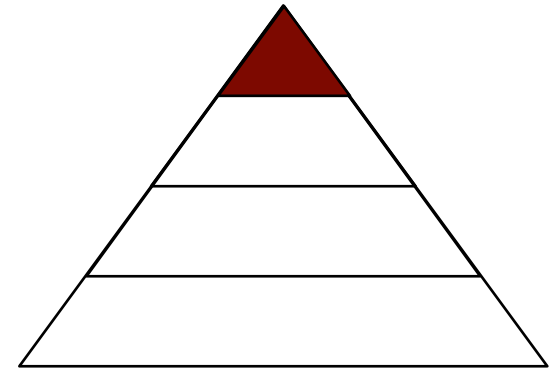
## ■ Do you have people for every role?

- Who will coordinate building product? **VP Engineering**
- Who will coordinate attracting investors? **VP Finance**
- Who will understand & sell to customers? **VP Marketing**
- Who will attract & recruit new employees? **VP People**
- Who will maintain the passion & organize overall? **CEO**



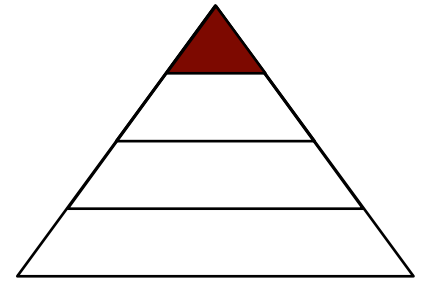
# Compatible Personalities are Key

- Must get along with each team member
  - **Not** necessarily your best friend (in fact best friends can be bad .. Inhibit communication)
  
- Someone with whom you can...
  - Feel energized
  - **Have fun** and laugh
  - Spend 2-3hrs of free /me?
  - Be comfortable openly disagreeing?
  - Be comfortable if they disagree with you?
  - Feel comfortable **reaching compromises?**



# Give each other Feedback regularly

- What is the person doing well at:
- What can your team mate improve on:
  - Provide evidence
  - How does your team mates actions make you feel
  - Make sure all feedback is actionable



**More on Feedback on Thursday**



# Sometimes it just doesn't work out ...

**.. But: constantly communicating, providing and asking for feedback from your team, setting expectations, and working to a plan ... Will improve your chance of success**

## Common Team Mishaps:

- **Not able to compromise:** ... (1) “Last week we agreed xyz” ... (2) “No I came up with the idea, the product must have feature X,Y,Z” (1)
- **Prioritization:** ... “I want to work on the startup, I also want to internship A, get straight A's in class, be VP of club X, compete in marathon Y, volunteer at agency X ... my team will understand if I don't have time to show up to our next team meeting” .. No they won't
- **Different values:** ... (1) “we are business people .. We are the brains behind the startup - We can always hire more programmers” (2) “we are the programmers .. Without us there would be no product ... we don't need business people” .. both business majors and engineers/computer scientists are equally important



Example of Team that failed

Edited out for confidentiality





# Team Contract

Our team members are:

- 1.
- 2.
- 3.
- ...

• **We are all passionate about and committed to solving the problem of**

**Mission: Statement:** \_\_\_\_\_.

• **Mission Statement:**

• **We all mutually trust and respect each other.**

• **We have complementary skills and each agree to lead the following roles:**

– CEO: \_\_\_\_\_

– VP Engineering: \_\_\_\_\_

– VP Finance: \_\_\_\_\_

– VP Marketng: \_\_\_\_\_

– VP People: \_\_\_\_\_

(Everyone must have a role. No more than two roles per person.)

• **We feel comfortable sharing our ideas and voicing our opinions.**

• **We think we will have fun working together!**

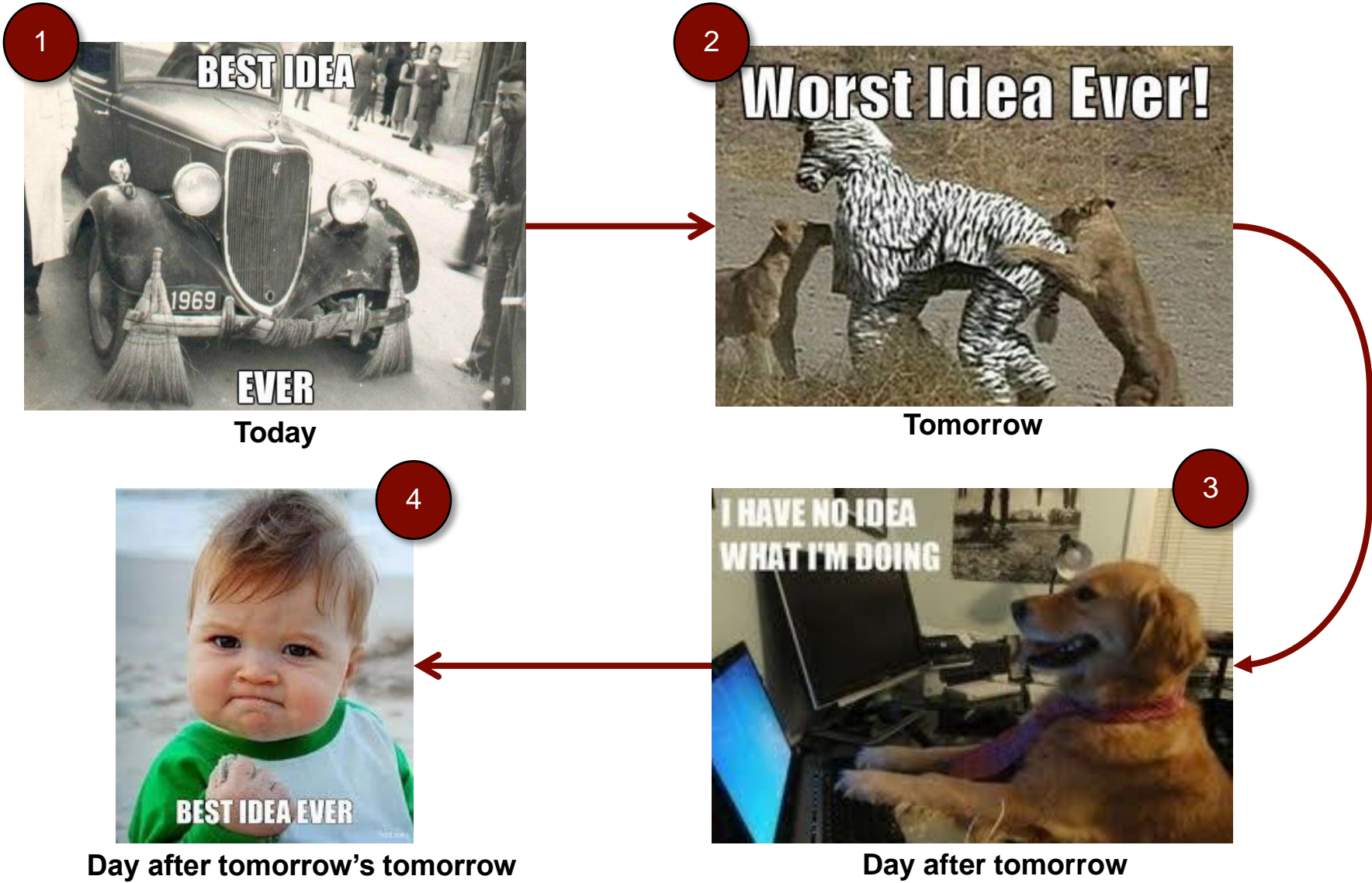


# Today's Agenda

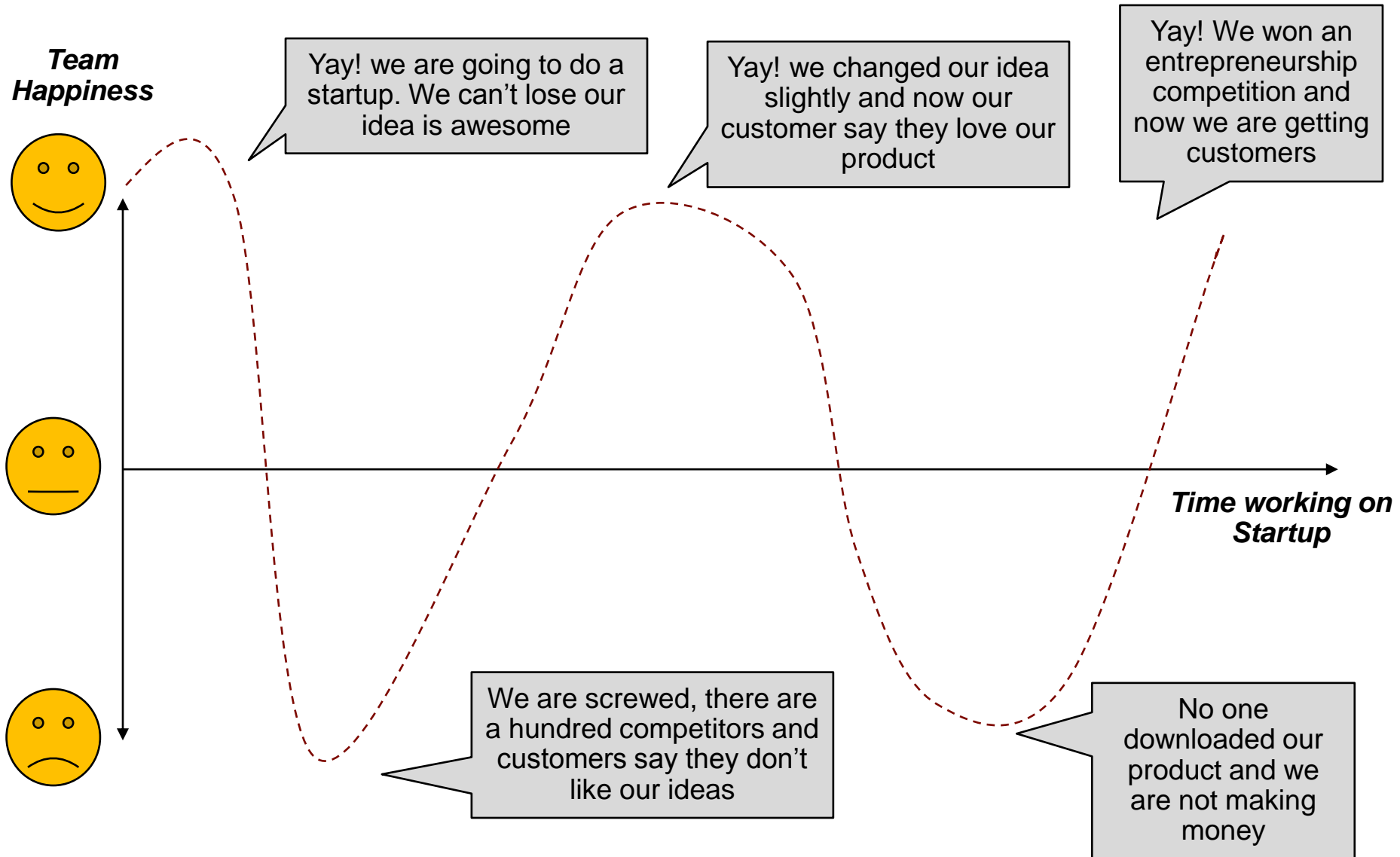
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- Idea Pivots



# Something always goes wrong ... its OK!



# You will need to be resilient



# What is a Pivot:

- Very few people get it right the first time.
- If you find yourself needing to change your business's direction or revenue model, know that you're in good company.
- Names like Zuckerberg and brands like Twitter have all had to make some adjustments to how their businesses operate.
- And in these cases, the pivot paid off nicely.

**Read more: <http://www.businessinsider.com/most-successful-pivots-2011-4>**

# Groupon

- **Then:** It started as ThePoint.com, a site launched in November 2007 that lets you start a campaign asking people to give money or do something as a group - but only once a "tipping point" of people agree to participate.
- **Now:** Groupon is the popular group-buying site that helps people save money all over the country.
- **Worth:** Potential valuation of \$3billion as of 2012.



Founder Andrew Mason



# Instagram

- **Then:** The founders had built a location-based service called Burbn, most comparable to Foursquare. You could check into locations, earn points for hanging out with their friends, and share pictures inside of the app.
- **Now:** Instagram is a hugely popular app for adding artsy filters to your photos and sharing them over Facebook and Twitter.
- **Worth:** bought by Facebook for \$1bn in 2012



Instagram

# Flickr

- **Then:** It was Game Neverending, a massively multiplayer online roleplaying game that ran from 2002-2004.
- **Now:** Flickr is one of the go-to sites for sharing photos online, popular among amateur and professional photographers.
- **Worth:** Sold to Yahoo in 2007 for \$40 million.



Founder Caterina Fake



# PayPal

- **Then:** It started as Confinity, a cryptography company designed for exchanging money over Palm Pilots. It didn't work well, but they did identify the lucrative market space of enabling people to take credit card payments.
- **Now:** PayPal is the brand-name way to pay for items online.
- **Worth:** Acquired by eBay in 2002 for \$1.5 billion.



Cofounder Peter Thiel

The PayPal logo, featuring the word "PayPal" in a bold, blue, sans-serif font with a trademark symbol (TM) at the end.

# YouTube

- **Then:** It started out as a video dating site!
- **Now:** YouTube is the go-to location for internet video.
- **Worth:** It was acquired by Google for \$1.65 billion in stock.



Founder Steve Chen



# Pandora

- **Then:** It was a music recommendation service that only suggested artists you might enjoy.
- **Now:** It's the hugely popular internet radio station tailored to your tastes.
- **Worth:** Roughly \$1 billion.



Founder Tim Westergren



# Most Entrepreneurs try a number of startups before they land a winner

## Before Facebook:

- @Before Harvard 2001: Synapse Media Player that used artificial intelligence to learn the user's listening habits. Both Microsoft and AOL tried to purchase Synapse and hire Mark Zuckerberg, However, he turned them both down and enrolled at Harvard University in September 2002
- @Harvard 2003: Facemash, a site comparable to HotOrNot.com. Facemash attracted 450 visitors and 22,000 photo-views in its first four hours online



Mark Zuckerberg



# Something will go wrong!

- All Ideas evolve and change!
- Change is a good thing .. It means you have learned something
- Don't get discouraged if your idea changes.
- Constantly think about how you can improve the idea or pivot to an adjacent idea if it just isn't working!



**“It is not the critic who counts; the credit belongs to the man who is **actually in the arena**, whose face is marred by dust and sweat and blood..if he fails, at least he fails while daring greatly; so that his place shall never be with those cold and timid souls who know neither victory or defeat,”**

*-- Teddy Roosevelt*