



Idea Refinement and Team Formation Refinement

Class Five

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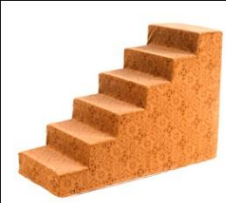


15.390 – Class #5

Idea Refinement and Team Formation Refinement

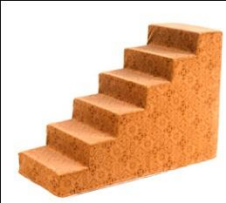
or

“Before I lock and load for this semester on a team, can you give us a bit more guidance to decrease my level of discomfort?”



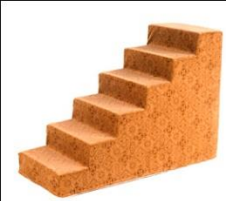
Agenda for Today

1. Check in on Status of Team Formation
2. General Comments About Idea Refinement
3. General Comments About Team Formation
4. Review of as Many Teams as Possible



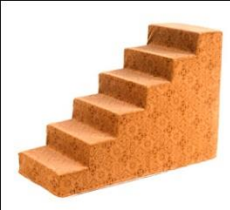
Status of Team Formation

- Please organize yourself by team in the class
- So how are you doing?
- Muddy Charles help?



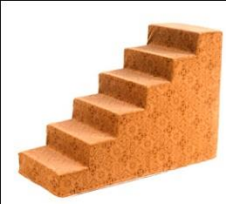
Idea Refinement

1. Is the idea for a new venture clear?
2. Is it Technology Push or Market Pull?
3. If it is Technology Push, why is the technology so interesting?
Can you give an example of a potential customer and application where it is SIGNIFICANTLY better than the alternative?
4. If it is Market Pull, what is the current way they solve the problem and why would your solution be SIGNIFICANTLY better?
5. What hypothesis need to be true for your new venture to succeed?
6. When would you walk away from this effort?
7. Can you describe a scenario where this would be very exciting to you?
8. What type of team do you need to execute this?



Note

- Your idea will evolve over time based on many factors



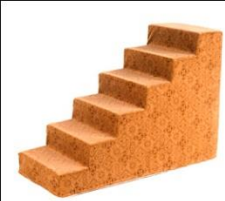
Team

- Drive
- Entrepreneurial instincts
- Domain knowledge
- Intelligence
- Track record
- Credentials
- Past collaboration
- Shared vision and values



Team Formation (General)

1. **Team Size**: Are there two or more founders?
2. **Avoiding Deadlock**: Is there a method to break deadlocks that all parties agree to?
3. **History**: Have the founders worked together before in a stressful situation?
4. **Founders Goals**: Has there been an honest and substantial discussion of the founders' goals from the new venture – financially, career wise, socially and geographically – with timeframes? (e.g. “exit” scenarios)
5. **CEO**: Has there been a discussion of who will perform the CEO role for at least the short term? Are the general roles of the other co-founders clear as well?
6. **Equity Philosophy**: Has there been at least a general discussion of how equity will be originally be allocated and then earned over time?
7. **Shared Vision**: Is there a core vision drawing the team together?
8. **Shared Values**: Are there common core values that make the team a strong unit?
9. **Commitment**: Are the commitment levels of each founder today and in the near and medium term when milestones are met very clear?
10. **Mix of Skills**: Do you have a diverse set of skills on your team ideally including product/technology, customer/sales skills, people management skills, entrepreneurial spirit (i.e., fearless & able to operate in ambiguity), general problem solver, business skills (especially from an entrepreneurial environment)?
11. **Trust and Confidence**: Do you have trust and confidence in your co-founders?
12. **Likability**: Can you see working with your co-founders for the next five years? Do they give you energy or not?



Being Realistic for this Class ...

1. **Team Size**: Are there two or more founders?
2. **Avoiding Deadlock**: Is there a method to break deadlocks that all parties agree to?
3. **Founders Goals**: Has there been an honest and substantial discussion of the founders' goals from the new venture – financially, career wise, socially and geographically – with timeframes? (e.g. “exit” scenarios)
4. **CEO**: Has there been a discussion of who will perform the CEO role for at least the short term? Are the roles of everyone else generally clear too?
5. **Shared Vision**: Is there a core vision drawing the team together?
6. **Mix of Skills**: Do you have a diverse set of skills on your team ideally including product/technology, customer/sales skills, people management skills, entrepreneurial spirit (i.e., fearless & able to operate in ambiguity), general problem solver, business skills (especially from an entrepreneurial environment)?
7. **Additions**: What else do we need to add to our team to be successful?

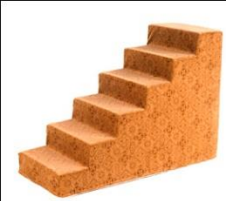


Team Reviews

15.390 New Enterprises



Massachusetts
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Technology



Looking Ahead

1. By next class, team will be formed and finalized
2. Would like you to have met at least once by then
3. Next class (Monday 2/25) we focus on who is your customer and what is the market for your new venture
4. Review your teams and make sure they are complete – your ideas may morph (and almost always they do in real life) but for this class, your team will stay the same

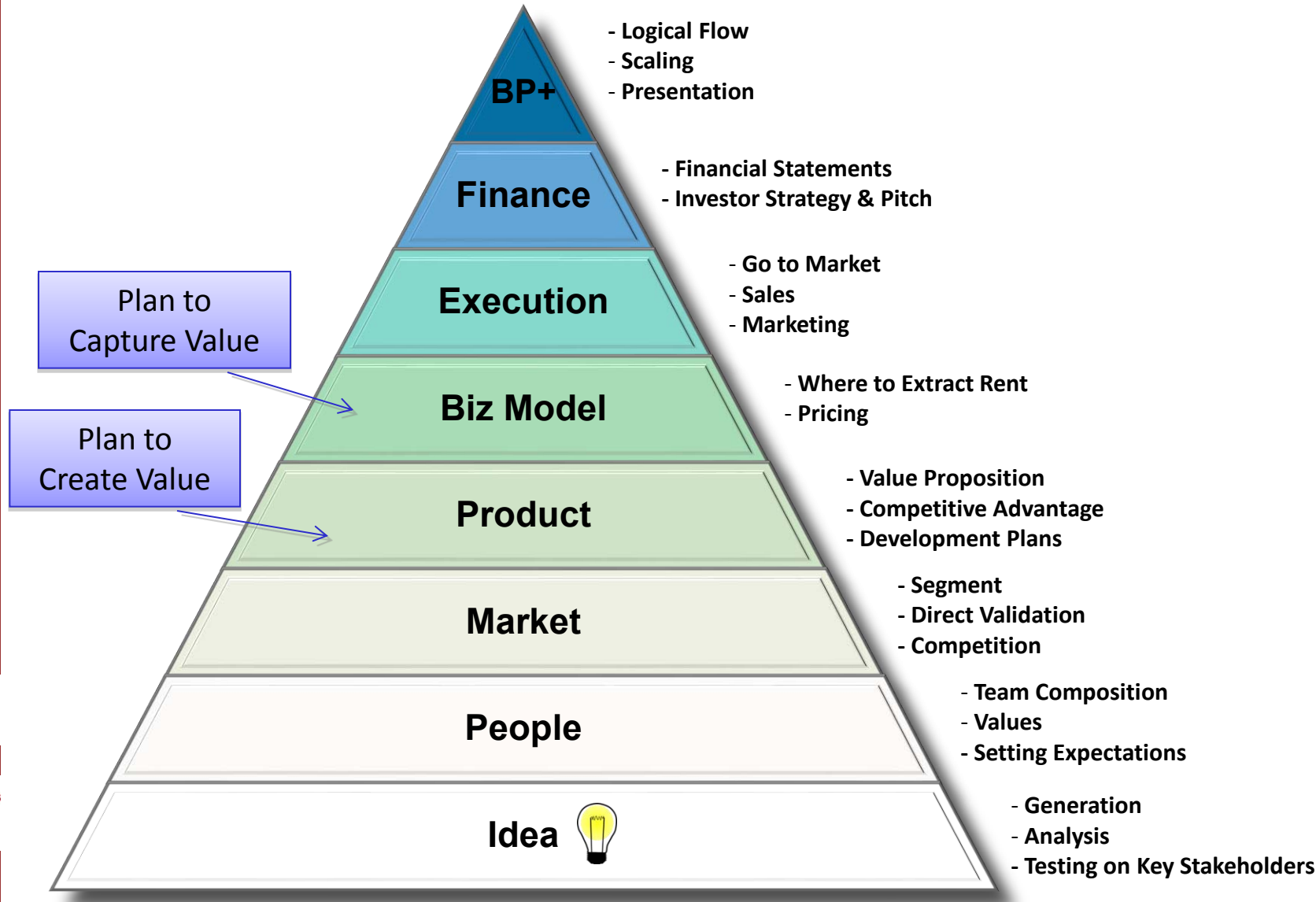


Logical Flow of Course

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