Exploring Four Eight Types of Entrepreneurship

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Meet Laurie Barkman

- TPR MBA '99
- Intra- and Entrepreneur
- 5 corporate, 3 startups
- CEO with an exit
- CMO - B2B and B2C
- Private Equity
- Strategy & growth consulting for entrepreneurs and SMBs
- CMU Corporate Startup Lab Instructor
Today’s agenda

• 8 Types of Entrepreneurship
• Choosing a Path
• Q&A
“Success is liking yourself, liking what you do, and liking how you do it.”

- Maya Angelou
600 million

Entrepreneurs in the world

Source: SBA
20% of new businesses fail during the first two years

Source: Bureau of Labor Statistics
Different types of entrepreneurship

1. Small business
2. Large company
3. Scalable startup
4. Social
5. Innovative
6. Hustler
7. Imitator
8. Buyer
Small Business Entrepreneurship
90% of US entities are small and medium sized businesses

Source: SBA
Small Businesses < 500 employees

- 30.7 million small businesses in USA
- Account for 64% of new jobs created
- 550,000 new small biz launch monthly
- Create 2 out of 3 new jobs
- Over half of Americans own or employed by a small business

Source: US Small Business Administration
Small Business Entrepreneur

Motivations + Incentives

- Be own boss
- Make a profit that supports their family and modest lifestyle
- High personal risk
- Typically hire local employees and/or family members
- Retail, real estate, trades, services, consultants, professionals
Large Company Entrepreneurship

$large company > $100m revenue
Corporate Startups
+ Innovation Teams

- Corporate lifecycle
- Executive sponsorship
- Focused teams
- Incremental to transformative innovation
- Corporate Venture
- Build - Buy - Partner
Gustavo Lopez  
General Manager

Mary Beth Green  
Chief Innovation Officer
Motivations + Incentives

- Innovators motivated to change the world, fix problems, and/or create new and better things
- Rewarded with increased professional freedom, promotions
- Low to moderate risk
- Financial incentives vary, typically different risk/reward model than a traditional startup

Corporate Entrepreneur + Intrapreneur
Scalable Startup
Entrepreneurship
2729  $11.3B

# companies raising first-time funding in 2019, second highest amount of capital invested on record

Source: NVCA.org
Scalable Startups

- Look for market needs or problems to solve and create solutions
- Funding from venture capitalists
- Hire specialized employees
- Technology-focused
- Seek rapid expansion and big profit returns
Scalable Startup
Entrepreneur

Motivations + Incentives

- Achieve vision
- High personal risk
- Get rich, personal financial freedom
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Social Entrepreneurship
Social Enterprise

- “Business for good”
- Mission to solve social problems or affect social change
- Combines charitable consciousness with business strategy
Social Entrepreneur

Motivations + Incentives

- Making a difference is at the heart of being a social entrepreneur
- Care deeply about more than earning a profit
Innovative Entrepreneurship
Bill Gates
Microsoft

Steve Jobs
Apple

Sara Blakely
Spanx
Motivations + Incentives

- Take ideas and turn into business ventures
- Aim to change the way people live for the better
- Very motivated, passionate people
Hustler
Entrepreneurship
Gary “Vee” Vaynerchuk
Vayner Media
Motivations + Incentives

- Start small, bootstrap their way to success
- Amazing work ethic
- Seem to explode onto the scene
- Willing to do what it takes

Hustler Entrepreneur
Imitator
Entrepreneurship
Sam Walton
Wal-Mart

Barbara Corcoran
The Corcoran Group

Herman Cain
Godfather's Pizza
Motivations + Incentives

- Find business models and industries with potential
- Learn from past mistakes
- Capitalize on measurable demand and customer base
- Highly determined
Buyer
Entrepreneurship
Buyer
Entrepreneur

Motivations + Incentives

- Buy into proven businesses
- Active in operations
- Focus on expanding market share
- Moderate risk
Choosing your path

What is motivating you to be an entrepreneur?
55%

Percent of respondents who said the biggest motivation for opening your own business is being your own boss.

Source: Guidant Financial
Find your fit

• who you want to be
• what you want to do
• how you want to feel
• what you want to own
• who you want to associate with
Summary

- Consider your strengths, motivations, and fit for the type of entrepreneur you aspire to be and your risk/reward profile.
- Make time to think. Give yourself permission to struggle with the process.
- Be honest with yourself. If it doesn't feel right to you, it probably isn't.
- Find good partners and advisors along the way.
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Q&A