Exploring Eight Types of Entrepreneurship

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"One dude in a dorm room to millions of people around the world living their Richest Lives."



Ramit Sethi, GrowthLab.com

Today's agenda

- Domino Strategy
- Types of Entrepreneurship
- Founder-Market Fit
- Q&A

About me

- TPR MBA '99
- Adjunct professor
- 5 corporate, 3 startups
- CEO with an exit.
- Certified M&A Advisor
- Podcaster
- Author





THE BUSINESS TRANSITION

SHERPA

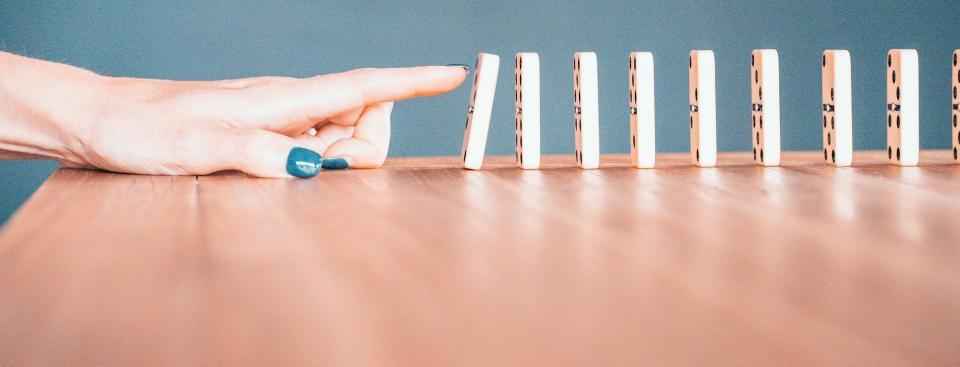


of new businesses fail during the first 2 years

If only it was this easy!



The power of sequence



"The way to do really **big** things seems to be to start with deceptively **small** things.... Want to make the universal website? Start by building a site for Harvard undergrads to stalk one another."

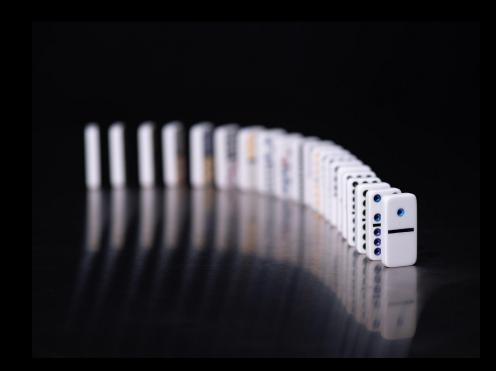


Paul Graham, Founder Y Combinator

The Domino Strategy

START SMALL

SEQUENCING



"Your job is to find that **front** domino, that number one thing that if you could accomplish, will knock over the other 98 and get more done than the other 98 combined."



Verne Harnish, founder Entrepreneur's Organization

8 Types of Entrepreneurship

1. Small business

5. Innovator

2. Large company

6. Hustler

3. Scalable startup

7. Imitator

4. Social

8. Acquirer

1. Small Business



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

Small Business Entrepreneur

- 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

2. Large Company



Corporate Startups

+ InnovationTeams

- Corporate lifecycle
- Executive sponsorship
- Focused teams
- Incremental to transformative innovation
- Corporate Venture
- Build Buy Partner



Amazon Lab126

AMAZON LAB126



Gustavo Lopez General Manager





Mary Beth Green Chief Innovation Officer



Corporate Entrepreneur + Intrapreneur

- 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

3. Scalable Startup





Microsoft Acquired \$1.2B

"Find an edge, win small victory or foothold, assimilate new resources, level up, repeat."

- David Sacks, Founder Yammer

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



Tope Awotona CEO + Founder





Don Charlton Founder



Scalable Startup Entrepreneur

- Achieve vision
- High personal risk
- Get rich, personal financial freedom

4. Social



Social Enterprise

- "Business for good"
- Mission to solve social problems or affect social change
- Combines charitable consciousness with business strategy



Blake Mycoskie Founder





Leah Lizarondo, Co-Founder 412 Food Rescue



Social Entrepreneur

- Making a difference is at the heart of being a social entrepreneur
- Care deeply about more than earning a profit

5. Innovator



Bill Gates Microsoft

Steve Jobs Apple



Sara Blakely Spanx

Innovator Entrepreneur

- Take ideas and turn into business ventures
- Look for ways to stand out from others
- Experiment with the old, explore the new

6. Hustler





Gary "Vee" Vaynerchuk Vayner Media

Hustler Entrepreneur

- Self-starter determined to succeed
- Outgoing personality
- Presence exudes confidence
- Sell anything to anyone

7. Imitator



RETAIL

REAL ESTATE

RESTAURANT



Sam Walton Wal-Mart



Barbara Corcoran The Corcoran Group



Herman Cain Godfather's Pizza

Imitator Entrepreneur

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

8. Acquirer





Chris Cynkar Franchise Acquisition Expense Reduction Analysts



Len Caric Owner Acquisition George J. Howe Corp.

Acquisition Entrepreneur

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

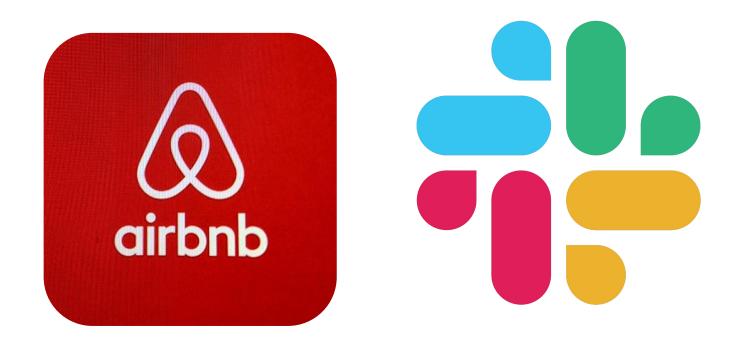
Founder-Market Fit

How likely are you to build a thriving company?



Investors: Align founders with market need

- 1. Personal experience with problem trying to solve?
- 2. How long you've been active in the industry?
- 3. How well do you know its problems?
- 4. How badly do you want to change the status quo?



Summary

- What's in your entrepreneurial DNA?
- Explore founder-market fit
- Start small. Knock down the dominos!
- Enjoy the journey!

"All overnight success takes about 10 years."

- Jeff Bezos



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