

Morgan Group

Entrepreneurship and Intrepreneurship:

Intrepreneurship: Effectiveness in a Technical Organization

Edited: July 2008

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Entrepreneurship and Intreprenurship:

Intreprenurship: Effectiveness in a Technical Organization

Course summary:

This short course is based on the MIT seminar 13s35, "Entrepreneurship and Intreprenurship: Developing a Technology-Based Business", developed in conjunction with the MIT Department of Engineering under the sponsorship of the Sea Grant Program.

The objectives of this short course are to

- Teach some of the principles of good Entrepreneurship
- Stir interest in Ocean-related entrepreneurship through the use of "wet" cases.

For more information on this, and other Morgan courses, see www.morgantc.com

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Executive Summary:

The purpose of this class is to teach technical professionals the fundamental skills and behaviors needed to run a major development project in a large company, or to successfully start or to run a new business venture. The material falls into three basic groups: Understanding of business issues, having the personal skills to make-it-happen, and organization and cultural issues.

The basis for the development of the "people" side of the material is the concept of "The Cornerstones of Competence", i.e.:

1. One must have a core competence. For a technical person/business, this is often your profession or your product.
2. One must be able to sell this competence. This includes the ability to effectively communicate your ideas, and to rally money and team behind your ideas.
3. One must have someone to sell it to. One must have the skills to develop and maintain business relationships. These skills can be taught, even to engineers. There are both external relationships (customers), and internal relationships (team, gov't).
4. One must deliver this competence you sold to someone, to his or her expectations. If you do not deliver to your customer's expectations, you lose their trust, and don't get a chance again. This is Project Management.
5. You must have the motivation to reach the goal. These motivations drive the behaviors that are needed for success.

The skills and behaviors learned in this course apply equally to entrepreneurs and intrepeneurs, i.e. people who can "make things happen". The recent interest in entrepreneurship, and the resulting study of this by major universities, helps yield insight into what makes people who can "make-it-happen" tick, and how to spread these skills to others. I am pleased to be able to participate in these efforts at MIT.

The material included is taken from a variety of sources, which I have collected over the last 18 years, and have used successfully in building a business, and in developing successful management. The material forms the basis of 2 courses I teach at MIT. Most of the information is collected from published sources. Some is unique to this course. I have organized some of the material into a set of simple tools that can be used to solve seemingly complex issues, with amazing results.

Les Gray, January 2000

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12. Project Management
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20. Appendices:
 - A: Private Equity and Venture Capital Notes
 - B: "Convertible Preferred Stock" Summary
 - C: Generic Business Plan
 - D: Investment Evaluation
 - E: Class Case Study Exercise
 - F: Additional Human Behavior Notes
 - G: Corporate Culture and Personality Tests
 - H: Startup initial Condition Checklist

Reading List and References:

1. Must Read Books:

1. Hunsaker and Alessandra; "The Art of Managing People", c 1980
2. Wareham, J; "The Anatomy of a Great Executive", c 1991
3. Greene, R; "The 48 Laws of Power", c 1999
4. Ringer, R; "Winning through Intimidation" c 1973
5. Treacy, M; "Discipline of Market Leaders"
6. Gray, John; "Men are from Mars, Women from Venus" c 1992
7. Gerber, Michael; "The E-Myth Revisited" c 1995,
8. Gladwell, Malcom; "Blink" c 2005
9. Gladwell, Malcom ; "The Tipping Point" c 2002
10. Levitt, Stephen: "Freakonomics" c 2006

2. Highly Recommended:

1. McCormack, M; "What they don't Teach You at Harvard Business School" c1984
2. Ringer, R; "Looking Out for Number One" c1977
3. Wareham, J; "Secrets of an Executive Headhunter" c 1980
4. Carnegie, D; "How to win friends and influence people", c 1936
5. Powell, Colin; "My American Journey" c 1995
6. Hendrix, Harville; "Getting the Love you Want" c 1991
7. Mackay, H; "How to Swim with the Sharks Without Being Eaten Alive", c.1988
8. Sandler, D; "You Can't Teach a Kid to ride a Bike at a Seminar", c 1996
9. Peoples, D; "Selling to the Top" c 1993
10. Jager & Ortiz; "In the Company of Giants" c 1997
11. Shaughnessy, W; "Up your MBA, Harvard" c 1981
12. Gallagher and Wilson; "Guerrilla Selling", c 1995
13. Berne, E; "Games People Play" c 1964
14. Harris, T; "I'm OK- You're OK" c 1955
15. Benton, D; "Lions Don't Need to Roar" c 1992
16. Maslow, A; "New Knowledge in Human Nature" c 1977
17. Seagal and Horne; "Human Dynamics" 1995
18. Grubman; "The Talent Solution", 1997
19. Brooks, M; "Instant Rapport", c 1991
20. Friedman, Thomas; "The World is Flat" c 2006
21. O'Roark, PJ. "Eat the Rich", c 1998
22. Hershey, John "The Child Buyer", 1955

You can find all of these at your local bookstore, or @amazon.com

Agenda: Entrepreneurship and Intrepreneurship:

Day 1, AM: People issues

- Overview
- Corporate Culture
- The Entrepreneur and the team
- People, motivation and hiring
- Decision Making

Day 1, PM: Business Issues

- Market Assessment
- Opportunity Recognition

Day 1, PM: Personal Skills

- Sales and Marketing
- Relationship management

Day 1, Evening:

- Some reading (About 1 hour's worth)

Day 2, AM: Management Issues

- Project Management
- Leadership
- Intellectual Property
- Money
- (Speakers)

Day 2, Lunch

- Case studies in Groups
- Report out

Day 2, PM: Summary and Review

- Making it Happen
- Effectiveness
- Review

Entrepreneurship and Intrepreneurship

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Instructor: Leslie M. Gray III

Leslie Gray is Managing Director of Morgan Group LLC, a consulting firm, which works with technology-driven companies in solving strategic and tactical business issues

Les consults in the areas of technical management, particularly in the areas of Entrepreneurship, Intrepreneurship and New Business Formation. Les has taught courses at MIT on Entrepreneurship, Intrepreneurship, and Sales and Communication, sponsored by both the MIT Ocean Engineering Department, and the MIT Sea Grant College program. Les also helped start the Brown University Entrepreneurship Program and Business Plan Competition.

In 1981, Les founded the firm Airflow Research and Manufacturing Corp, making radiator-cooling fans for the Automotive Industry, employing technology developed under government sponsorship for quieting propellers on submarines and torpedoes. As president and CEO, Les led the company through rapid growth and expansion into world markets. By 1990, the firm had captured most of the business of Ford and Chrysler, had a 10% market share in Europe, and significant presence in Korea.

In late 1990, Les sold Airflow Research to the Robert Bosch Corporation. After the sale, Les continued to lead Airflow for Bosch, and was responsible for all new business and company growth. By 1997, when Les stepped down from active management, Airflow had annual sales of over \$150 Million, manufacturing plants in 4 North American locations, and direct supply capability or licensees in most automobile producing countries. Today, the fan technology that Les pioneered is in over half of the world's new automobiles.

Prior to starting Airflow Research, Les worked for 9 years at Bolt Beranek and Newman, as a Senior Scientist, consulting to the US Navy. His areas of technical research included airborne and undersea acoustics and signal processing. Les is the author of over 60 papers, reports, and articles in these areas.

Les has a BS degree in Naval Architecture from Webb Institute, and an MS in Ocean Engineering from Catholic University. After university, Les was an officer in the US Coast Guard, Naval Engineering Division, in Washington, DC.

Les has served on a variety of Boards, corporate, advisory, non-profit, and governmental. Les is married, lives in Bristol RI, and has two adult sons. His passions include sailing, boating, skiing, and biking.

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