2015 – 2016
Central Michigan University
New Venture Competition

Mentor Handbook
Mentors and Getting Out of the Building
Our training starts with teaching the students that the 9 building blocks of a Business Model are simply hypotheses until they actually validate them with customers and others they encounter along the way to creating a viable venture. Since there are “no facts inside the building”, they need to get outside and actually talk to customers, suppliers, channel partners and domain experts, and gather real-world data for each part of their plan.

This can be a daunting and formidable task. **We are throwing the students out of the building with minimal formal teaching on business basics, i.e. income statement, balance sheets, how to make cold calls etc. This is where you and your expertise come in.** To the best of your ability, help them network, teach them how to send email and make phone calls and do appropriate customer discovery. Open your Rolodex to whatever level you feel comfortable with.

While part of your role is to help the **teams to test their hypotheses about their business model**, the goal is not to just introduce them to people who you think will talk to them, or will even buy from them. That’s nice, but that’s unlikely to build a company. They need to learn the process, not just have conversations set up for them.

Instead of telling them what to do, lead them along the path to learning. Instead of giving them a solution, ask “have you considered x?”, “why don’t you look at company z and see what their business model is and compare it to yours,” or “here are some names of domain experts in the field, you should talk to them.” It may be hard sometimes, but try to avoid telling them what to do.

**Key Point** – If your team is not performing well, or seems to not be fully committed to the program, please do not harshly criticize them about it. Let the teaching team know (they will probably suspect already) and they will talk to the team about the issue. By doing this, you can be there to help the team “pick up the pieces” and get back on track, instead of you potentially being, in their eyes, the source of their trouble.

**More on the Mentor’s Role**
*Mentors* play an active role in weekly progress of their team. As a mentor, you are an **extension of the teaching team** and contribute to their success. In seven very short weeks your team has to:

1. Create an initial Business Model filled with hypothesis and questions built around an idea, product or technology.
2. Get outside of their classroom/building and test all their business model hypotheses to find a suitable and executable Business Model.
3. If it’s a web-based business get it up and running. The goal is not a finished or polished site but a vehicle they can use to test their assumptions about *minimum feature set, demand creation, virality, stickyness, etc.*
4. If it’s a physical product, they will build a prototype or create a credible demonstration or simulation.
5. **Come to understand and create a “Map” of the industry and market dynamics in which their venture hopes to find a market and operate.**
You are in the program to **offer your team guidance and wisdom:**

- Provide business model suggestions
- Help the team learn how to do Customer Discovery and get the feedback necessary to build a commercializable Business Model.
- Help them pivot when they have to.
- Identify and correct gaps in the team’s business knowledge. (There will be plenty!)
- Explain again and again until they get it what #5 above refers to – help them to understand that their idea does not exist in a vacuum but is part of a dynamic and evolving marketplace.
- Help them understand that once this program is over, the work really begins. They will have to continue to build a team, create a set of cost and revenue projections, and if they can, propose a plan to attract investment in their venture.

**On a weekly basis, we hope you will provide your team with tactical guidance:**

- Reviewing your team’s weekly presentation *before they present*
- Commenting *weekly* on your teams Customer Discovery progress blog
- Helping the team digest the teaching team’s critique and suggestions
- Rolodex help - “why don’t you call x? Let me connect you.”
- Pushing the teams to make 5 - 10 customer contacts/week
- Meeting one-on-one with your team as needed
- Keep the teaching team updated about your team’s progress

**Best Practices and Mentoring Criteria - The Fine Art of Effective Listening**

- Two ears, one mouth... (from Epictetus: “We have two ears and one mouth so that we can listen twice as much as we speak”)
- Patience: problems can be more complex than you think - Sounding board, not “bored”
- Be critical of ideas not of me
- Openly disagree without being disagreeable

**Flexibility (the Mentoring Asana)**

- Respect my choice to do what’s right for their situation
- Accommodate/Facilitate changes in topics and goals
- Be willing to consider alternatives and change your mind

**Share Yourself, Be Committed**

- Meet regularly, and in person – It's not mentoring if it doesn't actually happen
- Connect me with your network, and I will connect you with mine
- Share your passion and have a passion for sharing

**Advise and Catalyze**

- Not just one answer: It's recognizing and weighing options
- Share problem-solving skills and let them find the solution
- To tell me when things aren’t working
- Discuss the impacts of taking various actions
Objective Support
- Be a safe harbor for venting; be a trustworthy confidant
- Evaluate the actual progress and speed of the venture
- Encourage getting outside our comfort zone (reward risk-taking; learn thru failure)
- Always challenge assumptions, and reward conclusions from acquired information

Business Model Generation Canvas:
Teaching Overview: Lean Launchpad Course Organization
The course is organized around Alexander Osterwalder’s Business Model Canvas and Steve Blank’s Customer Development process. (See the syllabus for details).

Each week’s class is organized around:
1. Having each team show their progress from the past week – based on what they learned from getting out of the building and iterating or pivoting their business model.
2. A lecture on one of the 9 building blocks of a business model.

Textbooks: As mentors we expect you to read the course textbooks along with your team. Copies of course texts—The Startup Owner’s Manual by Steve Blank and Business Model Generation by Alexander Osterwalder—will be provided.

Getting Prepared: The best way for you to get a feel of the course is to follow the plan suggested in the emails you and your team received already about the program. You can also look at the links below for additional information.
1. See:
   - http://steveblank.com/2011/05/10/the-lean-launchpad-at-stanford—-the-final-presentations/

2. Download the explanation of Osterwalder’s Business Model Canvas