

CENTRAL MICHIGAN UNIVERSITY

New Venture COMPETITION

Mentor and Advisor Handbook

Advising and Mentoring in the Central Michigan University New Venture Competition Program, Fall and Spring Semesters

First, CMU thanks you for your time and commitment to work with the students here who have an idea and interests to start or contribute to the start of a company.

What is the difference between an advisor and mentor?

Advisors -

Your experience, your expertise and your willingness to work with these students and share advice and wisdom with the students. This makes all of you advisors. Advisors work with many of the teams who are looking to turn their idea into a business. Advisors play an important role in the breakout sessions in the second hour of the workshops.

Mentors -

As you better get to know the teams and get a better understanding of their venture, the team, how this matches your experience or your interests, and the students interests in working with you. Mentors become more involved in the many aspects of their ventures and coach them to move the idea into a viable business.

Advisors may become mentors for one or many teams and continue to be advisors for others. Being an advisor does not mean that you have to become a mentor. We realize that due to time limits, conflict of interests, or one of many reasons why you cannot take on the role of a mentor, which is understandable. Any time you spend with the students is greatly appreciated by them and CMU.

Advising and Mentoring for Workshops

Our training starts with teaching the students the 9 building blocks of the Business Model Canvas (BMC). As the teams are learning about the 9 building blocks, they will be filling out the information into a workable version of the BMC. That is where your experience, expertise and advice come in helping them with this.

These building blocks begin with the value proposition, targeted customers, relationships with customers, how to reach out to the customers, and the value of the product or service. Which are simply hypotheses until they actually validate them with potential customers and others they encounter along the way to creating a viable venture. To do this, the students 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 proposition task. After a few workshops we encourage the students go out and discuss their opportunity with others 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, send emails, make phone calls and do appropriate customer discovery.

While part of your role is to help the teams to test their hypotheses about their business model, the goal is not to just to get the students outside and/or 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 will learn the process in the customer discovery workshop.

Instead of telling them what to do, we 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.

More on the Advisor/Mentor’s Role

You play an active role in the progress of the teams. You are part of the teaching and training that contributes to their success. As they progress through the workshops the teams will need to:

1. Create an initial Business Model filled with hypothesis and questions built around an idea, product or technology.
2. Get outside and review 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 student ventures 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.
- 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.

Mentors

- As needed, provide your team with *tactical* guidance:
- Helping the team digest the training in the workshops
- Customer Discovery Help “why don’t you call x? Let me connect you.”
- Help them pivot when they have to.
- Pushing the teams to make customer contacts
- Meeting on-on-one with your team as needed

Best Practices - 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 the person
- Openly disagree without being disagreeable

Flexibility

- Respect the student's 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 students with key contacts that will help the team progress
- Share your passion and have a passion for sharing

Advise and Catalyze

- There is 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

Explanation of the Business Model Canvas

http://www.businessmodelgeneration.com/downloads/businessmodelgeneration_preview.pdf

The Business Model Canvas					Designed for:	Designed by:	Date:	Version:
Key Partners 	Key Activities 	Value Propositions 	Customer Relationships 	Customer Segments 				
	Key Resources 		Channels 					
Cost Structure 		Revenue Streams 						