

## Appendix A: Detailed Examination of the Activities, Lessons, and Theoretical Foundations of Lean Startup-based Training (LST)

Description of Activities		Overall Lessons from Exercises	Theoretical Foundation
Vision & Lean Startup	<ul style="list-style-type: none"> <li>- Corporate vision for growth opportunities</li> <li>- Testing loop by applying the rationales of the lean startup build-measure-learn</li> <li>- Understanding the business model canvas and its building blocks</li> </ul>	<p><b><u>Lean Startup Knowledge:</u></b></p> <ul style="list-style-type: none"> <li>- Entrepreneurial learning through personal experience, deliberate practice, and proactive application of the lean startup iterations; learning the operational steps implied in early-stage internal corporate venture projects</li> <li>- Structured ideation by decomposing customer needs, solution properties, and business model characteristics through formulation of testable hypotheses</li> <li>- Creation and development of minimum viable products (i.e., low-fidelity and/or comprehensive prototypes)</li> <li>- Practice and Refinement of experiment-based innovation methods</li> <li>- Development of presentation skills through customer interactions</li> </ul>	<p><b><u>Corporate Entrepreneurship:</u></b></p> <ul style="list-style-type: none"> <li>- Exploration of novel market domains (e.g., Covin et al., 2018, 2020)</li> <li>- Managers' adeptness in accumulating novel knowledge (e.g., Covin et al., 2018, 2020)</li> <li>- Resource redeployment for real venture projects (e.g., Covin et al., 2018, 2020, Floyd and Lane, 2000)</li> </ul>
	<ul style="list-style-type: none"> <li>- Identification of customer segments and drivers of customer satisfaction/dissatisfaction</li> <li>- Definition of the customer journey by sketching and visualizing customers' problems and their interrelationships</li> </ul>	<p><b><u>Entrepreneurial Alertness:</u></b></p> <ul style="list-style-type: none"> <li>- Develop "antennas" for entrepreneurial opportunities by recognizing customers' problems, observing possibilities in novel industries, and solving technological constraints</li> <li>- Explore new markets as growth options for the parent firm</li> <li>- Continually assess innovative solutions based on hypotheses, experiments, and customer feedback</li> <li>- Capture the value of entrepreneurial opportunities by experimenting and transforming the business model based on new solutions for future cash flows</li> </ul>	<p><b><u>Entrepreneurial Learning and Lean Startup:</u></b></p> <ul style="list-style-type: none"> <li>- Circularity of entrepreneurial learning and the lean startup framework as a common theoretical ground (e.g., Cope, 2005; Minniti &amp; Bygrave, 2001; Ries, 2011)</li> <li>- Rationales for the lean startup build-measure-learn loop (e.g., Blank, 2006; Camuffo et al., 2020; Shepherd &amp; Gruber, 2020; Ries, 2011)</li> <li>- Principles of the business model canvas as an instrument with which to learn about business opportunities (Osterwalder &amp; Pigneur, 2010)</li> </ul>
	<ul style="list-style-type: none"> <li>- Development of a preliminary solution matching the customers' latent needs</li> <li>- Investigation of the key resources and activities to build a preliminary solution based on the business model canvas</li> </ul>		<p><b><u>Entrepreneurial Alertness:</u></b></p> <ul style="list-style-type: none"> <li>- Recognition of entrepreneurial opportunities by decomposing customer segments, customers' latent needs, and gaps in the external environment, thus developing entrepreneurial alertness (e.g., Kaish &amp; Gilad 1991; Tang et al., 2012)</li> </ul>
	<ul style="list-style-type: none"> <li>- Calculation of cost and revenue structures</li> <li>- Selection of a pricing strategy</li> <li>- Validation of the customers' willingness to pay</li> </ul>	<p><b><u>Creative Self-Efficacy:</u></b></p> <ul style="list-style-type: none"> <li>- Develop creative self-efficacy (i.e., confidence) by applying the build-measure-learn loop in entrepreneurial settings that encounter novelty and high levels of uncertainty</li> <li>- Develop creative self-efficacy through face-to-face customer interaction (e.g., in shopping malls or via telephone or video)</li> <li>- Develop creative self-efficacy through executives' encouragement to make entrepreneurial decisions, to make mistakes, and to take the risk of failure</li> </ul>	<p><b><u>Creative Self-Efficacy:</u></b></p> <ul style="list-style-type: none"> <li>- Develop creative outputs to gain creative self-efficacy (Tierney &amp; Farmer, 2002, 2011)</li> <li>- Develop creative self-efficacy through deliberate practice (e.g., Ericsson, 2008 Tierney &amp; Farmer, 2002, 2011)</li> <li>- Develop creative self-efficacy through management support as motivation (Hornsby et al., 2002, 2009)</li> </ul>
	<ul style="list-style-type: none"> <li>- Pitch the idea to the executive board for receiving financial and human capital resources and for extending and implementing internal corporate venture projects</li> </ul>		

Note. Each iteration is constituted of four tasks: formulate testable hypotheses, build experiments and prototypes, measure customer feedback empirically by creating a dashboard to track key metrics, and learn by reflecting and re-adjusting prior assumptions.