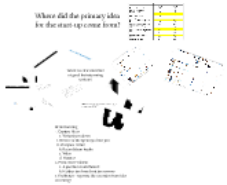


In groups of 4:

15 Best Startup Ideas

Opportunity Assessment Project (OAP)

- Meet with team
- Pick an idea
- "Get out of the building" for research
- Figure out whether it is a business opportunity
- Analyze the market/opportunity
- Series of team deliverables – 1/22 & 1/27
- Project website - document your failures
- Positioning statement and presentation
- OAP Presentation
- OAP written analysis
- 15% of your grade

Ann McCormick

- Founder and CEO of Learning Friends
- Founded the Learning Company, served as Chairman of the Board and Lead Designer, shaping the design of the company's first 35 products, including Reader Rabbit and Hasbro's Boxer
- TLC launched, a new category of software and a leading national brand
- Advisor to education and technology leaders in 15 nations, consulted with Apple Computer, IBM, Northern Telecom
- Vice President of VPL, a virtual reality company

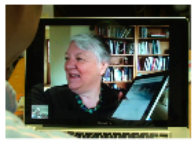
- Author or contributor of chapters and articles on childhood computing, and appeared on television shows such as the Donahue Show.
- Pioneer's Cluster Award, Best Software of the Year from Learning Magazine and Entrepreneur of the Decade from Junior Achievement
- Doctorate in Education at the University of California at Berkeley
- 2008's Anderson-ware Commencement Address

- Ticket to Introduction to them --> 1 pg. (2 paragraphs) initial opportunity, market, tech., customers
- Due Jan. 14th (midnight) at the latest, ungraded, don't spend too much time on it
- Semester is short, get started

15 Worst Startup Ideas

Create a 3-5 minute ad for your "worst startup idea" turning it into a good idea

Thank you Ann!



What did we learn?

1. E-ship is about seeing problems as opportunities
The bigger the problem, the bigger the opportunity!

2. How to optimize/hack brainstorming
(customers/lead users as fertile source of ideas)

3. Best combination is a creative visionary + operations/execution (hard to do)

Creativity / Brainstorming Takeaways

1.) Creative visionaries / Lead users / talking to customers often a fertile source of ideas

2.) Certain ways of organizing can lead to increased group creativity (plus sales/profits)!

Purpose of creativity in a startup - In how many areas do you want to be doing something new?

Key Points

1. Innovative Ideas - necessary but not sufficient
2. How to Hack Brainstorming and Become More Creative
3. Your turn to brainstorm!

Successful entrepreneurship = invention + inspired execution

How to Hack Brainstorming?

Idea sources	MIT Data	Tsinghua data
	percentage	percentage
In school-doing outside-funded research	2.40	1.66
In school- graduate thesis	4.64	3.96
In school- in class	1.98	5.88
In school-informal discussion w/ students	3.41	11.00
In school-other research	2.28	1.92
In school-professional literature	1.73	4.48
In school- visiting scientists, engineers	1.77	4.86
In school-working w/ outside company	3.20	4.86
Other sources-discussions in social/ professional conferences	21.54	17.65
Other sources-research conference	2.66	4.48
Other sources-working in the industry	41.44	24.81
Other sources- working in the military (government experience)	4.01	2.94
Doing outside-funded research	2.07	0.77
Total	100	100
Number of observations	1284	110

http://mitworld.mit.edu/video/262

Table 1: Lead user vs non LU funded ideas (census)

	LU Ideas (n=5) **	Non LU Ideas (n=42) ***	Sig.
Factors related to value of idea			
Novelty compared with competition *	9.6	6.8	0.01
Originality/newness of customer needs addressed*	8.3	5.3	0.09
% market share in year 5	68%	33%	0.01
Estimated sales in year 5 (deflated for forecast error)	$146m	$18m	0.00
Potential for entire product family *	10.0	7.5	0.03
Operating profit	22%	24.0%	0.70
Probability of success	80%	66%	0.24
Strategic importance*	9.6	7.3	0.08
Intellectual property protection*	7.1	6.7	0.80
Factors related to organizational fit of idea			
Fit with existing distribution channels *	8.8	8.0	0.61
Fit with existing manufacturing capabilities*	7.8	6.7	0.92
Fit with existing Strategic Plan*	9.8	8.4	0.24

* Note: these items were measured using a 10 point rating scale, where 10=high, 1=low

** Funded lead user ideas: all are for major product lines.

*** Funded non LU Ideas: **one** is for a major product line, 41 are incremental ideas.

What are characteristics of good brainstorming sessions?

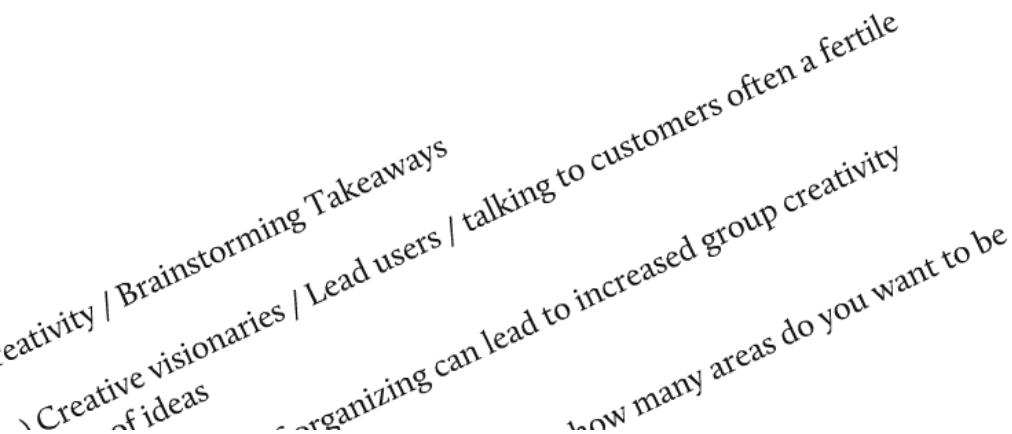


TABLE 3
Means and Standard Deviations, Experiment 2

	Group Size			
	6		12	
Dependent Variables	Electronic Brainstorming	Nonelectronic Brainstorming	Electronic Brainstorming	Nonelectronic Brainstorming
Number of nonredundant ideas[a]				
Means	39.10	30.20	85.90	29.50
s.d.	10.32	12.04	23.43	3.62
Overall quality				

Table 2

Average Number and Quality of Ideas Suggested By Real and Nominal 4-Person Brainstorming Groups Working Under Personal- Versus Collective-Assessment Instructions

	Measure			
Condition	Number of ideas	Number of good ideas	Average originality	Average feasibility
Real group				
Personal	32.33	3.00	2.52	2.90
Collective	23.66	2.00	2.49	3.07
Nominal group				
Personal	84.33	13.33	2.46	2.60
Collective	64.66	5.66	2.43	2.70

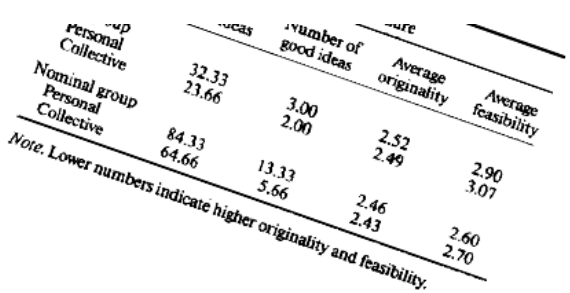
Note. Lower numbers indicate higher originality and feasibility.

TABLE 1
Means and Standard Deviations, Experiment 1

Dependent Variables	Group Size: 2 — Electronic Brainstorming	2 — Nonelectronic Brainstorming	4 — Electronic Brainstorming	4 — Nonelectronic Brainstorming	6 — Electronic Brainstorming	6 — Nonelectronic Brainstorming
Number of nonredundant ideas[a]						
Means	24.80	26.20	42.20	31.80	69.80	35.90
s.d.	8.22	9.68	11.77	11.87	19.10	10.11
Overall quality score[a]						
Means	70.95	67.65	125.30	81.35	205.90	109.20
s.d.	18.84	33.14	35.15	26.52	51.58	31.74
Number of high-quality ideas[a]						
Means	10.00	10.10	17.30	11.10	28.10	16.10
s.d.	3.33	5.68	3.71	3.66	7.84	5.42
Production blocking[b,c]						
Means	2.13	2.03	2.23	2.74	2.31	3.27
s.d.	0.95	1.24	1.03	1.19	1.05	1.34
Evaluation apprehension[b,c]						
Means	2.42	2.32	2.25	2.87	2.04	3.24
s.d.	1.21	1.00	0.90	1.10	0.87	1.54
Satisfaction[b,c]						
Means	5.05	5.72	5.36	5.22	5.38	4.81
s.d.	1.29	0.83	1.30	0.88	1.15	1.35

[a] Data are for 30 groups, two observations per group.
[b] Data are for 120 subjects, two observations per individual.
[c] The higher the value, the stronger the perception or attitude.

Electronic Brainstorming and Group Size. R. Brent Gallupe, Alan R. Dennis, William H. Cooper, Joseph S. Valacich, Lana M. Bastianutti, Jay F. Nunamaker, Jr. Source: The Academy of Management Journal, Vol. 35, No. 2 (Jun., 1992), pp. 350-369



	Number of good ideas	Average originality	Average feasibility
Nominal group			
Personal	3.00	2.52	2.90
Collective	2.00	2.49	3.07
Nominal group			
Personal	13.33	2.46	2.60
Collective	5.66	2.43	2.70

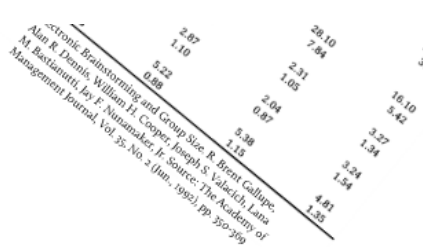
Note. Lower numbers indicate higher originality and feasibility.

Brainstorming

1. Capture Ideas
    a. Write them down
    i. Beware of the tyranny of the pen
    ii. Everyone writes
    b. Record them Audio
    c. Video
    d. Pictures
2. Frame the Problem
    a. A question contributed?
    b. Neither too broad not too narrow
3. Facilitator - separate idea creation from idea screening!

Number of nonredundant ideas[a]				
Means	39.10	30.20	85.90	29.50
s.d.	10.32	12.04	23.43	3.62
Overall quality score[a]				
Means	146.00	99.10	340.00	111.00
s.d.	36.20	38.70	102.00	28.70
Number of high-quality ideas[a]				
Means	25.00	17.12	64.62	20.00
s.d.	7.56	7.81	14.94	4.60
Production blocking[b,c]				
Means	2.69	3.11	2.34	3.66
s.d.	1.26	1.26	1.20	1.37
Evaluation apprehension[b,c]				
Means	2.33	3.13	2.01	3.78
s.d.	0.95	1.23	0.96	1.38
Satisfaction[b,c]				
Means	5.07	4.73	5.64	4.35
s.d.	1.41	1.30	1.12	1.26

[a] Data are for 16 groups, two observations per group.
[b] Data are for 144 subjects, two observations per individual.
[c] The higher the value, the stronger the perception or attitude.



When are you going to use brainstorming in entrepreneurship?

Table 2
Average Number and Quality of Ideas Suggested
Nominal 4-Person Brainstorming Groups Workin
Personal- Versus Collective-Assessment Instructio

Condition	Measure		
	Number of ideas	Number of good ideas	Average
Real group			
Personal			
Collective			
Nominal	32.33		

Creativity / Brainstorming Takeaways

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Purpose of creativity in a startup - In how many areas do you want to be doing something new?