Entrepreneurship Frameworks That Work

By Paul Kewene-Hite , Creator of INSEAD's Startup Bootcamp

A recent book narrates a variety of productive and powerful paths forward for all kinds of entrepreneurs.

The romantic ideal of the entrepreneur as either the kid with the lemonade stand or the college dropout working from a Silicon Valley garage is real, but that's not the whole story. Entrepreneurs are also mums puzzling through how to pay the bills, and dads working to feed their kids. What all forms of entrepreneurship have in common is a tonne of hard work. Using a proven framework is a great way to take your first steps towards becoming an entrepreneur.

In my new book _Survive & Thrive: Entrepreneurship Frameworks That Work_, I lay out 12 frameworks for at least 16 entrepreneurial paths, including social ventures, science and technology, corporate, government and more. These frameworks are interrelated yet distinct. You might start down one path and realise that there is more to what you want or can do.

There is always a way

One example involves crisis leadership in a turnaround. 'Founderitis' is when a founder destroys value in a firm. I knew a founder/CEO who held on too tightly for too long. The company had millions in revenue and a talented team. The founder, however, was unwittingly bringing the company to its knees. The employees spent their days looking for jobs. The CEO was fully embedded, so we brought in a person the CEO trusted absolutely to be the president/COO with 100 percent operational control. We ring fenced the CEO with a title devoid of real power. The company returned to prosperity.

Frameworks for many possibilities

I developed the frameworks before joining INSEAD. During my 10 years at the school, I used them in a range of ways to help INSEADers. For the purposes of this piece, I'll focus on the start-up framework. If you've been part of my Bootcamp, you might recognise the steps. Over the years, a meaningful number of initiatives and start-ups were created using them.

1. A firm foundation: Lawyers, accountants, incorporation, where to operate, agreements, etc. Plan and build the foundation, the walls and the roof before moving the furniture in and living there.

2. The basic idea: Don't wait for the "killer app" idea. Look around you and consider what could exist that would be helpful. Don't "marry" any iteration of an idea. Allow it to evolve.

3. The big play: Think and plan bigger than your idea for a product. Look above the canopy of the trees instead of focusing on a single tree in the forest. Put another way, don't focus on the hamburger at this point: Plan the real estate empire that starts with a restaurant selling hamburgers.

4. The offering: Once you know the big play, get the first offering right, then build from there. For science and tech start-ups, I have a specialised framework called an "offering requirements document". Consider Amazon at the beginning, puzzling through how to sell a book.

5. The unique selling proposition (USP): Why would someone buy what you are offering? Understand the motivations of your target.

6. Go-to-market: How will you get what you are offering into the hands of whomever will buy it? Who are those people and where are they

located? Reverse engineer how customers will receive your offering; plot the path from where you are back to them.

7. Team and execution: The right team and execution can make gold out of rubbish. The wrong team and execution will make rubbish out of gold. Get your team right; never just hire people.

8. Business modelling: How will you make money?

9. Financial modelling: INSEAD Professor **Patrick Turner** would get an amphi of students chanting "Never, EVER, run out of cash!" Robust planning and execution is vital. It will convince others that you know what you are doing.

10. Fundable event timelines: Harmonise your activities with your financial planning. Identify milestones that indicate that you are right (not just that you finished a task). These fundable events indicate value growth and your qualifications for funding.

11. Capital modelling: Understand what you need and budget for contingencies.

12. Liquidity and exits: Have an idea of how three exits might play out in the future…the investors, you and the company. They are not the same. Your thinking on this topic indicates your priorities and where your head is in the game.

13. Founderitis: Work with a lawyer to "future-proof" the company and protect founders and their families from what might happen if a founder destroys value. Hopefully you will never need these agreements.

14. Boards, advisory and governance: Get advisors involved now. Organise a board of directors when you have indications of viability (unless the law requires that you constitute it sooner).

15. Marketing, sales and business development: Now you know what you are working to accomplish and can start identifying your markets and how to approach them.

16. The ask: Know what you need from everyone, what motivates them and ask them for it.

17. Executive summaries and plans: Create a summary that's easy to read over a coffee (three pages maximum). The plan is the glorious detail. Invest 15 minutes each day updating your documentation. Be ready to print or email the documents any time, lest you miss a window of opportunity.

18. Pitching and presentations: People love a good story. Learn to tell yours within two minutes. A common blunder is to save the silver bullet magic message for later. You need your audience to say, "Wow, you can do that? Tell me more." Then you do the detailed presentation.

19. Save your work: Update everything regularly.

Flexibility

Countless times I have sat in my office with a student using one framework, only to shift to another until we found the framework and path that worked best for them. All frameworks that I used during my years at INSEAD are in my book. You've got this.

[Paul Kewene-Hite](#) was an Affiliate Professor of Entrepreneurship and Family Enterprise at INSEAD.

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