



# Rock Center for Entrepreneurship MBA Career & Professional Development

**Sept 30, 2009**

HARVARD | BUSINESS | SCHOOL

## A series of events

### 1. Today

- Intro and overview of entrepreneurship at HBS / Entrepreneurship 101
- **10/1 Student Entrepreneurs Panel**
  - EC Perspectives: Entrepreneurial Ventures and Start-Ups
- **10/5: Panel of HBS entrepreneurs**
  - Jeff Bussgang, '95 – Former president, U Promise; Partner, Flybridge Capital, EiR
  - Jim Sharpe, '76, former CEO Extrusion Technology, EiR
  - Sheila Marcelo, '98 Founder & CEO Care.com
  - Rob Lachenauer, '88 CEO GEO2 Technologies
- **10/ 21 Kick-off of HBS Business Plan Contest,**
  - Featuring Bill Sahlman on Entrepreneurial careers
- **11/4 Panel of past Business Plan Contest winners**
  - Karen Ong, '08, Founder MyHappyPlanet.com
  - Alex Herzlinger '09, Founder YouTea
  - Micah Rosenbloom, '03 Founder Brontes Technologies

## Today: “E 101” Overview of E Careers and E’ship at HBS

- **Mike Roberts ('83):** Exec Director Rock Center, Co-Chair HBS BPC, teach elective “Evaluating the Entrepreneurial Opportunity”
- **Joe Lassiter:** Co-Chair HBS BPC, teach electives “Entrepreneurial Finance” and “Building Green Businesses”
- **Laurie Matthews ('83):** Associate Director, MBA Career & Professional Development, and Entrepreneurship stream lead
- **Ann Cullen, Baker -** Knowledge & Library Services

## Entrepreneurial Careers of HBS Graduates

■ **5%**

■ **50%**

## Our Strategy

**Given wide variety of student backgrounds, objectives, timing, there is no single “best” or “right” path. Therefore, we:**

- 1. Develop foundation of awareness and knowledge**
- 2. Support particular interests**
- 3. Encourage and support work in the field**
- 4. Build connections**
- 5. And, for those who want to start NOW, support w/ targeted resources**

## Classroom Curriculum

- **32 faculty members in EM unit**
- **Required first year course – TEM**
- **20 elective courses**
- **200 students in field studies / ISR**
- **25% of second year elective enrollment**

# The Rock Center

- **Web site**
- **Student Resource Center: Entrepreneurial resources: search funds, business plans, cases, notes, books, articles**
- **Business Plan Contest**
- **Rock / Lebor Summer Fellowships**
- **Rock Loan Reduction Assistance Fellowships**
- **Entrepreneur in Residence Program**
- **IXPs**
- **Venture Creation Program:**
  - **Legal Advice**
  - **Mentoring**
  - **Facilities**

## Lots of resources NOT part of the Rock Center

### You will benefit by being entrepreneurial

- **Initiatives: healthcare, social enterprise, science-based businesses**
- **As many “entrepreneurship” faculty in the EM unit as not**
- **MBA CPD, career coaches, alumni database**
  - You can search companies in the Job Bank by size
- **And, especially the student clubs**

## Looking for an Idea

1. **Summer internships and EC courses - try to get as close to real companies and real customers as you can**
2. **Field studies and ISRs**
3. **Cross Reg at MIT**
4. **team-building mixer - Nov 10 and Nov 18**
5. **Website networking**
6. **EC course – Commercializing Science and High Tech**
7. **Silicon Valley and Boston Immersion Programs**
8. **Clubs, networking**

# Starting Your Own Venture

1. **Venture Creation Program: mentoring, legal advice, a community**
2. **Rock / Lebor Summer Fellowships**
3. **FSS: Evaluating the Entrepreneurial Opportunity**
4. **Early Stage Feedback Program**
5. **Team-building Mixer**
6. **Silicon Valley Immersion**
7. **Field Study to develop a Business Plan**
8. **Business Plan Contest**
9. **EIR, Club events**

# **“Nothing Ventured, Nothing Gained”**

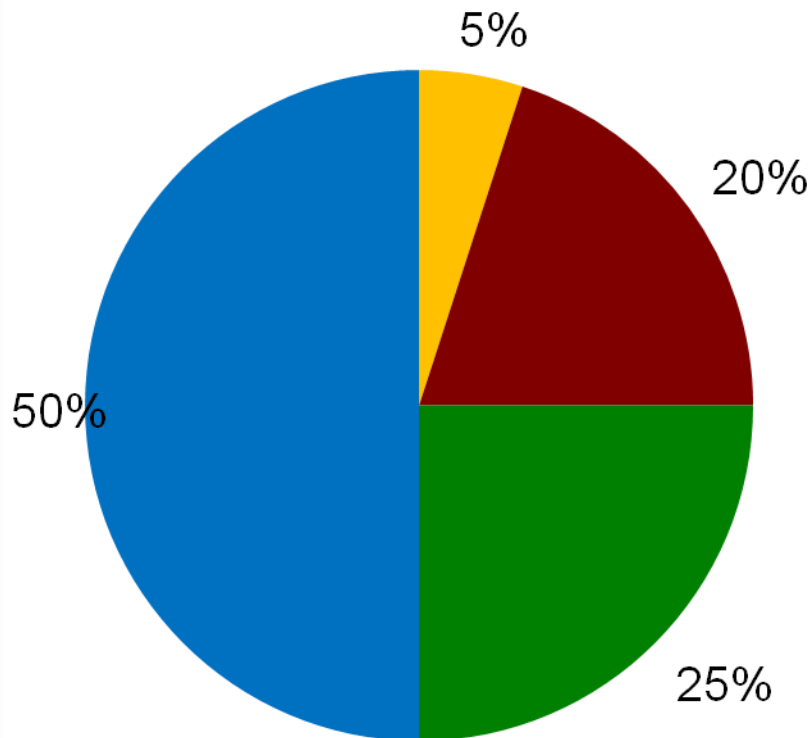
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**Joseph B. Lassiter, III**

**Harvard Business School  
September 2009**

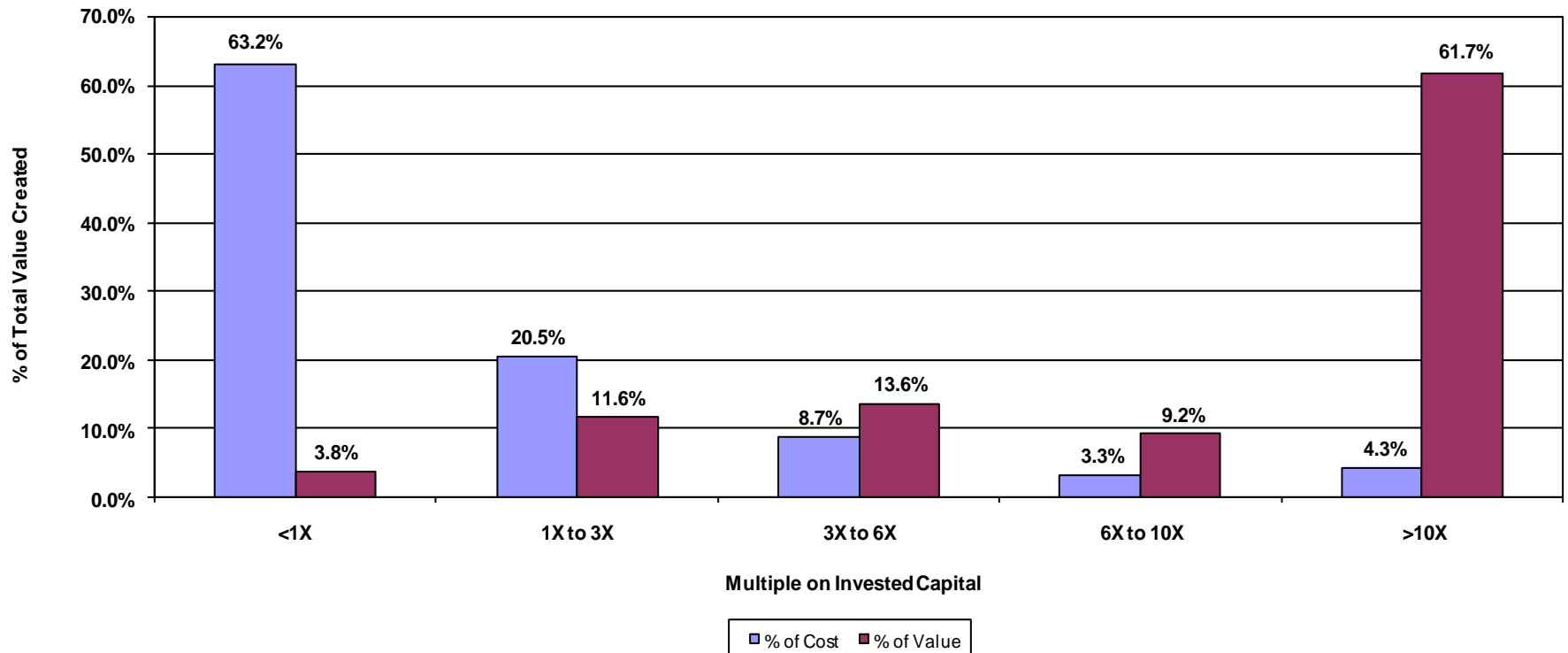
# What Alums Say They “Do” At Their 15<sup>th</sup> Reunion



- **50%** - In an Established Firm
- **25%** - Owner/ Partner in a firm of < 5-10
- **20%** - Own a substantial share of a firm > 5-10
- **5%** - Work in firm started “soon” after MBA

Guesses by Sahlman and Roberts

**Top-Quartile VC Fund Return Profile 1990 - 2006**  
**468 Investments**  
**\$1,305 MM Cost / \$3,338 MM Value - 2.56X**





**Astral Point Communications**  
*Chelmsford*

Bill Mitchell, the 15th employee hired at Cascade, is one of the founders.



**Sycamore Networks**  
*Chelmsford*

Run by the duo that ran Cascade; expects to do an initial public offering this month.



**Ignitus Communications**  
*Acton*

Founded by Mahesh Ganmukhi, who previously worked at both Cascade and Thinking Machines in Cambridge.

**Castle Networks**  
Acquired by Siemens AG for \$310 million in April

**Omnia Communications**  
*Marlborough*  
Acquired by Ciena in March for \$429 million.



**ArrowPoint Communications**  
*Westford*

Founder Cheng Wu was also one of the founders of Arris Networks, which was sold to Cascade in 1996.



**Redstone Communications**  
Acquired by Siemens AG in April for \$500 million.



**Sonus Networks**  
*Westford*

Brought in Hassan Ahmed, a Cascade alum, as CEO.

**Cadia Networks**  
Sold to Fore Systems of Pittsburgh for \$150 million in 1997.



**Convergent Networks**  
*Tewksbury*  
The second new company created by Bing Yang, a Cascade alum.



**Equipe Communications**  
*Acton*  
Chief executive Dennis Rainville is a veteran of both Cascade and Digital Equipment.

**Cascade Communications**

The spinoffs from Cascade are building the next generation of telecommunications equipment that will allow voice and data to travel across networks at high speed.

# Good Job Hunting

1. **Pick where you want to live** in 5 years (zipcodes + isochron you will commute to for one year without going nuts)...may need to do a bank shot ( London..then Boston)...if so figure out how to get to where you want to be in 5 years)
2. Pick businesses that are **STRONG** and that you **LOVE** in the region (SIC codes, i.e. don't go into technology in Arkansas naively)
3. Pick companies that are small, but going concerns rarely 2 probably 3 perhaps 4 layers of management with 6 per layer so  $[(6^{**}3)=216$  employees] means a \$25 M software company or a \$200M consumer company (you can "see and be seen")
4. **Pick companies that are young** -- 5-10 years old--preferably 1 year before to 3 years after they have gone public ( info. transparency, big enough so that you can find a couple of skilled mentors, you see new company DNA--who to sell to , to recruit, to buy from, etc.) **Find the "world-class tribes."**
5. Focus on probably 10 targets. Check the relevant VC/PE websites for cool and prospering "3 to 5 year-olds" in their portfolio listings ... Call the HBS venture/ private equity folks for advice, not introductions...Check with the YPO folks...Pick lists-- Inc. 500, Fast Company, Red Herring, Arkansas Gazette, etc.-- see who has classy investors --to figure out who is hot--and who is not-- in your geographic target. OR

# Good Job Hunting

Go to OneSource or CorpTech Databases at Baker... enter (zipcode, sic codes, # of employees, and date of formation), hit return.... get list

6. Figure out **why the target should want to hire you versus another smart MBA** --preferably in sales ( maybe not near zip code you would really like ) or as near to the customer as you can get (some exceptions for a TOM jock)
7. Find someone one you know well that knows the CEO--your high school, your college, your past jobs, HBS, etc. Use for recon.
8. **Get a meeting via phone call** with help from above if required and ask for work....not information...work. Ask for order. Be Patient. Close. **Join a "world-class tribe."**
9. Three to five years from now decide to stay at cool, rapidly growing place or go 1/2 step away and start your own business --- "knowing and being known." **Send donation to Lassiter Memorial Fund.**
10. Be alert for wildcards. Maintain active network. Even this is way to create your own business is still not certain (70%--not 100%)! Try to build your brand , network, know -how and social equity..avoid rebuilding because you have changed who you are every two years. **When it comes to your life, you are always an entrepreneur--accept it or not!**

# Focus Helps Good Job Hunting

1. **Pick where you want to live (remember the bank shot!)**
2. **Figure out the businesses that are “going to be strong”.**
3. **Pick a business area if possible a firm**
4. **Find out how and when “they” hire.**
5. **Find out who “they” is.**
6. **Pick a summer job that gets you the information you need**
7. **Pick an EC year Field Study or Course Project sited in the business..if not the firm. Call “them” and ask them to be “your” sponsor.**
8. **Check the relevant VC/PE websites for cool and prospering “3 to 5 year-olds” in their portfolio listings ... Call the HBS venture/ private equity folks for advice, not introductions...Check with the YPO folks...Pick lists-- Inc. 500, Fast Company, Red Herring, Arkansas Gazette, etc.--see who has classy investors --to figure out who is hot--and who is not-- in your geographic target.**
9. **Pick your EC courses to fill in your knowledge base.**
10. **Be alert for wildcards....this is a magic place!**

# **From MBA Career & Professional Development**

**Entrepreneurship Trends – Class of 2009**

**Alumni Career Views from Entrepreneurs 5,10, and 15 years out**

**Thoughts on search strategies for the Entrepreneur**

## HBS / Entrepreneurship Career Trends from Class of 2009

- **In last year's graduating class, 76 chose an entrepreneurial path**
- **28 Founders and 44 Joiners (who went to a start-up)**
  - Based on the EC Survey at graduation

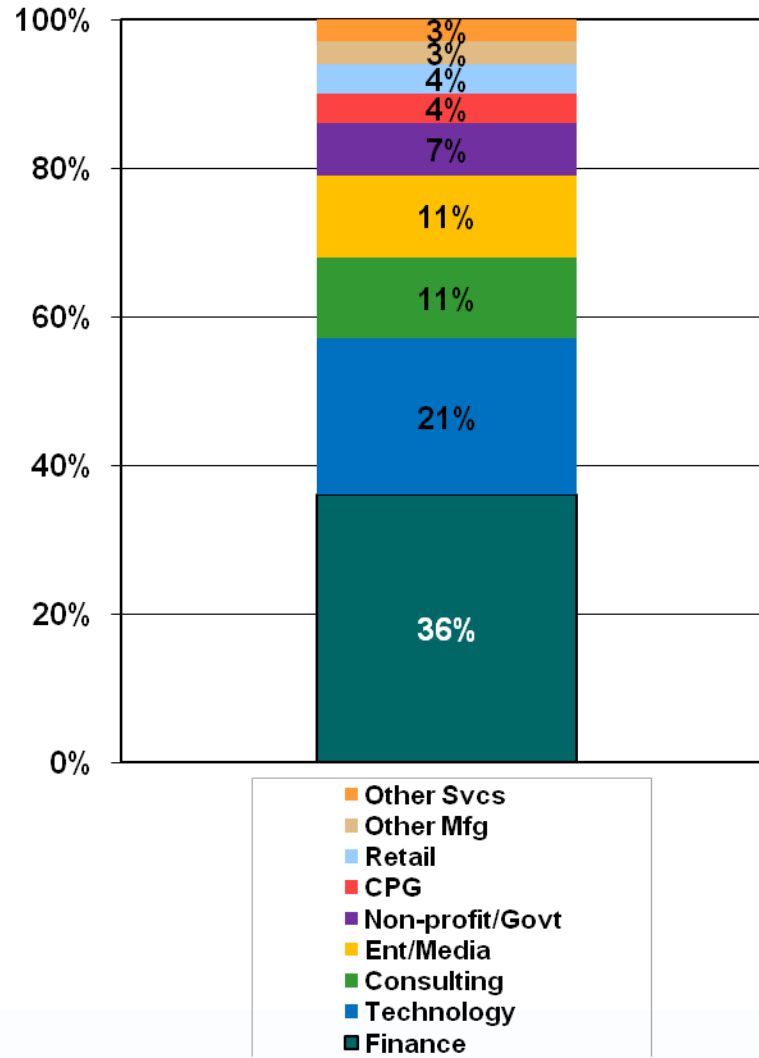
## Class of 2009 | *Founders Pre-HBS Experience*

Question 1:

Of the 28 people who started their own businesses, what did they do before coming to HBS?

# Class of 2009 | Founders Pre-HBS Experience

Pre-HBS Experience

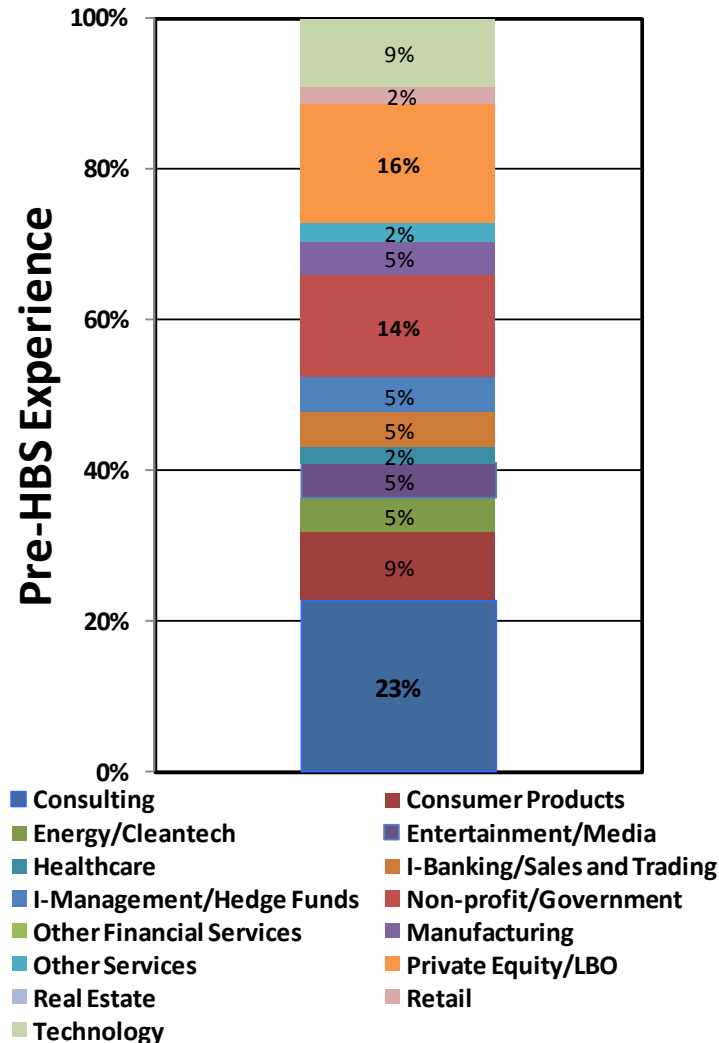


## Class of 2009 | *Founders Pre-HBS Experience*

Question 1:

Of the 44 people who joined a start-up, what did they do before coming to HBS?

# Class of 2009 | Joiners Pre-HBS Experience



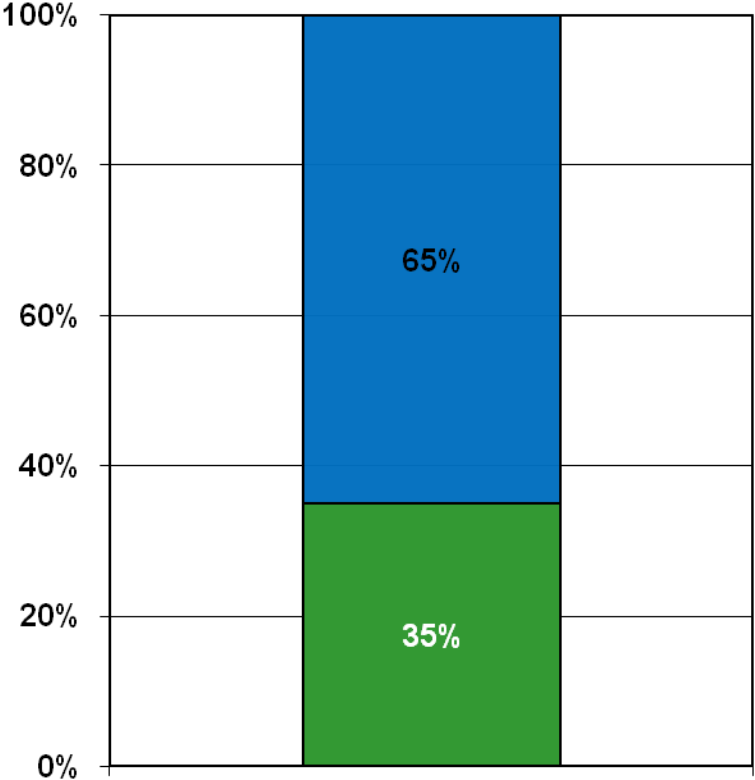
## Class of 2009 | *Founders HBS Internship Experience*

Question 2:

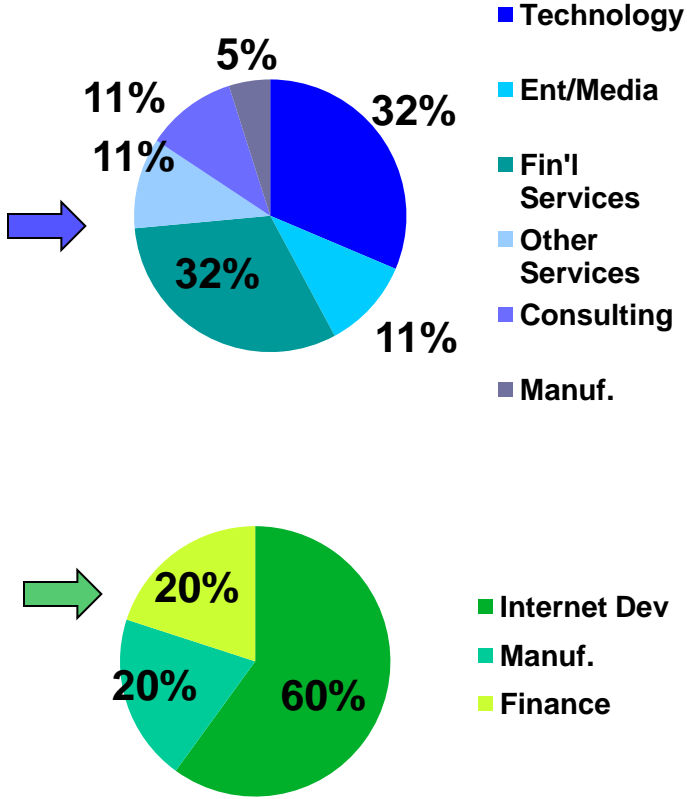
Of the 28 people who started their own businesses, what did they do for their summer?

# Class of 2008 | Founders HBS Internship Experience

Summer Experience



- worked at a firm
- started own company



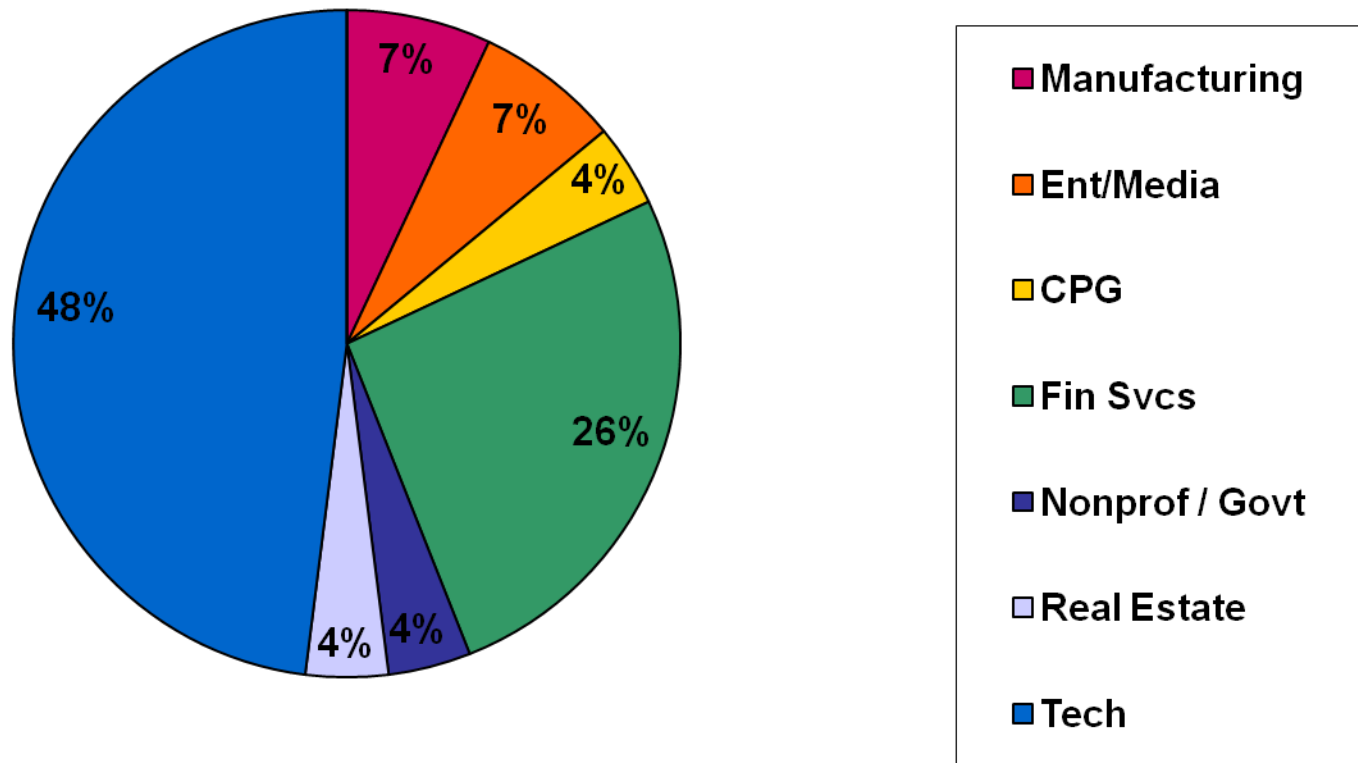
Summer Industry

## Class of 2009 | After HBS | *Founders Business Sectors*

Question 3:

After graduation, in what industries did the 28 founders start their businesses?

## Class of 2009 | *Founders' Business Sectors*



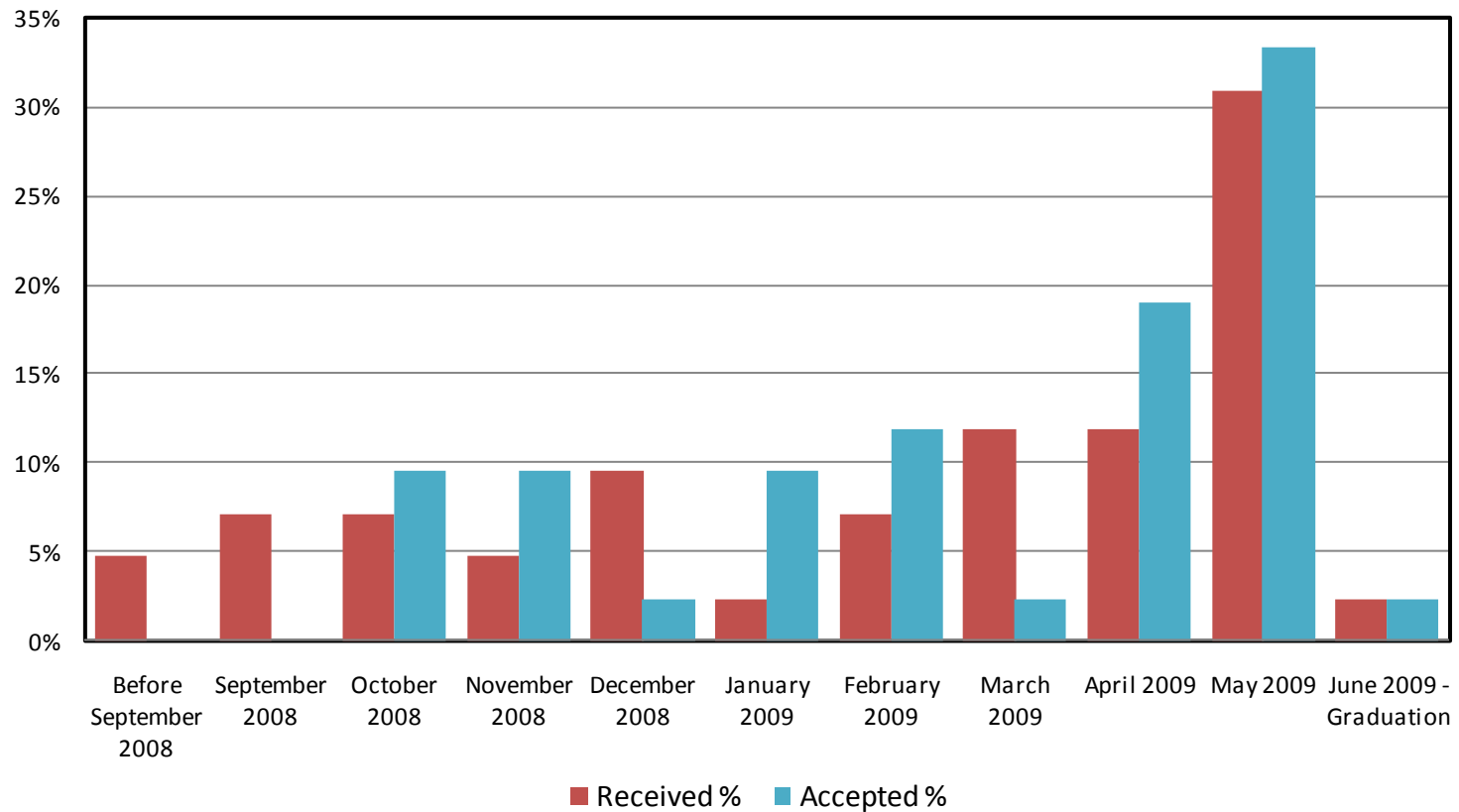
## Class of 2009 | *Founders Business Locations*



**13 (46%) were started by non US nationals;  
15 (54%) started by US nationals**

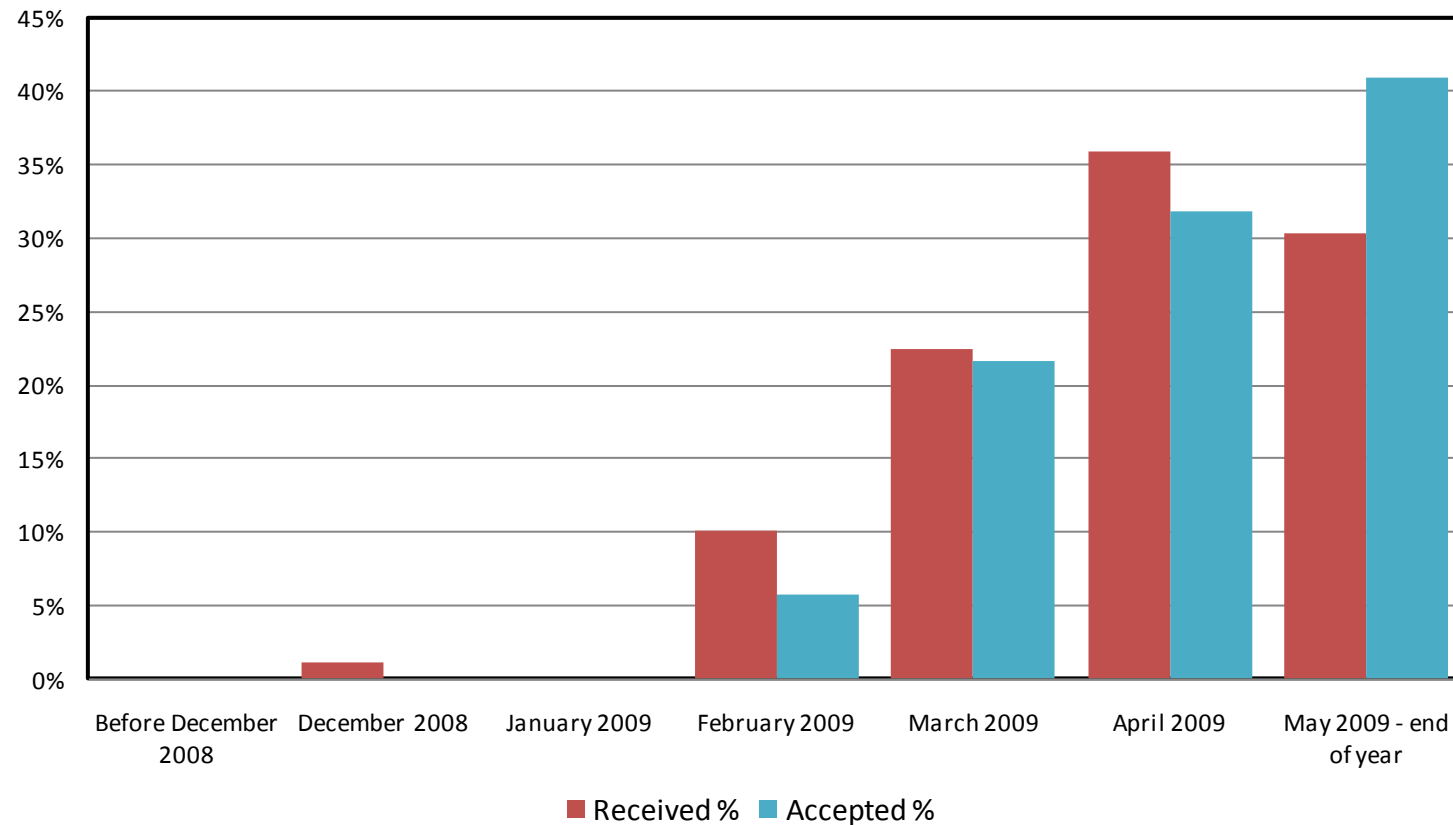
# Class of 2009 | *Later Offers and Accepts*

## Career Offer/Accept Timing



# Class of 2009 | *Later Summer Offers and Accepts*

## Summer Offer/Accept Timing



## Class of 2009 | 28 Founders | Compensation Data (EC Survey)

**Caveats—self reported; future unknowns...**

### **Base Salary?**

- Only 9 of the founders reported they would be getting base salary – ranging roughly from \$40K to \$100K, approximate average \$80K.

### **Performance-based comp and Equity?**

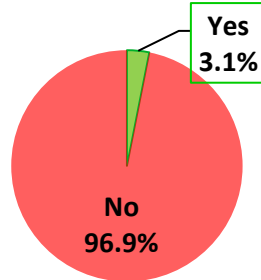
- 9 reported they would get performance-driven comp
- Of those, 8 said they would get equity

## Personal Career Views from Alumni Entrepreneurs

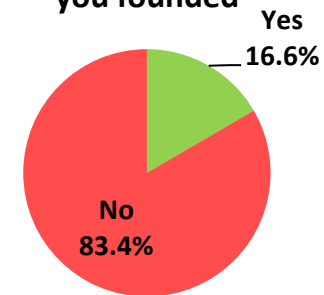
- **MBA Career Office fielded a “Career Path Study” in 2008 among ~ 900 alumni at three points in their lives after HBS**
  - 5 years out: '02, '03, '04 classes
  - 10 years out: '97, '98, '99
  - 15 years out: '93, '94, '95
- **Objective: data, insights underlying what paths HBS MBA's really take**
  - drivers behind switching in industry or function
  - Moves in and out of workforce
  - essential skills, etc.
- **Study captured data from 152 alumni founders**

## Timing: Most don't make the "e-leap" as first job out

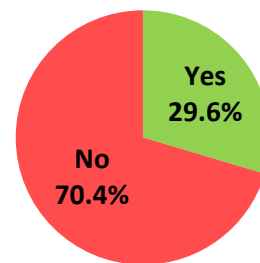
First job after graduation was in company you founded



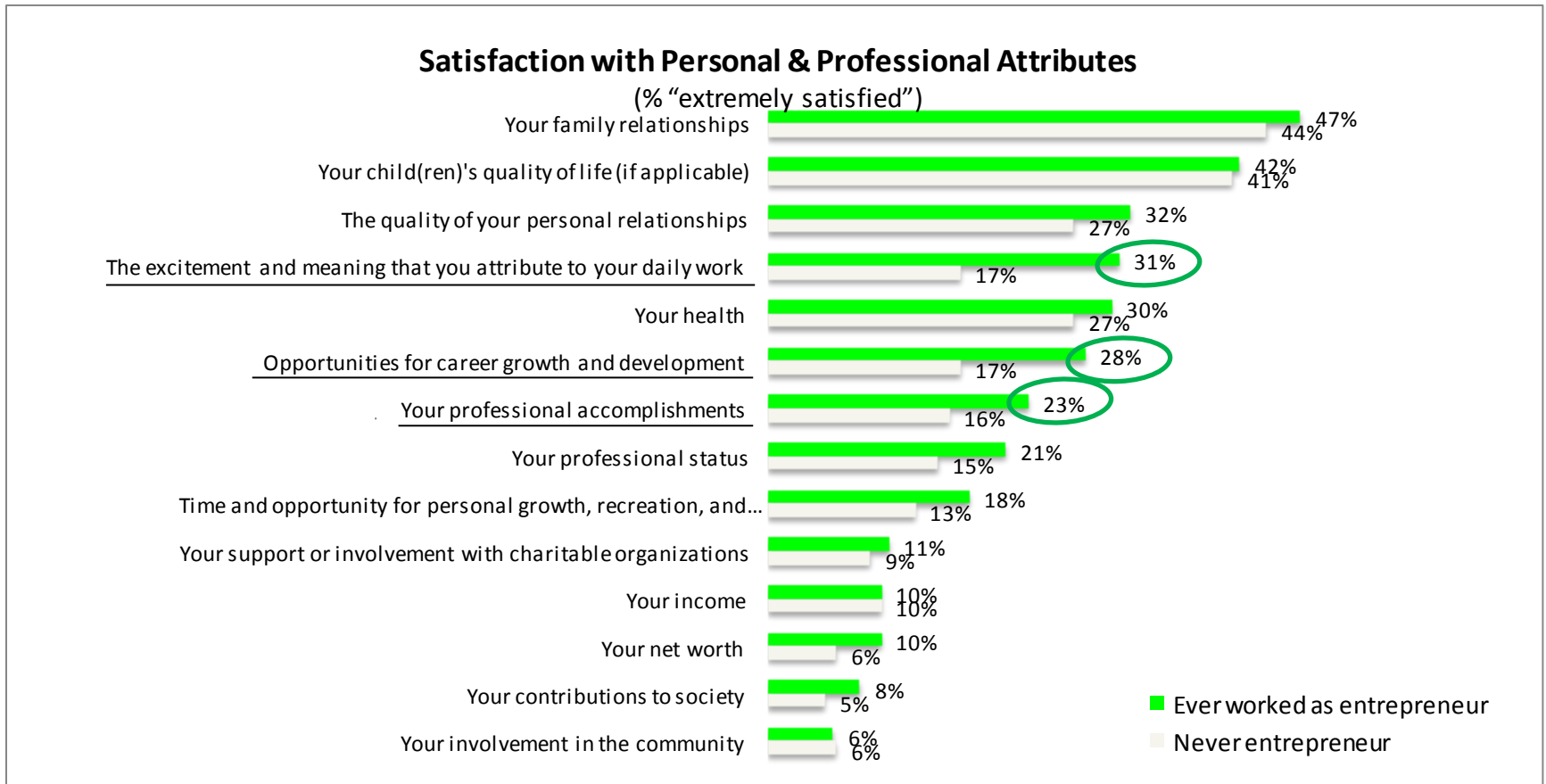
Currently working/last job in company you founded



Ever worked in company you founded

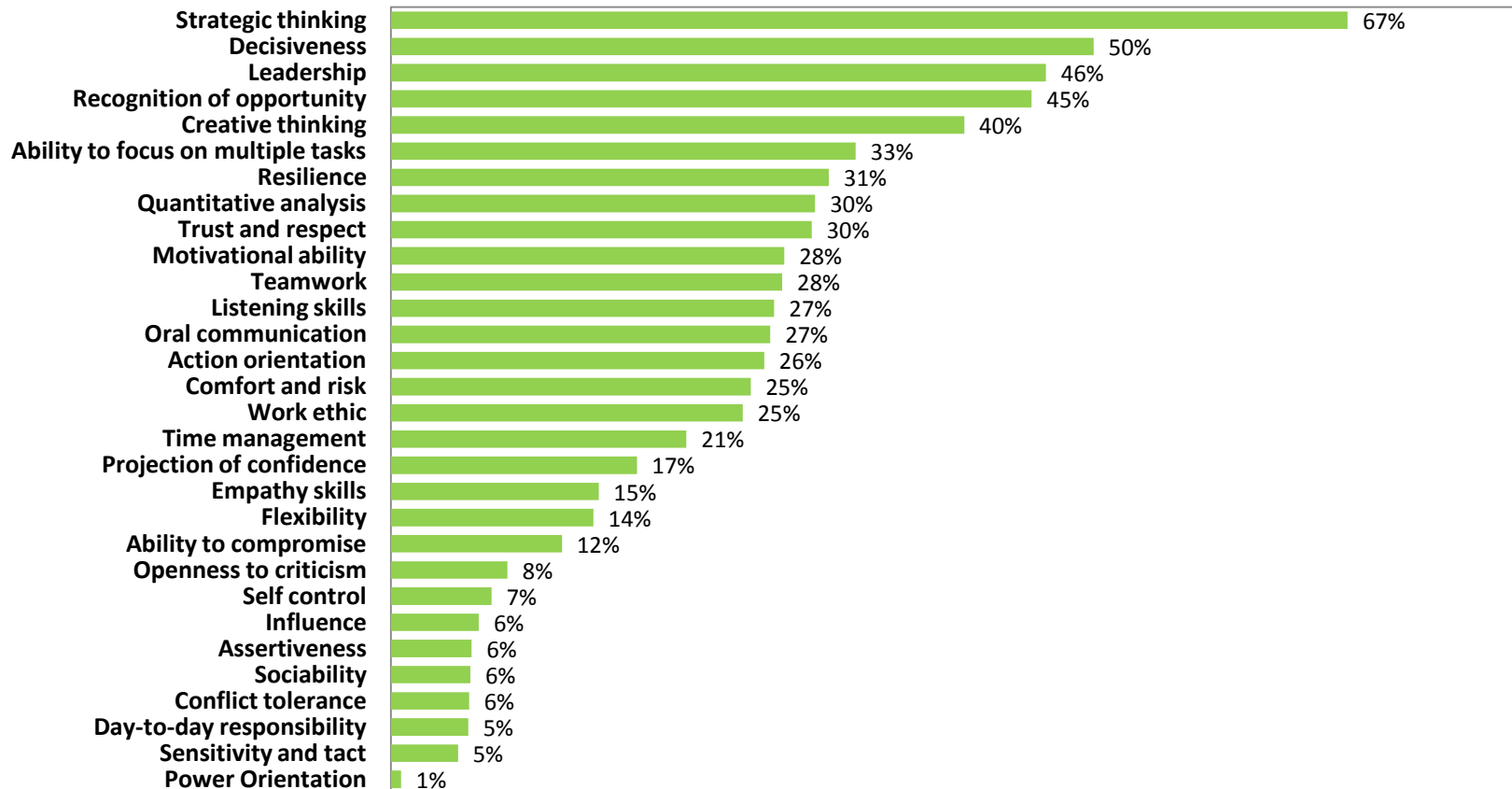


# Satisfaction: They feel greater career fulfillment than non-entrepreneurs



# Essential Skills: For entrepreneurs currently at their start-ups

Please select up to seven skills listed below that you feel are most essential to achieving the level of success you have reached (percent who selected each skill)



## Most Essential Skills per Alumni Career Path Survey

### Business Founders

Strategic thinking  
*Decisiveness*  
Leadership  
Recognition of opportunity  
*Creative thinking*  
Ability to focus on multiple tasks

### VC/PE

Strategic thinking  
Quantitative analysis  
Recognition of opportunity  
*Trust and respect*  
*Work ethic*  
Leadership

### Social Enterprise

Strategic thinking  
*Listening skills*  
Decisiveness  
*Projection of confidence*  
*Oral communication*  
Quantitative analysis

## So... Thinking about an entrepreneurial path?

- **Personal comfort with risk?**
- **Founder? Or joiner?**
- **Now? Or after more experience?**
- **Where are you on the spectrum?**
- **Then the search work really begins...**

# Plan out your Job Search

- **Work with a career coach who has entrepreneur focus / background**

Sarah Bua

Martha Tassinari

Ben Schlatka

Melissa Fristrom

Andrea Kimmel (OH/phone)

Sasha Grinshpun (CA/ phone)

Peter Platzer (NY/ select weekends at HBS)

- **Leverage Baker KLS Research Staff and resources**
  - **Today: Ann Cullen**

# KLS/ Baker Library

1. **Leverage Baker.** Experts who will show you how to *strategically* use powerful databases to (a) find and research companies and (b) to identify connections to other companies and people. These are critical resources in the exploratory stage and when preparing for interviews. **Check out the extensive online resources available to you at the KLS/Baker Library Website - <http://www.library.hbs.edu/>**
2. **Thompson One, Capital IQ, and One Source are “your friends.”** As MBA students, you are among the very fortunate to have free access to these databases during the school year. Take advantage of this privilege.
3. **You always have a “lifeline” at Baker.** If you have a research, reference, or database question or want to schedule a consultation with a librarian, stop by, send an e-mail to [infoservices@hbs.edu](mailto:infoservices@hbs.edu) (reviewed all day) or call 617-495-6040. **For Baker hours, see - <http://www.library.hbs.edu/info/hours.html>**

**Upcoming KLS Job Research Info Sessions on Oct 14<sup>th</sup> and 21<sup>st</sup>. See more programs + details at <http://www.library.hbs.edu/services/workshops.html>**

## Explore: Baker/KLS Resources

### Industry

How do I find out about  
Wind Energy? Web 2.0?



Research Guides  
Vault Guides

### Companies/Firms

How do I find a start-up to  
go work at?



Fast Answer Search

Capital IQ

How do I find VC firms  
that might fund my  
venture or could connect  
me with a start-up?

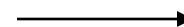


Thomson One Banker

Capital IQ

### People

How do I find a  
connection into my target  
company or VC firm?



Alumni Navigator

Your Network

Fast Answer Search

Capital IQ –  
Screen People

Linked In, Zoominfo

## Explore: Beyond HBS – The Web

### Databases of Companies & Opportunities

- **Crunchbase /Techcrunch** – free database of tech companies, people and investors that anyone can edit.
- **VentureLoop.com** – website listing of start-up jobs and internships provided by venture capital firms and start-ups.
- **Mass High Tech Directory** provides a searchable database of over 9,000 high tech companies in the New England area. *Note: Access is expensive. An alternative is to use One Source (Corp Tech directory) through Baker Library. <http://www.library.hbs.edu/go/onesource.html>*
- **Startupwarrior.com** – search computer tech companies by geography
- **Core 77** – listing of design firms and **creative / brand** consultants (like IDEO); [designdirectory.com](http://designdirectory.com).

## Exploring Ideas - Article Databases

**Always a good source for hard to find information or to explore a topic that is new to you**

### **Resource Examples:**

- Factiva
- LexisNexis
- ABI/Inform
- Business Source Complete

### **Research Guidance:**

- **Article Database Features -**  
<http://www.library.hbs.edu/helpsheets/articledatabasefeatures.html>
- **Article Searching Tips -**  
<http://www.library.hbs.edu/helpsheets/articlesearchingtips.html>

# Exploring Ideas (cont.)

## Being smart about searching the web

Google Scholar <http://www.library.hbs.edu/go/googlescholar.html>

Always use “Advanced Search” screen.

List of Search Engines and search features

<http://www.infopeople.org/search/chart.html>

Wikipedia Search

<http://www.wikipedia.org>


Can be excellent for links to sources, but shouldn't be relied on as a source itself.

**Looking for Links:** When you have found a relevant Website, see if it provides recommended links to other Websites covering the same topic.


# Taking Action on your Job Search

- **Work with a coach who has entrepreneur focus / background**
  - Sarah Bua
  - Martha Tassinari
  - Ben Schlatka
  - Melissa Fristrom
  - Andrea Kimmel (OH/phone)
  - Sasha Grinshpun (CA/ phone)
  - Peter Platzer (NY/ select weekends at HBS)
- **Leverage Baker KLS Research Staff and resources**
- **Develop your target list of contacts**
  - HBS is only a start
- **Get (comfortable with) Networking**
  - two-step process toward your desired result (learn, then pitch)
  - MIT and Boston area entrepreneur hangouts
    - Venture Café at the Cambridge Innovation Center
    - Open Coffee (Weds mornings @ Andala Coffee House, Cambridge)
- **Go prepared, open and passionate**

## And remember...

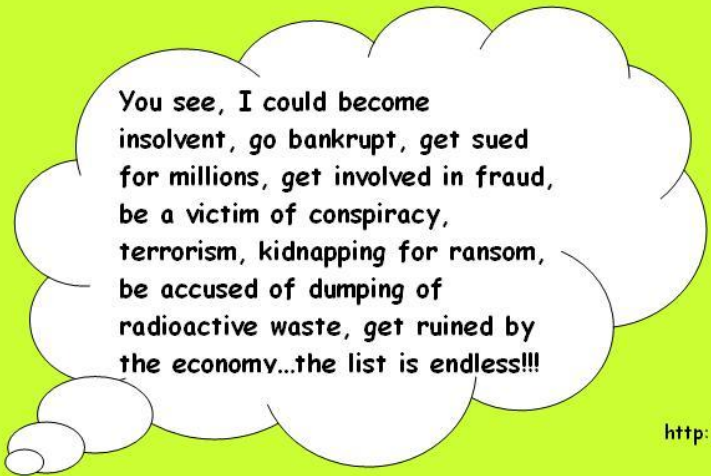


I'm just back from a meeting with my lawyers; I'd never before realized how much danger I'd put myself in by being an Entrepreneur and the CEO of my company!




I thought you were in danger *from* your lawyers.

<http://www.gotomarketblog.blogspot.com>



You see, I could become insolvent, go bankrupt, get sued for millions, get involved in fraud, be a victim of conspiracy, terrorism, kidnapping for ransom, be accused of dumping of radioactive waste, get ruined by the economy...the list is endless!!!



At least you'll never get fired.

<http://www.gotomarketblog.blogspot.com>

**Thanks / Q & A**