

# Challenge 1 – Venture Development Prep

**Challenge 1 Focus:**

* Successfully identify the current stages of your venture’s development in each of three core domains: (1) product, (2) customer and market and (3) team.

# What you get by completing Challenge 1:

* Refined priorities for driving venture development progress
* Clarity for setting venture development targets that improve probabilities for creating value from progress in each core domain by the end of this year

# Resources included with Challenge 1:

1. Venture Development Self-Assessment Table
2. Reference on Venture Development Stage Definitions by Core Domain
3. Venture Stage Self-Assessment Worksheet
4. Example: Sample Worksheet Identifying Evidence of Current Stages

# Challenge 1 Guidelines:

1. Review the table provided in Resource A and get a general sense of your venture’s current development stages (as of today) in product, customer and market and team development (read the stage definitions in Resource B to confirm you’ve correctly identified what development stages you’ve achieved in each and, if needed, reassess and adjust your self-assessment of each achievement accordingly).
2. Think of the clearest physical evidence you have achieved to date in product, customer and market and team development (review Resource D for an evidence example) and write that evidence into the worksheet (Resource C) in empty box under your current stages for product, customer and market and team development.
3. Think of the evidence you will have achieved by reaching the next stages of your venture development, write that evidence into the empty box under those *next* future stages (you may continue to write down evidence for all future stages of your venture development, but these details are not required for this Challenge).
4. Use your *next* future stage evidence to determine what you will prioritize to accomplish by the end of this year. Decide what your top priority achievements will be for the end of this year.
5. Note down your most ambitious priorities and keep them handy – you will use these potential achievements to complete the next Challenge.

# Challenge 1 – Resource A

**Venture Development Self-Assessment Table**

# (Progressive Stages of Venture Development by Core Domains)

|  |  |  |  |
| --- | --- | --- | --- |
| **Stage**  **#** | **Product Development Stages** | **Customer & Market Development Stages** | **Team Development Stages** |
| **1** | Concept / Idea | Discovery  **POTENTIAL REVENUE** | Founder Vision |
| **2** | Design / Prototype (Pivots) | Validation  **PROOF of REVENUE** | Core Team Talent |
| **3** | Minimum Viable Value / Validated | Creation  **SPEED of REVENUE** | Delegated Teams / Informal Systems |
| **4** | Scale Production / Differentiation | Building  **BREADTH of REVENUE** | Expansion Management / Formal Systems |
| **5** | Maintenance Upgrades / Product Suites | Dominance  **DEPTH of REVENUE** | Decentralized Management / Consolidation |

**Keep in mind...**

Entrepreneurial ventures are born to grow and gain value. Founders that have a clear vision of what their growth path looks like have a higher probability for success than those that don’t. One skill successful founders have is refining great vision of future success into physical realities that develop by measurable evidence.

# Activity focus

Envision what evidence for your venture will define future progress, consider each core domain of product, customer and market and team development: be mindful that venture progress will have dependencies that evolve both within and across each above domain.

# Insights and Tips

Successful founders also always envision more than one path forward available to their venture. Play around with different evidence for defining your venture’s preferred future in each above domain. Write the evidence down.

The following Resource B can be used for examples of current and future venture development progress to aid you in refining your best evidence and options.

# Challenge 1 – Resource B

**Reference on Venture Development Stage Definitions by Core Domain**

The following are generic examples of evidence that could refined to appear in each venture development box shown in the above Venture Development Assessment Table. Use these as a tool to help refine your own evidence for current and future stage progress you will enter into your own Venture Stage Self-Assessment Worksheet (Resource C in this Challenge).

# Product Development Stages

(if more than one product, focus on top priority product development case for the year)

1. **Concept / Idea** – we have an idea for a good, a service and etc. Our idea will deliver desired benefits (meet a customer need, solve a problem, satisfy an ambition) for at least a few other people we can clearly define, identify and engage.
2. **Design / Prototype** – we’ve defined a consistently produceable combination of resources we can test out with potential customers. The prototype is being designed and/or testing to be an affordable product to make and service as well as be easily replicable enough to scale production; **(Pivots)** – we’re in redesign making better product to market fit features and uses.
3. **Minimum Viable Value & Validation** – several or more customers have paid us a marketable price and used our product with satisfaction; and/or, customers used our product to achieve new and/or unexpected benefits upon which we’re now building.
4. **Scale Production / Differentiation** – our product is being profitably sold at substantial scale to segmented customers in definable market(s) through consistent distribution methods.
5. **Maintenance Upgrades / Product Suites** – our product is at or near maximum market penetration and we’re improving/sustaining revenues and/or profitability by new features, version upgrades and/or complementary products.

# Customer & Market Development Stages

(for above priority product case)

1. **Discovery** (**Customer)** we know WHO is qualified for our product by WHAT their needs, problems, ambitions are AND that they can pay to achieve benefits; **(Market)** we know HOW MANY above qualified prospects are able to pay us in targeted segments WHERE our product can easily reach them.
2. **Validation** – **(Customer)** we are proving individuals can afford and purchase our product at a profitable price; **(Market)** we know if our product is entering a *new* or *existing* market and are proving how to be successful serving/retaining customers in it.
3. **Creation** – **(Customer)** we have well-defined customer segments that consistently demand our product; **(Market)** there is growing demand for our product in existing customer segments and/or new customer segments are emerging.

# Challenge 1 – Resource B (continued)

1. **Building** – **(Customer)** we have a growing community of highly satisfied champions and referrer customers; **(Market)** our formal relationships with market partners are improving sales, network and system efficiencies and adding barriers to competition.
2. **Dominance** – **(Customer)** we are leaders in customer satisfaction for our product and benefits; **(Market)** we own leading marketshare(s) with defensible barriers to entry.

# Founder & Team Development Stages

(for above priority product, customer and market development)

1. **Founder Vision** – we have one or more founders with a clear vision of our venture by what we intend to accomplish in product and/or customer and market success.
2. **Core Team Talent** – we are/have enough people with key skills needed in place to drive initial product and/or customer and/or market development progress; our venture builds ad hoc relationships with desired investors / advisors / partners.
3. **Delegated Teams / Informal Systems** – we have replaced founders’ direct efforts in leading key product, customer and market work; formal relationships, team growth and investments align to drive iterative and scheduled progress across all our operational areas.
4. **Expansion Management / Formal Systems** – our founders have delegated all daily management and operating decisions to internal leaders; our formal systems/culture drives growth, expansion and standardizes value gains throughout our distributed organization.
5. **Decentralized Management / Consolidation** – (if applicable) our expansive operations are led by geographic and/or functional and/or outcome division leaders; we are attaining economies of scale in resource supply chain, manufacture, distribution and product reclamation/reuse.

# Challenge 1 – Resource C

**Venture Stage Self-Assessment Worksheet**

|  |  |  |  |
| --- | --- | --- | --- |
| **Stage #** | **Product Development Stages** | **Customer & Market Development Stages** | **Team Development Stages** |
| **1** | Concept / Idea | Discovery **POTENTIAL REVENUE** | Founder Vision |
| *Physical evidence:* |  |  |  |
| **2** | Design / Prototype (Pivots) | Validation  **PROOF of REVENUE** | Core Team Talent |
| *Physical evidence:* |  |  |  |
| **3** | Minimum Viable Value / Validated | Creation  **SPEED of REVENUE** | Delegated Teams / Informal Systems |
| *Physical evidence:* |  |  |  |
| **4** | Scale Production / Differentiation | Building **BREADTH of REVENUE** | Expansion Management / Formal Systems |
| *Physical evidence:* |  |  |  |
| **5** | Maintenance Upgrades / Product Suites | Dominance  **DEPTH of REVENUE** | Decentralized Management / Consolidation |
| *Physical evidence:* |  |  |  |

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# Challenge 1 – Resource D.

**Example: Sample Worksheet Identifying Evidence of Current Stages**

|  |  |  |  |
| --- | --- | --- | --- |
| **Stage #** | **Product Development Stages** | **Customer & Market Development Stages** | **Team Development Stages** |
| **1** | Concept / Idea | Discovery **POTENTIAL REVENUE** | Founder Vision |
| *Physical evidence:* |  | *San Antonio hospitality market focused w/ 18 businesses signed up* |  |
| **2** | Design / Prototype (Pivots) | Validation  **PROOF of REVENUE** | Core Team Talent |
| *Physical evidence:* | *a beta website that is working with over 100 trial users* |  | *Ryan Salts, founder w invested cash and paid contractors* |
| **3** | Minimum Viable Value / Validated | Creation  **SPEED of REVENUE** | Delegated Teams / Informal Systems |
| *Physical evidence:* |  |  |  |
| **4** | Scale Production / Differentiation | Building **BREADTH of REVENUE** | Expansion Management / Formal Systems |
| *Physical evidence:* |  |  |  |
| **5** | Maintenance Upgrades / Product Suites | Dominance  **DEPTH of REVENUE** | Decentralized Management / Consolidation |
| *Physical evidence:* |  |  |  |