

OPPORTUNITY DRIVEN CREATIVITY

Agenda:

- Conception of ideas
- Systematical generation of ideas
- From idea to business
- Cases

*Nothing in this World is stronger than
an Idea whose Time has come
(Victor Hugo)*

**Victor Hugo tells us, that preconditions define the strength of ideas:
thus, timing is essential – and ideas are the children of their time**

*Example: industrial revolution: everything is subject to mass
production – including sewing – however, the thread messes up
and early sewing machines are unreliable –*

*-- until 1854: Singer files a patent on the needle with the hole in
the pointed end. He overcomes a major technical obstacle to
mechanical sewing, and conquers the market for sewing machines
for several generations.*

*Ideas emerge as a logic
Consequence of Needs*

This axiom explains why good ideas seem to pop up simultaneously – when we are ready for them

Example: The telegraph had been around for some years, when Graham Bell submitted his patent application on the telephone, February 14, 1876 *same day but a little later than Elisha Gray.*

Internet related inventions such as online auctions, matchmaking, dating, telephone, search engines, news streaming, booking, community services, chat fora etc. etc. pop up in less than a decade – all driven by an enabling telecom and IT infrastructure combined – just like the telephone followed as a logic consequence of the telegraph.

It's the Early Bird that catches the Worm

Ideas appear as a logic consequence of need =>

The winner is the inventor and entrepreneur combined, who is

- capable of perceiving needs
- convert them into solutions,
- bring them to the market

This **statement** emphasizes that you do not capture ideas unless you know what to look for – and are on the look-out => "The burning eye for opportunity"

This **statement** also underlines the importance of being able to execute quickly and efficiently

So the equation for creating a business is:

1. Look for pain
2. Generate a portfolio of pain-killers
3. Set up an appropriate business model
4. Act!

**Generating value-creating products/services that build on real pain is
"OPPORTUNITY-DRIVEN CREATIVITY"**

Elitist View on Creativity:

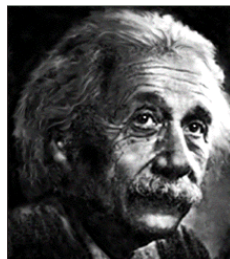
- A rare talent
- Unable to be taught
- Irrelevant to most employees
- An individual process

Developmental View on Creativity:

- Available to all - within the scope of all jobs
- Released through training and development of personal potential
- Encouraged or discouraged within groups according to their climate
- Escapes from personal stuckness

Conceiving Ideas

- Problem is understood =>
- The "Pain" is recognized =>
- Demand is formulated =>
- Solutions occur



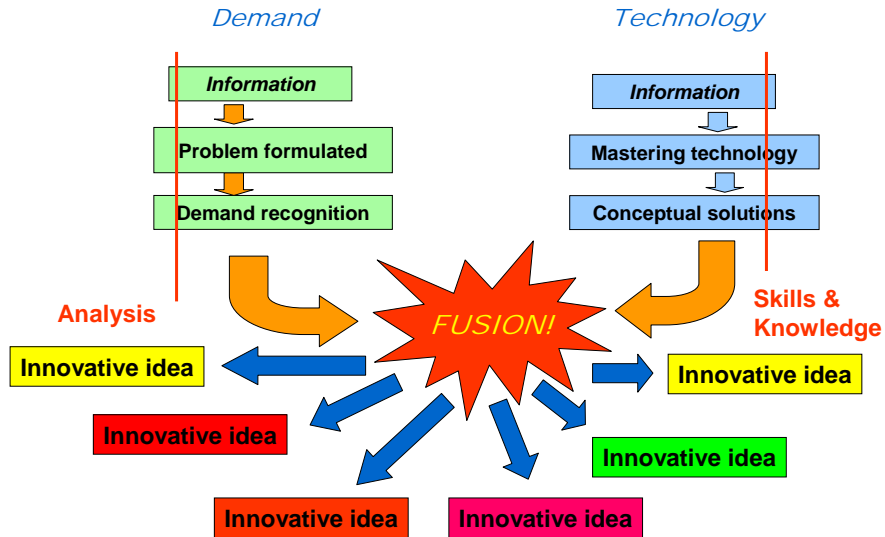
The World will end in One hour. *What will you do?*

I will spend fifty minutes figuring out what is the problem and ten minutes in solving it

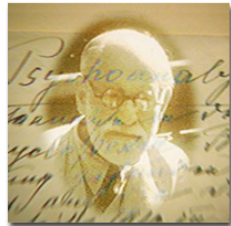
Einstein stresses, that understanding the problem is the hard part!

The Engineering Approach

(Systematic product development)



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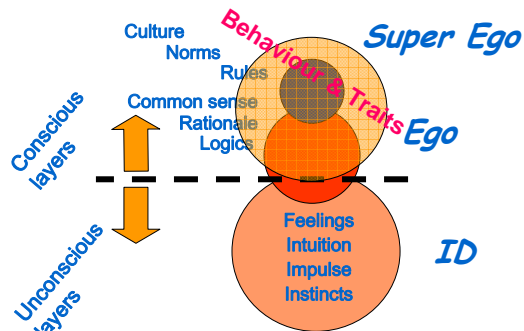
Sigmund Freud 1865 - 1939



Sigmund's Personality Model

Ideas are created when the unconscious layers are provoked by the conscious layers not being able to produce solutions to specific urgent problems. (*Frustration and anxiety prevails*)

The unconscious layers return myriads of ideas which are filtered in the boundary layers between the conscious and the unconscious



Freud's major achievement: the existence of - and relationship between the conscious and the subconscious layers of the human brain

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Points from Freud's Personality Model:

Theorems (*Unprovable statements – but accepted as truth*)

- The subconscious layers can be provoked into generating ideas by being fed with problems
- Unconscious material cannot be made available voluntarily
- Ego (rationale) is the Guard Dog

Creativity as related to our objective requires -

- A correct formulation of the problem
- Stimulation (*frustration and stuckness prevails*)
- An open filter (*a receptive ego = apply common sense, logics and rationale gently*)
- Time

An appropriate filter:

Keep the mesh open: don't kill strange ideas

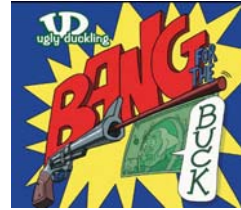
Suitable criteria for filtering, first run:

- There must be a customer with real pain – and money
- Build upon your personal competencies
- Must be interesting: an idea that you are willing to invest your life in. (*more specifically: this course = 125 hours*)
- Eccentric, funny and crazy - is OK at this point.

The distance between genius and madman is often short

An appropriate filter:
Second run: tighten the knots

- Many customers
- Wealthy customers
- A lot of pain
- A real pain-killer
- Knowledge (yours and your team's)



Preconditions that spur Creativity:

Personal incentives:

- You desperately want to set up a company
- You want your company to become a success
- Hence you need good business ideas

Urges, feelings and ideas that are tied to anxiety, conflict and pain, and you're completely stuck = everything that drives the ID

Opportunity-driven creativity further thrives on:

- Domain knowledge
- Business acumen
- Training
- Systematic diligence
- Repetition = production of ideas => more and better ideas

Where do People get Their Ideas?

- **Start a company and see what happens**
The Job-shop
- **Use your eyes and imagination - with a purpose**
Opportunity-driven Inventor
- **Break out – make a spin-out**
Find opportunities in your domain
- **Be disciplined and productive**
One idea per person per day
- **Be a spy**
Build on others' success
- **The top-down approach**
From mega-trends to idea
- **The Forest Gump Approach**
*Be there – be visible – be pro-active
socialize – do good to others -
and leave the rest to LIFE
(Luck is earned, you know)*

From Idea to Business I

Get to know the market

Michael Porter's Market Model is a good entry

- The buyers
- The suppliers
- The competitors
- The threats, opportunities and trends
- **Competition: what is important?**
- **Where are your niches**
- **What strategies will work for you?**
 - The sleeping Lion
 - Riding the Tiger
 - The Trojan Horse
 - Let Mr. BIG lead you by the hand
 - Numskull Jack (Klods Hans)
 - The moving Target

From Idea to Business II

Assessing your business model:

The early indicators of business

- Sparring and consultancy
- Analysis: rough estimates and calculations
- Analysis of market and competitors: use the web
- Experimental work
 - *Technology: a prototype*
 - *Response: invite customers to your lab*
 - *Market: go out there, speak to customers, set up collaborative testing. See how your product really works!*
- Plan how to execute – and do it!
Entrepreneurs are doers - not planners!

End of the day

Coming up next:

Business law

Legal forms (Ltd., A/S, ApS etc.)

Holding companies: Pros and cons.

White Collar Workers' Act

Product Liability

Agreements in trade and between shareholders