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# Looking for Trouble: Opportunity Identification in the Entrepreneurship Classroom

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## Abstract

Opportunity identification is an important skill to develop in our entrepreneurship and innovation students and is often underdeveloped. This exercise begins with a very early stage idea development canvas (dubbed the Big Idea Canvas) and moves to a use of popular press magazines where students identify customers, their pains/gains, dissatisfaction with current solutions and an offering to address the opportunity. Additionally, we add in the chance for students to practice sharing their own skill sets to support upcoming venture team formation. The exercise could work well with any of the popular 'canvases' currently in the field including ones we use regularly including the Business Model Canvas, the Value Proposition Canvas and the Lean Change Canvas.

*Keywords:* Opportunity Identification, Ideation, Entrepreneurship, Experiential Education

*Manuscript Subject Area:* Entrepreneurship & Innovation

*Manuscript Subject Topic:* Opportunity Identification

*Student Level:* Undergraduate or Graduate, early stage students

*Time Required:* Approximately 60-75 minutes

*Recommended Number of Students:* 10-40

## Introduction

Opportunity identification/recognition is a critical skill for entrepreneurs and innovators (White & D'Souza, 2014). Morris, Webb & Singhal (2013) identified opportunity recognition as one of 13 key competencies in entrepreneurship. In our program, we humorously call this Looking for Trouble. But how do we help students see where the opportunities exist? We asked ourselves this as we developed this experiential exercise using what we call the Big Idea Canvas (BIC; partly inspired by the work of Osterwalder & Pigneur, 2010 and Bruton, 2014) which is a very early stage idea development tool and a set of popular press magazines, which are useful for prompting ideas as noted by other authors (Osterwalder, Pigneur, Bernarda & Smith, 2014) While we use the BIC in this exercise, it is certainly possible to use other forms of canvases to set it up such as those oriented toward for-profit ventures such as the Business Model Canvas (Osterwalder & Pigneur, 2010) and the Value Proposition Canvas (Osterwalder, et al., 2014) or the Lean Change Canvas (Gelobter, 2015) which is oriented toward social ventures. Our choice to use the BIC in the early stages is to help increase the chance that students are actually identifying an idea worth pursuing a business model for in the first place. We consistently emphasize that “all ideas need more cookin’.”

An additional benefit of this exercise is that it cements in larger concepts of idea development and can be used to set up successful collaboration in upcoming venture projects. The latter is possible because during the magazine opportunity identification portion, students can also share key knowledge, skills or experiences they bring to the table. This is all explained below.

Implementing “Looking for Trouble” involves 5 steps including set-up, problem set up and canvas overview, personal pitch points, magazine opportunity ID and micro-pitches. This can all be accomplished in one single session or split over multiple. The overview of the canvas can be separated into a different session as long as the introduction to the exercise clearly links back to the previous learning. We’ve found doing it all together works best for the students.

## Concept

**Step 1: Set-up.** Bring adequate copies of whichever canvas you will use. From here forward, I will assume use of the Big Idea Canvas for illustration purposes which is included in Appendix A. Additionally, you need to bring a minimum of magazines equal to the number of students in the classroom. We use Time, Businessweek, National Geographic, Yes!, and Entrepreneur in order to span a range of issues. Additionally, we usually bring twice as many as there are students so they can take one to their liking.

**Step 2: Problem Set-up and Canvas Overview.** In this step, set up the problem by saying that you will soon be working to identify opportunities today in class and later in a team based venture project (if applicable). We do this to establish the context consistent with principles of problem based experiential learning (Sherwood, 2004) thus students know from the beginning they will need to identify an opportunity/problem and use the canvas to pursue it. There are key points we make with the BIC that set up the students to look for trouble. We have students take notes right on the paper BIC. If using another canvas, Opportunity ID can be pointed out in a variety of places but most often in the Value Propositions section.

- Who? We emphasize it is important to identify and build understanding of those that have a problem.
- Gain/Pain? We emphasize that a critical area in which to build empathetic understanding is in the areas of desires for gains and pain relief. (In more advanced work, we discuss how they can have desires for gains and pain relief in a variety of contexts such as Christensen, Anthony, Berstel & Nitterhouses’ 2007 work related to JTBD, or Jobs to Be Done).

- Now? We emphasize it is important to discover how they are solving this now and to what degree they are satisfied with this solution and motivated to change.
- Between Gain/Pain? and Now? We explain that the opportunity lies between the desired gain or pain relief and how it is currently being met. This can be seen in our actual white board illustration in Figure 1 where the arrow on the left hand side shows where the opportunity exists. We also emphasize that the customer must have dissatisfaction with the current solution to the extent they are motivated to change.
- How? We emphasize that the How is the solution to creation of the desired gain or relieving of the pain. All in a way that is good enough to take advantage of the level of dissatisfaction and desire to move.
- Me? And Us? In the Me? box, we emphasize that individuals may bring unique knowledge, skills, experiences or assets to the table directly related to one of the above boxes of the BIC. This is something that can be a distinctive competency and potentially set up differentiation. In the Us? box we emphasize that there are certain skills needed for all start-up ventures that need to be brought aboard. We do this because we ask students in Step 3 to identify both to share with their peers.

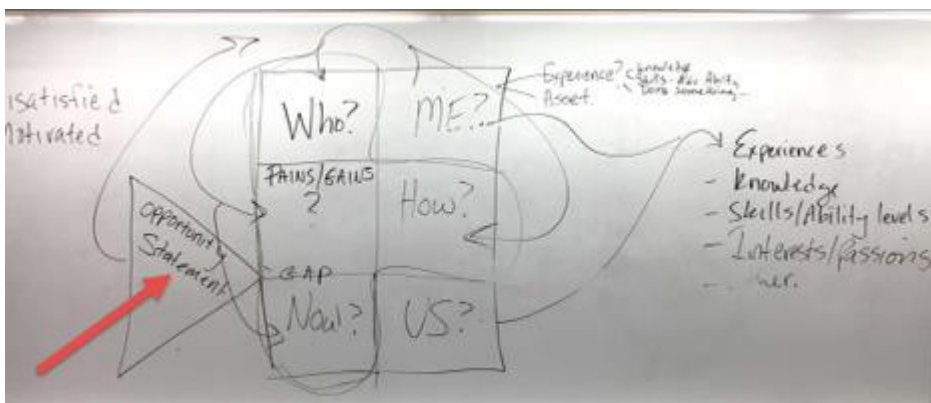


Figure 1: White board of the Big Idea Canvas during the exercise.

**Step 3: Identifying Personal Pitch Points.** This step involves having students identify personal information they would like to “pitch” to their peers. We have the students write down on a piece of paper answers to both the We? and Us? questions. For the former, what unique passions, experiences, knowledge, skills and related ability levels do they bring that could be unique to a given situation? For the latter, what are the same for being part of a venture start-up team? We consider this all part of their finding a match between themselves and opportunities that are ultimately identified later in the course. In this exercise, they get the chance to practice thinking about what they bring to a team and letting others know.

**Step 4: Magazine Opportunity ID.** Next, have the students each select from a pile of magazines spread out on a table or just simply pass them out. Explain the steps below. Then have the students page through and do the following:

- Identify a group of people (customer, stakeholder, community etc.) that has a clear pain/gain. This could be in articles or advertisements.
- Select one where there is a gap between what they desire in terms of gain creation/pain relief and the current solutions.

- Prepare to describe this to a peer.
- Ask the students to stand up and pair up with one other student. Let them know that they will have about 1 minute to both share what they would bring to a team and what they found in the magazine. Note that we found in the first 2-3 rounds, they really need about 1.5-2 minutes to get it down. After that, they speed up.
- After they are finished sharing, students exchange magazines and then find a new partner. Repeat.
- Keep repeating until you exhaust your time limit or your judgement tells you it is time to stop. We do a number that is at least 50% of the number of students in the class. Example, in a class of 20, do 10 rounds. After this, they start getting the same magazines or have a hard time finding people they have not paired with already.
- Have them keep the last person they have paired with and go to the next step.

**Step 5: Micro-pitches.** Here we have a two-part step. First, have the students choose among any of the potential opportunities they have heard. Then ask them to fill out the BIC (or some parts of another canvas). We specifically ask them to:

- Fill out the Who? Gain/Pain? Now? from material in the article.
- Identify a potential How? and describe it. We say not to get too involved in specifics but to get something down on paper.
- Identify what would be good to have in the Me? And We? Sections in order to be able to make it all happen. Get this down on paper.

Second, have them do a quick preparation of a micro pitch of the opportunity/problem statement they will deliver to another pair. We give them an example of language such as “(Who) has a clear (pain/gain short description) and is currently dissatisfied with (Now short description). We will address this through (How short description). In order to do this, it will need unique (Me short description) and of course critical venture (We short description). We find giving a clear path to the opportunity/problem statement gets it coming out of their mouth in a way that is not simply a regurgitation of the BIC boxes. We point out the boxes are there to hold information, rather than indicate how you communicate it. Have them pitch to another pair of students and give each other feedback, all the while answering questions as they arise.

If you have time, you can take volunteers to share with the entire class and this gives you an opportunity to give feedback as well. We’ve not done this before due to time, but our student feedback indicates to us that they desire this step and we will work to integrate it in the future.

In preparation for this article, we asked students that participated to give us their reactions in what we call the Magic Questions of feedback. We asked them to describe it in their own words and then answer What went well? What might we do differently to make it even better. Below is a response we believe to be representative of the others.

## Student Reaction

Dr. X covered many topics today, giving us a base to start working with. A few key learning objectives that stuck out to me were the idea of seeing opportunity. Dr.X did a phenomenal job describing The Big Idea squares, and why they are essential when coming up with a venture. Seeing and hearing from Dr. X why any of the ideas we have still need more cooking intrigued me. Dr. X introduced how each square has a significant part in our idea planning if we are serious about solving a problem. Our customer is our who, the competency aspect is about our personal experience and what we can bring to the table (the me), our proposition offering is how we will carry out the venture, and the team is who is necessary to make this project a success. The biggest idea that resonates with me is in between our promise and substitutes/alternatives, where we start to get to work... opportunity. In order to see opportunity, we must analyze the problem, see a dissatisfied consumer that is equally motivated to look for a better option. The better option is our part to capitalize on and execute. Sure there will be substitutes and alternatives, but ones that cannot compare to our solution. If we take the time to allow our idea to develop (cook), we will avoid major complications and loses on our way to realizing our vision.

Magic Question 1: What went well with the workshop in terms of overall experience and learning?

- The structure of the Workshop was easy to follow and straight forward
- Class involvement was amazing, I enjoyed the fast pace
- Questions were answered thoroughly, I felt that everyone who had a question had a chance to get it answered
- Covering The Big Idea squares was an immense help on how to begin developing (cooking) our ideas
- The philosophy of problem solving learning and active learning was refreshing and reassured me why I am so thankful to be part of the program
- Having the opportunity to give short two minute introductions and pitches to our peers was stressful at first but as time went on, I began to feel comfortable and confident
- Dr. X sharing some of his personal experience, knowledge and passion about entrepreneurship is motivating in the sense that if we really believe in our vision we can make it
- Explaining that we do not need to go into our ventures with the mentality that we need to fall to ground zero if we want to be successful, there are ways to prepare ourselves to avoid the rock bottom club
- Having the tools Dr. X and all the other coaches can provide us is great, they are helping build a bridge to our vision
- After having the opportunity to work on creating a pitch and finding a gap on our own, when we were partnered up, it was as if the process took half the time. There is a huge value in collaborative brainstorming
- The exercise of looking through the magazines and finding a problem, coming up with who the customer is and thinking about a solution was stressful, yet I feel that could have been the strongest part of the workshop
- I feel that I am now walking away with a new mindset, that there are problems all around us and we can find solutions if we take a minute to analyze and think outside the box

Magic Question 2: What could be done differently to make it even better?

- In the future consider how to break us up into small groups from the beginning of class a few times I found myself searching for a partner and everyone was occupied.
- Consider how to make the orientation of the class room a bit more open, for example the class in a large circle so that the middle of the class is open.

- Consider how to have a couple students present our pitches and introductions in front of the class, so that others can get motivation, ideas and feel comfortable doing it to one another.
- Consider in the future how to walk around to see if everyone is on the right track as far as understanding how The Big Idea squares work and why we use them.

## Appendix A

### The Big Idea Canvas (BIC): In Search of a Real Opportunity

What is your Opportunity/Problem Statement?

<p><b>Target Beneficiary (Customer/Client/Beneficiary):</b></p> <p>Who?</p>	<p><b>Experience/KSA/Assets:</b></p> <p>Me?</p>
<p><b>Value Proposition-Promise:</b></p> <p>Gain/Pain?</p>	<p><b>Value Proposition-Offering:</b></p> <p>How?</p> <p> </p> <p>:</p>
<p><b>GAP: How Big? How Dissatisfied? How motivated to Δ?</b></p>	
<p><b>Current Solutions (Substitutes and Alternatives):</b></p> <p>Now?</p>	<p><b>Start-Up Team:</b></p> <p>Us?</p>

## The Big Idea: In Search of a Real Opportunity

Idea/Opportunity/Problem Hypothesis: We believe...there is a gap. This is your best guess at the real opportunity. You have a hunch that an opportunity exists (in other words, there is an important gap between the needs/wants and current solutions) and that you can actually address it. This is the overall hypothesis we are working to affirm in order to decide if it is worth it to pursue the search for a viable business/venture model. WE NEED EVIDENCE TO ADVANCE OUR UNDERSTANDING! And this mostly exists OUT of the building/classroom.

IMPACT	FEASIBILITY
<p><b>Customer/Client/Beneficiary Hypothesis:</b> We believe...</p> <p>This is your best guess as to who has the need/want, that they can be accessed and that there are enough of them to be worth pursuing the idea further.</p> <p>Is it clear who the customer is? Is it clear there is an accessible beachhead? Is it clear there are enough of them to make it all worth it? What is your evidence?</p>	<p><b>Experience/KSA/Assets Hypothesis:</b> We believe...</p> <p>This is your best guess that you have some sort of competence/Experience that would <u>actually allow</u> you to pursue this opportunity and even <u>distinguish</u> you from others attempting to do the same.</p> <p>Do you have some special abilities, skills, knowledge that allows for this? Some sort of special access to resources? What is your evidence?</p>
<p><b>Value Proposition-Promise Hypothesis:</b> We believe...</p> <p>Think of this as a promise that the customer/client/beneficiary values. This is going to be related to relief of pain and/or a gain that is different than their current situation.</p> <p>Can you clearly describe what you promise the world looks like for them if the need is met/want is satisfied? What is your evidence?</p>	<p><b>Value Proposition-Offering Hypothesis:</b> We believe...</p> <p>This is your best guess regarding the solution that would deliver on the promise, meet the need of the customer/client/beneficiary, bring about the value proposed and achieve the change in behavior from how they are currently doing things. It is also your best guess that this can <u>actually be</u> created without any clear fatal flaws financially nor technically.</p> <p>What is the offering and how does it deliver on the promise? How reasonable is it that it can be created technically without obvious financial issues? What is your evidence?</p>
<p><b>Substitutes and Alternatives Hypothesis:</b> We believe...</p> <p>This is your best guess as to how they are meeting their needs/wants now and why this is pains and/or gains would be enough for them that they would <u>actually change</u> their behavior to reach for a new solution.</p> <p>Can you clearly describe the above? What is your evidence?</p>	<p><b>Team Hypothesis:</b> We believe...</p> <p>This is your best guess regarding being able to pull together the right people to pursue this opportunity (which is not necessarily the same as the ability to run the venture).</p> <p>Can you clearly describe what it will take to pursue the opportunity? Attitudes, Abilities, Skills, Knowledge etc. Can you pull together the team needed? What is your evidence?</p>