SURVIVAL GUIDE

NIKE GROWTH BOARD
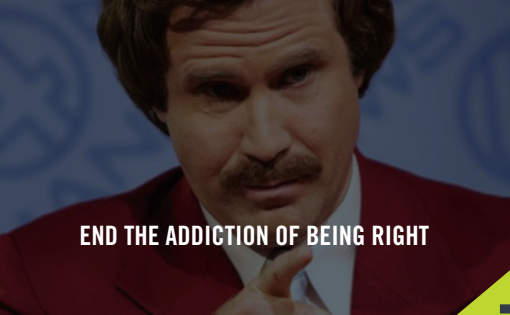
THE MINDSET SHIFT

- END THE ADDICTION OF BEING RIGHT
- NEW BOUNDARIES & PERMISSIONS
- OUTSIDE IN
- DO VS. SAY
- NET NEW LEARNING
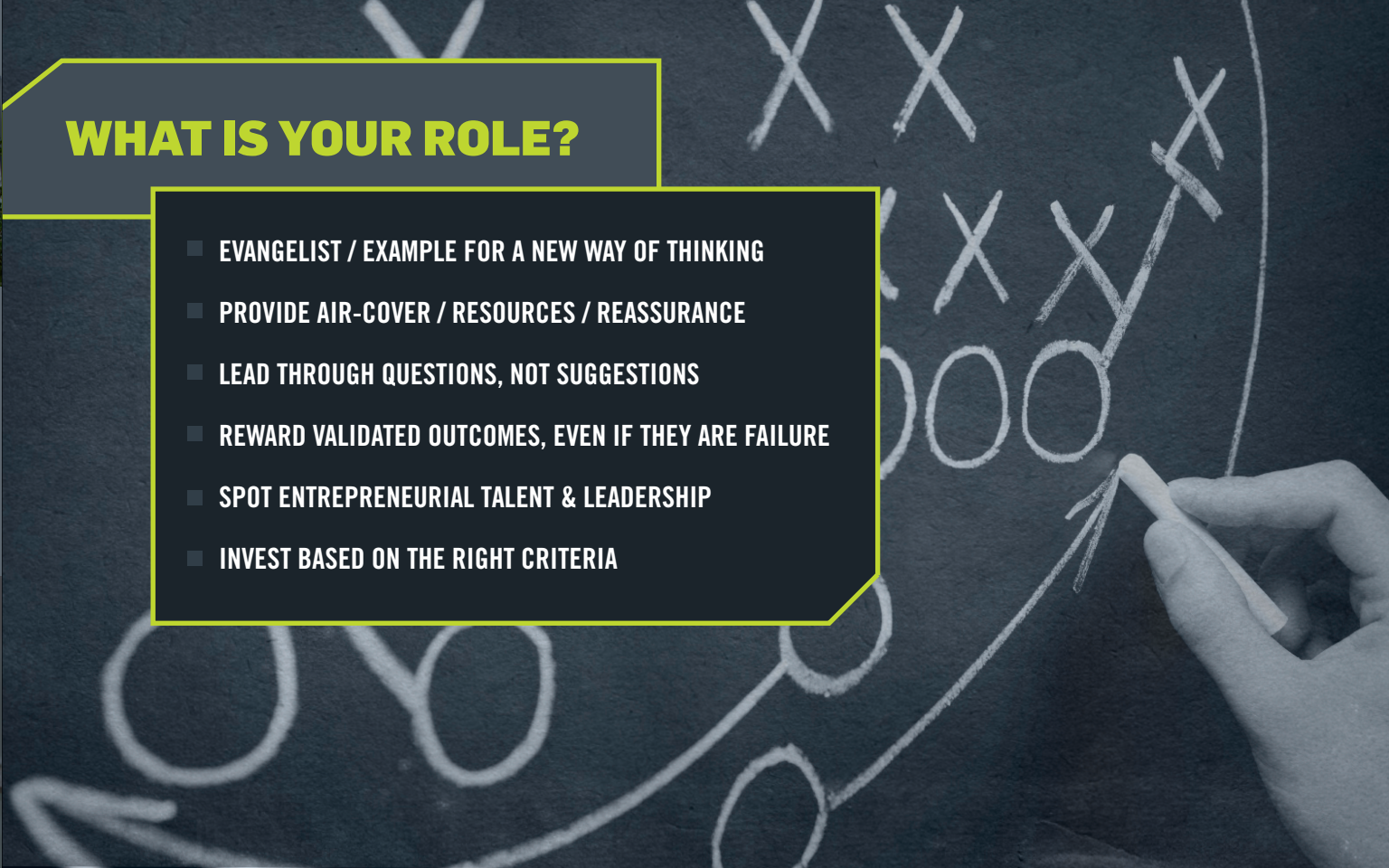- END SUCCESS THEATER
- DRIVE PRODUCTIVE FAILURE
- CAPTURE NEW ECONOMIC OXYGEN
- KILL ZOMBIES
- MILESTONE FUNDING

WHAT IS YOUR ROLE?

- EVANGELIST / EXAMPLE FOR A NEW WAY OF THINKING
- PROVIDE AIR-COVER / RESOURCES / REASSURANCE
- LEAD THROUGH QUESTIONS, NOT SUGGESTIONS
- REWARD VALIDATED OUTCOMES, EVEN IF THEY ARE FAILURE
- SPOT ENTREPRENEURIAL TALENT & LEADERSHIP
- INVEST BASED ON THE RIGHT CRITERIA

DO'S & DON'TS

SERVING ON A GROWTH BOARD REQUIRES A CHANGE IN MINDSET & FOCUS

NIKE GROWTH BOARD

DO:

- BE OPEN & FLEXIBLE
- FIGHT THE "ADDICTION TO BEING RIGHT"
- EVALUATE THE OPPORTUNITY BY A NEW SET OF METRICS
- FOCUS ON THE CUSTOMER VALIDATION NOT YOUR OWN BIASES

DON'T:

- DON'T ASK FOR A REAM OF "BUSINESS AS USUAL" METRICS
- DON'T DISMISS SOMETHING BECAUSE THAT IS NOT HOW YOU DO IT CURRENTLY
- DON'T THINK YOU KNOW MORE ABOUT A CUSTOMER'S PROBLEM THAN THEY DO

EXTREME FOCUS
ON A SINGLE CUSTOMER PROBLEM

PAINKILLERS
VS. VITAMINS

10X OPPORTUNITY
VS. INCREMENTAL GROWTH

PROPRIETARY GIFT
LEVERAGES CORE BUSINESS ADVANTAGES

PERMANENCE
CREATES CUSTOMER STICKINESS

SPONSOR ROLE

OPPORTUNITY AREA SPONSORS ARE STARTUP ADVISORS WHO PROVIDE ADVICE, INTRODUCTIONS, LEVERAGE, AND BACKING TO THE TEAM.

1 ADVICE
ON THE TEAM'S PITCH - HAS THE TEAM CLEARLY IDENTIFIED A CUSTOMER PROBLEM WORTH SOLVING, AND SHOWN THE MARKET POTENTIAL FOR SOLVING IT?

2 INTRODUCTIONS
TO INTERNAL TEAMS AND EXTERNAL COMPANIES WHO HAVE LOOKED AT THE SAME - MAKE YOUR TEAMS SMARTER.

3 LEVERAGE
IN PUSHING THROUGH RESOURCE CONSTRAINTS - TEAMS ARE OPERATING OUTSIDE BUSINESS AS USUAL AND NEED ALL THE SUPPORT THEY CAN GET.

4 EVALUATING
START-UP PITCHES AND DECIDING CONCEPTS TO PROGRESS TO GROWTH BOARD EVALUATION.

5 BACKING
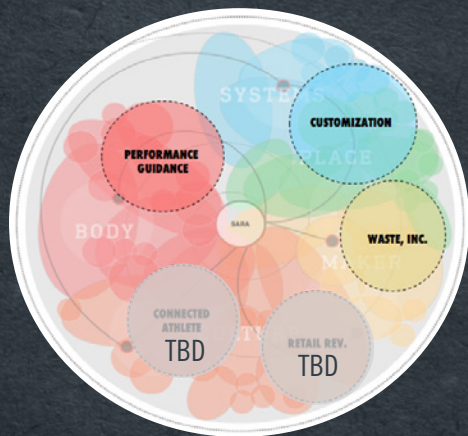ON DEAL DAY THAT THEY ARE 100% BEHIND THE TEAM'S PITCH.

6 FEEDBACK
NOT STEERING LETS THE STARTUP TEAMS DRIVE, AND GIVES BEST SENSE OF WHAT ELSE YOU'RE SEEING THAT COULD BE HELPFUL TO THEM.

GROWTH O/S PIPELINE

OPPORTUNITY AREAS

SYSTEM

CUSTOMIZATION

PERFORMANCE GUIDANCE

PLACE

BODY

SARA

WASTE, INC.

MARKET

CONNECTED ATHLETE
TBD

RETAIL REV.
TBD

WORLD BUILDING +
WOW & PRE-WOWS
CORPORATE STRATEGIC PRIORITIES

GENERATE

POTENTIAL SOLUTIONS

VALIDATE

VALIDATE I	VALIDATE II	VALIDATE III
CUSTOMER FRICTION	SOLUTION	BUSINESS MODEL
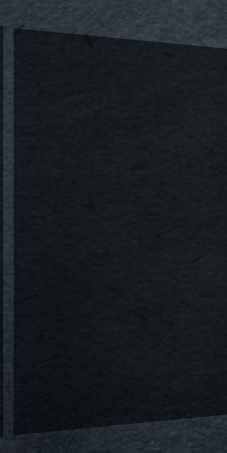
SEARCH FOR SHOULD

LAUNCH

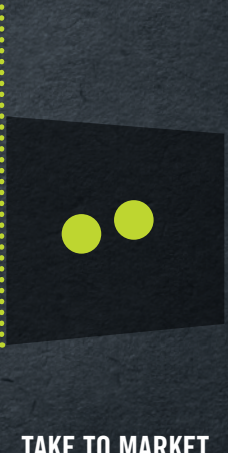| LAUNCH I	LAUNCH II
1 CUSTOMER 1 MARKET	# CUSTOMERS 1 MARKET
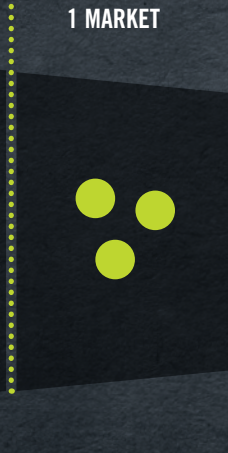
FIGHT FOR TRACTION

SCALE

TAKE TO MARKET AT SCALE

DECISIONS

X KILL
CUSTOMER PROBLEM INVALIDATED

▶ ADVANCE
CUSTOMER PROBLEM & SOLUTION VALIDATED

● RE-VALIDATE
CUSTOMER VALIDATION INCONCLUSIVE

↖ PIVOT
CUSTOMER PROBLEM VALIDATED
SOLUTION INVALIDATED

❚❚ PAUSE
CUSTOMER PROBLEM VALIDATED
SOLUTION VALIDATED
MARKET INCONCLUSIVE

↩ RETURN TO CORE
INCREMENTAL PROBLEM &/OR
SOLUTION VALIDATED

VALIDATE I
PROBLEM

TOP ASKS
- What action / behavior / insight with the customers surprised you most?
- Would you bet your career on solving this Problem?
- Do you think we have unfair advantages in pursusing a Solution to this Problem?

- What is the Customer Problem Hypothesis?
- How do customers solve for this Problem today?
- Can you define the target customer for this Problem?
- How painful is this Problem for this customer? (Economic impact of unmet need/Problem)
- What frictions do customers experience today regarding this Problem?
- How will your Solution address the customer Problem?
- Why is your Solution better than the current way customers address this Problem?
- What metric shows you validated the Problem?
- What do you want to learn next and what are you asking from us?

VALIDATE II
SOLUTION

TOP ASKS
- Do you have insights from your experiments that the validation is repeatable?
- Do you have evidence that the experiments (customer actions) have volume (in behavior) and in market (TAP)?
- Do you feel your Solution has qualities that create "radical differienation?"
- Do you feel the team had boundaries (implicit or explicit) around the experiments that limited their learning?

- Was the Customer Problem Validated?
- What experiments did you run and what were the results?
- What were the critical assumptions for the experiments?
- What outcomes of the experiments did you expect and what were you surprised about?
- What new information have you learned about the Customer Problem?
- Has your target customer changed? If so, why and to which segment?
- Why does your Solution solve the Customer Problem?
- What features of the potential Solution resonated most?
- Do customers believe your Solution solves the Problem significantly better than current Solutions today?
- What was the "ask" of your customers? What percentage of vcustomers enacted on the ask?
- What do you want to learn next and what are you asking from us?

VALIDATE III
BUSINESS MODEL

TOP ASKS
- What new functions (financing, partners, IP, etc.) are needed to create this new economic model?
- Does this model pull from a new or existing budget within the customer?
- Does the customer buy this offering as a product or a service, or a new framework of value?
- Does the unit of revenue align with a new value (outcome) for the customer? Or one they currently have/understand?
- How much of our commerical advantage is with the team vs. the model innovation?

- Can you fully describe your revenue model & key assumptions?
- What are your initial customer acquisition strategies? How will you measure success?
- What else have you learned about your Solution in validating the Business Model?
- Have you identified potential partners or companies for acquisition?
- What channels will you use to deliver your Solution to paying customers?
- What did you validate about your business model? Invalidate?
- How do you plan to launch the Solution?
- Is there a timeframe for launching the Solution?
- What kind of technical investment is required for launch?
- What do you want to learn next and what are you asking from us?

KEY METRICS

GB PORTFOLIO

INVESTMENT THESIS
Opportunity Areas
X-Categories

INVESTMENT CRITERIA
Metric Benchmarks
Funding Criteria

DISTRIBUTION
Solutions/Stage/Opp. Area
Solutions/Stage/X-Category
Funding

VALUE
X-Category (Idea/Seed)
Valuation (Launch/Grow)

FINANCIAL RETURNS
Revenues
Top-line Growth
Funding Efficiency:
 NPI Cost vs. Baseline

TALENT
Entrepreneur Cycles

GROWTH O/S

PORTFOLIO GROWTH
of Ideas
Increase of ideas per stage
Increase of ROI

PORTFOLIO SUCCESS RATE
% Funded
% Killed
% Pivoted
% In Market

LEARNING VELOCITY
Execs On-boarded
Exec Co-Sponsors
Dedicated Entrepreneurs
Phase Cycle Time
Ideas Advanced Rate
Time to "Kill"
Time in Seed
Time to First Revenue

PRODUCTS
$ FROM PRODUCTS SOLD

SERVICES
$ FROM SERVICES SOLD

VALIDATE

PRODUCTS	SERVICES
# of Problem/Solution Iterations # of Prospects # of Interviews Conducted Exchange of Value Cost of Learning	# of Problem/Solution Iterations # of Prospects # of Interviews Conducted Exchange of Value # of Pilots Cost of learning

LAUNCH

PRODUCTS	SERVICES	
Same Store Sales Growth Gross Margin Burn Rate Revenue Valuation	Pilot Conversion Retention WoM CAC	LTV Gross Margin Burn Rate Revenue

SCALE

PRODUCTS		SERVICES	
Brand perception Distribution Sales Growth # of Product Lines Gross Margin	Market Share Revenue Valuation	LTV Utilization Efficiency Rating (ER) CAC Repeat Business	Gross Margin Organic Growth Revenue Valuation

SOLUTION TEAM DESIGN

STARTUP CO-FOUNDER COMMERCIAL LEAD

- BRINGS DOMAIN EXPERTISE
- LEADS CUSTOMER DISCOVERY, INCLUDING SOURCING AND SETTING UP INTERVIEWS WITH STAKEHOLDER / CUSTOMERS
- MANAGING AND REPORTING THE TEAM'S PROGRESS TO EXECUTIVE SPONSOR AND GROWTH BOARD

STARTUP CO-FOUNDER TECHNICAL LEAD

- BRINGS FUNCTIONAL EXPERTISE AND/OR TECHNICAL KNOWLEDGE
- DRIVES EXPLORATION OF POTENTIAL SOLUTIONS TO SOLVE CUSTOMER PROBLEMS
- IDENTIFIES AND LIAISES WITH TECHNICAL SMEs

INNOVATION MANAGER PROJECT "DOER"

- SERVES AS PROJECT MANAGER - DEVELOPS AND MANAGES TIMELINE WITH KEY MILESTONES
- SYNTHESIZES CUSTOMER DISCOVERY DATA
- MAINTAINS AND INTEGRATES LEARNINGS VIA TEMPLATES

SUBJECT MATTER EXPERT(S) COMMERCIAL /TECHNICAL

- TECHNICAL SME: PROVIDES INSIGHT INTO TECHNICAL AREAS, DEVELOPMENT NEEDS, AND SPECIFIC SOLUTIONS AND/OR FEATURES
- COMMERCIAL SME: PROVIDES INSIGHT INTO CUSTOMER RESEARCH, MARKET DYNAMICS, BEHAVIOR, AND/OR ECONOMICS

KEY COMPETENCIES

INNOVATIVE

NOT AFRAID TO CHALLENGE THE STATUS QUO, QUESTION ASSUMPTIONS AND GENERATE NEW IDEAS BY LOOKING AT ISSUES FROM MULTIPLE ANGLES

Challenges long-standing assumptions and identifies new ways of solving problems

Actively participates in brainstorming and ideation sessions

Proposes non-traditional methods when tradition impedes performance improvements

Continually seeks the customer's point of view and uses learnings to create new solutions

Validates customer needs & solutions directly with the customer

CONNECTOR

TAKES TIME TO REFLECT ON EXPERIENCES; SPENDS FOCUSED ENERGY PROCESSING INFORMATION, GAINING DEEPER INSIGHTS INTO PROBLEMS, THEMSELVES & OTHERS AS A RESULT

Reflects on experiences and utilizes setbacks as an opportunity to learn and improve

Thinks beyond own area of responsibility examining linkages and interactions between different parts of a system

Integrates disparate data points to get to the root of a problem

Applies insights to simplify work assignments and focus on what's important

Builds relationships and connects ideas across silos

CURIOUS

OPEN TO LEARNING & EXPLORING NEW INFORMATION AND PRACTICES; INTERESTED IN UNDERSTANDING HOW THINGS WORK

Seeks and takes into account the opinions of others to reach creative solutions

Demonstrates an appetite to learn and understand the business

Participates in learning groups and networks to stay current on industry trends

Leverages customers as a learning resource

Anticipates and explores evolving shifts in the environment to surface new opportunities

FLEXIBLE

REMAINS ENGAGED DURING STRESSFUL SITUATIONS BROUGHT ON BY AMBIGUITY AND CONFLICT

Remains calm and optimistic under pressure and adapts well to unexpected situations and challenges

Takes charge and delivers when expectations are ambiguous

Makes prudent decisions quickly amidst change

Embraces feedback from others to make changes to improve impact and effectiveness

Handles conflict in a solutions-oriented manner

COURAGEOUS

TAKES CALCULATED RISKS AND PURPOSEFULLY PUTS SELF IN CHALLENGING SITUATIONS WHERE SUCCESS IS NOT ALWAYS GUARANTEED

Seeks challenging work assignments that involve professional risk and personal stretch

Willing to experiment with new ideas where both gain and loss is possible

Is not afraid to fail or go against popular opinion

Makes difficult or unpopular decisions and stands behind them

Acts with a sense of urgency to move others to action, even when outcomes are uncertain