McCombs Career Webinar

Thursday, October 22
One Job is Not Enough: The 10% Entrepreneur

Presented by
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A Cautionary Tale: September 2008
Perhaps You Recall AIG During the Financial Crisis?

**Collateral Damage**
AIG had to post collateral to trading partners because of valuation declines and credit-rating downgrades.

AIG’s share price, daily close

<table>
<thead>
<tr>
<th>Month</th>
<th>Event</th>
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<tbody>
<tr>
<td>August 2007</td>
<td>Goldman Sachs asks AIG to post $1.5 billion in collateral on credit-default swaps; AIG eventually posts $450 million.</td>
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<td>October</td>
<td>Goldman asks for $3 billion more in collateral; AIG eventually posts $1.5 billion.</td>
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<td>November</td>
<td>Two other firms request collateral; AIG says it has clashed with some trading partners on collateral amounts.</td>
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<td>December</td>
<td>Three more trading partners request collateral.</td>
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<td>August 2008</td>
<td>AIG says it has posted $16.5 billion in total collateral on swaps.</td>
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<td>September</td>
<td>AIG’s credit ratings are cut. Federal government rescues AIG with a loan. Much of AIG’s borrowing goes to posting collateral.</td>
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Sources: WSJ Market Data Group; staff reports
A Company (and an Industry) Went From Hero to Zero
They Don’t Consider Your Resume on the Deck of the Titanic
One Job is Not Enough
How You Think Your Careers are Will Progress.....
What Actually Happens……
Chasing Yesterday’s Dream?

- **Traditional Careers Are Not As Attractive As They Once Were**
  - 70% of American workers are “Not Engaged” or are “Actively Disengaged”
    - $450 billion to $550 billion of lost productivity
  - Wall Street employment is down 35%
  - 60% of lawyers would not advise young people to enter the legal industry
  - 46% of Doctors would not recommend their field
  - 91% of Millennials don’t expect to spend more than 3 years in a particular job
There’s Never Been a Better Time to Start a Company

• The Costs of Entrepreneurship Have Declined Sharply
  • The “Sharing Economy” make resources, such as labor, flexible, inexpensive, and largely on demand
  • The cost of technology, connectivity, continues to fall; 1 GB of flash storage that was $8,000 in 2001 now costs pennies
  • As a result, investment in startups is far more democratic and widespread
    • In 2013, over 300,000 Angel investors invested some $24.1 billion in 73,400 companies.
    • Angel funding has grown 60% in the last decade.
    • Angellist has invested over $100 million
Entrepreneurship, Inc.

• Entrepreneurship is the new “Promised Land”
  • But image and reality differ considerably

• The odds are stacked against you
  • When you’re a full-time entrepreneur, the chances are, you are going to fail…

• It’s not for everyone
  • Lifestyle
  • Finances
  • Affirmation
  • You don’t have the “idea”
  • Risk of failure
Entrepreneurship Doesn’t Have to Be an All or Nothing Choice
Why Be a 10% Entrepreneur

- Choosing Part-Time Entrepreneur Has a Number of Clear Benefits:
  - Downside Protection
  - Upside Opportunity
  - Make Life More Fun and Interesting
  - Learn How to Be an Entrepreneur
  - Be More Effective at Your Day Job
What Does It Mean To Be a 10% Entrepreneur?
The Angel

1psy

bluesmart

the Fan Machine

LearnOurHistory

wehostels

SATMAP™

>NxtP.Labs
The Advisor
The Founder
The Aficionado
The 110% Entrepreneur
How Do You Get Started?

- **Know Your Resources and Your Constraints**
  - Time: Availability
  - Financial Capital: Money
  - Intellectual Capital: Experience
  - Network

- **Make Sourcing Part of Your Daily Existence**
  - Make your name is the most important brand on your business card

- **Think Like a Venture Capitalist**
  - The Business
  - Your Partners
  - Your Role
Four Things To Remember
When Selecting Projects, Play to Your Strengths
From Making Time to Staying Focused, This is All About Mindset
Always Put Your Day Job First and Play By the Rules
This is a Long-Term Strategy for the Rest of Your Career
Stay In Touch

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Available April 12, 2016
Sign Up for Updates at www.patrickmcginnis.com
Thank You!

- The recording of today’s presentation, along with the PowerPoint slides, will be available on our Career Resources web page by early next week:

  http://www.mccombs.utexas.edu/Alumni/Career.aspx