Conversation Arc 5: Technology in Context

Founder Alignment Conversation User Guide

Objective

Examine how the technology shapes venture feasibility. Arc 5 considers specific demands imposed the technology, given the founder's goals, capacity, and desired role.

Core prompts:

"What kind of company is needed for this technology to succeed in the real world?"

"How does company type fit with the role you see for yourself?"

"If this were pursued as a startup, who would need to be involved for it to work?"

"Would everyone involved need to make similar commitments, or different ones?"

Deepening questions:

"If speed to impact mattered more than ownership, how would that change your thinking?"

"What would success look like if you didn't start a company?"

"What happens if one collaborator wants to move faster or take more risk than another?"

"If one person needed to step back, would the venture still work?"

What to Look For:

Reminder: Red, yellow, green is not a grade (i.e., red does not mean failure) and the facilitator should focus on patterns and overall sentiment.

Green Signals (Technology-founder fit is coherent)

- Can translate technology requirements into organizational implications
- Acknowledges that success requires business-building, not just technical work
- Discusses venture demands with curiosity rather than defensiveness
- Identifies external dependencies (partners, capital, regulatory) realistically
- Can argue for AND against a spinout with equal clarity
- Recognizes gaps in their own expertise and is open to filling them
- Sees venture timeline as compatible with their goals and capacity

Yellow Signals (Fit exists but requires intentional trade-offs)

- Understands venture demands intellectually but hasn't internalized them
- Can identify organizational needs but uncertain how to meet them
- Defensive when challenges are raised but recovers and engages
- External dependencies are acknowledged but underestimated
- Venture timeline is longer than preferred but acceptable
- Role they want doesn't perfectly match what technology needs but could adapt

Red Signals (Technology-founder misalignment)

- Cannot articulate what kind of organization the technology requires
- Discusses technology primarily in terms of technical elegance, not market fit
- Dismisses or minimizes non-technical requirements (regulatory, capital, partners)
- Becomes defensive when venture challenges are raised
- Cannot make the case against a spinout; sees it as obviously the right path
- Role they want is incompatible with technology demands and unwilling to adapt
- Venture timeline is fundamentally incompatible with their goals or life stage

Co-Inventor Sub-Signals

As previously mentioned, teams and collaboration are foundational for start-up success. Arc 2 assessment focused on individual willingness to collaborate within a team. The focus for Arc 5 is on actual planning for collaboration has been initiated.

GREEN: All key collaborators have been consulted; alignment on goals and roles is clear or differences are acknowledged and navigable; shared understanding of team contributions

YELLOW: Some collaborators not yet consulted; alignment assumed but not confirmed; potential role conflicts exist but seem resolvable; different risk tolerances but shared vision

RED: Key collaborators unaware of commercialization discussion; significant misalignment on goals (one wants spinout, one wants licensing); role conflicts with no clear resolution path; one party expects control that others won't accept

Decision Aid Questions

After Arc 5, ask yourself:

1. Does this technology actually need a spinout?

- Yes, and founder can meet demands: Spinout is viable
- Yes, but founder can't/won't meet demands: Licensing or external operator
- No: Licensing or partnership is more appropriate

2. Is the founder central to venture success over time?

- Yes, for technical credibility only: Advisory role
- Yes, for both technical and operational: Must be willing to commit
- No: Technology could succeed without them leading

3. Is there coherence across all five arcs?

- Identity + motivation + capacity + technology demands align: Spinout
- Misalignment in 1-2 areas but addressable: Conditional spinout or pause
- Fundamental misalignment: Licensing or pause

4. Are co-inventors aligned on pathway and roles?

- Yes: Proceed with spinout if other signals support it
- Unknown: Requires alignment conversation before Stage 1 closes
- No: Requires conflict resolution or separate pathways

5. What is the earliest responsible next step?

- Immediate action: Clear green signals across arcs
- Conditional action: Address specific gaps first

- Intentional pause: De-risk key questions before committing