

THE BIRD IN HAND PRINCIPLE



How do you start a new business? Do you start it with a **GREAT IDEA**?

Experienced entrepreneurs start with **WHAT THEY HAVE**. They start with their **MEANS**. There are three kinds of means that all people have:

- **WHO THEY ARE**—their character traits, tastes and abilities.
- **WHAT THEY KNOW**—their education, training and experience.
- **WHO THEY KNOW**—their family, friends, teachers and others.

First, entrepreneurs make a list of their means and other easily available resources. Then, they think about what kinds of things they could do with what they have. They **COMBINE** their means and resources in **NEW WAYS** to create something **VALUABLE**. They imagine different possibilities. Their ideas change as they go along and develop them into something better and better.



Successful entrepreneurs start small and learn by doing. They invite others who want to work with them to join in.

Peter and Kwabena combined old tires and jeans—free resources to which no one paid attention—to create affordable shoes. They invited an unemployed shoemaker to help them. They also invited their customers to bring scraps of fabric to co-create new shoe designs.

Professor **SARAS SARASVATHY**, who teaches at The University of Virginia Darden School of Business, studies successful entrepreneurs. She knows how they think, how they make decisions and how they act.

Professor Sarasvathy calls starting with what you have the **BIRD IN HAND PRINCIPLE**, based on the proverb, “A bird in the hand is worth two in the bush.”

When you work with what you already have, you don’t have to wait for a great idea to pop into your head. You can start your company right away.

So what is your bird in hand?

- What means and resources do you have? Make a list.
- What can you create with what you have? Make a list of possibilities and pick one to explore further.
- If you like your idea enough, start to play with it and see what happens.

