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## **Interview with Paul Silverman, Director, GMU MEC Step Up Program**



*Paul Silverman, Director, MEC Step Up Program  
Picture provided by Paul Silverman*

In May 2007, the Mason Enterprise Center in the School of Public Policy announced the launch of an innovative new program targeting early stage, high growth firms in the Washington, D.C. metropolitan region. The new entrepreneurial GMU MEC “Step Up Program” is a dynamic, “learn by doing,” fast-paced, comprehensive, integrated course designed to assist senior executives of early stage high growth firms in addressing critical company issues, developing winning strategies and developing new senior entrepreneurial management skills.

Earlier this month, Ian Mooers, Director, Entrepreneurial and Business Development Programs Support in the Provost's office interviewed Paul B. Silverman who serves as , Director of the new GMU MEC Step Up Program and has played a key role in developing and launching the new program. Mr. Silverman also serves as an Adjunct Professor in the GMU School of Management and Chief Executive Officer of Strategic Defense Alliance Corporation, a public global defense and homeland security firm. Highlights of the interview are presented below.

### **What is the GMU MEC Step Up Program?**

The GMU MEC Step-Up Program is a new unique two track program designed to help senior executives of early stage companies effectively manage and grow their respective companies. Senior executives accepted in the new program will participate in Phase I and II sessions, each four to six months, which integrate in-depth class lectures covering senior entrepreneurial executive management tools, techniques and best practices. Best practices are further reinforced through case studies, guest lectures and executive roundtable sessions. A dedicated Executive Mentors is assigned to each participant. Monthly one-on-one monthly mentor sessions provide customized advisory services to assist their respective companies in addressing issues and meeting growth targets.

### **Today GMU offers a wide range of management education and entrepreneurship support services within the Mason Enterprise Center in the School of Public Policy, the School of Management and other departments. Who does the GMU MEC Step Up Program target and how does it fit in?**

The GMU MEC Step-Up Program targets senior executives of emerging, high growth "Tier II" companies. Tier II companies typically have revenues in the \$2 to \$5 million range, a minimum of 10 employees and have been in business for at least 3 years. The new program ideally complements the portfolio of entrepreneurial support and educational services offered within the Mason Enterprise Center and other GMU departments. The new program is under the overall direction of Roger Stough who serves as Director of the Mason Enterprise Center and Associate Dean of the GMU School of Public Policy. Dr. Stough promoted the vision for the Step Up Program several years ago.

### **Don't the current GMU programs as outlined above address the needs of the Tier II companies you described?**

To some extent yes. Starting a venture is tough business and successfully reaching the 3 year mark with respectable sales is a significant accomplishment. But experience and statistics show that successfully growing and surviving long term is even tougher. This seems counterintuitive to many who usually feel 'the hard part has now been done'. After all, products have been developed and sold, 'proof of concept' has been done, probably after much trial and error, and the many pricing, product positioning, marketing, distribution, management decisions have been made. The business may be cash flow positive and profitable with a realistic business model. The business may have reached this milestone, as many do, with careful planning, much trial and error, many false starts and maybe 'plain old luck.' Many firms 'choke on growth' at this point and fail. Moving from this "entrepreneurial managed" to a "professionally managed" structure

demands new management skills and strategies. The Step Up Program directly addresses this market need.

### **What is the structure of the GMU MEC Step Up Program?**

The GMU Step-Up Program is organized in three phases; The Phase I Executive Entrepreneur Program (three to four months), Phase II, The Advanced Executive Entrepreneur Program (three to four months) and Phase III Step Up Program Business Advisory Services (ongoing).

### **What is the structure of the classroom sessions for the Phase I and Phase II Executive Entrepreneur Programs?**

The Phase I Executive Entrepreneur Program session will include a maximum of 30 participants. The Phase II program offers more in-depth support services and includes a maximum of 15 participants. Class sessions typically meet bi-weekly. Curriculum includes a comprehensive program addressing entrepreneurial management strategies and best practices. The class will be organized into six cohorts; two cohorts will be assigned to present the assigned case study at each session. Guest lectures and an ongoing online Management Forum further complement the program and are designed to achieve a single objective: to provide participants with a strong foundation of best practices and recommended entrepreneurial management tools and techniques successfully used to manage and grow early stage companies.

### **What is the role of the Step Up Program Executive Mentors; how do they fit in?**

Coupled with classroom sessions, each participant will be assigned a dedicated Step-Up Program Executive Mentor. The assigned Mentor will work with the participant to identify Key Performance Indicators (“KPI’s”) for their respective companies which will be tracked to assess progress through the program. The Step Up Mentor will serve as a management “partner” working closely with the participant to assist in developing solutions, strategies and new perspectives addressing key company issues.

### **What is the course curriculum for the Phase I and Phase II classroom sessions?**

Topics covered in the Phase I program include Entrepreneurial Management and Leadership, Business Models and Value Propositions, The Business Planning Process, Marketing and Sales, Financial Management and Analysis, Investment Analysis and Regulations and Legal. Within the Phase II Program, topics include Financing, Business Strategy, Intellectual Property Management and Marketing.

Who will serve as Step Up Program Executive Mentors and how will they be assigned to Step Up Program participants? Silverman. The Step Up Program Advisors include senior level experienced entrepreneurs, business consultants and investment professionals with significant experience working with early stage companies. Using an in-depth screening process developed for all Step Up Program applicants, we will ensure an optimum match between Advisors and participants.

### **When will the GMU MEC Step Up Program start?**

The initial Phase I Executive Entrepreneur Program was scheduled to start in late Fall 2007. Due to the upcoming holidays, the initial session is now planned to start in early February 2008.

### **Your initial press release referred to potential regional economic benefits that can be achieved as a result of the new GMU MEC Step Up Program. Can you elaborate on this point? What do you mean?**

I believe the potential regional economic benefits that can be realized are very significant and based on my initial discussion to date, I believe this aspect of the program will receive increased attention in coming months. The economic benefits of the program can be demonstrated looking at the value creation outlook. Assume 20 initial participants – CEOs of high growth, emerging companies. Assuming minimum revenues of \$2 million per company, the combined revenue of the Phase I participants is \$60 million. Assuming a 25 percent average annual growth rate, reasonable for high growth companies, total revenues for this group is projected at \$117 million in 3 years, increasing to \$183 million in 5 years. Assuming the growth rate increases to 30 percent, also modest for high growth companies, total group revenues increase to \$132 million in 3 years and \$223 million by year 5, almost a quarter of a billion dollars which is obviously significant and represents only our initial group of Phase I program participants. The new Step Up Program contributes directly to these economic benefits in two ways. First by improving the probability that the participants will meet their respective growth challenges and survive. Secondly, by improving the probability that the average growth rate will increase thus providing increased economic benefit. And the above pro – forma regional economic benefits are based only on the initial Phase I class participants. The Phase I program will be repeated at least three times in 2008 – the potential long term economic benefit is obviously significant.

### **How can you get more information on the new GMU MEC Step Up Program?**

Three ways. First you can visit the Step Up Program web site on the Mason Enterprise Center web site <http://masonenterprisecenter.org/StepUp-Main.html> A downloadable Step Up program application is available on the site. Secondly, you can visit the program registration web site [http://www.ocpe.gmu.edu/programs/mgmt\\_org\\_dev/step\\_up.php](http://www.ocpe.gmu.edu/programs/mgmt_org_dev/step_up.php). It is recommended that you register early for the upcoming session since only 30 participants will be accepted. Finally, you can contact me directly at any time by email [psilverm@gmu.edu](mailto:psilverm@gmu.edu).

**This sure sounds like an exciting program that I expect will be well received. I look forward to hearing about future program updates and a progress report in coming months.**

Thanks. Look forward to talking again in coming months.

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