If I woke up tomorrow morning and was tasked with creating a venture capital firm, here are some thoughts on what I might suggest…

VC would set a rule that firm can only invest in "exponential growth" technology startups/companies.
This idea mainly comes from Ray Kurzweil > https://youtu.be/dfq96KjA80I?t=5m26s. I am a big fan of the singularity. Companies are learning how to make profit without humans. Since 2001, corporate profits have gone up and labor costs have gone down. In 1990, top 3 automakers had a $36B market cap, with 1.2MM employees. In 2014, top 3 silicon valley companies had 137,000 employees and a market cap above $1 trillion. I would want revenue growth that did not depend on adding a bunch of employees.

VC would hire a senior project manager and a Fortune 500 sales executive for the VC decision team.
More on this below…

VC would tell any company that wants to meet with it to create a video-based pitch deck.
Pitch has zero limitations. It can be technical or creative. It can be 10 minutes or 3 hours. On purpose, there are zero instructions given to startup. Startups always "defer" when meeting with VCs and try to gauge whether messages are resonating. They are also incredibly nervous. We just want to hear the "raw" message from the startup, with zero interference/deference. Many will thank us, even if not funded, because it helped them with their messaging.

If team likes the video, VC meets, in person, with the founders.
VC tells founders not to bring any deck (presentation materials). This is a free-flow discussion only. We ask our VC sales executive to kick off the meeting by presenting an elevator pitch back to the founders (based on video pitch). Then VC sales exec would start in on simulated sales calls. VC tells founders how this might be sold to market and starts to get founder feedback/thoughts. Meeting grows organically from there, with everyone brainstorming.

VC offers to pay to create a blueprint of the startup.
If the meeting goes well, VC informs the founders that the next step will be to have the VC senior project manager interview 10-15 people (1 hour each) about this idea and create a blueprint for the venture. Interviewees will be founders, potential customers, interested stakeholders, mentors… anyone who can contribute to the overall vision for the company.

Optional: If VC team likes the video pitch, meeting goes well and the blueprint is solid, VC takes it to strategic money.
VC explains to the founders that startups need a larger firm (catalyst) that has all the infrastructure (even customers!) in place to make the startup a winner. VC takes it to their network of Fortune 500 -like partners to gauge interest in taking an equity position. The strategic partner would invest human capital, expertise and infrastructure hours to the founding team. Honestly, I can see the startup collocating inside the larger firm as a separate business line/unit.

Check-in: If VC doesn't like the business idea, VC eats the cost of the interviews and creating the blueprint. Founders are incented to go through this process because they end up with a video pitch deck and VC gives them the (editable) blueprint at no charge, to use with other VC firms.

VC team finally asks for the full business plan.
I am guessing by the time the video pitch is crafted, sales focus is set, and blueprint is created, founders will want to throw out the original business plan and rewrite it. Honestly, here too, I would have a VC finance team member go be a player agent and help the founders craft the main sections of their plan.

VC decides to fund the startup (with optional strategic partner).
While the main VC players will set expectations and attend periodic meetings, the project manager and VC sales executive will take a more direct role – player coaches. VC team tells founders that if the blueprint (product/service vision) changes at all, the VC project manager must be notified. And the sales executive starts working with founders on how to generate interest in idea and build a target list. Both have weekly calls with founder teams.

VC creates a business network around each startup.
VC hosts calls and quarterly meetings for founders to talk to founders. These are YPO-like small groups designed for founders to open up about issues. I also like the idea of having a group of VC paid mentors and retired executives (like Pat) who have periodic calls with the founders.

VC goal is to exit and let the strategic partner buy VC out at some point.
VC is the bank and has expertise on selecting/growing/connecting a start-up. VC has necessary expertise the founders almost never have – project management and sales expertise. VC/founders grow the company and offer buyout to partner. No go? VC shops for a new strategic partner. Partner may decide to take it all the way to IPO or to internalize it instead. VC agrees, depending on the multiplier offered. VC always has final word and greater equity than strategic partner.

Notes:
Employees = incremental growth = lower multiplier. I would want to fund "write once, read many" businesses where a digital asset can be sold once or one million times with very little impact on G&A costs.

I am not a big fan of strategic money. I would rather see strategic infrastructure. VCs fund the startup. Large company helps take the startup to market.

Founders are going to be too deferential. They have a left-brain, task-oriented idea, but are suddenly put in charge of navigating an entire ship (right brain). Initially, I would not want to "taint" their presentation, letting them craft the best possible message with zero outside influence. I want to hear mostly right brain messages in video pitch.

I think many great ideas are turned down by VCs because the presentation and responses to questions were horrible. If the pitch deck is great, the blueprint is great, but the management team is weak, I see the VC adding their own entrepreneur to original team – take it or leave it.

As you can see, I really like the idea of a VC "propping up" the original pitch to make sure VC is not missing a huge opportunity. Messenger may not be great, but idea is solid gold. There are workarounds for that.

Example exponential startups:
Go to Breckenridge, CO townhall and offer an alternative to VRBO and Airbnb. Town creates a blockchain for "permitted" owners to list their rentals. Tax records validate ownership. Entrepreneur takes a small annual fee from owners to list their rental and manage the website/reviews/etc. Breck benefits by tighter controls on rentals plus they get accurate tax revenue in real-time. Entrepreneur takes Breck success to Vail, Winter Park, etc. and expands the blockchain. Exit is state or large industry-adjacent company buys you out.

Go to independent auto parts dealers (junk yards, etc.) and offer them a blockchain to sell their parts nationwide. Entrepreneur takes a very small piece of each transaction. Parts dealers start to specialize and do more mail order business than walk-in business. Autozone+ gets interested because there is a large audience for auto parts. Each Autozone can make money by sending parts all over states. Exit is Autozone or similar company buys you out.

Entrepreneur creates a peer-to-peer, Napster-like social network. Teams with Cisco to build black boxes that sit next to routers in each home. Users pay a very small fee to use blockchain social network. There are zero ads, zero data collection. Each user 100% in control and can even turn off network before going to bed each night. Exit is Cisco or some other hardware company.

Using facial recognition and drones, founders create a way to take thousands of pictures of critical company infrastructure and compare historical photos to present to see if there are any changes. If A.I. sees material change in water pump, maintenance team is dispatched. Utilities use drones and A.I. to detect problems before fires start. Exit is a large utility or state government.

Monitor news articles around K-12 subjects and send a daily “hot sheet” email to teachers of most compelling, real-time events in their subject areas. Sell sponsorships to corporations. E&Y may sponsor Algebra II. 3M may sponsor Calculus. Walmart may sponsor Algebra I. Teachers use daily news to make classes more compelling and a database of events cross referenced to textbook to help teach subject. Exit is a large textbook company or current sponsor buys it for exclusivity.

Entrepreneur connects wearables with psychiatry units at large hospitals. Supports multiple wearable makers to apply data analysis layer to generated data, 24/7. Psychiatrist and patient are immediately notified if wearable detects distress. Otherwise, psychiatrist gets daily briefing on all patients in last 24 hours, sequenced based on anomalies found in data. Reverse schedule appointments where each day psychiatrist reaches out virtually to patients in need.