



Innovative Entrepreneurship Promotion



UNIVERSITÄT LEIPZIG



Entrepreneurship Promotion

Specific support services especially for students and staff at universities, research institutes and centers guarantee an accelerated transfer of scientific knowledge into economic value.

Therefore our Entrepreneurship Promotion Initiative SMILE has the following goals:

- To find marketable technologies and develop supporting business models
- To train potential entrepreneurs in management and soft skills
- To stimulate interdisciplinary team building
- To support start-ups with intensive coaching at the „Point of Research“
- To provide access to marketing and financial networks

The main target groups are PhD students, students, alumni and employees at university research institutes.

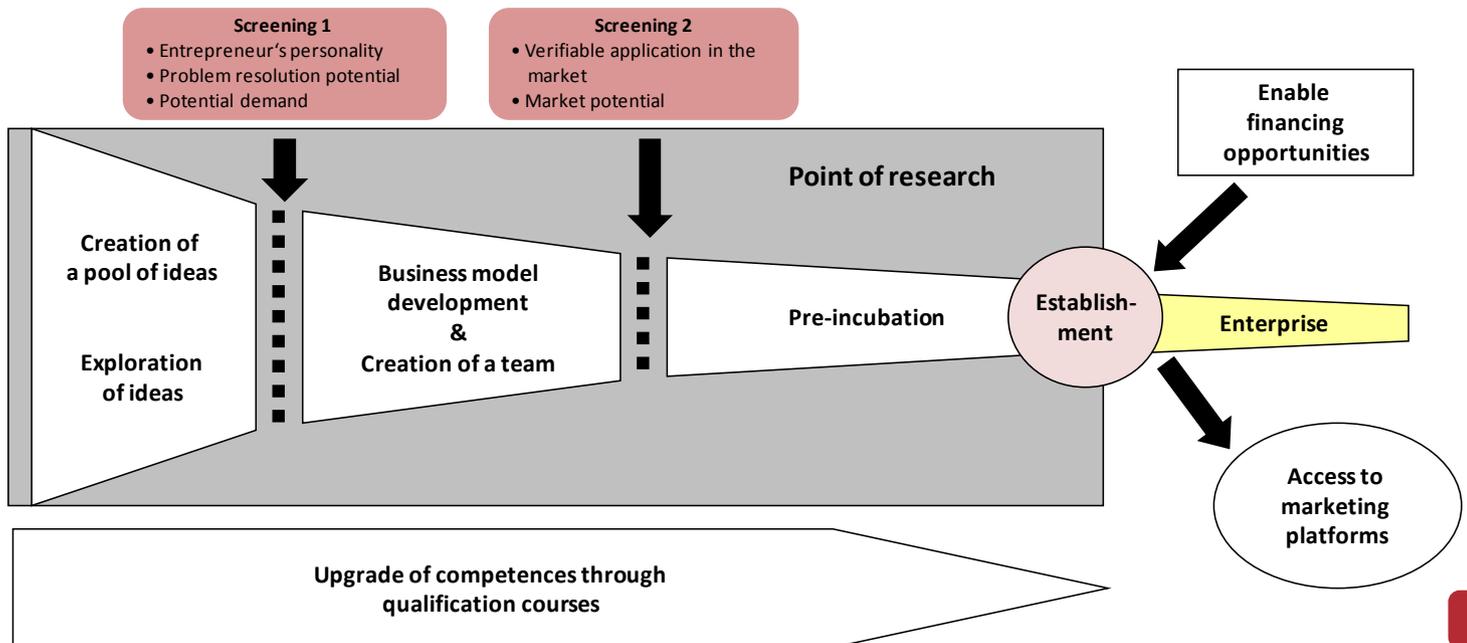


Approach for Start-up Coaching

In order to accelerate the transfer of innovative ideas and technological developments into economic practice, direct implementation and support at the “Point of Research”, i.e. at the respective research institutes and centers, are necessary. With the help of our Idea Scouting the research results and the ideas of high entrepreneurial potential are identified, evaluated and collected in an idea pool.

Next is a detailed screening that evaluates the initiators’ business personalities, the value of their business ideas for customers, and their initial ideas about the marketing of the research results. Panels of external experts, i.e. Venture Capital firms, Business Angels and other specialists help to assess the ideas. Potential founders will get frequent opportunities to present their ideas before these panels and obtain feedback.

If the result is positive, a more detailed start-up coaching can begin. Right after the first screening and throughout the entire coaching process, we bring potential team members together and support the development of interdisciplinary start-up teams. These teams will then develop their business models, supported by experts in special workshops. A further screening evaluates the work’s progress. If the outcome is again positive, the pre-incubation of the business at the “point of research” will be discussed with the research institute, and an appropriate action plan will be created. With the support of the coaches, market tests and the preparation of the actual foundation can begin. In addition, access to funding sources and marketing platforms is provided. At this moment, we initiate the planning of the growth phase and all related strategic planning aspects.



The Coaching Process

Idea Pool Development

At the points of research, innovative ideas and technological developments with market potential will be identified. Here it is essential to work closely with the administration of the research institutes and centers. The identified ideas will be placed in a central database or platform and further analyzed in regard to their start-up potential.

Screening 1: Product Idea & Founder Team

The founders' personalities are central to the success of the company. As part of the first screening, a test evaluates the founders' personalities in order to identify their individual strengths, and

- to prepare an optimal task distribution within the founding team as well as
- to determine whether the team can be considered complete, given the skills at hand, or whether other team members are necessary to ensure a successful start.

The coaches will discuss the important elements of customer value and competitive advantage with the potential start-up teams and test them by applying their own market research. The start-up ideas and business models will be evaluated for plausibility through surveys among external experts and through analysis of secondary data.

Formation of a Powerful Start-up Team

Normally, scientists and engineers lack the necessary business expertise for founding a business. Therefore it is necessary to bring together people of a technical background interested in founding a business with experts from the commercial sector.

We encourage the formation of complementary start-up teams and actively support the development of personal and professional trust. We invite founder teams to get in contact with experienced managers and entrepreneurs who are interested to invest into young start-up firms. Based on our moderation support the interested parties are able to make contact with each other and to develop common goals for joint development of the business idea. The moderator stays neutral towards all members of the founding team and helps to overcome challenges of team building

The challenges of team building are:

- To discuss objectively emerging differences in opinion on technical or commercial issues at an early stage;
- To demonstrate through practical examples of established companies the possible priorities and harmony between technical and commercial goals, without showing superficial judgment;
- To motivate the participants in a meaningful way to engage with each other.

The combination of building interdisciplinary teams and the accompanying training is a key factor to a successful support process.



Business Model Development

For the commercialization of innovative ideas and technological developments, it is necessary to analyze different business models, especially in terms of the market and competitive conditions as well as customer value. This business model development is done in a process of several weeks, in which the founding team will be joined by one of our coaches. In addition, interested business students, who are not part of a founding team, initiate a project to review the business models, realize market research activities and develop appropriate market entry strategies under the guidance of one of our coaches. These projects address specific commercial aspects of the business planning process and bring considerable relief to the founding team.

Screening 2: Business Model Review

The business model will be presented before a small panel of experts, e.g. entrepreneurs, managers and investors. This gives the founder team and the participating research institutes a deep insight into the market and the development potential of the respective technologies.

This phase acts as a filter as well as positive motivation for founder teams with positive feedback from the expert panel.

Preincubation

The basic idea of preincubation is to support the founders in the test and transition phase, when they shift from their former position to develop the start-up business. For this, the founding team (already through intensive coaching) is supported at the “point of research”. This allows the necessary proximity to the scientific mentor (or accompanying research professor) on the one hand and the use of special equipment (existent in the research institute) during the start-up phase on the other.

On the basis of the previous business model and planning analysis, the business plan is also established in this phase. Here the founders are able to gain decision making experience in strategic and operational issues, as the coaches begin to stand on the side to enable a gradual learning experience.

Accompanying Qualification

The training focuses on the so-called soft skills of the founders. Through the mediation of specific business skills, the founders are able to understand the important principles of the management of a start-up company. The individual courses address relevant management issues in the various stages of a start-up in a comprehensive manner or specific management tasks that are necessary for proper start-up operation. All courses are offered several times if needed.

Financing Opportunities

It is necessary to build bridges between potential entrepreneurs and financiers. Special events are held so that the potential founders can present their business plan and ideas to a panel of experts and receive professional feedback. Through these panel discussions, contact to Business Angels, Venture Capital firms and private investors is developed. Furthermore an individual support of the founder teams in the negotiation process with potential investors is provided.

Access to Marketing Platforms

One of the main problems of start-up companies is to get a fast and efficient access to the market. Therefore we support the creation of marketing platforms where networks of young and already mature companies join the marketing efforts in order to develop service and product offers for large customers.



The coaching methodology

Stepwise approach

Our coaching methodology follows a stepwise approach in order to obtain four important results:

- Coaching plan
- Business model
- Test-Application in the market
- Business plan.

Coaching plan

As part of the requirement analysis, the specific characteristics of the start-up in relation to the business idea and the founders is determined. For this purpose, existing property rights, special legal aspects as well as existing competency gaps must be evaluated. Based on this analysis, a binding coaching plan is established. The coaching plan contains a concrete working plan as well as training plan for the start-up team.

Business model

As part of the business model development, strategic analysis of the business environment will be conducted with some of the following tools: market segmentation, benchmarking or SWOT analysis, as well as the use of market research methods. The goal is to focus on the customer value of the product or service being offered and work out the attractiveness of the potential market segments as well as the customer's willingness to buy. Using the market and customer segmentation analysis, the detailed product definition is established. This includes an analysis of the product range with respect to the available competitive offering and the unique differentiation characteristics of the start-up's offer.

Test-Application in the market

The result of the previous coaching step is that a market-oriented business model is developed. Nevertheless, there is usually uncertainty about the meaning of a whole series of specific design options and the importance of different features of a new product/service for the customer. These questions are either answered with cost-intensive market research before the launch or after the product introduction based on initial experience, however also with substantial costs.

This is where the application test lab, the step that tests the market applicability of the business idea, helps to increase the probability of success. In a separate coaching step, key elements of the business idea are transferred into a test for some pilot customers. For this, the key features of the product or service are combined in an initial offer for some test customers. They will test this offer and provide a feedback evaluating the fulfillment of their specific customer requirements. Doing this errors in product design or non-market oriented investments can be avoided while at the same time ensuring optimal market and customer orientation.

Business plan

The final step contains the development of the whole business plan. Here the coaching focuses on the remaining important aspects like:

- Marketing & Distribution
- Business organization
- Financial planning

References

SMILE - Self Management Initiative Leipzig



The Self Management Initiative Leipzig SMILE is a well known regional project to support entrepreneurship and start-ups in Leipzig. The associated partners of the Initiative are the International SEPT Program and the Institute for Service and Relationship Management at the University of Leipzig, the Leipzig Graduate School of Management - HHL, the University of Applied Science – HTWK, the AKAD University, and the Helmholtz Centre for Environmental Research – UFZ in Leipzig. The initiative is cooperating closely with further partners throughout Saxony and Germany to help young entrepreneurs, start ups and existing companies to succeed. SMILE - the Network for entrepreneurship in Leipzig - is well versed in the supervision and coaching of start-ups and spin-off companies as well as in the training for soft skills and management competencies. The interdisciplinary team of 13 employees with diverse entrepreneurial backgrounds, skills and experiences operates in highly professional and flexible fashion to bring the best ideas to the market. SMILE founders have won several business plan competitions. Up to today more than 9.000 persons have participated in the program and as a direct result more than 300 businesses were founded.

Web: www.smile.uni-leipzig.de

SMILE.medibiz



SMILE.medibiz specializes in supporting Start-ups and Spin-offs in biotechnology and medicine sectors. With their practical and sector-specific experience, the team members of SMILE.medibiz accompany the entrepreneurs and provide them with a personalized coaching from the first business idea over the establishment of a firm to the further stages. Moreover, SMILE.medibiz offers a series of events where key entrepreneurial qualifications are transferred to the participants. SMILE.medibiz hereby allows personnel from universities and research centers as well as students with entrepreneurial spirit getting closer to an own enterprise, gaining complementary competences and receiving active support during the start-up process.

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