

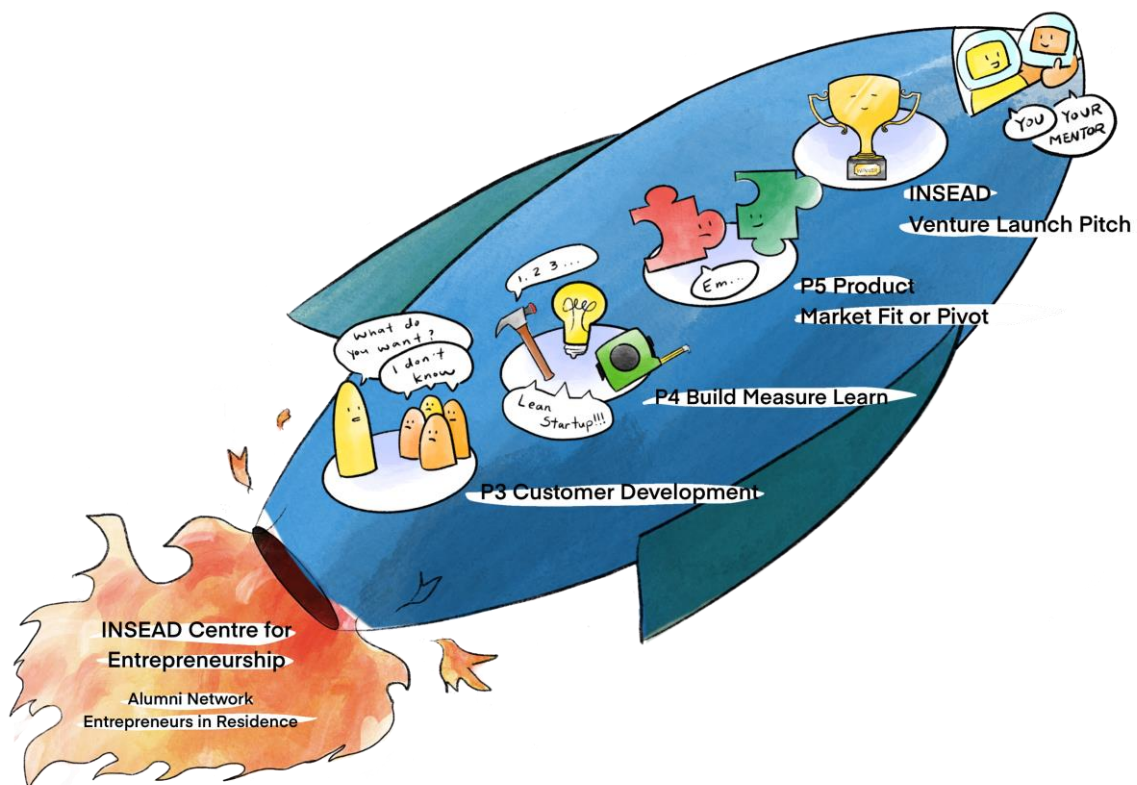


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Pre-Release Version

Case Study

SBE – Startup Booster for Entrepreneurs: Where the Student is the Case Study



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This case study was written by Jaimie Stettin, Research Associate, under the supervision of Raomal Perera, Adjunct Professor of Entrepreneurship at INSEAD. It is intended to be used as a basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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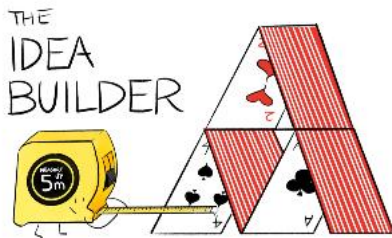
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Introduction

As he was about to teach the second iteration of the Startup Booster for Entrepreneurs (SBE) elective to a new group of students, this time in Singapore, Raomal Perera reflected on the previous student cohort and their entrepreneurial journeys. The big question was: how could he scale up a course like this? The SBE required a major investment of his time – classroom teaching as well as one-on-one meetings and feedback sessions, and was limited to just 30 students. Then again, did scale really matter? Should he focus instead on providing more one-on-one mentoring to a smaller group of students? Which should take precedence: quantity or quality?

Russ MacMillan – The Idea Builder



In 2014, Raomal met Russ MacMillan, who had taken a year off from a job with the UK government to do an MBA. He had decided that during that year he would devote his time to developing various internet-of-things (IoT) product ideas that he had been working on as a hobby in his spare time to see whether they could become viable businesses. While at INSEAD, he purposefully met with as many entrepreneurs in residence (EiR's) and took as many entrepreneurship courses as he could.

As Russ was looking to fund a business, Raomal introduced him to Adam Fudakowski, the founder of a med-tech start-up who had come to INSEAD and had run a few kick-starter campaigns. Adam encouraged Russ to start working on a grant application for UK government R&D funding. They began to talk about launching a business using that funding after their time at INSEAD.

The proposition first began to take shape when Russ joined Raomal's 'Business Planning Workshop' elective, where he met Ed Warrick, who had worked in UK social housing for several years. It was Ed's idea to pivot the product away from B2C and towards a solution designed for social landlords. That summer, Ed took Russ and Adam to meet a number of UK housing associations to test their reactions to their idea. The reception from those early customers was broadly positive – enough for the three of them to decide to pursue it. They agreed that after Adam graduated from INSEAD (he was six months behind Russ and Ed) he would become CEO and run the business full time. Ed and Russ returned to other jobs but continued to be heavily involved, both on the board and in part-time executive capacities.

Raomal continued to act as a sounding board long after the three had finished their electives and left INSEAD, advising them throughout the early formation of the business process, which was subsequently named Switchee.

By 2019 Switchee employed over 25 people and was thriving. Based out of London, it had raised over £4m in equity and grants, growing 250% year on year. Switchee worked with more than 50 of the UK's largest social landlords who collectively own one million homes. With a strong social mission, it uses IoT and data analytics to enable landlords to provide exceptional homes to residents. Adam runs the business with Ian Napier (also from INSEAD) who became a co-founder shortly after the company moved from Fontainebleau to London. Ed and Russ remain on the board of directors.

This, Raomal realized, was a template he wanted to reproduce: providing a forum where MBA students could develop an idea, form a team and create a business – having a mentor and advisor along the way. He wanted to see other Switchees being created and successful products and businesses developed.

When he took the idea to his friend and mentor Phil Anderson (INSEAD Alumni Fund Chaired Professor of Entrepreneurship), Phil made it happen. The Startup Booster for Entrepreneurs (SBE) was born.



Students from the SBE First Cohort

Adrian Johnston – The Lifetime Learner

With a Master's in maths from Oxford University, Adrian loved to learn. After an early career spanning teaching, trading and consulting, he embarked on an INSEAD MBA.

Taking the SBE was the most logical way to gain credit for working on his own project, something he'd been thinking about for a couple of years but had neither the time nor structure to work on. Early in the course, Adrian met Sumeet, who turned out to be a perfect project partner thanks to his background and complementary skillset. Being matched with Sumeet and connected with Raomal's network were key opportunities – the turning point in evolving from an idea to a prototyped start-up in the education space. "Being in a room full of people with lots of experience" was, he said, the best resource to help develop his project.

Adrian and Sumeet's joint project won second place in the INSEAD Venture Competition (IVC). More importantly, it taught him the ins and outs of working in a team – how to find peoples' strengths and keep them motivated – as well as effective storytelling and pitch-writing. The prize money was reinvested in the project, which they continued to develop after graduating.

Adrian appreciated the SBE's ability to connect people and the "doing perspective" – he learned from *doing* rather than from listening, watching or reading – and found the course easy to balance with the rest of his workload. He recommends the SBE for those who are self-motivated and ready to get their hands dirty.



Sumeet Surana – The Strategic Entrepreneur

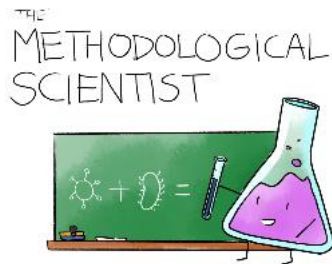
After completing a degree in India, Sumeet pursued a career as an analyst, which provided a solid foundation in finance, then moved on to work for a major Chinese bank. It was while working in the Indian tech space that he became interested in strategy.

He subsequently left his job and launched his own tech start-up in the education space. He "did everything" – from partnership development to execution and building teams – and discovered what it took to launch a start-up. He applied to INSEAD to help boost his chance of venture capital (VC) in Asia.

At INSEAD, he debated whether to take the course on New Business Ventures (NBV) or the SBE. He chose the SBE for its practical approach, and soon linked up with classmate Adrian, and shared his idea for a start-up in the education space. Raomal encouraged the partnership and the idea. He helped Sumeet obtain key contacts with potential customers, which gave him a clear understanding of the target market. Raomal also helped them access online tools and webinars, as well as providing support in the classroom, by phone and via email.

Sumeet and Adrian entered the IVC. Thanks to their success in the first round and the boost to his confidence, Sumeet subsequently signed a Memorandum of Understanding (MOU) with a partner based in India. Ultimately, they placed second in the IVC. While initially unsure whether they would build a company, the success and support gained from Raomal and the SBE network prompted the partners to take the project forward. The SBE changed Sumeet's perspective on entrepreneurship. It taught him that through perseverance it was possible to achieve his entrepreneurial goals.

He recommends the SBE to people who are truly interested in entrepreneurship or plan to pursue it down the line, as it offers an effective, safe space for working on an idea. He acknowledges that without support from Raomal, his team, INSEAD and his classmates, "I don't think I would have created this company."



Jessie Xiong – The Methodological Scientist

With a background in biotech and materials science, Jessie still maintains that "the hardest job in the world is to start a company". After a number of years working in biotech R&D, she was ready to sign new customers for a Singapore-based company but needed to learn more about business and finance in order to do so. Having taken courses on INSEAD's Singapore campus, she knew it was the right place.

Focused on finance and entrepreneurship, Jessie participated in a start-up boot camp led by Raomal, "a real entrepreneur", and subsequently signed up for the SBE. It was one of her favourite classes, not simply imparting knowledge but providing connections and encouragement. She got guidance from Raomal on how to start a company, build a minimum viable product, talk to customers and respond to feedback. The SBE provided a nurturing environment for entrepreneurship.

Looking back, she wished the course had lasted longer. She also wished there had been a more integrated platform for communication and sharing among her classmates.

Despite the intense INSEAD workload, Jessie was able to take full advantage of the SBE and Raomal's mentorship, developing a business plan for a project in the food tech space, which ultimately placed third in the IVC. Through the experience, she learned how to create a plan, revise it, talk to investors, and build a team – the essential building blocks of entrepreneurship.

Jessie is currently looking for funding and government support, and it is likely that the company will be registered soon in China. She will continue to refer to SBE study materials and to reach out to Raomal as a mentor and advisor.



Matthieu Burnand-Galpin – The Natural Founder

An engineer with roots in France and the UK, Matthieu learned about entrepreneurship through working at a solar energy start-up in New York City. As he watched it grow from 17 to over 300 employees in three years, he realized that “Whereas when you work at a large company you specialize in a narrow field, in a start-up

you do everything.” To build his own company, he needed to learn “how to do everything,” i.e., gain new skills in general management, people operations, and finance.

Once at INSEAD, he took the SBE and developed an idea for a start-up in the storage sector named ‘Gilbert’. Gilbert provides physical storage of goods for individuals. Unlike the self-storage model, Gilbert sends a truck and movers to pick up the belongings from the customer’s home, stores them in a warehouse, and returns them on request.

The SBE was helpful in that it surrounded him with other entrepreneurs and their experiences. Seeing the diversity of his classmates’ ideas and learning how they overcame their own obstacles was inspiring and instructive. It was the exchange of ideas among the entrepreneurs on the course and the network that were of most value. Given the time pressure on INSEAD students, he found the SBE deadlines helpful. The support, mentorship, and milestones built into the SBE enabled him to found his company.

Having been admitted to the INSEAD launchpad at a well-known French start-up incubator, Matthieu continues to work on his project full time. After initially investing his own money, he is seeking funding. Gilbert is already generating revenue. For him, the SBE meant “you have a mentor for your start-up idea” and you “learn by doing”.

Igor Curic – The Venture Enthusiast



A native of Croatia with a background in finance and accounting, Igor decided to build something of his own after working for a big international firm. Before “taking the plunge”, he sought the supportive environment of INSEAD and its focus on entrepreneurship. The SBE was an attractive, multi-period course (unlike other courses) and an example of “entrepreneurship within entrepreneurship.”

Over the course, Igor was able to focus, develop and grow his idea for a platform/app, which was designed to help customers rent out apartments quicker and with less hassle. Inspired by Raomal’s own entrepreneurship journey and bolstered by Raomal’s network and desire to help the students grow, Igor immediately got started and was swiftly on the way to becoming profitable. In a few weeks he got more work done than in the year prior to taking the SBE. Using the frameworks and tools provided by the SBE, Igor was able to prototype and test his ideas, and learned how to pitch. Raomal was a reliable mentor and sounding board throughout, providing milestones and check-ins when needed. The deadlines were particularly important in the intense academic environment.

Post-INSEAD, while Igor has an almost full-time job, he works on the start-up in his free time. Given the concrete output from the SBE, he “can see the benefits” and still reaches out to the

network to pitch and perfect the idea. Raomal remains a mentor and the SBE experience is still an active influence on Igor's business.



Osman Avci – The Star Pupil

Hailing from a small town in Turkey, Osman studied engineering and started a career in consulting. After four years, he applied to INSEAD to gain international experience and acquire a skillset that would help his sister develop a business idea, 'bibakmissinkapinda', an app for ordering and delivering fresh produce.

His main objectives in signing up for the SBE were to identify important decisions in launching the business, to be able to make those decisions and to develop a business model. In Osman's words: "In the SBE, I found myself in an accelerated entrepreneurial development programme in which I learnt how to collect data, how to test, analyse and interpret data, and how to turn ideas into actions."

The key steps in his entrepreneurial journey were identifying the right model, resources and capacities needed, and learning how to identify and mitigate risks. Raomal "was there at every step," enabling Osman to "unlock potential growth opportunities". Osman discovered new approaches to prototyping and customer development, as well as how to create a product and tell a story for customers. He was able to use the SBE to help the family business gain traction and revenue. After the course, the business "achieved significant top line and bottom-line growth."

Taking a brief break from school and work, Osman is helping his sister grow the business before starting a consulting job in London. His sister will continue with the business and he will continue to advise on long- and short-term strategy. Bibakmissinkapinda is doing well, with sustainable growth and a strong customer base. It has expanded to delivering produce to other cities. Osman highly recommends the course to anyone interested in entrepreneurship and its fundamentals.

Conclusion

Looking back on the first iteration of the course, the SBE had been a success. Several students had reached exemplary levels of achievement: placing in the IVC, finding the resources to propel their businesses forward or getting an opportunity to test an idea.

The course attracts two main types of student: 'The Idea Builder' and 'The Venture Enthusiast.' A perfect platform for entrepreneurially-minded students, it acts as an accelerator for Builders who have a specific idea and want to take it further, and it gives Enthusiasts a chance to come up with and develop an idea from scratch. Unlike any other elective, in the SBE the student is the case study – they learn by doing.

The INSEAD curriculum is divided into five periods. Whereas most courses and electives run for a single period, the SBE spans three periods. This allows the Builders to drop the elective at the end of the first period if their idea proves unviable, or to pivot and work on a new one. It gives the Enthusiasts enough time to conceive an idea. Indeed, for most students the main challenge is managing their time given the many demands on their schedule.

Was it possible – or even necessary – to scale up the course? Ideally, Raomal wanted to find more Russ's, Eds and Adams and help them develop 'the next Switchee'. But how best could he find others with the same drive and vision? And given the many courses on offer, how could he identify the most potent entrepreneurial projects? More immediately, how could the SBE be improved?

When Harshita Ramakrishnan, a recent participant, told him, "We ourselves don't know how much an idea changes when we start working on it. Speaking with people who criticize the idea helps, as there is much to learn from it. The perfect solution is not possible, but starting is important.... and learning how to motivate people in my team has been a great learning," it had made his day.

While there were still questions and challenges ahead, the SBE was clearly off to a good start.