

# How to create successful partnerships between high-growth startups and established organizations





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# Kickstarting Collaboration – How to create successful partnerships between high-growth startups and established organizations

Vol. 1

2018

Zürich

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As collaboration requires trust, Kickstart organizes events for personal meetings to initiate joint projects.

#### FOREWORD FROM BUSINESS

#### by Roger Wüthrich-Hasenböhler

The development of technology is accelerating with growing pace and dynamism. This opens new opportunities to differentiate existing business activities, increase efficiency and launch products and services in ever shorter times. However, here is the challenge for established and successful corporates: It becomes increasingly difficult to develop and market new products and services with the required speed. And there are multiple reasons for the challenge. Sometimes corporate culture is not ready for the new way of working and the appropriate methods have not yet been implemented. Sometimes there are not enough resources to identify the latest trends and technologies. In other cases, legacy becomes a barrier for fast and nimble innovation. More often, the required competencies are not yet present within large organizations and hiring entrepreneurial talent becomes difficult.

In this context, partnerships between corporates and startups can provide an ideal setup. Corporate assets, such as access to market and financial resources, combined with innovative businesses or new services can lead to a win-win situation whereby both parties profit from each other – including mutual learning with regards to organizational culture. The type of partnership must be well-planned and developed together. It is impossible to just direct it top-down or hope that it happens naturally.

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#### FOREWORD FROM ACADEMIA

#### by Prof. Gudela Grote and Dr. Jennifer Sparr

Starting a company to capitalize on a new business idea is an exciting moment in anyone's life, full of expectations, promises, and hopes, but also full of uncertainty, which may be hard to bear at times. Being able to embrace innovation and the uncertainty that comes with it from a sound foundation of personal competence and skills, a support network, and trustworthy contractual arrangements is key to successful collaborations of entrepreneurs. They find partners in established big and successful organizations that increasingly seek collaborations with startups, looking for external impulses for their innovation activities and culture development. For these unequal alliances to prosper, relationships need to be build that is stable enough to endure the challenges from flexible decision-making in highly volatile environments. The Kickstart Accelerator provides the necessary support and orientation that add stability and a sense of personal control to the founding process, and thereby counterbalances the experienced uncertainty.

We are very happy to have the opportunity to be part of the development of so many promising collaborations between new ventures and innovative organizations. This is not only a great place to be, but it also allows us to gain a deeper understanding of the social mechanisms that help balance stability and flexibility in these collaborations in the face of major uncertainties. In our research with the Kickstart Accelerator, we follow the corporate-startup collaborations with interviews, surveys and observations to collect data on how the participants dynamically balance the tension between flexibility and stability, how this affects the success of their collaboration and how the program facilitates this balance. Specifically, we are interested to learn more about mechanisms that help corporates and startups to share their knowledge while protecting their interests, to collaborate efficiently while also leaving room

Kickstart Accelerator is an exceptional opportunity for established companies because it provides a structured, yet flexible process to iteratively develop Proofof-Concepts between corporates and startups. I am excited and thankful for the invitation to contribute the foreword to this book, which shares the learnings and recommendations from three Kickstart batches and several years of driving innovations between leading corporates and high-growth startups.

Roger Wüthrich-Hasenböhler

for surprises and fast adaptations, and to develop shared expectations while acknowledging their different capacities for absorbing uncertainty. We take a psychological perspective to better understand how to create a trusting relationship between unequal partners and how to thrive with the tensions involved in such collaborations.

We are excited about the possibility to contribute to successful entrepreneurship by sharing our insights with all the members of the Kickstart Accelerator and beyond.

 $\label{looking} Looking forward to many interesting encounters \\ and fruitful exchange,$ 

Gudela Grote and Jennifer Sparr

#### START WITH "WHY (THIS BOOK)"

#### by Christoph Birkholz

5 minutes reading time

The most valuable companies of today have still been startups just a decade ago. In the case of Alibaba, Amazon, Facebook or Airbnb, they are even still led by the entrepreneurs who have found them. These born globals are threatening hundred-years-old multinationals as they disrupt business model after business model. Within just ten years, Airbnb, for example, has quadrupled the number of rooms and surpassing the 25.8bn market capitalization of 100 years-old Hilton.<sup>1</sup>

Their success is enabled by the internet: A global technology that has decreased costs of market access and allowed individual entrepreneurs with little resources to build global companies almost on their own – using the funds of Venture Capitalists to finance online marketing and distribution. It is the first time in the history of the economy that this phenomenon has happened on a broad scale. The next technology wave promises to be as important for humanity as is the internet. Science- and engineering-based technologies such as artificial intelligence, autonomous robotics, the internet of things, blockchain technology, nanotech and several other deep technologies will transform lives, businesses and our environment in fundamental ways.

<sup>1</sup> IESE Business School, 10 May 2018, Forbes.com

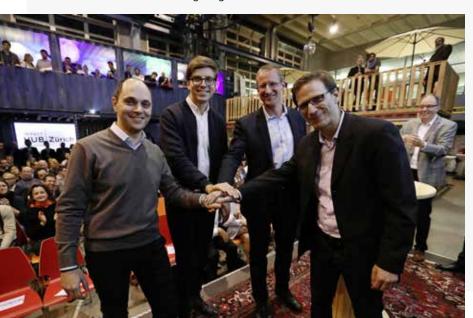




However, most of these technologies are neither easy to develop nor fast to scale. Their complexity requires more than a smart founder duo in a garage with internet access. It requires the combination of the innovative capacity of entrepreneurs with the resources of large players and the intelligence of top researchers. The deep technology age requires much more collaboration between unlikely allies. Yet, collaboration is hard. Many corporates and established organizations are investing in partnerships with startups resulting in little or no success.

Coming from both the startup and the corporate world, we have witnessed, participated in, enabled or led hundreds of collaborative projects between startups and corporates. This book draws from these experiences, building on research from ETH Zurich and University of St. Gallen, case studies from the Kickstart Accelerator, as well as many more experiences from digitalswitzerland, University of Zurich, corporates and startups to provide hands-on recommendations for partnering between deep tech startups and

Announcina four-party Proof-of-Concept between Latvian tech startup, Notakey, Credit Suisse, UBS and Swisscom at Kickstart Accelerator 2016. large organizations.



The book is a first volume, an MVE, a Minimum Viable Edition. It is an experiment to test its value for corporate executives, entrepreneurs and other allies in the ecosystem.

The volume focuses on startups and corporates, but many of the learnings can also be applied to other established organizations such as cities and universities. In the next section, Katka Letzing, Lukas Peter and Christoph Birkholz share some of the learnings for partnering between corporates and startups in a checklist type format. Thereafter, digitalswitzerland's CEO, Nicolas Bürer, provides an overview of the Swiss innovation landscape as well as what is next for digitalswitzerland. Lukas Peter then draws from his PhD research at University of St. Gallen to develop a taxonomy for different types of how corporates can work with startups. In "When David and Goliath innovate together", Jennifer Sparr and Gudela Grote, both at ETH Zürich, reflect on the first findings from their ongoing research project on the expectations, psychology and tensions of corporate-startup-collaboration within Kickstart Accelerator. In an interview with Christoph Birkholz, Daniel Ginter, corporate enablement expert, then shares key requirements and recommendations for corporates to work with startups based on his experiences within the digitalswitzerland community. Finally, Kickstart Accelerator's co-leads, Katka Letzing and Christoph Birkholz, describe the Kickstart Accelerator Model for B2B technology partnerships as well as case studies from the first three years of the program. In the Outlook section, Maria Olivares and Katrin Winiarski share first insights on partnerships between tech startups and universities. We are keen on publishing our learnings on the specifics of such partnerships in future volumes. And we look for honest feedback, interesting ideas and excited collaborators to create the volumes to come.

## KEY LEARNINGS FROM HUNDREDS OF INNOVATION PARTNERSHIPS

#### by Katka Letzing, Christoph Birkholz and Lukas Peter

7 minutes reading time

In the last ten years, we have initiated, delivered or enabled hundreds of collaborative projects between startups and scale-ups as well as large corporates and established organizations in Switzerland, in the Silicon Valley and in several other locations in the world. What follows is a short, too-the-point list of learnings in five core aspects for successful collaborative innovation. It is by no means an exhaustive list, but a teaser to get executives and managers started without repeating the many mistakes we have made.

- 1. Strategic foundations [21]
- 2. Developing internal capacity [23]
- 3. Executive learning [25]
- 4. Overcoming corporate immune system [26]
- 5. Fundamentals of co-creation [27]

Startup pitches at Kickstart Accelerator 2018 Opening Ceremony.



#### 1. Strategic Foundations



## Do not apply a conventional ROI logic for collaborations with startups, apply a venture logic.

Venturing professionals (i.e., experienced entrepreneurs, VCs, Angels) expect nine out of ten ventures to fail, but one to succeed exponentially. Executives need to be willing to accept comparable failure rates.



## Reserve a budget for 5-10k SFr. for pre-PoCs and 25-100k SFr. for full PoCs with startups.

Finding the right startups to develop innovation partnerships is challenging. Yet, once this is achieved, it usually requires a small investment in order to deliver a first PoC or even pre-PoC to demonstrate tangibly how the innovation may turn out. Hence, corporates should be prepared to invest 5-10k SFr. per pre-PoC and 25-100k SFr. for a PoC.<sup>2</sup>



## Take extra effort to balance your need for structure with openness and the possibility of surprises.

<sup>2</sup> Naturally, these amounts only serve as an orientation and may vary substantially depending on the scope, complexity and technology of the intended PoC. Many corporates wish to become more entrepreneurial and agile, but are not willing to forgo their well-established project management requirements such as fixed milestones, week-long upfront briefing documents or monthly reporting, just to name a few. Startups have never succeeded by reporting, but by delivering customer value. Consider that corporates could do the same.



Identify if you want to innovate in the core, adjacent or new business area and define the goals of the respective collaboration.

It is key to clarify how close or distant to the core business you would like to pursue innovation. Asking such fundamental questions about the goals of partnerships is therefore critical. E.g., do you want to improve the customer experience, save cost or gain more revenue?



Innovation involves a lot of risk and needs top-down commitment, otherwise you end up with an innovation theater.

Be serious about innovating with startups and put it on your long-term innovation agenda. If you are not willing or able to defend long-term (i.e., 3-5 years) investments for innovation partnerships against analysts, supervisory boards or other stakeholders, better don't get started.





#### 2. Developing internal Capacity



## Start with less risky PoC partnerships before taking more risk.

<sup>3</sup> Note that in very mature ecosystems such as Silicon Valley S&P500 companies compete for partnerships with top startups. In this context, smaller corporates may have to take more risk and directly strive for very early-stage partners. Collaborations with later-stage startups that generate revenues, manage 10+ employees and already have Series A funding are less risky than collaborating with very early-stage startups<sup>3</sup>. Also, PoCs focused on improving internal processes and operations are less risky than customerfacing PoCs such as new product development. Within the latter category, PoCs for B2B product innovation are less risky than building new B2C products where the requirements for scale and reputation management are toughest.



## Build for consistency in innovation management through strategic people development and/or long-term partnerships.

The turnover in innovation departments tends to be high. Entrepreneurial managers who strive for innovation jobs are easily attracted by external startups or unconventional career steps. Actively managing consistency in how the company collaborates with startups (e.g., through attractive people development opportunities, distributed knowledge holders, etc.) is key. A second way is to develop long-term partnerships with external program partners such as Kickstart in order to build and deliver on multi-year strategy for collaborative innovation from idea to scale.



#### 3. Executive Learning



#### Learn from your peers.

Most executives need to focus on the profitability of their core business. When it comes to collaborative innovation through PoCs with startups, some executives have already made valuable experiences in managing, executing and scaling such projects. Executives should actively pursue knowledge exchange on startup-related experiences from their peers.



#### Learn from young entrepreneurs.

Imagine, you would have met Jeff Bezos or Jack Ma about 15 years ago. It would have been impossible to know back then, how their ventures developed. But it would have certainly been incredibly valuable to build a personal relationship as well as an early business partnership. That young founder sitting next to you, might just be another global leader. Stay humble and curious to learn from the starters.



#### Learn from executives of global tech companies.

Learning from peers and from young entrepreneurs is important but insufficient in order to learn how to initiate and scale collaborations with startups. We encourage meetings with executives from global tech companies, some still being led by the founders. Corporate executives can relate to the challenges for managing a multinational organization but also be inspired of how to do it entrepreneurially.

Fabrice Zumbrunnen, CEO of Migros, and Anke Bridge, Head of Digitalization of Credit Suisse, sharing their learnings and expectations in collaborating with tech startups.

#### 4. Overcoming Corporate Immune System



## Overcoming "not invented here" syndrome: Apply co-creation.

It is important to involve product managers, R&D staff and other stakeholders in the decision-making process of collaborative innovation. Using co-creation techniques in project management (see below), corporates can overcome the "not invented here" syndrome.



## Overcoming "cover my ass" syndrome: Establish productive failure culture.

Corporate executives need to support collaborations with startups in all its consequences. As the majority of partner projects with startups will fail, it is key to create a productive failure culture, where failing projects are stopped quickly and leveraged as a learning experience rather than carried on and on because nobody wants to take the blame. Only then can corporates save time and resources by collaborating with fast startups rather than paying ten times more for an established technology provider.



## Overcoming "career over customers" syndrome: Incentivize intrapreneurial risk-taking.

In the open market, the strongest customer orientation wins. In a large organizations, the strongest orientation towards what top executives value tends to win. Executives need to incentivize risk-taking so that managers do not optimize their behavior for promotion but for innovation. Exposing managers to the external startup world through intrapreneurship program, such as is done in Kickstart, may help overcoming the "career over customer" syndrome.

#### 5. Fundamentals of Co-Creation



## Do not underestimate trust building in the partnering process.

Partnerships work on trust. Mutual trust is more important for the success of an innovation partnership than is the business case projection of such partnership. For trust to be built, people need to physically spend time together. We know and practice this intensively in Switzerland. The same holds true for partnerships with international tech entrepreneurs. That is why Kickstart is structured around a multiweek program bringing tech startups to Switzerland. Prof. Gudela Grote and Dr. Jennifer Sparr elaborate on trust later in this book.



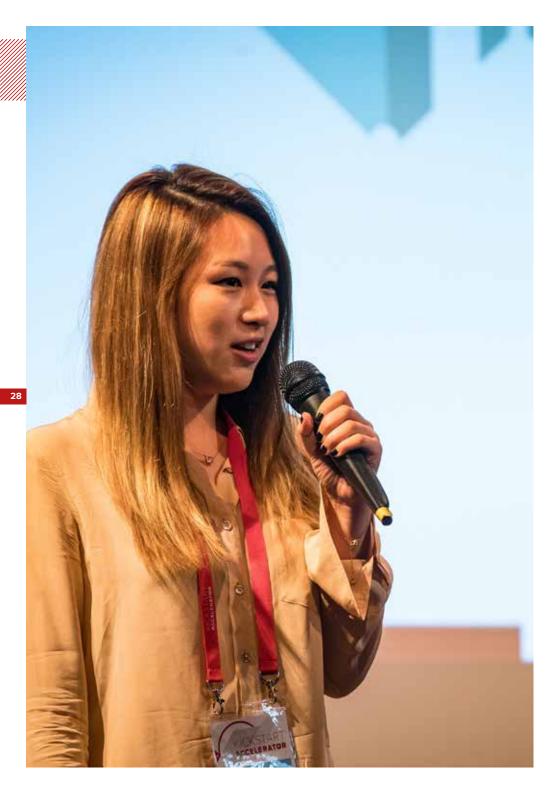
## Be honest, especially to yourself, about your expectations.

Left side: Storytelling and brand positioning Masterclass with Esther Elices of Publicis Switzerland.

Right side: Partnership planning at Kickstart 2018. In their research findings, Prof. Grote and Dr. Sparr emphasize the importance of goal alignment between corporates and startups. It is critical to be honest about your own expectations and goals especially when it comes to open innovation processes. Next to developing new products and services, goals may include increasing the entrepreneurial skills of your staff, changing the corporate culture towards more risk-taking behavior, contributing to the wider ecosystem. Engaging in collaboration with startups and innovation programs such as Kickstart, these different goals and expectations should be clear and communicated.







#### DEEP TECH NATION - DIGITALSWITZERLAND AND THE SWISS INNOVATION ECOSYSTEM

by Nicolas Bürer

#### Current developments in technology and innovation in Switzerland

3 minutes reading time

There are many activities happening right now in Switzerland, which is very encouraging. We have coworking spaces as well as new corporate labs opening up almost every month across the country. The startup ecosystem is doing well with CHF 1bn invested in ventures in 2016 and 2017 respectively. I expect the investment for 2018 to be even higher. The mindset of many large SMEs and corporates is impressive. They are willing to collaborate with startups to speed up their innovation. I also observe a growing number of tech clusters popping up across the entire country: Fashion Tech in Ticino, Digital Sport and Smart Textile in St. Gallen, Blockchain in Zug, Robotics and Data Analytics in Lausanne and Zurich, Digital Health in Basel, and many others. I am delighted to see Swiss regions taking a leading role in these industries. To summarize, the momentum is very high and I am convinced it will continue to accelerate in the next 2 to 3 years. We can definitely be optimistic about Switzerland's future.

Alison Shim, CIO of top Korean blockchain startup, Blocko, - a Kickstart 2017 Alumni.

# Marc Walder, CEO of Ringier and initiator of digitalswitzerland, sharing his vision for Switzerland to become a globally leading digital and

technology hub.

#### CONCRETE COLLABORATIVE PROJECTS

There are currently many interesting initiatives going on. Here are some highlights:



The Kraftwerk innovation and collaboration space is an exceptional joint venture between EWZ, Migros Engagement, Impact Hub Zurich and digitalswitzerland.



The Challenges are a series of collaborative projects that we organize that aim to transform innovative concepts into action. We have about 20 ongoing challenges with more than 70 institutions working together. This would have been unthinkable a few years ago.



We are building alliances with Présence Suisse, Switzerland Global Enterprise, digitalswitzerland, Innosuisse, SEFRI, Swissnex, and other organisations to promote Swiss-made innovation and technology abroad.



We are also ramping up the Swiss Accelerator Network across the country with more than 10 accelerators participating in the program and benefiting from different activities. They are willing to collaborate to reinforce Switzerland's position as a global Accelerator Hub. It is very exciting to see competitors joining forces in the spirit of co-opetition!





#### **OUTLOOK ON DIGITALSWITZERLAND**

Nicolas Bürer, CEO of digitalswitzerland, at the Kickstart Accelerator 2017 Closing Ceremony.

First of all, it is important to emphasize that we are just one of the many players enabling innovation and technology in Switzerland. The momentum is tremendous, in large part due to the many organizations doing a fantastic job at driving technology and innovation in our country. digitalswitzerland has a very important role to play with our strong network and our obsession to drive concrete digital projects that enable innovation. We connect and engage politicians, academics, corporates, SMEs, startups and digital shapers to build this momentum - in all regions of Switzerland. We currently have over 20 projects in areas like the Politico-Economic Environment, Education & Talent, Startup Enablement, Corporate Enablement, Public Dialogue and International Connectivity as well as industryfocused Verticals. An incredible amount of top personalities are involved in our Steering Committees and Executive Committees, which makes it completely unique. The journey after three years is only just starting and the next couple years will see further growth and even more impact!

## THE TAXONOMY OF STARTUP-CORPORATE COLLABORATION

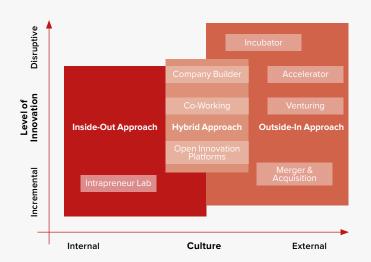
#### by Lukas Peter

10 minutes reading time

This taxonomy is based on PhD research at University of St.Gallen as well as professional experiences both in Switzerland and the Silicon Valley.

In order to keep up with today's fast-paced changes in a world that is driven by digitalization, the ability to innovate is a key determinant of success. Opening up the innovation process to collaborate with startups has become an especially noteworthy and growing trend among large corporations on a global scale.

To stay relevant in a fast-changing economy, the development of instructive knowledge about different collaboration options with startups is of crucial strategic significance for innovation managers in large companies. Nine different forms of collaboration between startups and established companies in the context of open innovation can be defined and compared in terms of the level of innovation (incremental vs. disruptive) and culture (internal vs. external culture) as shown in the image below.



#### **CORPORATE VENTURING**

is a corporate investment program with the main goal of direct extension of a corporation's existing innovation portfolio, focusing on the core- and growth business. Typically mid-term oriented, these investments are strongly driven by financial goals in ventures identified as having significant growth and profit potential. Corporate Venturing typically involves investments in a narrow range of very small startups assessed to have high growth-potential in their early to late stages. The collaborative efforts typically last between three to five years after investment, while the interactions of corporate management and other staff with the startups are episodic.

#### **MERGERS & ACQUISITIONS**

is the consolidation of two companies or their assets, contextually the combination of a large company and a startup, or a corporation's attainment of a startup's majority stake. By acquiring smaller firms, a corporation is able to quickly solve business problems and boost their (typically core-) products and services, without having to create such capability directly themselves. M&A offers a long-term-oriented, fast and effective, and yet relatively expensive way of acquiring complementary technology, capabilities or talent. When acquiring startups, corporations souring for M&A typically focus on a small range of latestage startups that are already successful and where it is anticipated that the acquisition will help the underlying business to grow and scale further. The typical length of successfully acquiring a startup from the scanning of investment opportunities to the closing of the deal can take 1-3 years.

#### **PROCUREMENT**

## KICKSTART ACCELERATOR

From a corporate's perspective, the Kickstart Accelerator is essentially an innovation procurement program to source deep technologies for new products, services, processes or business models.

expands its traditional focus of supply-management to co-development with suppliers, which includes idea-sourcing and thus significantly affects the corporation's innovation performance. With a short-term integration of innovative suppliers to the company's product development process, procurement can serve to provide access to disruptive technologies and new business models (future business). Large corporations prefer to procure through small-scale collaborations with early to late stage small startups with already developed, marketable and adaptable high-quality products and/or services. Within the co-developing process, a POC is typically devised within one to two months, although this process may take up to three years.

#### A BUSINESS INCUBATOR



is a company-supported (on-site or off-site) office space that 'hatches' novel customer-centric ideas with the long-term oriented strategic goal of developing new business models from scratch. The enhanced business portfolio of corporations may enable an improved access to professional services, capital or new markets. Business Incubators mainly focus on medium to large early/seed startups with a strong tech-focus and customer-focus, with the aim of graduating them within a typical length of three to five years of continual exposure to the incubation envi-

Bluelion is a startup incubator by the City of Zürich launched together with ZKB, Swisscom and Wenger & Vieli. www.bluelion.ch

#### CORPORATE ACCELERATORS

There are two particular forms of accelerators to be differentiated. Corporate Accelerators are a subtype of startup/seed accelerators. While seed accelerators are typically independent institutions and either governmentally (non-profit) or privately (for-profit) funded, Corporate Accelerators are particularly set up as subsidiaries of larger corporations and are therefore generally for-profit and funded by private sources. The goal of Corporate Accelerators is mainly to achieve financial results through the commercialization of startups that are ready to enter the market and scale. Accelerators typically focus on a medium range of seed and early-stage startups with small teams. The startups enter Accelerator programs in cohorts. They generally have minimal viable products and few to no customers. The typical length of the collaborative arrangement ranges from three to six months, whereas most programs last three months.

#### **CORPORATE COMPANY BUILDERS**

may be either set up as an independent business model or may be operated by a corporation in addition to its core-business. The main objective of a Corporate Company Builder lies in the fast and agile experimentation of many new ideas, followed by the building of new companies managed by an externally and/or internally acquired team towards financial gains. Here, the focus of innovation is typically distant from the corporation's core business focus. Typically, a Corporate Company Builder collaboratively supports its ventures all the way, until they either exit the venture or the venture is dismissed. A Corporate Company Builder is usually more hands-on and has a bigger stake in its ventures compared to Corporate Venturing, Accelerator or Business Incubator. The goal is to work on a portfolio of ideas in parallel and produce startups in a "serial production" mode.

The Kickstart Intrapreneurship
Program is a combination of
a Corporate Accelerator and a
Corporate Company Builder.

#### **CO-WORKING SPACES**

Co-Working Spaces are generally understood as open, collaborative, community-based workspaces for like-minded individuals, early-stage startups or other parties engaged in non-routine creative work. The main objective is to detect emerging trends and identify opportunities to innovate. By providing an infrastructure specially designed to facilitate social interaction, Co-Working Spaces foster serendipitous innovativeness in yet-to-be-explored business fields, which leads to improved or new business models. Teams in Co-Working Spaces are typically small in size including few members (in the case of startups typically in their early-stage) who utilize the office space, meet frequently and develop strong relationships. Co-Working Spaces generally do not have established graduation criteria or competitive application processes. Co-Working Spaces are motivated to retain member companies as a sustainable revenue stream (versus graduating companies).

With eight locations in five cities, Impact Hub is the

IMPACT

cities, Impact Hub is the largest provider of co-working in Switzerland, also servicing corporate community members. www.impacthub.ch



#### STARTUP PLATFORM PROGRAMS

are characterized as initiatives with a goal to stimulate complementary external innovation in order to push an existing corporate innovation. The goal is predominantly customer-centric. Startup Platform Programs identify and work with startups that are most aligned with the corporation's customer base from a short-to-mid-term perspective. The corporation then provides startups with an already established corporate technology platform upon which to (indirectly) build such a customer-centric innovation. Startup Platform Programs typically engage with a very high number of seed to early stage startups that are oriented on small solutions with an existing, marketable product. A startup typically goes through a rigorous development phase of 10-14 weeks, followed by a corporate verification of the MVP.

#### **INTRAPRENEUR LABS**

The aspiration of Intrapreneur Labs is long-term oriented, and its main aim is at fostering systemic change and driving a collective social impact through an indirect core, adjacent, or new-to-the-business innovation. Intrapreneur labs typically screen for disruptive internal ideas representing such in a push- (following a top-down theme) and pull (detection through a bottom-up process) structure. Typically, Intrapreneur Labs focus mostly on the internal high scale of early-stage startup ideas that represent disruptive trends. Innovation labs consist of small internal innovation teams that operate separately from the internal R&D unit.



Ricolab is an externally and disruptive innovation focused Intrapreneur Lab of the well-known Swiss family business Ricola.

#### WHEN DAVID AND GOLIATH INNOVATE TOGETHER

by Jennifer L. Sparr and Gudela Grote

#### When David and Goliath innovate together: How to harness the tensions in alliances between startups and corporates

12 minutes reading time

Collaborations between corporates and startups are considered a high road to innovation. While startups bring promising ideas, agile behaviour, as well as rapid learning and growth, corporations have resources, networks, and routines for efficiency. Thus, alliances between these unequal partners can create value for both. However, the differences between the collaboration partners and the innovation endeavour itself come with uncertainty and tensions. The two parties have to find ways to share knowledge, resources and efforts while protecting their own interests.

We interviewed startup team members and representatives of corporate partners to learn about their approaches to mastering this challenge. An important question concerned their expectations towards each other at the beginning of the Kickstart Accelerator program. Corporates and startups both emphasized the importance of transparency and openness, clear communication, in particular concerning goals, needs and perspectives of the other party, as well as reliability in collaborating. Both also highlighted the role of trust for a successful relationship. A member of a startup team stated: «For me everything is trust, so I work with loyal people and I like to say things directly, straight. If there are things that do not work just say it, then we can learn and try to modify our behaviour or activities.» A corporate representative talked about the connection

This framework is helpful for managerial practice to gain a basic knowledge of prevalent collaborative open innovation options and may help to assess an options' possible compatibility with corporate prerequisites to succeed in business practice. General challenges in the execution of such collaborations may result from differences in organizational culture and work practices and differences in organizational timelines. It is thus crucial to put careful thought into deciding what collaboration option to pursue and to strive for the mutual benefit of both the corporation and startup. It is important for the process to involve trustworthy internal and external mediators determined to push forward innovation and to facilitate the fostering of internal connections to both the involved business units and the C-level management in order to gain wholehearted internal support.

Kraftwerk Zurich is a project that combines multiple approaches of collaborative innovation under one roof: Co-Working, Acceleration Campus, Intrapreneurship Lab Space, and more. www.kraftwerk.host



between reliability and trust: «We are a Swiss company and we value exact work and well-structured processes. For startups, we of course, need to be flexible, but we expect

«Often, in a business context, it is part of the negotiation tactics not to reveal everything but to approach slowly. However, this is poisonous for establishing a trustful relationship. ...»

that startups deliver what they promise. If a startup does not do this, this could be a problem for the trust.» Another corporate representative reflected «Often, in a business context, it is part of the negotiation tactics not to reveal everything but to approach slowly. However, this is poisonous for establishing a trustful relationship. It is important for us when we negotiate with companies, but in the collaboration with startups it is mostly contra

productive.» However, agreement in expectations did not necessarily mean that expectations were met. For example, one startup representative stated: «[...] The communication could have been a bit more proactive. We did get the information from them, but not quite officially. These are trust-building issues, we were a bit insecure and thought about what this means for us.»

There were also divergent expectations, especially concerning power differentials between corporates and startups. Startups are usually the more vulnerable part in the relationship because their existence is easily threatened by investing in an unsuccessful collaboration with a corporate. To cope with this situation it is important for them to establish a collaboration in parity. For example, one member of a startup talked about a successful partnership with a corporate where «we approached each other as equals, we built something together and it stayed this way for the whole development and collaboration.» Although some corporates also acknowledged how important it is to treat startups this way, their expectations often implied an asymmetric relationship.

Tensions based on divergent expectations were also evident when corporates and startups spoke about the pace of decision-making in the collaboration. Startups need quick and clear feedback and decisions from the corporates: «I think we as a startup we love to have partner organizations with the capability to act fast to give proper responses – that can be a yes or a no - but not to keep things pending for a long time.» Corporates usually are aware of this need but expect the startups to be patient and resilient when there are setbacks nevertheless. Some corporates pointed out that they learned from their experiences with startup collaborations and have begun to adapt their internal processes to better meet the needs of the startups. A corporate representative stated: «In large firms processes are slower because there are more decision-making levels and there we see that startups often want to progress more quickly and we try to improve but still need to ask for their patience often.»

Another evident source of tension is the availability of resources. For startups, financial support is vital and a matter of fairness as they expect corporate partners to be ready to help them out in the proof of concept stage already. In the words of one startup representative: «Fairness is important in the sense that when it comes to the commercial side, that we, let's say, get financial support quite early.» Corporate partners, on the other hand, expect from startups that they demonstrate their "intrinsic motivation" by chipping in as well. Thus, corporates and startups need to first develop a shared understanding of fairness on which to base their transactions.

In order to work through these tensions successfully, three basic steps can be helpful.

#### Step 1:

## Set up a psychological contract and rules for collaboration based on fairness

A psychological contract concerns the expectations of all parties with respect to what they hope to get from the partnership and what they are willing to offer in return. In order to establish a sustainable psychological contract, the partners need to be as open and transparent as possible about their goals for the collaboration, their needs in the collaboration, and their offer regarding the other party's needs. In addition, they should discuss their overall understanding of the collaboration, for instance, their time horizon for the collaboration and non-negotiable requirements and no go's.

Rules for the collaboration need to be based on fairness principles. Fairness is crucial for the development of trust and concerns both what the partners get out of a relationship (distributive fairness) and how it is decided what they get (process fairness). Regarding distributive fairness, a stumbling block is the per definition unequal share of resources between startups and corporates. Both successes and cost should be distributed fairly in view of these inequalities. This is not an easy task and here process fairness can help. Process fairness starts with frequent and candid communication, which takes the other party's perspective into account. Personal interaction needs to be characterized by respect and appreciation for the other party. Further, decision-making processes need to be based on transparent criteria, which are applied consistently. However, consistency may be a challenge due to the dynamic nature of the collaboration, which renders transparency and good communication even more important. To invest in meeting these challenges pays off: Fairness is the social glue that enables a trustful relationship even in the face of many uncertainties.

#### Step 2:

## Focus on learning goals and overarching goals

There are different types of goals for a collaboration: Performance goals that specify a particular outcome to be achieved by the collaboration; and learning goals that focus on the process of navigating through the requirements and challenges of goal pursuit. In the early stages of the collaboration between startups and corporates, the outcome of the collaboration is usually uncertain and sometimes even ill-defined. However, there is the opportunity to learn and explore together. Therefore, a focus on learning goals helps set expectations in a way that all parties can benefit from the collaboration.

Besides the concentration on the development of a product or service, particularly the corporates mentioned overarching goals that they pursue with the collaboration. Among those goals were broader goals, such as promoting the Swiss business ecosystem, and internal goals, such as developing the corporate culture towards innovation and agility. To make these goals explicit and agree on how the collaboration can serve these goals helps to make the collaboration successful.

ETH Zurich in partnership planning with EdTech startups.

## **Step 3:** Embrace and manage the tensions

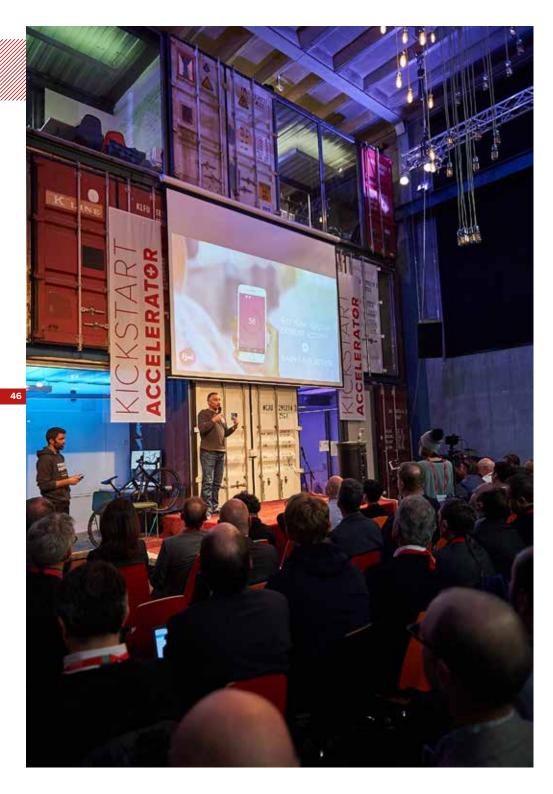
The differences between the corporate and the startup world create many tensions as illustrated by our interviews. However, those tensions offer opportunities for learning and process innovations for both parties. In the most basic terms, corporates may shift towards more flexibility and agility, whereas the startups will be able to offset some uncertainty by becoming more efficient and structured. To open up to such changes, all involved individuals need to adopt a mindset that embraces the tensions, which will help them to accept, integrate and balance competing demands and to thrive in the collaboration.

The Kickstart Accelerator with its sophisticated program and support structures provided by an amazing team of experts, mentors and facilitators provides an

excellent environment for successfully managing Step 1 and 2 through its collaboration platform. Moreover, it helps to overcome language barriers and supports perspective taking between the parties to learn about each other's expectations. This also lays the ground for Step 3, which probably is the hardest and requires personal learning and self-development.

"[Kickstart] does not only facilitate first contacts between potential collaboration partners, but also helps to establish the collaboration by setting some basic rules for the exchange between the stakeholders."







interview conducted by Christoph Birkholz

## Collaborations between Corporates and Startups: Three questions to Daniel Ginter

## **CHRISTOPH\_Why** is corporate-startup collaboration getting more important?

 $\label{eq:definition} \textbf{DANIEL\_It's} important to realise that the essential idea for the next big thing can come from anywhere.$ 

Both corporates and startups have natural characteristics along many dimensions. They lay e.g. in their organisational setup, financial and talent capabilities, different mindsets and approaches of getting things done. You can look at them as contextual 'strengths and weaknesses'.

Once this organisational self-awareness has been developed, corporate leadership needs to authentically demonstrate it truly values ideas, the people who come up with them and take an active approach in turning them into reality.

It is an essential step to changing the culture, encouraging and inspiring proactive development and testing of new ideas and sustainable innovation.

The dominant part of any active learning process, is the famous 'failures' from unexpected outcomes. The true value in these derives from new insights and reduced uncertainty when done the right way.

Fjuul pitching on stage at Kickstart 2017. Corporate organizations can build on a much bigger number of people, with a broad range of expertise ("breadth") and collective years of professional experience ("depth). This gives them an advantage regarding industry expertise and the 'rules of the game' what works and what doesn't work in the market today.

As established players, they have a large number of client relationships, direct access to customers, brand-awareness, credibility and cash-flow, which startups lack. Building them takes time and is risky.

Startups, on the other hand, are often better at a lean and agile approach, due to a different mindset and very limited resources, requiring them to be a lot more innovative and effective at solving challenges, often leveraging new technologies to do so. Being very close to customers and actively working with them is usually at the core of successful startups. It helps them solve customer pain points and developing new solutions more effectively.

Coop's Benedikt Pachlatko analyzing PoC opportunities at Kickstart 2018.



A key strength corporates have to offer is established scale and impact for new solutions.

Understanding your strengths, capabilities and values, allows to put together high-performance collaborative teams to solve tough challenges, and getting innovation done successfully.

Achieving this doesn't happen automatically. It requires a holistic understanding of what is characteristic for both, and a systematic approach to unlocking the big potential of a joint approach.

## **CHRISTOPH\_What do you recommend corporates when pushing innovation together with startups?**

**DANIEL\_**In a first step, the activity fields to explore need to be defined, aligned with strategy, goals and expectations set. Defining the Where, What, How and Why increases clarity where you want to explore, and where not.

Secondly, sitting down together in person, and having an honest conversation about what each party wants and doesn't want out of the relationship, both short and long-term. Defining how success looks like is also very important. This sounds easy and obvious but requires substantial self-awareness, time and an honest dialogue. The goal is to understand not only the business case, but also identifying the match of people and values. Successful (Corporate) Venture Capitalists put a lot of emphasis on the team for good reasons. They want to see that the people they invest in have not only the technical capabilities but also the grit to keep pushing for new solutions when faced with challenges. Setting clear goals together allows establishing trust, actively managing expectations and working towards mutually beneficial results. Being aware of the characteristics of a startup as well as the mentality and personality of founders and team help understand each other better and have a constructive dialogue.

Thirdly, looking at the relationship as an ongoing, dynamic learning process helps to create successful long-term value. Once this basis has been established, it's essential to make room for a learning with and from each other. Building on such foundation does not only increase the chances of success and mutual benefit but makes the journey together a lot more satisfying for everybody involved.

# CHRISTOPH\_Where do you think will Switzerland be in terms of collaboration between corporates and startups by 2020?

**DANIEL\_It's** great to see that both awareness and activities are picking up. There is a lot of knowledge and discussion in the market. Now, it's time to further push the action.

New skills, experiences, capabilities, confidence and innovation happen from doing, from trying new things and trying new approaches.

That's why we are pushing activities to connect people, ideas and resources with customers and market, to innovate and accelerate.

The goal is to substantially increase the number of collaborations, the practical experience and amount of money put to work for corporate-startup collaboration and investing.

Enabling corporates to make better use of different collaboration possibilities from strategic partnerships, POC-to-market, corporate venture capital to mixing intrapreneurial teams is essential to unleashing the full potential in the organizations, technology and market.

Corporates and Switzerland as a whole can learn a lot from the startup mentality and action. With a good education, skilled workforce, beneficial market conditions, a diverse society and a tradition of (re)inventing ourselves, we are in a good position to realise our innovation potential together.

Especially when also creating and pursuing international opportunities, and thinking globally for scaling impactful technologies, Switzerland can be a global innovation leader, realizing huge potential for growth and sustainable impact.

Kickstart's Food & Retail Tech Vertical pushing for a food innovation cluster in Switzerland.



#### THE KICKSTART ACCELERATOR MODEL

by Katka Letzing and Christoph Birkholz

#### We don't accelerate startups, we accelerate partnerships.

4 minutes reading time

Kickstart Accelerator is an innovation program to speed up partnerships and collaborations between highgrowth startups and established organizations such as corporates, mid-size companies, cities, universities and research institutions.

The proven program structure provides ideal conditions for successful partnerships to result in joint Proof-of-Concepts / technological pilots, commercial partnerships, research & development collaborations and pre-PoCs / demo projects. Corporates and other partners join Kickstart to benefit in innovation, product and business development, intrapreneurship and HR skill development as well as communication, PR and employer branding.



Higher speed through structured Partnership Acceleration Process (scoping, matching, negotiating, delivery, demos, scaling)

Structured program milestones to accelerate decision-making

Cross-industry and cross-sector learning and best practice sharing

Standardized tools and templates (draft contracts, term sheets, NDAs, etc.)

C-Level Engagement with participation of Switzerland's top CEOs

Scaling Program to move beyond pilots



Katka Letzing and Christoph Birkholz, co-leads of Kickstart Accelerator, opening the 2018 batch at Kraftwerk Zurich.



#### Focus on high quality partnerships

Kickstart's entire structure is focused on partnerships as the number #1 objective of all stakeholders. If executed excellently, other typical objectives of accelerators such as investments per startup or attracting international startups to open their office in Switzerland are likely to follow due to the successful business relationships enabled by Kickstart.



#### **Higher speed through structured Partnership Acceleration Process**

Open innovation is a creative process that is difficult to manage. However, lack of structure in innovation processes increases unclarity, leaves stakeholders uncoordinated and slows down the generating of results. Kickstart's Partnership Acceleration Process is easy to understand, communicate and follow: Topic scoping, startup scouting & matching, partnership negotiating, PoC delivery, demonstrations and PoC scaling to products and services are pre-structured, yet flexible for different organizational contexts.



#### Structured program milestones to accelerate decision-making

Due to its programmatic nature, there are clear milestones, beginnings and ends of collaborative planning and delivery. Depending on each PoC Track, partners are focused on scoping, negotiating or delivering partnership projects until the Closing Ceremony, when results are to be communicated. These program milestones speed up the execution of successful projects and, equally important, the decision to stop unsuccessful ones.



#### Cross-industry and cross-sector learning and best practice sharing

At its core. Kickstart enables collaborations between highgrowth technology startups and established organizations, thus providing ample opportunities for entrepreneurial and intrapreneurial skill development. However, Kickstart also convenes established organizations across industries and sectors, not just within one business community in which everyone already knows each other anyway. Kickstart partners learn how to approach innovation through collaborations from leaders of other industries, as well as across private, public and even philanthropic sector boundaries.



#### Standardized tools and templates (draft contracts, term sheets, NDAs, etc.)

Kickstart provides standardized tools and templates that are addressing both the requirements of large organizations (and e.g., their legal departments) and of fast-growing startups. Tools include process charts, checklists and guides for internal and external communication. Templates include draft term sheets and non-disclosure agreements.



#### C-Level Engagement with the participation of Switzerland's top CEOs

Most executives have been and still are primarily held accountable for the current performance of the core business. However, in times of the fourth industrial revolution, new product and business development happen at a pace, where in most industries it is unknown which products will become the main revenue driver in only five years. Hence, executives need to more and more take responsibility for innovation. Kickstart addresses this need by involving CEOs and top executives into the program through its C-Level Engagement Program through learning events, C-Level workshops and startup networking opportunities around trends in deep technologies.

ZHAW's Prof. Adrian Müller in partnership planning conversations with Singapore-based EdTech startup Gnowbe.



Through the work of Kickstart, top tier international media has taken notice of the Swiss startup and innovation ecosystem.



#### **Scaling Program to move beyond pilots**

Delivering a successful PoC or R&D project between technology startups and large organizations can be a challenge. However, scaling the outcomes of such collaborative projects to actual new products, services, processes or technologies is even more difficult. In 2019, Kickstart will pilot a post-program scaling service beyond the early-stage project phase.

Since 2016, Kickstart has already supported over 50 partnerships between technology startups, corporates, cities, universities and other established organizations. It is one of the world's largest programs to enable B2B technology projects that puts Switzerland on the global deep technology and entrepreneurship map. There are some exciting case studies to draw from (see next section) and national and international media have taken notice.

Swiss top executives joining Kickstart's breakfast meeting with Johann Schneider-Ammann, president of the Swiss Confederation in 2016.











#### CASES OF COLLABORATION

#### Compiled by Katka Letzing and Christoph Birkholz

6 minutes reading time

Since 2016, Kickstart Accelerator has been focusing on accelerating partnerships with increasingly later-stage startups that proved to be a better match for the partners including corporates and public institutions. To this date, over 50 Proof-of-Concepts, Commercial projects and other partnerships have been formed. Kickstart has played an important role in helping the partners and startups in scouting the right startups, leading the selection process with more than 100 partners and over 100 startups coming from more than 40 countries.

#### **HELSANA & FJUUL**

Fjuul, startup from Finland, provides an engagement platform that enables insurers to grow their business at lower risk. Fjuul also brings digital health to everyday people and everyday life. They provide tools to uncover links between lifestyle and wellbeing. Rather than just counting daily steps and moves, they help you understand the meaning beyond the numbers by highlighting your healthy habits and finding ways to balance and improve your life. Fjuul was in the batch 2017 and connected with insurance company Helsana to work together on a commercial project to implement their plug and play solution that enables those features as an integrated part of Helsana+. The first integration targeted over 35,000 customers, which was successful and the startup has now opportunity to scale further for the overall 2'000'000 Helsana customers and the wider Swiss market.

Helsana+ has become the most successful engagement program in Switzerland running on the Fjuul platform. Ever since it has seen a tremendous growth approaching 100'000 customers and going strong going into 2019 and beyond. The Fjuul tech sits within the core

of the Helsana offering and the team is further involved growing Helsana+ by adding more depth to the platform and new features for customers. Helsana has served Fjuul extremely well being the lighthouse project for smart insurance in Switzerland – it helped the company significantly to acquire already two more clients in Switzerland.

Key Learning for Collaboration: The actual product delivery is just one part of the package including frequent service and support, partially consulting, and working with an integrated team to deliver one solution based on the strategic value to clients. You don't just deliver tech but the means that enable a much deeper value proposition in the market, so you need to first understand and embrace that vision and then embed your piece as a seamless piece to the grand total.

## WYSS ZURICH (ETH ZURICH AND UNIVERSITY OF ZURICH), GEBERT RÜF STIFTUNG & ROSIE REALITY

Augmented reality (AR) has the potential to transform how kids learn and play. RosieReality is a Zurich based startup focused on delivering accessible AR learning experiences to kids of ages 8 and up. The team develops Rosie, an AR robot for iPhone and iPad. Rosie introduces kids to AR experiences and programming concepts. Based on their previous experience at Tio, their first startup in 2016 at the Kickstart Accelerator, the team developed relationships with the Wyss Zurich of ETH Zurich and University of Zurich as well as Gebert Rüf Stiftung. The outcome of the Kickstart Accelerator was the formation of a new idea and new project pilot for 18 months. Their investments reached over 1 million CHF so far. Thanks to the partnership and Kickstart networks, the Rosie team has now tested their new technology and learning experience with over 2000 children.

**Key Learning for Collaboration:** Investing in the right and detailed due diligence before the proof-of-concept and setting up the right team working on the project is crucial.

#### **MIGROS & FAITRON**

Faitron, Swiss startup, developed the HeatsBox, fast heatable lunchbox that increases customers' well being through a healthy lifestyle while also allowing convenience.

Faitron was in the Kickstart 2016 batch and was able to partner on a Proof of Concept with Migros as well as Coop. At Migros, they had a chance to have internal testings as well as showcase their products in more than five Migros stores. Faitron's goal of depth proof of concept connected to get market analysis as well as sharpening their customer USP was confirmed and based on that they are in further discussion with multiple departments for a further implementation as well as expanded for b2b business with other clients in Switzerland. Additionally, based on their learnings, the founders also invented BabyBoo, the first smart-warming baby bottle.

**Key Learning for Collaboration:** It is key to set the right expectations of timing for a proof of concept and delivery as well as navigating the right communication with the important stakeholders.

Peter Spence, founder of Rosie Reality (then: tio) demonstrating their technology at Kickstart 2016.





Carola Wahl, Member of the Board of AXA Switzerland, and Marcos Monteiro, co-founder of Veezoo announcing their joint PoC using Al for internal intelligence.

#### **AXA & VEEZOO**

Veezoo, based in Zurich, is a conversational artificial intelligence solution to analyze and visualize company data in seconds. From the SIX hackathon to support of the Kickstart 2016 batch, Veezoo became a ETH spin-off and confirmed multiple Proof of Concepts, including the partnership with Axa. The goal of the proof of concept was to show how Veezoo can reduce the partner's reporting backlog by hundreds of hours per month, while at the same time enabling the management to take more informed decisions. The project took three months and after successful proof of concept, Veezoo was able to confirm a integration and roll out for 100 users with a possible expansion in the upcoming months. The team grew from three to 12 employees in less than two years and one of their learnings was to find the right champion in the partner organization to help them with successful PoCs and commercial projects.

**Key Learning for Collaboration:** You need to invest in trust with different stakeholders and find the right champions to advocate for the technology and project.

#### Autonomous robot of Indian startup, ifuture robotics, deployed in a PoC with Coop warehousing.



with weight up to 30 kilograms. iFuture Robotics successfully developed a robot, which now can move Coop containers addressing specific requirements. Currently there are final adjustments in India at iFuture Robotics and decision will take place of further implementation in Switzerland this year.

**Key Learning for Collaboration:** It is important to align on differences of technical standards between Asia and Europe, as well as optimising delivery times.

#### **SWISSCOM & HAWA DAWA**

Hawa Dawa is working on the future of air quality monitoring by transforming data on air pollution into real insights for greener cities. The startup joined the Kickstart 2017 batch and signed an agreement with Swisscom to develop a data model of air quality in Zurich. Hawa Dawa was leveraging open data from the city of Zurich and was using big data analytics and machine learning algorithms to model the air quality in the whole city. The new Swisscom Mobility Insights platform, used by civil administrators, tourism and marketing professionals, and others, was using these air quality insights directly into the tool allowing taking even better decisions and planning, combining these insights with unique mobility information. The pilot was for 6 months and was finished successfully, which led for Hawa Dawa scaling now further in Switzerland.

**Key Learning for Collaboration:** By providing air quality data and others, the city of Zurich enables new business development, which is facilitating collaborative projects between Swiss organizations and global startups.

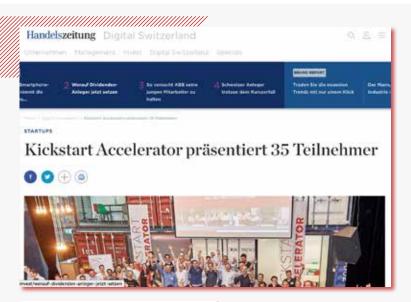
#### **CREDIT SUISSE & APIAX**

RegTech startup Apiax transforms complex regulations into easy-to-use digital compliance rules. Apiax joined the Kickstart 2017 batch and works with Credit Suisse on the project "Applicable Offering", which has the goal to manage applicability rules digitally in a central repository and to leverage such rules in the context of the Advisory Process. For the digitalization and the maintenance of the relevant rules, there was an RfP launched to evaluate six external vendor solutions. One of them was Apiax, and their solution was assessed as the best fit to cover the needs of Credit Suisse. Currently, there is a Pilot with Apiax running to validate the solution, with the aim to broadly apply the Apiax platform in the context of the Credit Suisse Applicable Offering rule engine.

**Key Learning for Collaboration:** Collaboration may require more time and energy than one expects beforehand. And it requires out-of-the-box project management to succeed. Hence, persistence and creative project modules are the key factors of the success of this collaboration.

#### **COOP AND IFUTURE ROBOTICS**

iFuture Robotics, an Indian robotics startup, is building the next generation of robots for Smart Logistics. The robots operate in a fully automated system from the time goods are received in the warehouse to the point goods exit the warehouse. During the Kickstart Accelerator sprint 2017, the startup confirmed a Proof-of-Concept with Coop Logistics to take place this year. The goal was to identify the target pallet and container for the Coop boxes, based on e.g. the barcode information and further automatic lift, transport and set down the three types of the Coop boxes



## Neue Zürcher Zeitung

#### Warum Grossfirmen für ein paar Wochen Startups nacheifern

Am Kickstart Accelerator in Zürich nehmen fünf Intrapreneurship-Teams teil - so viele wie noch nie. Immer mehr etablierte Firmen setzen auf solche «Minjunternehmen in Unternehmen».

Daniel Fritzsche 6.10.2018, 05:00 Uhr



Buchs einer Spray, mit dem man Minerale, Vitamine und Pflanzemestrakte zu sich nebwan kann (Bildt Annick Pamp / NZZ)



#### **OUTLOOK TO VOLUME 2**

#### 3 minutes reading time

As comes batch number 4 of Kickstart Accelerator in 2019, we will also publish the second volume of this book. Together with our partners, we will dig deeper into the dos and donts of collaborative innovation processes. In the next volume you can expect to read more about:

#### 1 INTRAPRENEURSHIP

"The Macintosh team was what is commonly known as intrapreneurship.... a group of people going, in essence, back to the garage, but in a large company." - Steve Jobs on intrapreneurship in Newsweek.

With seven intrapreneurship teams from four different large corporates, the Kickstart Accelerator team gains valuable insights into how to bring entrepreneurship back into corporate innovation projects. In 2018, NZZ has covered different intrapreneurship teams within Kickstart Accelerator and we are keen to analyze and share the learnings we have made with intrapreneurial projects building startups and spin-offs from within large organizations.

Kickstart and its partners are frequently covered in top newspapers in Switzerland most recently the intrapreneurship teams of Migros, Credit Suisse and Swisscom in Neue Zürcher Zeitung.

> Karsten Fuhrmann. intrapreneur of upto, AXA intrapreneurship venture in Kickstart 2017, interviewed by media.



## 2 COLLABORATIONS BETWEEN STARTUPS, CITIES AND UNIVERSITIES

The first volume of this book is focused on partnering between corporates and startups. While some of the learnings can also be applied to collaborations between startups and other established organizations, there are also particularities when organizations such as universities, research institutions or municipalities collaborate with startups. In the second edition of this book, we would like to investigate these particularities more thoroughly. Thanks to Dr. Maria Olivares and Katrin Winiarski from the University of Zurich, a partner in Kickstart's Education Technology & Learning Vertical, we can already share some of the reflections to be developed in the coming volume in more depth.

## Unlikely Allies? – Collaborations between universities and technology startups

by Maria Olivares and Katrin Winiarski

Innovation, particularly disruptive innovation, happens when connecting previously unconnected players of knowledge. Universities are key players when it comes to knowledge and technology transfer. Indeed, they have started to take on a proactive role in the innovation ecosystem they are embedded. In collaboration with societal stakeholders, they create an environment that encourages the exploration of new opportunities, taking intellectual risks as well as fostering entrepreneurial behaviour and critical thinking. In fact, curiosity, intrinsic motivation, the capacity to identify opportunities along with a high tolerance for constructive failure and collaborative work environments are commonly shared characteristics of both universities and startups.

The collaboration between the University of Zurich and startups in EdTech within the Kickstart program demonstrates the culture of experimentation and our interest to pilot and test innovative technologies at the University of Zurich. At the same time we link the startups with departments from various disciplines, university-wide units and services, this creates a unique opportunity for the Kickstart program to get access to expert knowledge. The University of Zurich, in turn, meets its strategic goal, that is, to systematically develop teaching and student advisory services at the highest quality standards.

Collaborations between universities and technology startups via an accelerator program – such as Kickstart – inheres synergies to all parties, because they could greatly benefit from successful development and deployment of the newest technologies.

Looking back to our first experiences when we explored new technologies that could be piloted at the University of Zurich in collaboration with EdTech startups, we can highlight the three lessons learned to be further elaborated in the next volume.

## **Lesson 1:** Use the entrepreneurial spirit of a university-startup-collaboration

When starting a collaborative project between universities and startups, there is this spirit that emerges, inspiring the actors at both parties to work and experiment on something new. Take advantage of this entrepreneurial spirit.

## Lesson 2: Find the common ground for collaboration

There should be common ground that drives collaboration between universities and startups, that is, find the right match of applying innovative technologies between universities and startups that will benefit both parties.

#makeithappen
- Kickstart 2018
Opening
Ceremony.

## **Lesson 3:** Collaboration with startups sounds easy, though it is challenging

Though seemingly easy on the first sight, collaboration with startups can be challenging, especially at large universities. Actors at both sides can find it difficult and maybe are cautious to connect. Successful innovation projects require a non-adversarial mind-set, often a multi-level and multifunctional approach, the willingness to share knowledge and sometimes the ability to learn to speak "another language".

Education
Technology &
Learning startups preparing
for collaboration
with Swiss
universities at
Kickstart 2018.

We look forward to these and other findings in order to advance the Swiss innovation and entrepreneurship ecosystem. The country is on its way to becoming the Deep Tech Nation and Kickstart Accelerator and its committed partners are betting on collaboration to make it happen.







Thank You All! - The Kickstart Accelerator Team together with the Mayor of the City of Zurich, Corine Mauch.

First and foremost, we would like to thank all contributors to this book. The writing process once again proved the power of the deadline – a "writing accelerator", more than anything else. Thank you so much for joining this journey towards the first volume of "Kickstarting Collaboration".

We would also like to thank the partners and startups of Kickstart Accelerator and Impact Hub since, without them, many of the learnings and reflections within this book would not have been possible. It is thanks to many committed individuals - entrepreneurs, intrapreneurs, executives managers, innovators and researchers – that we can draw from successes and failures and carve out and share recommendations and best practices within the Swiss innovation ecosystem.

**Christoph Birkholz** 

#### COLLABORATIVE NOTES

