BUSINESS START-UP IN SCANDINAVIA
Core Course

Summer 2019

6 weeks

3 Credits

Room: F24-306
Location: Copenhagen
Study Tour: Stockholm & Helsinki
Faculty Member: Karim Jabbar
Email: karim.jabbar@dis.dk

<u>Prerequisite:</u> **This course can only be taken in combination with the** *Business Start-up in Scandinavia Internship*

Expected workload: 6 hours per week in-class sessions
+ Approximately 15 hours per week working on your start-up project

Course Description:

The Nordic countries have over the past decade consistently punched above their weight in terms of successful tech startup exits. In 2014, the Nordics alone had 53% of all European billion-dollar-plus exits. This is particularly remarkable considering that these countries have small populations, only 7% of European GDP, and only 10% of invested Venture Capital in Europe. While the US dominates the total number of billion-dollar-plus exits, the Nordic countries have the world's highest ratio of these types of exits to GDP, which indicates an efficient eco-system in creating really valuable companies.

It is in this startup ecosystem that you will spend the summer working on developing a new venture. You will learn to use some of the newest business development tools and methods, and get exposed to many of the main players in the startup scene in Denmark, Sweden and Finland.

At the end of this intense 6-week process, you will have developed a business concept, engaged with potential customers and partners, built a minimum viable product (MVP), created an online presence for your company, effectively grown your personal network in the key startup hubs in the Nordic countries, and gained experience in pitching your idea to professional mentors and investors. All these elements combined will greatly improve your chances of successfully applying for a competitive Business Accelerator Program either in Europe or back in the US.

Learning objectives:

- Learning how to develop a business model for a start–up venture through a structured and iterative customer discovery process
- Understanding that entrepreneurship is an inherently dynamic process that requires a balance between planned focus and flexibility, and gaining the tools to better manage such a process.
- Applying the acquired tools to a personal real-life start-up venture.
- Learning how to prepare and deliver an effective pitch of your (business) idea.
- Being able to see patterns in various entrepreneurial business cases, and being inspired to use some of these patterns in your own business project.
- Getting an understanding of the entrepreneurial process in the tech industry, from idea to exit.
- Getting an understanding of the role and interplay between different actors on the entrepreneurial scene (Entrepreneurs, Science Parks, Venture Capitalists, Incubators/acceleration programs, Policy Makers).
- Getting first-hand knowledge of the entrepreneurial scene in Denmark, Sweden, and Finland.

Faculty:

Karim Jabbar holds an M.Sc. in International Business Administration from Copenhagen Business School (2001), and is a certified *Lean Lauchpad* Educator (2014). He has held positions as Programme Manager at the Delegation of the European Commission in Cotonou, Benin (2002-2003), Research Assistant at the Danish Institute for International Studies (2001), Managing Director for a travel company with subsidiaries in five African countries (2004-2007), and founder of a company in the travel space (2007-2009). He has lived and worked on four continents, and is currently doing doctoral research at the Department of Computer Science at the University of Copenhagen. Karim's interests lie in the intersecting areas of Entrepreneurship, tech Innovation, and the emergence of large scale digital infrastructures. His current research focuses on industry applications of Blockchain and distributed ledger technologies. With DIS since 2009.

DIS contacts:

Susanne Hovmand, Program Director, sgh@dis.dk, tel: +45 3376 5430

Adeline Reiser, Program Assistant, are@dis.dk

Literature list:

- **Godin, Seth**: *The dip: a little book that teaches you when to quit (and when to stick)*, 2007

- **Kawasaki, Guy**: *The Art of the Start: The Time-Tested, Battle-Hardened Guide for Anyone Starting Anything,* 2004
- **Ries, Eric***: The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses,* 2011
- **Osterwalder, Alexander, et.al. :** *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*, 2010
- **Read, Stuart, et.al. :** *Effectual Entrepreneurship,* 2010
- + specific company cases and articles TBA

Study tour to Stockholm & Helsinki:

Objectives of the study tour:

- Inspire the student teams through interaction with key actors on the entrepreneurial scene in Stockholm and Helsinki

- Get an in-depth understanding of the structure of the high-tech entrepreneurship sector in the Nordic countries, hereunder the role of policy makers, science parks and business accelerator schemes, and well as the venture capital market in the region.

- Meeting with a number of successful start-up companies and entrepreneurship & innovation communities that will share their experiences with the student teams

- Getting inspiration that can be transferred to the specific projects that the student teams are working on during the semester

- Having the opportunity to pitch your business idea to relevant people

Grading:

Engagement	20%
Business model validated by potential customers (business model canvas + process log + status presentations + final video)	35%
Minimum Viable Product (Prototype)	20%
Investor Pitch (including financial projections)	25%

Grading (expanded):

Note that this class is based on your own business idea, and on turning that idea into an actual viable business. You must therefore have a strong drive to learning by doing, rather than passive studying. This can be quite a challenge if you are used to more "traditional" lecture based courses. Please do not select

this course if you are only expecting to study articles and take tests, if you are expecting the instructor to be lecturing all the time, or if you do not wish to apply your ideas in a real life setting. This course demands that you will try to actually turn an idea into a potentially viable business case. It is not a requirement that the venture succeeds, or that you decide to pursue it after the program is over. It is however a requirement at that you treat the endeavor 100% seriously, and that while you are in Copenhagen you think and act as an actual entrepreneur doing it "for real". During the 6 weeks in Copenhagen you can expect your workload to be Full Time (Core course + internship).

Engagement and collaboration (20%):

This class requires a high level of motivation and active participation *in class, outside class, and during the study tours*. Attendance is mandatory. To get a good engagement grade the following must be done:

- Active and voluntary participation in class discussions
- Having prepared properly for every class, i.e. doing all the required reading and assignments
- Being willing to sometimes step out of your comfort zone, and being outgoing
- Being active in both providing and receiving feedback from your peers and all other parties that your encounter during the course
- Being pro-active in spreading the word about your business venture to all relevant stakeholders
- Actively seeking out startup events, and participating in the local startup scene
- Being able to collaborate well with your assigned peer team and delivering constructive feedback to your peers when required

Business Model validated by your potential customers + Video (35%)

FORMAT: Detailed progress log of all customer interviews conducted using the *Lean Launchpad* method, including a weekly updated Business Model Canvas, updated project status slides, and a final status video

- NB: This is the core element of the course, and the most important part of the grading. This means that the *Lean Launchpad* method HAS to be followed explicitly. If your team presents a business model canvas with no substantial customer interaction, it will dramatically decrease your chances of getting a good grade for this course!
- The Business Model Canvas should be used as a steering tool for your customer discovery process (using each building block of the canvas to build hypotheses, which are to be validated/ or discarded by in depth interviews with potential customers)
- A minimum of 3 relevant interviews must be conducted every single week (face to face, or via Skype – surveys are nice to have, but do not count in this regard)
- The interviews must be targeting the relevant customer segments, and be based on open-ended questions in accordance with the guidelines presented in class (you are not looking for someone to agree with your idea, but someone to give you insights about the problems and needs of the targeted customer segment)
- Each group must keep a record of the conducted interviews (voice recording or video) – These will be used in class when needed to illustrate best practice interview techniques.

- Successful customer discovery does NOT imply that the customers necessarily agree with your proposed business model – There is much value in learning what the customers do not want, and making the appropriate adjustments (iterations or pivots) – This is the core of what this method is about!
- At the end of the project, a final status video (reflection video) should be made by each team summarizing and reflecting on the learnings that have come out of the customer discovery process. This video should be 5 minutes long.

Minimum Viable Product (Prototype) – (20%)

FORMAT: E.g.: Landing page, Website, App wireframe, Physical mock-up

- In parallel to the customer discovery process, you must work on developing a Minimum Viable Product
- An MVP is the least developed stage of a product that is enough to convey the message about its key value propositions, to the targeted customer segments (with the purpose of closing a sale before the actual product is finalized).
- An MVP can be everything from a landing page, to a brochure, a cardboard mock-up, or an app wireframe.
- Your team must figure out what the most appropriate MVP is for your project, build it, and use it in your engagement with potential customers.
- The engagement with customers should be systematized using the appropriate method of engagement for your specific venture (e.g. direct contact, SEO, A/B testing, targeted crowd feedback etc.)

Investor Pitch (including financial projections) - (25%)

FORMAT: Slide deck + pitch to a panel of professional mentors and investors + separate spreadsheet with financial projections

- The pitch should be based on a template used by VC investors
- The pitch should cover: 1- Quick elevator pitch including the "Ask", 2- Problem, 3- Solution, 4- Product overview, 5- Business Model, 6- Customer validation, 7- Market size, 8- Competition, 9- Customer acquisition strategy, 10- Financials, 11- Team, and 12- Quick summary
- The pitch should be delivered in maximum 5 minutes
- The pitch will be delivered to a panel of professional mentors and investors
- You will be judged both on your content and your presentation skills (content 70%, presentation skills 30%)

Academic Honesty: Plagiarism and Violating the Rules of an Assignment - DIS expects that students abide by the highest standards of intellectual honesty in all academic work. DIS assumes that all students do their own work and credit all work or thought taken from others. Academic dishonesty will result in a final course grade of "F" and can result in dismissal. The students' home universities will be notified. DIS reserves the right to request that written student assignments be turned in electronic form for submission

to plagiarism detection software. See the *Academic Handbook* for more information, or ask your instructor if you have questions.

Disability and Resource Statement: Any student who has a need for accommodation based on the impact of a disability should contact Sean Green (sgr@dis.dk) to coordinate this. In order to receive accommodations, students should inform the instructor of approved DIS accommodations within the first two weeks of classes.

Schedule: Schedule is subject to change if necessary with as much notice as possible.

Class Policy on Audio and Video Taping and Distribution: Any audio or video recordings produced during this class, as well as any recordings posted to online class sites such as Blackboard, may not be exchanged or distributed for commercial purposes, for compensation, for posting on social media sites, or be used for any other purpose other than for study by students enrolled in this class. In addition, distribution or sharing of course materials (including instructor PowerPoint slides) may constitute copyright infringement.

Course Outline

Class	Date	Summary	Readings – prior to class	Deadlines
WEEK 1				
WEEK 1	(Tue) May 21 13.00 – 15.00	Intro to course + Ecosystem for entrepreneurship	Engel & Freeman: *Models of Innovation: Startups and Mature Corporations,* California Management Review. 2007	
WEEK 1	(Fri) May 24 09.00-12.00	Intro to the Business Model Canvas + the Lean Startup idea + Presentation of student ideas (all students must present a domain they find interesting and a specific business idea – the overall accepted domains will have been introduced on the first day of class)	Osterwalder, Alexander, et.al. : *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*, 2010 (intro + browsing of main concepts) Ries, Eric*: The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses,* 2011 (intro + browsing of main concept)	2 minute presentation of your idea

		Thematic clustering of domains Group formation (2-3 per team)		
WEEK 2				
WEEK 2	(Mon) May 27 09.00-12.00	Intro to the *Lean Launchpad* Method + Business Model Canvas Workshop	Blank, Steve: "Why the Lean Startup Changes Everything", Harvard Business Review, 2013 Osterwalder, Alexander, et.al. **:** *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*, 2010	Weekly Log
WEEK 2	(Fri) May 31yyyyy yyyyyyy yyyyyyy yyyyyyy yyyyyyy yyyyyyy yyyyyyy yyyy 09.00-12.00	Business model presentations & peer feedback + What space are you moving into? – tools for analyzing industry, competition, and opportunity size + How to do interviews? + Workshop: Preparing your interviews	Porter, "The Five Competitive Forces That Shape Competitive Strategy" Porter, "How smart connected products are transforming competition" + Be prepared to share your initial findings about your specific domain + http://steveblank.com/slides/ Watch the videos prior to class. In particular the ones under the headings "Before leaving the building", "Outside the building", "Understanding what the customer is telling you", and "Back in the building".	First version of the Business Model Canvas + Power point presentation
WEEK 3				
WEEK 3	(Mon) Jun 3 09.00 – 12.00	Business model presentations & peer feedback	Team Presentations: 3 minutes each Overview of your current Business Model Canvas and proposed experiments to test your build-in hypotheses about customer segment, value proposition, channel and revenue model.	Spreadsheet with contacts and customer discovery plan + Weekly log

WEEK 3	(Fri) June 7 09.00-12.00	Building a Minimum Viable Product + Start working on building your online presence - as a means to reach out to your potential customers and test your hypotheses.	http://unbounce.com/101-landing-page-optimization-tips/ http://www.slideshare.net/ioninteractive/50-landing-page-best-practices-13034333	Power point presentation + Updated Business Model Canvas
			WEEK 4	
WEEK 4	(Mon) Jun 10 10.00-12.00	Mini-Hackathon: Building a functional MVP		Weekly log
WEEK 4	(Fri) Jun 14 09.00-12.00	Update Presentation + Session on good pitch & presentation: theory, how to make one, what to include	Kawasaki, Guy: *The Art of the Start: The Time-Tested, Battle-Hardened Guide for Anyone Starting Anything,* 2004 Watch the pitches by the teams at Startupbootcamp Mobility in Copenhagen: http://vimeo.com/album/2876017	Functional MVP + Power point presentation + Updated Business Model Canvas
		WEEK 5 **STUDY TOUR TO HELSINKI & STOCKHOLM**		
		WEEK 6		

WEEK 6	(Mon) Jun 24	Workshop: rehearsing your pitch		Weekly log
	10.00-12.00	+ Financial projections +		
	13.00-17.00	Workshop: Designing innovative business models empowered by Blockchain technology		
WEEK 6	(Fri) June 28	Wrap-up session		Final pitch deck + Final MVP + Final video + Financial projections + Final Business Model Canvas
	14.00-16.00	+ Pitch event		
END OF COURSE				