

# Warp-Innovation Study for Justifying Boost Space Services

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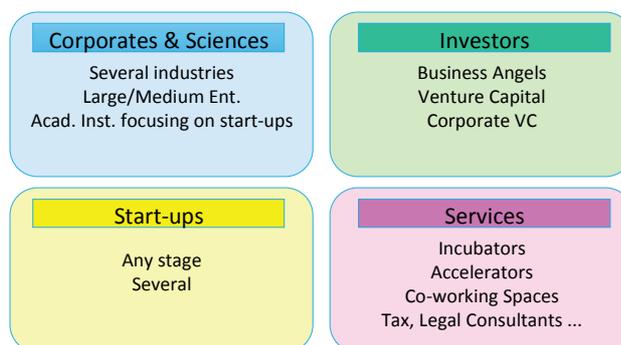
## 1 ABSTRACT

Warp-Innovation (WI) challenges innovation teams, academic spin-offs and start-ups on their biz ideas.

One important orientation is establishing collaboration amongst proper stakeholders of an eco-system. We therefore engage with strategic partners, following the principle of forming relationships between science, corporates, start-ups, services and investors.

Warp-Innovation therefore conducts a study - during 2017 in the German speaking countries and 2018 within Europe - adhering to this setting. Enabling mutual benefits for all parties involved is our credo.

At REAL CORP 2017 we may give some insights to this - proud to be there as the conference format addresses multi domains since its very beginning.



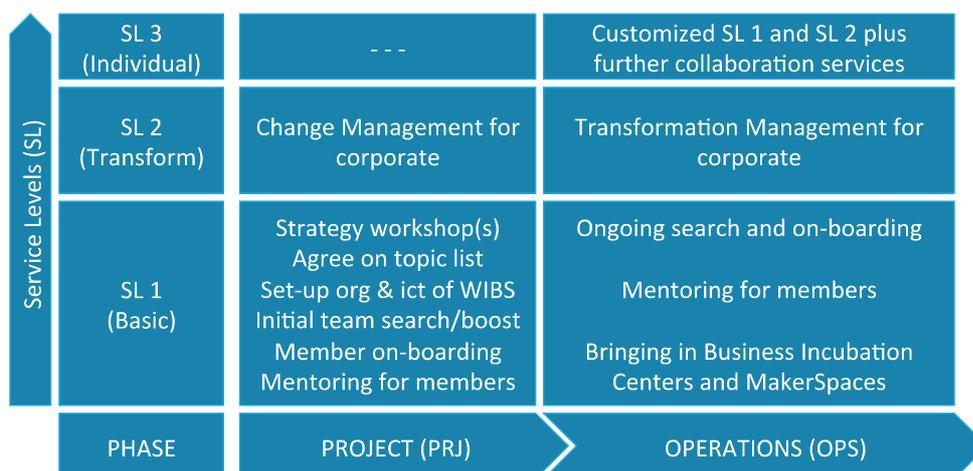
In here we focus on the study conducted together with selected study partners with the motivation to justify experiences and assumptions in designing Warp-Innovation Boost Spaces (WIBS) for corporates - several industries, large/medium enterprises, academic institutes focusing on start-ups, the latter ones at any stage; investors - business angels, venture capital, corporate VC; services – incubators, accelerators, co-working spaces, tax, legal consultants etc.

It's vital to differentiate the following:

Incubators and Accelerators are organizations, serving start-ups temporarily in bringing up their business faster and more successfully and mostly take equity in doing so.

The Warp-Innovation Boost Space is established and operated for large/r organizations - willing to engage with small/er partners – exclusively and permanently - collaboration models to be formed during the course.

We are convinced, that enabling a successful relationship between established and emerging organizations can be achieved by involving intermediaries accompanying the process of establishing and operating corporate cooperation programs (which we call Boost Spaces) in order to achieve mutual benefits for all parties involved.



We support building up such a corporate accelerator (project phase) - optionally followed by operating it. Several service levels as illustrated are available.

Our study results are supposed to enable continuous service improvement and innovation.

Keywords: enterprise, start-up, investor, collaboration, study

## 2 COLLABORATION MODELS

We use 'E' for established organization and 'e' for emerging organization.

### 2.1 Current overservations

Model 0: Large/medium enterprise internal program (no intensive discussion on this setting)

Model 1: Strategic partnership

Model 2: 'E' Start-up program

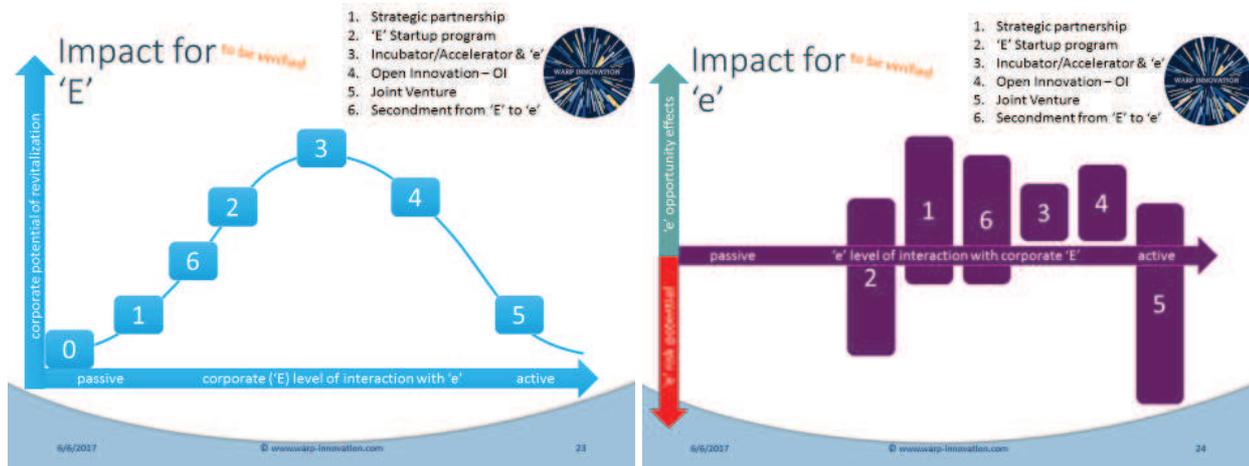
Model 3: Incubator/Accelerator & 'e'

Model 4: Open Innovation – OI

Model 5: Joint venture

Model 6: Secondment from 'E' to 'e'

Based on given observations and market experiences we relate those models to each other.



The study results shall confirm such relationships and/or identify new ones by discussing advantages/disadvantages for E&e in order to help in motivating start-ups as well as corporates to sustainably cooperate by leveraging their different frameworks.

## 3 SERVICE DESIGN

### 3.1 Building Blocks

In order to bringing up such programs we need WBS sponsors (the 'E') and WBS operators (Warp-Innovation incl. its associate partners) to build

- a business incubator
  - virtual network (using proper ICT to linking up all stakeholders)
  - physical center (service organizations mainly in the start-up and/or maker scene)
- with WBS members (the 'e')
  - probably assigned to separate trust layers and therefore treated as
    - contract partners
    - equity partners
- in order to work on selected topics of the 'E' as

- ‘inner circle’ members respectively
- further members.

The study helps to arrange a common language and context for the behaviors of innovation and those around. Nevertheless the results of the study will gain a further understanding of which conditions best fit the various roles using the strengths.

### 3.1.1 Statement of Work

Corporates need to state their objective in engaging with selected market partners like start-ups, founders, makers, smaller enterprises and list their work topics to be covered by them.

#### **WIBS sponsor’s offerings**

Strategic Business Units ... the market oriented organization structure of the ‘E’

Internal ... internal topics of the ‘E’ (i.e.: corporate IT systems and services, business processes)

#### **Collaboration layers**

Protected circle - own professionals on enterprise payroll only

Inner circle - cooperation partners (shareholding ev. preferred)

Public circle - suppliers and partners, cooperation partners

#### **Collaboration topic mapping**

WIBS Sponsor Core Business – Strategic Business Units – and stated objectives to be achieved via such collaborations (i.e.: becoming more innovative, reducing cost, increasing revenue, have payroll focusing on own core business) lead to a list of topics for which suitable partners are identified and assessed in order to become member of the Boost Space funded by the ‘E’.

### 3.1.2 Organization

#### **WIBS sponsor & Warp-Innovation**

The WIBS operator acts with the following responsibilities:

- managing the Boost Space and
- acting as ,holding‘ for business incubation centers in selected cities,
- engaging with maker platforms, maker spaces, etc. and
- managing the relationships with WIBS members.

#### **business incubators in selected countries/regions**

- are the physical representation of the Boost Space

#### **‘inner circle’ WIBS members & further WIBS members**

- Included/on-boarded start-ups, makers and SMEs plus other relevant resources for expected business operations and objectives.

## **3.2 Business Process from virtual space up to physical/maker spaces as needed**

### 3.2.1 Roles & Responsibilities

	Actors	
	Sponsor	Warp-Innovation
WIBS Manager	Decide on topic mapping. Define requirements.	Decide on recruiting process dependent on origin of resources.
WIBS Professionals	Focusing on core activities and collaborating with WIBS members	Support on demand (i.e. cultural/org. change).
Virtual Incubator	Making use of accepted deliverables	Manage the WIBS member portfolio
Business Incubator	Own or rent the business incubators in selected regions	Propose candidate facilities and take care of operating them
Maker Space	Rent or own the maker spaces in selected regions	Propose candidate facilities and take care of operating them

Innovative results only arise when people engage creatively within a proper environment. Collaboration requires an effective interplay of different people with different role structures and the way they gather as

well as process information, make decisions, manage risks and manage them. The study is designed to show how to handle these roles.

### 3.2.2 Establishing and operating the program

The Boost Space member process has three phases:

#### **Recruiting process**

There will be a permanent collection & clarification of WIBS sponsor requirements on products and/or services to be passed on to desired partners from business incubators, co-working spaces, maker spaces, labs, ...& chambers for hooking up with candidate members.

- Screening & selecting proper hubs ... proper regions relevant for selected sites
- Performing events ... presentations, pitching sessions, challenges, hackathons, solvathlons (a new format designed by one of our associated partners) accompanied by press/social media announcing to respective opportunities
- Hooking up with candidate members ... nominate contact partners on both sides, collect further info and documents on SME, start-up biz model and products agree on next steps, discuss engagement and agree on next steps
- Preassessing ... team, product, mobility, current stage, sustainability, ...

#### **Readiness process**

Pre-assessing start-ups, SMEs, makers through ongoing communication

- Preparing ... get ready for the Boost Camp
- Boosting & proposing ... focus on WIBS sponsor business/product opportunity, focus on start-up/SME entire market, agreement on road-map addressing both streams, proposing short listed teams to WIBS sponsor
- Contracting ... decision on contract- or equity partnership, establishment of related contractual relationship, first order of deliverable(s), scope and time plan plus acceptance criteria
- Including ... run in-taking of WIBS member into the Boost Space.

#### **Collaboration process**

Partnership with WIBS members (main contact point WIBS sponsor - WI)

Step 1: announcing. Communicate to stake-holders and enrol in relevant systems and databases.

Step 2: onboarding. Become part of the virtual incubator. Optionally move into business incubator center and/or maker space.

Step 3: controlling. Monitor WIBS member performance and decide on resource allocations. Accept deliverables.

Step 4: learning. Improvement potentials also leading to further orders. Amend partnership status. (contract or equity) Decide on future collaboration scenario. (M&A, exit) through ongoing learning, improvement & innovation, strengthening partnerships (sustainability)

The study is created based on the following need. It looks at twelve areas of the business culture: strategy and goals, communication and market, HR and knowledge management, process and organisation management, technology plus legal and financial framework. So it will be allowed to match the areas, to create more effective process formations and to develop a 'relay race' for highly valuable idea generation which may lead to a successful collaboration.

## **4 RISKS & OPPORTUNITIES**

Examples as per project work in progress are illustrated below.

## Risks &amp; Opportunities WIBS Sponsor

risks	mitigation	opportunities	leverage
Internal management acceptance	Top level decision and Change Mgmt. Process	Focus on core products & services	'inner circle' + 'public' topics
Internal acceptance	Initial cases as proof-of-concept	Cost reduction and/or revenue increase	Agile, skilled members, suitable products
Proof-of-concept fails	Solid topic selection, virtual net 1st	Become (even) more innovative	Enable teams to working in ext. spaces

## Risks &amp; Opportunities WIBS Members

risks	mitigation	opportunities	leverage
Loss of agility	Stay in own or business incubator environment	Equity partnership	Demonstrate indispensability
Loss of focus on own biz direction	No exclusive work with WIBS sponsor	Strategic partnership	Strong complementary
Loss of reputation in the market	Avoid failure in delivery	Revenue, recognition & reference	Excellent performance

## Risks &amp; Opportunities Warp-Innovation (WI)

risks	mitigation	opportunities	leverage
Bad cost coverage	Agree on mutual adjustments/caps	Joint company mid-term	Ensure WIBS performance
Less emphasis on other WI biz	Add staff - ambassadors, facilitators	Faster WI dissemination	Supp. WIBS sponsor's int. communication
Legal or 'natural' exclusivity	Focus on lead partner per segment	Collaboration model - reference	Demonstrate WIBS performance

The study elaborates on these domains, risks and their mitigation plus opportunities and how to leverage them.

## 5 CONCLUSION

Building up such micro eco systems needs to adhere to a solid service design and implementation process which has to be verified by the study to be conducted with corporates, science, start-ups, services and investors.

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