



C4Dlab has just initialized a crucial process in its quest to be the global reference point in developing successful IT-based enterprises for sustainable development.

After the management team sought and secured much-needed university management support, it has gone ahead to craft the Start-up Acceleration-cum-Incubation Strategy—all in a meeting held in Nakuru from March 5 to 7 this year.

The activities culminating to the strategy document included thorough review of relevant literature particularly, policy documents and reports on incubation practices across the globe, with particular attention to incubation hubs in universities in selected leading countries.

Afterwards, the team led by lab's Coordinator Dr. Tonny Omwansa had to organize two focus group discussions with participants from the innovation ecosystem in Kenya, University of Nairobi faculty and C4Dlab incubatees.

The resolve to have the Strategy in place would be strengthened further when several in-depth discussions were held with both experienced practitioners in incubation and C4Dlab startups. Members of the C4Dlab management team had also to provide insights regarding the experience of incubating start-ups for one year.

A three-day workshop would then be organized to synthesize data collected and to draft the strategy—which was subjected to stakeholder validation and input before adoption.

But the literature review and consultation processes were motivated by the following operational inefficiencies: The lab superiors, among other things, had long enough noticed a culture of indiscipline and poor work ethic among start-up founders and their employees. The weakness was evident in the time management, prioritization and networking aspects of start-up management. That led to the feeling that the lab had to develop a program that would inculcate a culture of professionalism and discipline in students—when the poor work ethic is not managed, mentors, trainers, clients give up pretty soon about the startups.

The issue in question was captured better by the following:

Uncommitted Start-up Members

When C4DLab admitted only 12 start-ups for incubation, the expectation was that the small number would be efficiently managed, since the founders also had high morale. However, some of the founders withdrew without notice after they got caught up in balancing time running a start-up and class work. But even then, there was a general perception that majority start-up managers were not committed. This was reflected in their attendance of crucial meetings, training sessions, physical presence in the lab, and so on.

Other impediments observed did not deviate from **Gender Inclusivity**, where C4DLab seems by default to have attracted a lot of male innovators, in spite of the measures taken before to ensure gender balance. So it was felt that a Strategy would effectively manage the problem.

Seed Funding

Lack of acceleration investment had led many start-up founders to run multiple activities besides their startups to cover both their business and subsistence costs. Considering that searching for a repeatable, scalable business model requires focus and undivided attention, the side businesses that start-up founders would engage in for quick money are distractive. In no time, such start-up founders would lose focus and patience when the quest for resources became more important than running their ventures.

Lack of Professional Diversity

The lab administration also came to notice that a number of its start-ups made a team from the same discipline, predominantly computing. Yet building an idea into a sustainable enterprise takes multiple skills. Figuring that it was very necessary to achieve a multidisciplinary composition of the team of founders, the lab seniors embarked on a search for an effective method to bring about the required changes.

Unavailability of Relevant Professional Services

On this, the team tasked with investigating challenges hampering the success of start-ups in the lab found that the mindset and orientation of available professionals in legal, accounting and other business support professions is often not well suited for the needs of startups. Indeed, the mindset and approach of such professionals is more corporate than start-up-like, mostly geared towards mature businesses or normal SMEs. Yet at all stages of a start-up, they require professional support services such as legal advice, bookkeeping and accounting services. So the Incubation\Acceleration Strategy would have to deal effectively with the issue.

Early Incubation for Students

It became abundantly clear that the the lab needed to formulate a framework allowing and enabling only early student start-up founders to be successfully incubated. That is the conclusion reached after it was found that students who start working on their start-up before final year have a higher chance of succeeding than those who start when they are about to graduate.

After all, upon graduation, the pressure to get employment and generate income is very high. This however can be mitigated if start-ups had a stipend which would then motivate them to work on their start-up on a full-time basis.

The **Start-up Acceleration/Incubation Strategy** was hence modeled to address those issues in these eight ways: “Products” —only innovative products that have huge global impact potential will be admitted for incubation and/or subsequent acceleration; the “Process” is entrepreneurial approach to product development; “Value” co-creation with customers; expanding information technology innovation ecosystem while collaborating with other stakeholders; “Partnerships” with Government, customers, investors. The last three “Principles” are “Multi-disciplinarity”, “Gender Inclusivity”, and “Lean Management”.