

Swiss Entrepreneurship Program

The Swiss EP way to success

Brief

The heart of any entrepreneurial ecosystem is the community of entrepreneurs themselves. The Swiss Entrepreneurship Program (Swiss EP) has incorporated this belief since its start in July 2015. We have supported building local startup communities bottom up by working with ecosystem leaders and builders in Albania, Bosnia-Herzegovina, North Macedonia, Kosovo, Peru, Serbia and Vietnam.

Our partners are mainly local entrepreneurs and organizations developing and managing incubators, accelerator programs, mentors and angel networks, and startup communities. Through our network of international entrepreneurs (short term experts and [Entrepreneurs-in-Residence](#)) Swiss EP supports organizations to strengthen their performance, improve programs and deliver services of high value to their entrepreneurs, through strategic and practical advice as well as valuable international connections.

Growth-oriented, early-stage startups benefit from improved programs, flow of information, support structures, international connections, and access to finance. As a result, startups are better equipped to grow and sustain their businesses. Through these efforts, startups create jobs and value in the local economies.

Support others instead of driving own activities

From the very beginning, Swiss EP assumed an indirect approach. In practice, this meant that Swiss EP supports others in the design and implementation of *their* activities, rather than implement its *own* activities. This is a commonly applied approach in international development with the hope of generating local ownership and long-term commitment for project interventions. Although Swiss EP applies the same logic, the difference lay in our expectations and offer of support.

Our credo: They lead. We support.

Swiss EP expects its partners – local accelerators, incubators, business angel networks and co-working spaces – to drive their own change process. We expect that they are able to develop a clear mission, that they know their own needs and the needs of their customers – the entrepreneurs.

Local partners present Swiss EP with specific requests to further improve their performance. Swiss EP teams are available to bounce ideas, iterate and make connections to relevant resources. It is only when the local organizations assume a higher degree of ownership for their own development that they can achieve sustainability and success in the local ecosystem and have a long-term impact.

“Swiss EP does what the development cooperation community has been trying to do (with mixed results) for the past 20 years or more: being demand-driven and fostering recipient ownership.”

Geert Engelsman and Andreas Tarnutzer – External evaluation of Swiss EP, 2017

Don't subsidize

The logic of indirect and demand-driven approaches was tested when Swiss EP presented local organizations with another guiding principle – No subsidy! Neither of staff salaries nor operational costs. In other words, Swiss EP does not pay for the job the local organization should do. In the Balkans, in particular, this approach sent a shockwave through the local donor-dependent communities of NGOs and freelance consultants, leaving Swiss EP with a far smaller pool of potential partner organizations than originally foreseen. It was a blessing in disguise.

Relationship among equals

By demanding that local organizations have a plan, commitment and skin in the game, Swiss EP attracted a new breed of organizations, confident in their own ability to bring value to the customers – the entrepreneurs. With three simple approaches - indirect, demand-driven and no subsidy, Swiss EP fundamentally changed the dynamics of the relationship between a donor project and beneficiaries. The local organizations are no longer financially dependent on us, the donor project. Instead, it is now a relationship of equals. They lead, we support. Not we lead, they deliver. Suddenly, Swiss EP must prove its worth by bringing a non-financial value to local organizations and entrepreneurs. To do this, Swiss EP draws on two main resources – Swiss EP local teams and international experts.

"Swiss EP's support is the most relevant and sophisticated we have ever had, and we know that this support will continue to help us impact the entrepreneurial ecosystem and achieve sustainability as an organization. As a team, it helps us to be better and more challenging!"

Greg Mitchell – Managing Director at Angel Ventures Peru

A team fit-for-purpose

The fact that the local Swiss EP teams are now recognized as key resources and highly appreciated contributors to the local ecosystems is no coincidence. The original job descriptions listed in the project proposal called for local staff skilled in administration, monitoring and finance, preferably with donor project implementation experience. All perfectly important duties in servicing the needs of donor agencies, but completely unsuitable for delivering value to local ecosystem organizations and entrepreneurs. To sell services, let alone to take on a facilitator role among equals, requires a completely different set of skills.

Swiss EP thrives with local teams who speak the language of entrepreneurship from the heart, individuals who have an entrepreneurial attitude and assume a pro-active facilitating role *within* the ecosystem, rather than passively reviewing and monitoring the system from the *outside*.

Their work and effort are invaluable. I involve Swiss EP in almost everything I do as they are impartial and honest advisors and are always willing to help.

Sergej Slisko, Founder Kuvo, Bosnia-Herzegovina

Relevant expertise comes from abroad

Swiss EP's second resource is international expertise. Here too did the program evolve in its thinking, challenging some core habits in international development for the benefit of the ultimate clients of the program – local ecosystem support organizations and entrepreneurs.

First of all, Swiss EP works with international entrepreneurs, not (local) consultants. The reasons for this are quite simple:

1. Our international experts have hands-on experience in achieving what our partners and the entrepreneurs are striving for. They founded companies, ran and designed acceleration programs, they have invested their own money into startups. Thus, they are highly credible. Local organizations can learn a ton from them and pick and choose what they need for their further development steps.
2. Swiss EP's key areas of ecosystem development, managing acceleration programs, founding lean companies are new turf in most Swiss EP countries, which means there is no local expertise available – we are building it now.

Re-training local consultants to become mentors of startups was never an option. A mentor is an experienced entrepreneur who gives back to the community on a voluntary basis, while a consultant is often neither entrepreneurial nor an entrepreneur, and charges a fee for their services. Furthermore, we discovered early on that classic international consultants, heavy on international blueprint solutions and theoretical best practices but weak on practical experience, could not match the expectations and needs of Swiss EP's 'new' type of local organizations. In other words, the kids had grown up, but the consultants had not. The demand for support has become increasingly technical and specific. The classic consultant's general knowledge is simply no longer enough.

Swiss EP's approach focusing on partner organizations and capacity building has proven to be effective and sustainable. ITP has received remarkable benefits from international experts provided by Swiss EP to assist in shaping our positioning, and refining our business model, strategic development and service design. The support from Swiss EP carries meaningful weight in the development of ITP

Nguyen Anh Thi, Director Saigon High Tech Park, former Director - ITP, Vietnam

Peer learning approach

We work with 2 types of international experts – Short-Term Experts (STE) and [Entrepreneurs-in-Residence](#) (EIR). The STE missions are tailored to a concrete challenge for one of our partners and last a few days. EIRs spend a minimum of one month in the field supporting a variety of ecosystem actors and entrepreneurs and working on their day to day challenges.

For this, Swiss EP needs a clear idea of what support the local organizations and entrepreneurs need as well as access to a pool of professional international startup founders, mentors and investors. The goal is that these experts share their skills, experience, successes, failures, approaches, ideas, new information and networks. Through this personal and professional experience, they bring real value to their peers.

Swiss EP is the matchmaker in this relationship and often these relationships are long-term in nature. STEs/EIRs stay in touch beyond the duration of the mission, some continue to advise organizations and mentor startups, while others even start business ventures together.

"The programs that Swiss EP has co-designed are extremely innovative in the development space as they are looking for true empowerment and strengthening of what is already there rather than distributing monetary funds. They value peer to peer learning and meet their partners from different emerging economies at eye level".

Anaïs Sägesser, Founder of Stride and Co-Facilitator Global Events

In search of local 'leaders'

While Swiss EP says no to local consultants, we actively seek to identify and involve local 'champions' among local entrepreneurs passionate about innovation and entrepreneurship. We find guiding light in the words of Brad Feld

I separate the world of startup communities into two constituencies – leaders and feeders. The leaders are entrepreneur and feeders are everyone else.

Brad Feld – Startup Communities: Building an Entrepreneurial Ecosystem in your City, 2012

However, identifying entrepreneurs with the right attitude and inspiring them to assume roles as local ecosystem leaders is no easy task and takes time. For more than one cultural reason, successful entrepreneurs often choose to fly under the radar and focus on their own business, rather than follow in the footsteps of Brad Feld and engage actively with the ecosystem as mentors, investors and/or program implementers. That said, it is a challenge that must be overcome if the local ecosystem shall have a chance of survival, let alone grow. Public institutions and donor agencies are 'feeders' and can play an important role. However, despite their good intentions,

"if feeders masquerade as leaders" they "stifle short-term growth and long-term health of the startup community".

Brad Feld – Startup Communities: Building an Entrepreneurial Ecosystem in your City, 2012

Successful local entrepreneurs understand the context, know the local market, can spot new talent and are often willing to leverage their own resources in support of development. Increasing the contributions of local entrepreneurs to the ecosystem is therefore directly linked to the sustainability of the ecosystem.

Entrepreneurship is everywhere, no sector focus

People with an entrepreneurial spirit and drive can be found throughout society. The areas in which they apply their entrepreneurial talent may vary from country to country, from region to region, and depend more on local resources, context and traditions than on some common understanding about which sector is supposedly the most competitive or predicted to be so in the future. Swiss EP therefore supports local organizations in designing programs and support activities that are tailored to the local context and specific needs of local entrepreneurs, no matter which sector they belong to. That said the

focus is on entrepreneurs willing to grow their business. Again, an entrepreneur-centric approach that is context-sensitive is bound to achieve better results than blueprint solutions fixed to a specific sector.

From business plans to Business Model Canvas

Business plan competitions have long been a favored activity of donor projects. To stimulate business registration and access to finance, local entrepreneurs received training and consultant support to prepare often very extensive business plans. Most of these plans ended up on the bookshelf, for the simple reason that the individual entrepreneur felt no ownership. Most of it was written by consultants anyway. Enter [Lean Startup Methodology](#) thinking and the [Business Model Canvas](#), both of which put the individual entrepreneur in focus and in charge. Suddenly, it is the entrepreneur who is forced to think the business model through, talk to customers directly and as early as possible in the business development process, analyze feed-back from clients, potentially revise products, create viable financial models, and try again. Thanks to the Business Model Canvas, the entrepreneur can now grasp his/her business on one piece of paper, track changes and make improvements more easily – without external support.

Global events, global inspirations

Most Swiss EP activities take place in the seven program countries. There are two exceptions. Swiss EP global management organizes two events in Switzerland – the [Peer Exchange Meetup](#) and [Women Entrepreneurs Week](#). The objective of the week-long events is to bring together like-minded people from our program countries, create a safe space for them to meet and exchange, while at the same time introducing them to new learning and key actors in the Swiss startup ecosystem and beyond. The goal is, by means of inspiration, motivation, sharing experiences and networking, to trigger processes of community-building in the participants' home countries, often facilitated by Swiss EP staff, allowing for constructive dialogue, collaboration and even cooperation among local organizations and among women founders, and across borders.

Yes! I have definitely had more contacts, brand recognition and a significant increase in search of Fitness Pass in digital media without having made a differentiated investment. That also brought us interviews. I still can't believe how cool the experience was.

*Alicia Vivanco, Co-Founder Fitness Pass, Peru,
Participant at the Women Entrepreneurs Week 2019*

Pick the winners! Or Focus on the exceptional

Donor programs tend to focus on entrepreneurs at the idea and very early stage of their development, oftentimes through self-employment programs and basic entrepreneurship activities linked to grant schemes. Such activities are of course relevant as they contribute to building a pipeline of entrepreneurs within the ecosystem. However, far too often we find this space very crowded, while support for startups that are further ahead in their development gets very scarce. This is particularly true in the very important growth stage where startups need seed funding, networks and international exposure. This is where Swiss EP comes in and helps partner organizations tailor their services around them, with the aim of making the entrepreneurs even more competitive, allowing them to grow sales

and revenue, attract investments and create jobs. In turn, the success of some startups will work as role models for the next generation of entrepreneurs.

Agile and lean project management

All the above-mentioned characteristics of what makes Swiss EP unique as a donor-funded program are underpinned by an agile and lean project management structure throughout our program. We continuously optimize our resources and activities with the aim of creating real value for our customers – local organizations, entrepreneurs and SECO. Our aim is to support entrepreneurs, and to do so in an impactful way we need to operate as entrepreneurs. This is somewhat of a balancing act when being funded by a public agency. But it is possible.

We were able to adapt our own management structures and processes to the pace of our partners and their portfolio companies. In this way, we remain relevant and valuable to them. We work in a highly people centric way and seek continuous improvement in our efforts. We are able to assess requests from our partners, identify and mobilize experts very quickly and with minimum administrative procedures. For example, we have replaced experts' cumbersome CVs with their LinkedIn profiles, making background checks and mission planning much easier and faster for local organizations and Swiss EP staff.

This would not be possible without SECO and their willingness to agree with this approach. We believe SECO gives an example to other donors, that it is possible to leave part of a program fairly open (e.g. no sector focus), to abandon annual plans in a rapidly changing context, to allow budget reallocation where it makes sense due to local needs and finally to slim down a highly inflated monitoring system that tries to monitor everything except what matters to our partners.

All these ingredients make Swiss EP a strong, valued program, getting overwhelming feedback from local organizations, startups as well as experts supporting our endeavour on a continuous basis.

Long story short: For me, Swiss EP is all about collaborating rather than competing. And we need much more of that in today's world.

Christina Forster, EIR and long-term Swiss EP supporter

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Our Enablers

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