

Rejuvenating corporate culture

How working with startups drives culture change and fosters internal learning

Dell

“*Entrepreneurial spirit comes from the top-down. Everybody sees Michael Dell as leading by example so we are all encouraged to reach out to the small business community.*”

Todd O'Brien, Co-founder of Dell for Entrepreneurs in the UK

Good example of: New incentive structures ✓

Programmes for startups include: Dell for Entrepreneurs

Mission statement: Helping people and organisations everywhere do and achieve more with the help of technology

Launched: 2013

Geographical reach: Global

Location inside Dell: Marketing

Website: <http://eir.dell.com/>



Why does Dell engage with startups?

CEO Michael Dell refers to his company as “*the world’s largest startup*”, that continues to empower other entrepreneurs with tools, technology and resources. Working with startups is a key element for Dell’s strategy of building a more entrepreneurial and innovative corporate culture.

What programmes does Dell offer?

Whereas Dell engaged with the startup community since its beginning, the company formalised its engagement through Dell for Entrepreneurs in 2013. This umbrella organisation runs a range of programmes, including Financing for Entrepreneurs, Startup in Residence and the Women’s Entrepreneur Network which provide startups with access to a range of resources, from mentoring to marketing advice and financial support.

How are these programmes managed internally?

Dell for Entrepreneurs is managed by Dell's Marketing group, led by Karen Quintos, Senior Vice President and Chief Marketing Officer, who reports directly to the CEO.

What benefits do startups bring to Dell?

Dell has significantly benefited from its engagement within the startup ecosystem. For Sarah Shields, Executive Director and General Manager for Dell UK, Dell for Entrepreneurs is *"helping our team members to understand the passion and the energy of entrepreneurs around the world. And if we can emulate this drive inside of Dell, motivation and performance is impacted positively."*

Engaging with startups has also helped Dell identify the innovative technologies and business partners of tomorrow. Its partnership with VISBUZZ, a UK based software-as-a-service startup that engaged with Dell for Entrepreneurs, is just one example. The two companies have now joined forces to run VISBUZZ's communication technology that allow the elderly to easily connect with family and friends on Dell tablets. The startup is now in the process of selling Dell's products with their software, opening up new distributions channels for both VISBUZZ and Dell, plus the benefit of Dell being associated with innovative products.

Good example of: **New incentive structures**



You manage what you measure is a well-known management wisdom. To ensure that Dell's startup engagement translates into culture change and internal learning, 'entrepreneurial spirit' has been added as a key performance indicator for Dell employees. This means that employees need to prove entrepreneurial behaviour, inside their teams or through outreach into the startup community to gather new ideas. For Todd O'Brien, Co-founder of Dell for Entrepreneurs in the UK, this approach is an important success factor for the Dell for Entrepreneurs programme: *"we identify and work with great startups that want to connect and achieve common goals, because it's a business model we understand in our company as we are encouraged to be more entrepreneurial."*

Dell's top tips on working with startups

Clearly outline what your relationship with startups is and what you are trying to achieve. Set clear expectations and invest for the long term, not for a quick sale.

Google

“The more startups are successful, the more technology is seen as beneficial; and the better this is for the internet.”

Jon Steinberg, Public Policy Manager, EMEA

Good example of: Effective management ✓

Programmes for startups include: Google for Entrepreneurs

Mission statement: We bring together startup communities and create spaces for entrepreneurs to learn, work and build companies we hope will change the world

Launched: 2012

Geographical reach: Global, with Campus spaces in London, Madrid, Tel Aviv, Seoul and Warsaw and São Paulo (end 2015)

Location inside Google: Startup Outreach

Website: www.googleforentrepreneurs.com



Why does Google engage with startups?

Google for Entrepreneurs, the unit dedicated to supporting startups, interestingly approaches startup support *“as an ecosystem play where we are a platform to help hopefully millions of startups succeed. Our approach is very focused on community and ecosystem building”* according to Mary Grove, Director Google for Entrepreneurs.

What programmes does Google offer?

The ecosystem approach is reflected in Google’s wide array of startup programmes, ranging from events, access to free products and direct financial investment. Many of these programmes are anchored in Google’s Campuses, hubs from which entrepreneurs can work, mingle and take advantage of cafes, free education courses, co-working spaces and mentoring sessions. Many of these are run by the local startup community; this is a key success factor according to Sarah Drinkwater, who heads Campus London: *“The idea behind Campus was an open place to bring people together, with open access to tech events that serve the specific needs of the local community.”* What started in London three years ago has developed into a Campus concept that has now expanded globally to cities including Madrid and Warsaw to create ‘global passports’ that help entrepreneurs go global and use similar facilities across the world.

How are these programmes managed internally?

Whereas many of Google's startup programmes and initiatives started organically, Google's executive team decided about four years ago to centralise all activities under the Google for Entrepreneurs (GFE) team led by Mary Grove, which sits within Google's Startup Outreach unit alongside Google Ventures, Corporate Development and Google Capital.

What benefits do startups bring to Google?

Fostering startup ecosystems for entrepreneurs across the world has rooted Google in a large network of thousands of entrepreneurs in over 130 countries. Engaging with the startup community is, in Mary Grove's words, considered "*part of Google's DNA. It makes Googlers feel happy to be at Google.*" Google believes that by investing in communities and helping more startups launch, come online and utilise Google's products, they will create longer-term economic benefit to Google as well.

Good example of: **Effective management** ✓

Google manages to deliver an impressive number of startup programmes by combining a centralised team fully dedicated to supporting startups with a strong network of local partners. The Google for Entrepreneurs team counts about 20 members who are partly based in California and partly nested inside Google's Campuses. This centralised structure allows Google to organise all activities under a set of strategic goals, but foster learnings across programmes to scale them effectively across countries. Additionally, Google actively sponsors a wide network of over 42 local partners worldwide, including programmes such as Startup Grind, Startup Weekend or co-working spaces like Numa in Paris and the Factory in Berlin. "*To succeed as a corporate in this space, finding partners is essential: someone who shares our values, our practices and approach. And somebody who knows the needs of the local ecosystem*" says Sarah Drinkwater, Head of Google Campus.

Google's top tips on working with startups

Do your research to understand from the community what their specific needs are and what's in it for you. Understand what impact you want to have in the long term.

Rabobank

“It's all about people inside your company who have the spirit to work together with startups. These are the real champions.”

Harrie Vollaard, Head of Innovation at Rabobank

Good example of: Simplified processes ✓

Programmes for startups include: Partnerships and piloting with startups from accelerators including Startupbootcamp programme and Rockstart

Mission statement: Together we make customers and their environments stronger

Launched: 2010

Geographical reach: The Netherlands, London (UK)

Location inside Rabobank: Innovation Department

Website: www.rabobank.com



Why does Rabobank engage with startups?

Startups are disrupting the financial sector but likewise open up a range of new value propositions to big banks. Rabobank, based in the Netherlands with international wholesale and retail banking activities across and outside Europe, use their startup programmes to foster internal culture change and learning, *“to understand what's going on, understand new trends of the future and technologies, find new business models and collaborate with the startups”* according to Harrie Vollaard, Head of Innovation at Rabobank.

What programmes does Rabobank offer?

Rabobank engages with startups in close partnership with independent accelerators like Rockstart and Investment Ready in the Netherlands, and more recently with Startupbootcamp's fintech accelerator in London. For the three to six months duration of the accelerator, Rabobank co-sponsors the programme while the company's employees provide coaching, business feedback and financial advice to startups. Most importantly, Rabobank has committed to running pilots with two to three startups coming out of each accelerator programme who have developed solutions that might help the bank innovate its products and services.

How are these programmes managed internally?

Rabobank has an internal Innovation Department responsible for scanning new trends and building relationships with accelerators and incubators in cities with strong fintech ecosystems. Additionally, various community bankers in the metropolitan region of Amsterdam are appointed to scout new business opportunities and interesting startups.

What benefits do startups bring to Rabobank?

Working with startups helped Rabobank establish a culture of constant internal learning about future trends and technologies – insights that the bank regularly monetises into tangible business benefits. An example: Rabobank met Sparkholder, a Dutch startup providing real-time information about non-listed companies for investors and banks, through the Startupbootcamp accelerator. The Rabobank is trialling Sparkholder's technology for three months with Rabobank advisors; the bank thinks the product provides not only new customer insights but also increases their ability to reach younger customers. *“Our audience from 20 to 35 years is really hard to target as a bank, so if you can connect with them through the startups community this makes our own proposition better”* says Jeroen Brouwer, Community Banker at Rabobank. To diversify Rabobank's customer segments, the bank also worked with crowdfunding platforms like One Planet Crowd to offer customers additional financing opportunities alongside traditional bank loans. This produces *“a very nice blend of working together”* according to Vollaard, who added that collaborations with startups are an important way to differentiate Rabobank from competitors and create value for its clients.

Good example of: Simplified processes



Rabobank is increasingly recognised by startups as a good corporate with which to work, partly because the bank has embraced risk and adopted lean approaches to working with startups. *“We are very open and said let's give it a try and see whether working with startups is going to benefit our advisors or our clients. Let's just do a test. They can be a failure, but at least you have data where you can make better decision to move forward. This is a winning approach as it saves money and time both on the startup and on the bank side.”* says Harrie Vollaard, Head of Innovation at Rabobank.

Rabobank's top tips on working with startups

You need to have people internally who really want to move forward working with startups, and do it, no matter what other departments say. These are the real champions who create the right atmosphere inside your company to embrace startups.