

# Cookbook:

## Ideation tools to create successful (smart city) ventures



### Startup in Residence Utrecht

#### Abstract

Startup in Residence is a concept that originates from the United States of America and is being carried out by a number of Dutch municipalities, provinces, and ministries\*. Startup in Residence challenges entrepreneurs to come up with innovative solutions to social issues in the respective region. The municipality of Utrecht ran a Startup in Residence challenge in 2017, at the start of the IRIS project. The result was a range of concrete products and services, which were pitched to the municipality of Utrecht. For every posed challenge, the best solution was chosen from the entries. The selected startups then worked on the solution in an incubation program, guided by incubation experts and relevant civil servants. The municipality then decided whether to purchase the developed product or service. The program was started to pay more attention to starting entrepreneurs in the municipalities' procurement procedures.

\* <https://startupinresidence.com/>



**IRIS**  
Utrecht



#### Dish:

challenge | 0.4 FTE

3M preparation + 3M execution + 3M incubation

€300.000



**Co-creating Smart and Sustainable Cities**

## The Ingredient List

### • Budget

- €95.000-120.000 organization costs
- €20.000 procurement budget per challenge

### • Time

#### ► Preparation (12 weeks):

- Finding and finalizing challenges
- Tender for incubation program

#### ► Challenge (13 weeks):

- Challenge open for entries: 6 weeks
- First evaluation round: 10 days
- Pitch preparation for selected entries: 3 weeks
- Pitches and final evaluation: 1 week

#### ► Incubation (12 weeks)

- Program: 12 weeks, 1 day per week activities



### • Resources

#### Types of organizations involved

- Departments of the Municipality
  - Economics (organization)
  - Public Services, Health, Education, Public Spaces, Mobility (challengers)
- Incubation by Graduate Space
- Recruitment of startups by StartHubs' subsidiary Battle of Concepts

#### Types of roles involved (mentors, organizing team, experts, etc.)

- Organizing team
- Judges for selection of ideas
- Experts for guiding during incubation program

#### Location(s)

- Registration and selection via [www.startupinresidence.com/utrecht](http://www.startupinresidence.com/utrecht)
- Location for pitches
- Location for meetings in incubation program



## The Preparation Method

- **Preparation (= Planning)**

First, the organizing team of Startup in Residence decided on the goals and deliverables for the program. The to be realized goals were:

1. Encouraging and facilitating starting entrepreneurs
2. Solving social issues (challenges) of the municipality of Utrecht in an innovative and creative way
3. Strengthening innovative thinking and working within the municipality of Utrecht

Deliverables to reach these goals:

1. Recruitment of 5 to 10 challenges within the municipality of Utrecht
2. At least 25 entries from startups to the challenges of the municipality of Utrecht



During the planning phase, the organizing team of Startup in Residence had two main tasks: first, find an organization to support during the incubation phase. Second, and more importantly, find enough departments of the municipality of Utrecht ready to join the program and pose a suitable challenge. Ultimately, five departments joined the program, posing the following nine societal issues (challenges):

How do we get people to eat something healthy in the sports canteen?

How do we encourage more visits to the current leisure facilities and events in Leidsche Rijn?

How do we ensure that all residents take sustainable energy measures via the regional energy desk?

Developing means to reach pupils and their parents early on in intermediate vocational education and encourage them to make an occupational choice with a labor market perspective.

How can we make flexible working in the hospitality industry more attractive to intermediate vocational education students?

What can the municipality of Utrecht do to improve its business climate for startups and scale-ups and how can you (the startup participating in this challenge) contribute to this?

How can we reduce the number of service and construction buses in the city center of Utrecht?

How do we monitor the number of solar panels on Utrecht roofs and the amount of power they generate?

Make getting married in Utrecht a 'piece of cake'!

Wildcard



All challenges were presented in a fixed format, that consisted of the following topics:

- 1) the challenge,
- 2) some context, facts & figures,
- 3) solution conditions, and
- 4) exclusion criteria.

The first phase was concluded by a positive decision of the alderman for Economic Affairs to continue to the next phase.

### • **Serving instructions (= Event)**

Startup in Residence Utrecht publicly launched at November 1, 2017. With help of Battle of Concepts – a company specialized in communication aimed at innovators, students, creative (young) professionals, and innovative startups – the ten preselected challenges were distributed through the StartHubs platform and Startups in Residence Utrecht website. A costly, but vital success factor to be able to reach out to thousands of potential applicants. The deadline for entries was set at December 11, 2017. While the challenges were 'open', potential participants had the opportunity to visit an information meeting on November 16, 2017, and ask questions through the StartHubs platform until November 23, 2017. All questions and answers were publicly published at November 29, 2017.

Startup in Residence Utrecht received a total of 76 entries. Between December 11 and December 20, 2017, all entries were checked by the organizing team based on the challenge requirements. Next, a more in depth review was undertaken by the organizing team and representatives of incubator Graduate Space. 32 entries were selected for the following round, which was a live pitch between 8 and 11 January 2018. The pitches were judged by the challengers of the municipality of Utrecht, based on 8 criteria:

1. problem description,
2. substantiation of problem description,
3. quality of design criteria,
4. fit between problem description and proposed solution,
5. quality of solution (innovation, desirability, and technique),
6. level of ambition,
7. team quality (competent, eager), and
8. sustainable business model.



7 startups were selected to join the incubation program, led by Graduate Space. Three of ten initial challenges failed to find a suitable solution. Of the 25 entries that were not selected for the incubation program, 13 entries did join a feedback session organized by Graduate Space.

The incubation program, led by Graduate Space, consisted of Design Thinking sessions for one full day per week over the course of 3 months, starting at February 1, 2018. The focus of the incubation program was both the development of the product or service, and the newly formed company itself. Valuable co-creation sessions were organized with the respective departments of the municipality of Utrecht and startups were encouraged to challenge and coach each other. Furthermore, each startup was coached by an experienced entrepreneur and additional experts were invited for deep-dives on specific topics.

On May 1, 2018, all seven startups were invited to pitch their final solution to the departments of the municipality of Utrecht who posed the initial challenges. Of the seven startups, six were eventually awarded with a 'launching customer' contract by the municipality of Utrecht (one €40.000 contract and five €20.000 contracts).



## • Review (= Evaluation)

After Startup in Residence Utrecht concluded, the program was thoroughly reviewed. Main feedback by the organizing team, and participating entrepreneurs and civil servants included:

- A key success factor is the reaching out to thousands of potential applicants. The difficulty of getting access to a network that is relevant cannot be underestimated. It is also a very costly ingredient;
- Both entrepreneurs and civil servants experienced the co-creation sessions as very valuable, inspiring, and refreshing;
- The seven developed products or services were positively received by the municipality of Utrecht, leading to six 'launching customer' contracts.
- Entrepreneurs value the incubation program, especially coaching and challenging each other. Time needs to be allocated to customization of the program, as the entrepreneurs' needs differ based on experience and problem-definition;
- Societal organizations relating to the respective municipality departments need to be included in the process early on, during the challenge formulation and reviewing of entries;
- While the wildcard is positively received by entrepreneurs, the entries mainly consist of existing products and there is a lack of ownership of the challenge within the municipality.



**IRIS**  
smart cities

Co-creating Smart and Sustainable Cities

Follow our story



@IRISsmartcities



irissmartcities.eu



This project has received funding from the European Union's Horizon 2020 research and innovation program under grant agreement No 774199