

Evolving the Entrepreneurial Ecosystem in Kathmandu

A Fresh Perspective in 2020 for Entrepreneurs, Ecosystem Influencers, Academics and Policy Makers



Partners









Forward

"Educational & Enlightening"

In February 2020, influencers supporting the growth of entrepreneurship met to constructively consider how best to evolve the entrepreneurial ecosystem in Kathmandu. This report shares observations and thinking as extracted during this collaboration. The Thinktank of contributors ranged from entrepreneurs, leaders of entrepreneurial support groups, delivers of accelerator programs, investors, academics and other ecosystem builders. Together they provided a broad and balanced perspective; a reflection of the current situation.

Using the Whether System[™] design thinking tools, contributors combined critical and creative thinking to advance ideas and upgrade understanding.

Report Overview

Written with exceptional thanks to House of Management, Upasana Shrestha, NYEF Vice President, for coordinating and sponsoring this valuable collaboration, this report is not prescriptive. It is not an indication of any one personal opinion. It shares a collective overview with objective insight and reflections of the current situation to be used for open source suggestion. As you read this report, please think for yourself and consider your project or perspective to extract value as best aligns to your aims and ideas.

Thank you for reading.

Evolving the Entrepreneurial Ecosystem in Kathmandu



Abstract

Success is defined as more innovative companies, creating higher quality jobs, at less risk, with greater economic growth, global connectivity and sustainability.

Goals are gained as Kathmandu retains the next generation of young talent and attracts or attracts back talented, skilled people who may have migrated abroad.

Gaining goals requires more collaboration and partnered projects, shared success stories and role models, more resource support, dramatic risk reduction, further teacher training and parental pioneering, as well as skill upgrading in innovative thinking, from kindergarten to government.

"We win by parenting and teaching innovative thinkers".
"We win with an innovative mindset in Government"

Immediately, the ecosystem evolves with focused specialisation and new ways to work together. Long term, supportive government policies and risk reduction strategies must link to educational reform for greater innovation and entrepreneurial growth.

Definitions of terms:

Entrepreneurial Ecosystem: the collective people and social economic environment currently incubating creativity, innovation and entrepreneurship with significant impact on the success thereof.

Entrepreneurship: the activity of setting up new business, innovatively assuming financial risks with expectation of eventual profit.

Young entrepreneurs; not just young people but including anyone of any age, new to building a business and actively engaged in developing nascent ideas.

Ecosystem players including established entrepreneurs, mentors, leaders of networks, support organisations, entrepreneur accelerator programs, event hosts, activity organisers and other supporters of entrepreneurial growth.

Educators; trainers, academics, teachers and importantly, parents.

Funders; individuals or organisations with financial interests either invested, donated, sponsored or otherwise contributed to the ecosystem.

Government; referring to the broad governing body (rather than any specific political party) including policy makers and maintainers.

"This is only the tip of the iceberg"

The Entrepreneurial Ecosystem in Kathmandu is active and evolving, with plenty of Ecosystem Players hopeful for the future, active entrepreneurs engaged in knowledge transferring and seemingly an increasing group of young people desiring to become entrepreneurs. There is strong belief in the opportunity, particularly if more and better ways are developed to incubate ideas, work together and overcome the real risks and persistent challenges.

Inter-Ecosystem Competition Stunts Growth

Accessible support is scarce. Seemingly Ecosystem Players secretly compete, for funds, causing friction and frustration. This is not conducive to constructive collaboration and is likely to slow greater growth.



Consider working together instead of actively competing.

Lack mindset

Emphasis is given to the 'lack' of support, 'lack' of funds, 'lack' of skill, 'lack' of access, etc. Attention is drawn to a need for mindset training suggesting much may be gained from accepting and working readily with what is easily available, right now.



Focus on working with what is available and accessible.

Real risks

"You go to jail for trying to do something good"

Innovation – turning a brainwave into a business is fraught with risk. Each development journey is unique and enters the unknown. Attempting such exploration requires grit and determination. It requires strength together, training and support. If policy wishes to support Innovators and Entrepreneurs, more must be done to safeguard beginners as they embark on journeys of learning in action; taking manageable risks, assessing real results and designing next-step decisions to evolve.



Push for policy safeguarding the situation

Being everything to everyone is unnecessary

Who do you target, specifically? What part of the process do you play, particularly well? Know your position! What strength and opportunities do you offer? What do you hope to gain or what challenge do you need to overcome? With clarity and constructive collaboration, a group of people will deliver a greater individual outcome than any one person may otherwise have achieved alone.



Know what you do best and do more of it.

Specialize in Constructive Co-Creation.

Recognizing the silo we stem from, developing deep knowledge in specialist sectors and then opening access to our understanding by stepping out to share learning, stimulates thinking and creates greater growth. By suspending judgement to broaden our perspective, we generate opportunities for innovative ideas to emerge.



Share ideas and listen with open-minds, for fresh insight.

Communication

As always, the key is constructive communication: Say what you think not what you think you should say. Hear what is said not what you think you should hear. Objectively accept and creatively assess a broad perspective to maintain clarity, focus and flexibility of mind - especially during rapidly evolving or seriously concerning times.



Ask for help by expressing what you need.

Resources and Support

The Ecosystem is crying out for support: Support from Government, supporting policy, support from Educators, support from funders, support from the collective community. More resources magnify the excellent efforts of the Entrepreneurial Ecosystem in Kathmandu, making what is already happening bigger and better. More support serves to accelerate and sustain the movement for longer and deliver results faster.



Suggest what you can do to support.

Become Community Collaborators

The suggestions of a 'Community Collaborator' or 'One body' overseeing the situation, holding Ecosystem Players together, was suggested to create more connection, expose opportunity and assume responsibility for mediating or mentioning, when relevant, at the time.



Connect and create connection to be of community value.

Create More Certainty

It easy to think what is wanted or needed is more financial support. In certain situations, this is critical to survival however, it should not be seen as the one-drop, easy answer. Certainty in the situation and risk reduction secures more sustainable growth. Schemes that provide subsidized space, access to technology and facilities with connection to expertise and industry, incubate ideas, stimulate growth and may more rapidly provide more innovative, forward thinking and profit-rendering organisations.



Minds over money, generate innovative ideas.

Share Space

The ecosystem relies on the continual transfer and development of learning, knowledge and skills. Progress is accelerated if environments are conducive to collaboration, enabling people to easily surround themselves with like-minds. The concept of a state owned 'Startup Tower' was suggested as a way to further invigorate the ecosystem.



Surround yourself with a strong support system.

Sustainability

Moving from models reliant on donor funding or investment backing to a focus on for-profit trading potentially creates and attracts investment and talent to Kathmandu, its ecosystem, environment and opportunity.



Focus on evolving and improving Human Resources.

Drive Educational Reform

Further thinking is required to design how best to deliver the advances required to reform education at all levels. From pre-school to adult learning a need to include training skills in design thinking, innovation and entrepreneurship was exposed as urgent if the Entrepreneurial Ecosystem and national economy is to evolve more prosperously.



Develop a design thinking skills and an innovative mindset.

Reduce Risks Rapidly

"The mentor is dead. You are your mentor"

Success stories shared elsewhere don't always deliver the same results when replicated. Trust yourself and what you are doing. Build a trusted team. Find problems and solve them. Support one another to quickly discover what works best and then do more of this. Develop specialist expertise and share this outside of silos to cross-pollinate a culture of constructive innovation and sustainable regeneration.



Support active attitudes and train specialist skills

Celebrate Success

When you do discover what works for you, celebrate success by sharing your story. Encourage others to share their success stories too as inspiration to the next generation.



Share learning and success.

Powered by Policy

"It's a Win-Win opportunity"

Gaining greater participation in innovation and entrepreneurship requires rapid risk reduction; lowering barriers to entry, developing further skills, improving access, inclusivity and sign-posting, albeit pointing people in the direction of the specialist rather than aiming to be everything to everyone. Such strategies must be supported at national, local and legislative levels if progress is to be made in leaps and bounds.



Evolve with greater trust in yourself and each other.



Fuel for Further Thinking: Ideas

The best innovation is always born in solution to the real problems:

The problems of risk, education and limited resource competition persist. Strong calls for policy and education reform exist. The concepts of 'one body' coordinating and connecting the Entrepreneurial Ecosystem in Kathamndu emerged strongly, as did suggestions for 'one fund' for startups and a state owned 'startup tower'. These are possible ways to reduce competition, increase collaboration and incubate ideas in Kathmandu however, the real needs to reduce risks and cushion young entrepreneurs remain.

Connect, Collaborate, Create: 'Super Startup Support System'

What if the Educators, Ecosystem Players and Government collaborate to create field-based incubation programs designed to deliver improved results?

Improved Results include:

- 1. Higher skilled workforce.
- 2. More growing new businesses.
- 3. More impactful innovative ideas.
- 4. Readily attractive investment opportunities.
- 5. Creation of and access to new markets.

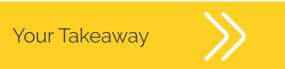
What if Young Entrepreneurs, the participants in such programs, were given 3-years with which to start a business, as if participation equated to further education, much like a degree?

What if Government backed such programs by giving participants 3-years of legislative immunity in which to start and learn, through trial, error and within protective policy parameter, if they have a viable a new business?

Could Young Entrepreneurs be awarded academic qualifications in Innovation and Entrepreneurship, making them greater assets to the workforce, irrespective of whether their business builds or fails over the 3-years?

Could such supportive regulation generate innovation?

How else may innovative business prevail?





Evolving the Entrepreneurial Ecosystem in Kathmandu

Mapping with the Whether System™



Contributors derived deeper meaning by considering the situation from 7 different mindsets, building a broad and balanced perspective whilst allowing fresh thoughts to emerge.

7 Whether System™ mindsets:



Lay of the Land Objective, emotive current perspective.



Sun Mindset Optimistic, energetic, bright positive outlook.



Rain Mindset
Pessimistic,
problem-orientated,
depressive outlook.



Wind MindsetExternal influence;
prevailing and
localised forces.



Rainbow Vivid imagination and fantastical ideals.



Snow Mindset
Prioritizing
survival in a cold,
frosty climate.



Whether Report Summarizing thinking with evolved ideas.

Contributors to Fresh Thinking:

Representatives from the following organisations met on 02.02.2020 to contribute to this critical, creative and highly constructive conversation:

LIST OF ATTENDING ORGANISATIONS

- o LIST ORG NAME??
- o LIST ORG NAME??
- o LIST ORG NAME??

NEED TO ADD/ CLARIFY!

Due to the timing of the event, it was unfortunate some subordinates were sent in the places of project leaders however, the data collected is a fair and balanced representation.

The session sufficiently sums up the views of ecosystem builders in Kathmandu to enable the generic extraction of information as indication of forward direction as summarised in this report.

Exerts from fresh thinking:

Lay of the Land mindset



Hopeful, hopeful, risk, risky, interesting, hopeful, hopeful, hopeful, confused, confused, helpless, hopeful, potential, hopeful, potential, sad, sceptical, frustrated, hopeful, excited, hopeful, positive, excited, hopeful,

Finance, unsuccessful, lots of players, struggling phase, opportunity, lots of demand, lots of needs for an optimistic future considering all opportunities, because local people are showing interest and their involvement, brining it together, new concept, nascent. No real risk-taking appetite, stuck, no money to do it, loads of inspiring entrepreneurs, tip of the iceberg alone, people working insolation, young, changing building off each other, mind, attitude, more to learn, starting, meeting like-minded people, communication.

Lack of collaboration, lack of co-ordination, lack of seed funding, collaboration, opportunities exist, knowledge sharing is lacking, similar businesses different paths and visions, lack of market study, lack of seed funding, too many entrepreneurs. Although at nascent stage, these conversations are opportunities, lots of room to grow, among ecosystem actors, opportunities, trajectory, lack of coordination, I know it works, how do you bring them together to work together? I can recommend but they decide, their objectives, how do I align? Opaque institutions, lack of transparency of process, knowing challenges, network.

Constraint: adequate support from government, constraint: access to finance, constraint; what they can take away, what are they thinking, no impact more talk Limitations, competition, resources, financial and human (trained), legal government rules and regulations, lack of risk takers, job mindset (safety).



Profit, created entrepreneurs, coordinate, collaborate with partners, entrepreneurs, start-ups willing to participate actively in the incubation program, colleges paying for incubation program, success, support from all the players, making a meaningful difference, collaboration, creativity, innovation, opening new horizons, key stakeholder collaboration.

Infrastructure: at least 2-3 ideas growth ready and become investment ready and ultimately get investment and require mentorship from each incubation program - able to bring expertise, bring national and international expertise. Give startup seed money for prototyping, helping each other collaboration, no hatred for each other's business no competition but collaboration. Rent is paid, digital fabrication lab is funded for rapid prototyping, investors signing cheques, startup tower, government funded, government building, happy working in a team, appreciation, don't have to worry how to pay for incubation, donors saying yes to incubation for early stage entrepreneur, entrepreneurs sales are going up, package our curriculum and sell to others, education tilts towards an entrepreneurial mindset. Classrooms encourage problem solving and community relevant learning. Time, energy to think clearly, sharing ideas and resources, people support each other. More entrepreneur's emerging and working together. Lots of collaboration with best players in the ecosystem, collaborative growth, focus on ecosystem actors, community of practice. Lots of opportunities, every idea will work, promising economy, growth of support organisations, within college incubation.

Resources, fund, research, HR, develop skills, Infrastructure, ICT++, Future bright, successful business and investment, more Venture Capital, stable economy and government, less migration. Thriving ecosystem, success rate of startups, support young startups to reach growth stage, communication among institutions on network, trajectories, plans, resources, tailored support systems for existing and aspiring entrepreneurs, open to ones that want to enter. Process support and refining tailored to the KTM context, co-creation bearing results, resources are shares, ideas of managing outputs shared and actual support exists. NYEF coordinates, provide a pool of entrepreneurs and mentors and support, 100% successful startups. One big cycle, coordinator invest

Rain mindset



Shut down, competitors, reduced clients, reduced or shrinking revenue or margin, loss of reputation and trust, lack of investment, high competition, lack of vision and mission, lack of market, lack of support, market research, sector research, forecasting, identifying challenges, SWOT analysis of own current status, try to bring everyone on the same page., constantly upgrading, collaborating and connecting with new clients, discontinuity in the program by entrepreneurs, policy not supporting innovative ideas, entrepreneurs death, advocate concerned government for the changes in policies.

No money for rent and salaries, no money to pay for incubation, no funding, No staff, wanting to work individually. Perception of people, not as planned, close our doors no more communities, startups suck, no sales, no money, no staff, parents focus on grades kills creative thinking, the bad – creating less imaginative thinkers,

Unstable government, reduces funds, fewer partners and alliances, legal process is too lengthy, more competition. Give up business, shutdown, increased migration, economy hampered, frustration increased.

Problem; Mental health of society is affected.more jailed entrepreneurs, youth migration, youth disappointment, bystander, helpless, team change, work flow stops, coordination stops, partner not seeing value in working together. Problem; lack of support groups, don't give up coordinating, persevere, work toward partner objective to align them. Problem; access to banking finance. Problem; not many funding entities. Barriers to entry and mobility across the ecosystem. Stagnancy and lack of solutions responding to real needs. Short-term and isolated thinking – what is profitable to us and only us right now?

Prevention: buyer, exit plan, initiate after thorough market study. Prevent failure, create a build more financial reserves, keep going and not give up, try different methods, ecosystem players including government should work together to improve system. Start again backward, cushioning youth

Wind mindset



Job dynamics, colleagues, peers, Allies, Clients, Partners, Colleagues, staff, workforce, partners, outsourced services,

Impact focused entrepreneurs and their mindsets, Innovator, Engineers, role models, mentors, successful entrepreneurs globally, Elon Musk, Customers and Families,

Process supporters. Cross-continental – sectoral collaborations, Impact-enterprise supporting impact-enterprise, intrapreneurship, "make an app" mentality.

Support from colleges and Schools, kindergarten, youth, colleges, parents, good teachers, good professors, students themselves,

Competitors, Media, Branding, Digital, Consultants, Trainers,

Financial: donors and funders DFID crowdsourcing, financial regulations, \$0.5 million, for FDI, incentivised mandated SME local support

KMC, CPC, LMC mayors, Gender! Banks giving money to SME's Nabil, Laxmi Bank, Megha, NYEF, CCI, Presidency, Government,

Government, policies, policies, laws, Government, local government, competitors, regulation with ROCARP training and HR development, bank regulation direction towards SME's. Government needs to actively be involved. government staff, current political leader, big corporate house,

AI, Automation, connectivity and digitization, deal making, exit strategy and scalability,

Global, Environment, Climate Change, sustainability, climate friendly,

Rainbow mindset



Hindering the brain drain, more successful entrepreneurs, sustainable economy for the country, growing the network, more innovation, qualified and capable incubation managers outside and inside Kathmandu, more incubation centres outside Kathmandu, entrepreneurs realizing that this kind of program is important, local stakeholders FNCCI chambers, NYEF, voluntary organisation, startup fellows, understanding their roles and strengths in this ecosystem. Give business idea, create linkage with like-minded organisations, more demand, more opportunity, more investment, more market. Change the entire curriculum, more champions who understand and think as innovative entrepreneurs, able to read mind of people, bring role models, problem based learning, government has innovative mindset, build a fun vibrant 'startup tower' curriculum that allows and encourages the exploring of ideas, change how educating is done, resources for research and development, product design and development. Angel investors throwing money at startups. More quality business ideas or leapfrogging innovation. Problem based learning. Funding financing, stable economy, take the ecosystem to Norway (thriving economy), Create jobs for everyone, buyers for every market, client for every service.

Pots of gold, increased funding, work, collaborate together to succeed, less rules and regulation hassles, FDI ++ HR Training ++ Capacitating investors in systems, framework thinking, a zero-gravity shape shifting ecosystem with actors embracing uncertainty. Transparent communication and collaboration. Create big fund and support all startups. Entrepreneurial ecosystem flourishes and eliminate unemployment. Ideas that respond to real users and real needs, iterative. Influencers, more money in the economy. Under one roof, invest into single fund. One silo, success stories, youth stay, one system that works and can be copied.

Snow mindset



Make the program more affordable and accessible, network and collaboration, gaining the trust of local stakeholders, clear communication, collaboration, networking, constant learning and development, organising short-term 1-day events, creative thinking using available resources, mentors, community, NYEF, FNCCI FWEAU FDI Market beyond boarders.

Demand from the customers, people that run mini-mac operations, community based hub, space, entrepreneurial circle meetup, donors, like-minded, the entrepreneurs, ability to spend, innovation and flexibility of process, good collaborator, schools, parenting.

Funds – partners search, keep the existing ones, vision and goal intact, done let the trained employees go, clear, keep alive, don't give up, international funding markets, buy all similar business, buy all outsourced services. A focus on responding to real users and their real needs. A constant shape-shifting, mindset opening, communication and collaboration

Persistence, determination to turn the challenges into solutions, keep learning, An opportunity to shape-shift. A chance to experiment and try different systems. Ground-level problem, solution, look outwards for inspiration not replication.

Whether Report mindset



What is wining? Broader perspective to solve any issue, collaboration among entrepreneurs and entrepreneurial community, the body that holds everyone together, accountable body, significant contribution by innovative companies, economic sustainability, retaining young talent, reaching out to all entrepreneurs and stakeholders to come together. It's growing, change the education system, encourage and allow results to break down walls. Champions; actual teachers, creating them, seed investors, innovative donor parner, education - demand vs supply. Funds, financing, government support, regulation less, HR skills trained, stable economy, collaboration and partnership A proper sustaining ecosystem. Constant new ideas being generated. New market disruptions. A naturally, constantly shape-shifting system that is driven by constant disruption. Natural sense of communication. Process resources support available in every step of the entrepreneurial journey. A government that understands the current ecosystem. Support fund 100 - 20.20.2020 divide. Achievable goals, 10 startup cohorts. Coordinate more. Startup success. NYEF become platform to coordinate one stop communication, coordination hub. Get paid for providing. Coordination, more people join NYEF to help entrepreneurial ecosystem. For entrepreneurs by entrepreneurs pay it forward, win and win.

How will we win? Foreign investment openness, government regulators ease for loans support, easy legal procedures, DOI regulations, benchmark the education system, mediating partners NYEF FNCCI etc. Create role models and success stories, better communication. Organisational affiliation is a must for new business. Open to receiving mentorships, keep a watch of financials and funds. Sustainably, try innovating.

Who can help? Government, banks, big business, colleges, foregin partnerships, embassies, INGO NGO, VC Collaborate

www.theGlobalBrainstorm.com

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