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INTRAPRENEUR CHALLENGE

Lever Inc. launches new competition to foster innovation in existing businesses

BY BRAD JOHNSON

Having completed its first entrepreneurial challenges focused on start-ups in manufacturing and health technology, Lever Inc. is now taking a different approach with a new program aimed at promoting entrepreneurial thinking within well-established businesses.

The five-year-old North Adams-based nonprofit organization, which provides a range of support services for regional start-ups and entrepreneurs, will soon be accepting applications for its first-ever Lever Intrapreneur Challenge.

According to organizers, this program will bring together companies from around the Berkshires to compete for who can present an innovation for a new product or service with the most potential for top-line growth and job creation.

In addition to the chance to win \$25,000 to fund further development of their innovation, all participants will gain access to resources to help strengthen the innovation culture within their companies, along with guidance in the use of low-risk modern entrepreneurial methods for bringing new products or services to market.

"This is a logical extension of what we are doing with our other challenge programs that are focused on specific industry sectors," said Brent Filson, director of operations and programming at Lever. "It's all part of trying to build a vibrant entrepreneurial ecosystem in Berkshire County."

In the most recent of those programs, Lever awarded \$25,000 in seed funding to My Core Floor, a multifaceted web resource for women with pelvic floor dysfunction, which was selected by a panel of judges as

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GOOD ideas

Intrapreneur Challenge

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the winner of the Berkshire Health Technology Challenge, held on May 9 at Berkshire Medical Center in Pittsfield.

Earlier this year, United Aircraft Technologies was named the winner of Lever's Berkshire Manufacturing Innovation Challenge for its business plan to develop and manufacture lighter, ergonomically designed wiring clamps for the aviation industry.

In addition to the \$25,000 in seed funding, winners of these competitions also get four months of incubation at Lever at no-cost, along with other assistance and support to place the start-ups on a path to growth and job creation.

Filson explained that, while similar in basic concept and structure to these competitions, the Intrapreneur Challenge will instead work with established companies from diverse business sectors which are developing innovative ideas for new revenue streams within the scope of their operations.

These ideas may include existing projects that a company has on the shelf as well as new ones developed specifically as part of their participation in the Intrapreneur Challenge.

"Whether they're existing projects or those brainstormed on the spot, what this program offers is a way to learn how to experiment with these types of projects in a very low-risk way," said Filson.

He emphasized that the projects participants bring to the challenge will not be ones aimed at reducing costs through enhanced operational efficiency and productivity. Rather, he said, the focus is on fostering innovation within the company to identify and develop new products or services that have the potential to generate new revenue streams.

Innovation culture

"This is an area I've always had a passion for," Filson said, noting that his own profes-

sional background prior to joining Lever in 2017 included consulting work to promote an internal entrepreneurial spirit within large corporations. This primarily involved the use of lean start-up principals, which focus on low-risk methodologies for experimenting with new products or services to assess their potential for revenue growth before bringing them to the market.

While these strategies can be a vital part of the development process for start-ups, they can also play a valuable role in established businesses by promoting and rewarding an internal culture of innovation.

Filson noted that, for a region like the Berkshires, development of an innovation culture within individual companies can also help foster a broader "innovation cluster" within the regional economy.

"In a region like the Berkshires, we don't have access to the large research institutions that play a role in some innovation clusters," he said. "But what we do have is significant intellectual capital right here within our existing firms."

Citing studies showing that the presence of innovative companies in a region has more of an impact on the organic formation of vibrant innovation clusters than proximity to research centers, he said the raw materials are on hand to fuel the growth of innovation within the Berkshires.

"We have the ability to transform ourselves into an innovation hub by tapping our existing resources – the intellectual capital within the walls of our local companies – and not only incentivizing new innovation but also highlighting the innovation that's happening already," Filson said. "In the long term, that can help attract new firms that want to be a part of this ecosystem, and attract the talent and younger workers needed to sustain its growth."

One step in that direction is the upcoming Intrapreneur Challenge, which itself is something of an innovation.

"There is no model for this," said Filson.

"We haven't found an example of this elsewhere, and those we've talked to haven't heard of a program like this before. So, it's an experiment of sorts."

Application process

This experiment begins with the process of lining up a pool of participants for the Intrapreneur Challenge. Filson said an application window will be open from June 3-14. In advance of that, he has been engaged in informal discussions with local companies that may be a good fit for the program.

The basic criteria that companies must meet to be considered for the program include being based in the Berkshires and having net annual revenues greater than \$500,000.

"I've been reaching out personally to individual companies through our network," he said, noting that they are aiming for a target of 10 companies to participate in the program. He added that other businesses interested in participating in the competition can contact him at bfilson@leverinc.org for more information on the program and application process.

This outreach period ahead of the actual application window is what Filson referred to as the "ideation" stage, in which companies identify the innovation that they want to develop and select a team of intrapreneurs to lead the initiative. Filson noted that he and others at Lever are available to assist these teams with the ideation process in advance of their formal application.

For companies selected to participate in the challenge, the next stage is "validation" – a summer-long period during which the teams work on advancing their innovation projects. Throughout this process they will have access to resources from Lever, including regular consulting from its staff and research assistance from a crew of interns who have been hired specifically to support the Intrapreneur Challenge.

The teams will also attend a series of three half-day workshops that cover low-risk modern entrepreneurial strategies for

established companies. "These workshops will show them how to experiment with new sources of revenue before having to bring that concept to market," said Filson.

Following this validation stage, all teams will submit final presentations on their innovations to a panel of judges comprised of investment professionals. The judges will select four finalists to compete in the pitch competition at Lever's first Innovation Summit, an all-day public event scheduled for Oct. 3 (more details to be announced).

Filson noted that this process of selecting participants and finalists differs from that used by Lever for its previous challenges. In those, the four finalists were selected from the initial pool of applicants, and then went on to the multi-month validation process for their business concepts.

With the Intrapreneur Challenge, all of the participating companies continue through the validation stage before being winnowed down to finalists for the pitch competition. This is significant, he said, in that the companies all gain access to the consulting, research assistance and workshops that can be of ongoing value to them in development of these or future innovation projects.

"There are definite benefits for all participating companies," he said. "They'll have an opportunity to conduct experiments during the summer on the market potential for their product or service, and we expect that they will be able to apply this experience to other innovations going forward."

The winning team will receive \$25,000 to be used on development of their innovation, along with four months of consulting from Lever geared towards bringing the product or service to market and strengthening innovation systems within the company.

As with the earlier competitions, the Intrapreneur Challenge is supported by a combined \$450,000 in grant funding Lever secured in 2018 from the Mass Life Sciences Center, the Mass Tech Collaborative, Berkshire Bank and Williams College. ♦

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