

Introduction To Startup Management

Building and Scaling Your Business

Startup Management, Aleš Špetič, 2025

Welcome

Instructor: Aleš Špetič

- **Education**
BS Computer science, University in Ljubljana
MBA, California State University, East Bay (Hayward)
- **Accomplishments**
Online trading platform OBS Online, Transact-SQL Cookbook, TS Startup incubator, Digital Champion of Slovenia, Member of the PMs advisory group on digitisation
- **Startup experience**
CEO Zemanta 2007-2010, CEO DeckReport 2010-2011,
CEO CubeSensors 2012 - 2016, CEO Klevio 2016-

Student Introductions

Who are you?

- Background (field of study, work experience)
- One thing you want to learn from this course?

Course Overview

Structure

- In-depth lectures covering various aspects of startup management.
- Interactive discussions, real-world case studies, and group activities.
- Assignments to apply your learning in practical scenarios.
- A final project to synthesise your knowledge and skills.

Expectations

Continuous team work on a project

- team work on a single project throughout semester
- periodic team presentation in front of the class
- readings and classes on startup topics
- class participation

Grading

Continuous participation helps!

- team work, 2-3 team members recommended
- project presentation, including product readiness - working product
- criteria: would an investor invest in your project?
- incremental weekly progress during the course

Submissions: open a Google Docs account, share the work assignments with ales@spetic.si.

Course Overview

Key topics

- Identifying startup opportunities
- Building a business plan
- Fundraising and investment strategies
- Marketing and branding for startups
- Sales and customer relations
- Legal and ethical considerations
- Scaling your startup
- Exit strategies and sustainability

Introduction To Startup Management

Learning objectives

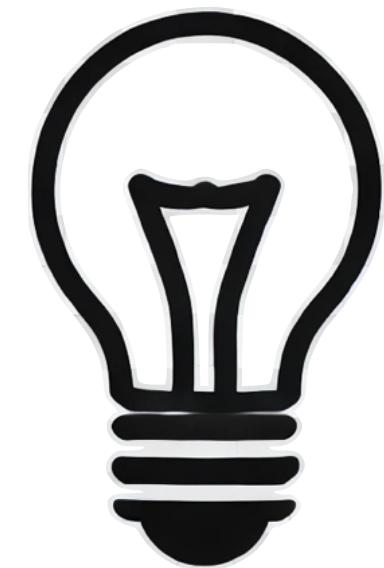
- Understand the characteristics and defining features of startups.
- Explore the startup ecosystem and its role in entrepreneurship.
- Differentiate between entrepreneurship and small business.
- Comprehend the stages of the startup life cycle.
- Recognise the challenges and risks associated with startups.
- Discuss the essential qualities and mindset of a successful startup founder.

What Is A Startup?

Startup is a new business!

A startup is a fledgling company in its early stages of operation.

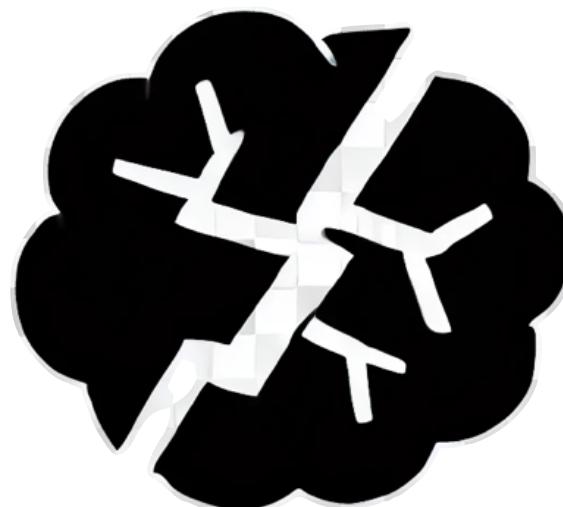
It searches a repeatable and scalable business model.



Innovative



Growth



Disruptive



Dynamic

Startup Or Not?

Mini Quiz: Is It a Startup?

- Shopify 
- Local Bakery
- Stripe 
- Web design agency
- Tesla 

Entrepreneurship Vs. Small Business

Is it a business or a venture?

Entrepreneurship is the process of identifying, creating, and pursuing opportunities to develop innovative and scalable business ventures.

Innovation, Scalability, Risk-Taking for high growth

A **small business** is an independently owned and operated company that typically serves a local or niche market and may focus on providing traditional products or services.

Stability, Local Focus, Risk-Aversion

Startup Vs. Small Business

Main differences

Characteristic	Startup	Small Business
Goal	Rapid growth, scale	Steady income, stability
Innovation	High	Often traditional
Risk Level	High risk	Moderate/low risk
Funding	Often VC/angel	Bank loans, personal savings
Exit Strategy	Acquisition/IPO	Succession, family run
Market Scope	Global or large markets	Local or niche

Startup Ecosystem Map Table

Group activity - add local or known examples for each category

- Founders
- Accelerators/Incubators
- Investors (VCs, Angels)
- Mentors/Advisors
- Universities & Research
- Coworking Spaces
- Legal & Financial Support

Pool Capital, Share Risk, Scale Operations ...

Stora Kopparberg mine, June 16, 1288



Resources And Support

Funding

- **Venture Capital:** VC firms invest in startups with high growth potential, providing not only capital but also strategic guidance.
- **Angel Investors:** Individual investors who provide capital and often mentorship to startups, especially in their early stages.
- **Crowdfunding:** Platforms like Kickstarter and Indiegogo allow startups to raise capital by pre-selling products or seeking donations from a large number of people.
- **Loans:** Some startups secure loans from banks or alternative lenders to fund their operations.



Activity: Map Your Ecosystem

Group Brainstorm

- In small teams, brainstorm and sketch your local startup ecosystem.
- Identify major players (accelerators, investors, support orgs)
- Be ready to share in 10–15 minutes

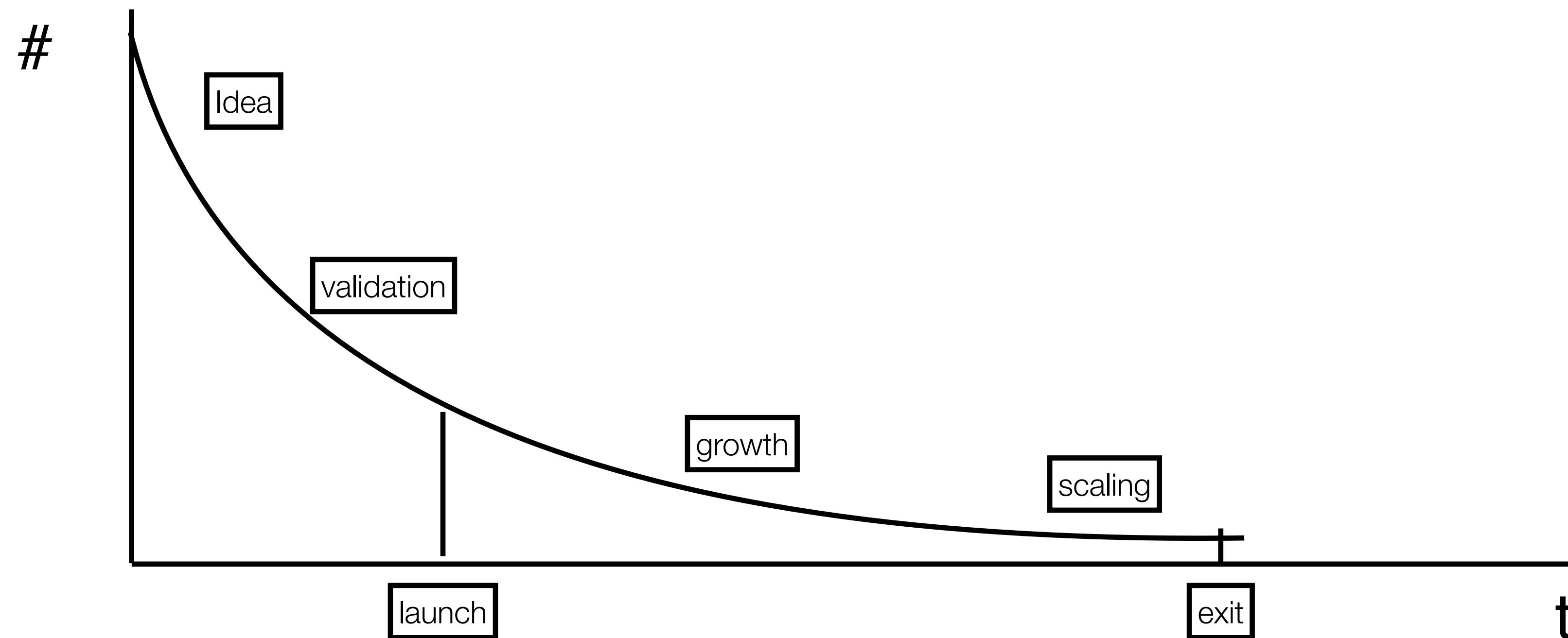
Startup Life Cycle

Navigating the Phases of Growth

- **Idea Generation:** The initial stage where founders conceive a unique business idea or identify a problem they want to solve.
- **Validation:** The phase where founders test and validate their business idea through market research, prototyping, and early customer feedback.
- **Growth:** The stage marked by rapid expansion, customer acquisition, and scaling operations.
- **Scaling:** The phase where the startup focuses on sustaining and accelerating growth while optimizing processes.
- **Exit:** The final stage where founders may choose to exit the startup through options such as acquisition, merger, or going public.

Startup Life Cycle

Navigating the Phases of Growth



Case Study - Airbnb Lifecycle

Startup Life



- 2007: Idea born during a design conference in SF
- 2008: First prototype and early traction
- 2009: Y Combinator + initial funding
- 2010-2014: Rapid growth & global expansion
- 2015-2019: Consolidation, regulation issues
- 2020: Pandemic crash and recovery
- 2020: IPO

Challenges And Risks

Navigating the Startup Landscape / Challenges

- **Funding Constraints:** Limited access to capital can impede growth and product development. (e.g. Clubhouse)
- **Fierce Competition:** Competitive markets often require startups to differentiate themselves effectively. (e.g. Meerkat)
- **Market Uncertainty:** Market conditions can be unpredictable, making it challenging to gauge demand accurately. (e.g. Segway)
- **Talent Acquisition:** Attracting and retaining top talent can be difficult, especially for early-stage startups. (e.g. Pebble)
- **Product-Market Fit:** Finding the right product-market fit is crucial for sustainable growth. (e.g. Google Glass)

Challenges And Risks

Navigating the Startup Landscape / Risks

- **Financial Risk:** Startups often operate with limited budgets and face the risk of running out of capital. (e.g. Everpix)
- **Market Risk:** The market's response to a new product or service is uncertain and can impact a startup's success. (e.g. Jawbone).
- **Operational Risk:** Challenges in day-to-day operations can affect efficiency and customer satisfaction. (e.g. Zenefits)
- **Regulatory and Legal Risk:** Navigating complex regulatory landscapes can be a significant challenge. (e.g. Uber)
- **Reputation Risk:** Startups must manage their reputation carefully, as negative perceptions can harm growth. (e.g. Facebook / Cambridge Analytica)



Activity: Top 5 Startup Challenges

Group Brainstorm

- In groups or individually, list your top 5 perceived challenges for startups
- Consider market, team, funding, and product issues
- Compare with class results and discuss surprises

Famous Startup Failures

Lessons Learned

- **Quibi:** Misread market, massive burn, poor timing
- **Juicero:** Over-engineered product with no real demand
- **Theranos:** Ethics, tech, and trust failure



Discussion:

What would you have done differently?



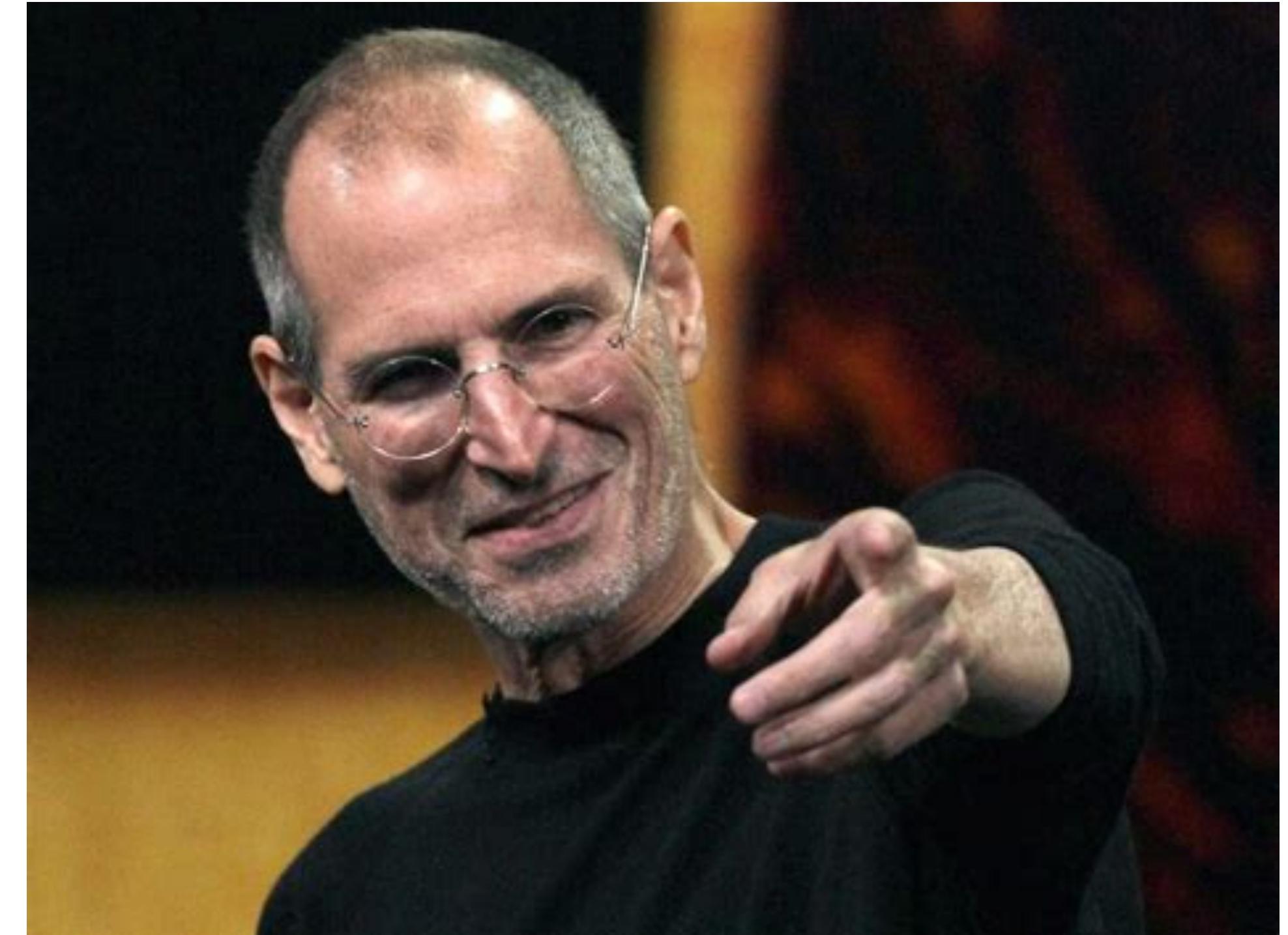
Mindset Of A Founder

Qualities that Drive Success

- **Resilience:** The ability to bounce back from setbacks and maintain determination in the face of adversity.
- **Adaptability:** A willingness to pivot and adjust strategies based on changing circumstances and feedback.
- **Risk-Taking:** A comfort with taking calculated risks and exploring uncharted territories.
- **Vision:** A clear and inspiring vision for the startup's future, along with the ability to communicate that vision to the team.
- **Persistence:** A commitment to the long-term vision, even when faced with challenges and temporary setbacks.
- **Life long learner:** Curiosity, learning from mistakes, networking...

Mindset Of A Founder: Self-awareness!!!

Elon Musk, Steve Jobs



Founder Mindset Mini-Quiz

Self-Assessment: Do You Think Like a Founder?

- I thrive in uncertain situations
- I bounce back quickly from failure
- I seek feedback, even if it's tough to hear
- I'm driven by a mission or big idea
- I like to build things from scratch

Instructions: Rate each statement 1–5 (strongly disagree to strongly agree)

The Lean Startup Approach

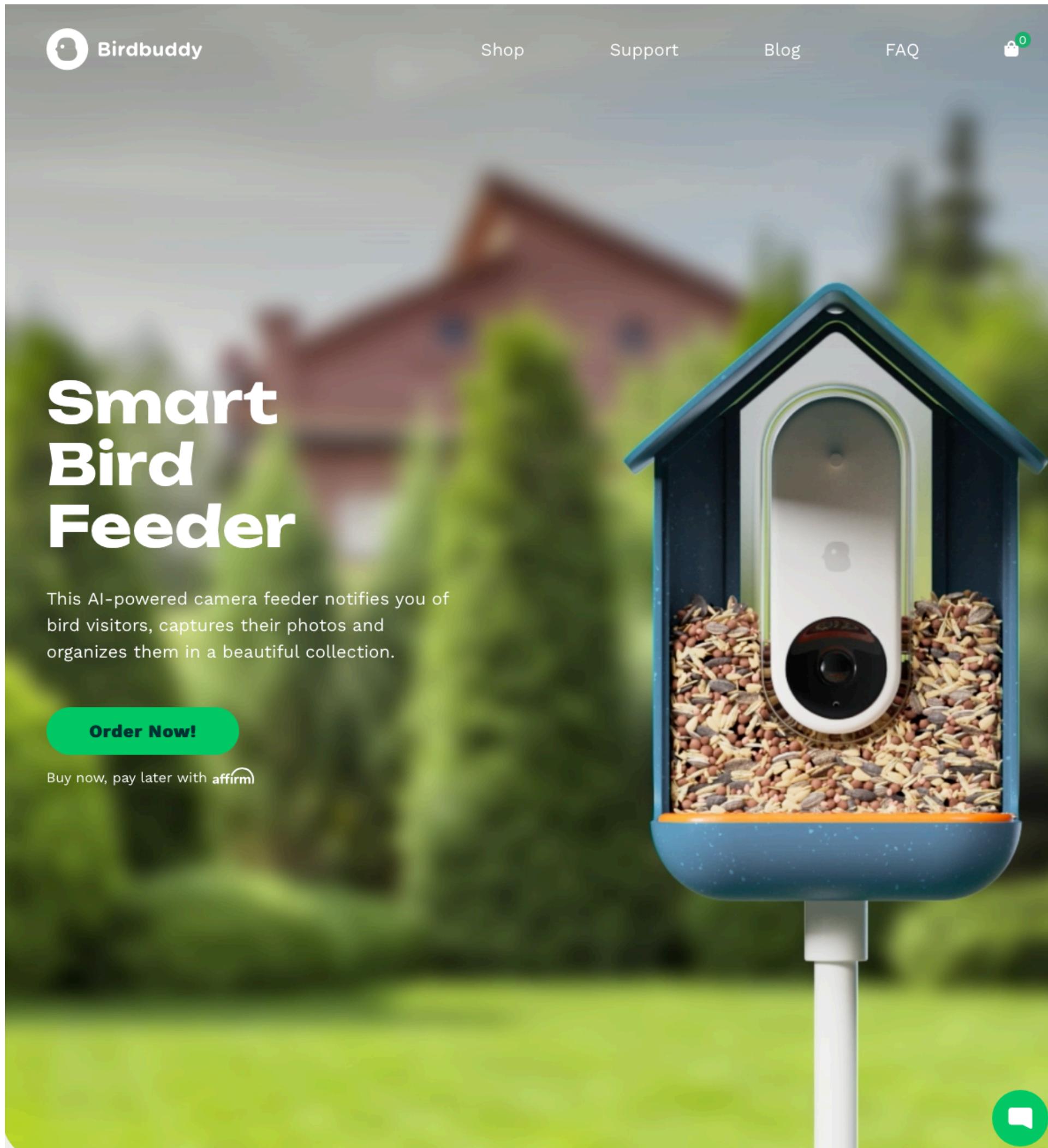
Innovate, Iterate, and Accelerate

The Lean Startup is a systematic approach for developing businesses and products, emphasising iterative and customer-centric practices.

- **Efficiency:** It helps startups avoid wasting resources on products or features that may not resonate with customers.
- **Risk Reduction:** By continually testing and learning, startups reduce the risk of building a product that no one wants.
- **Customer-Centric:** It places the customer at the center of the development process, leading to products that better meet their needs.

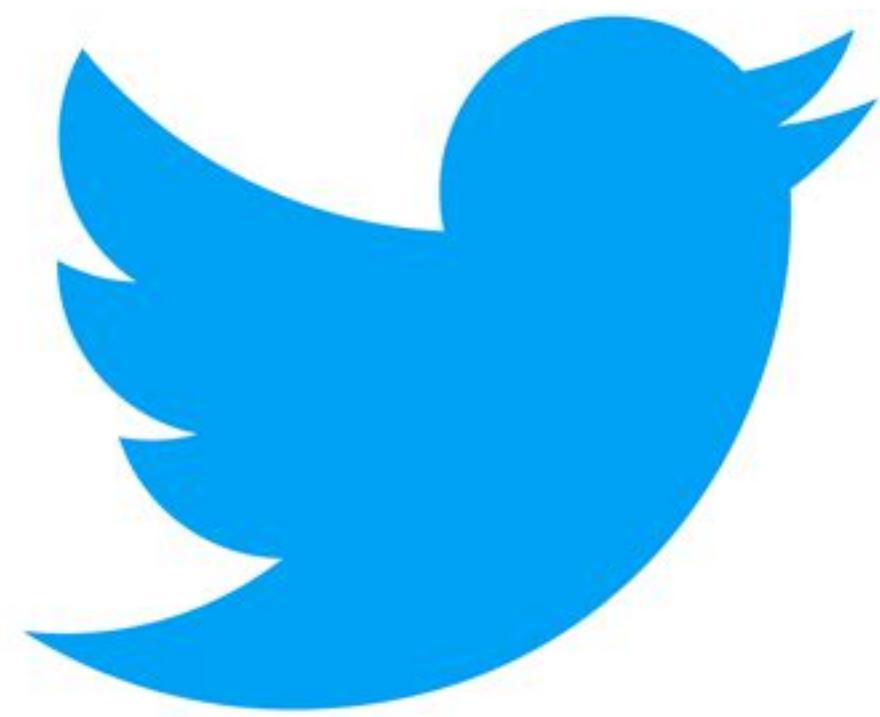
The Lean Startup Approach

Minimal Viable Product



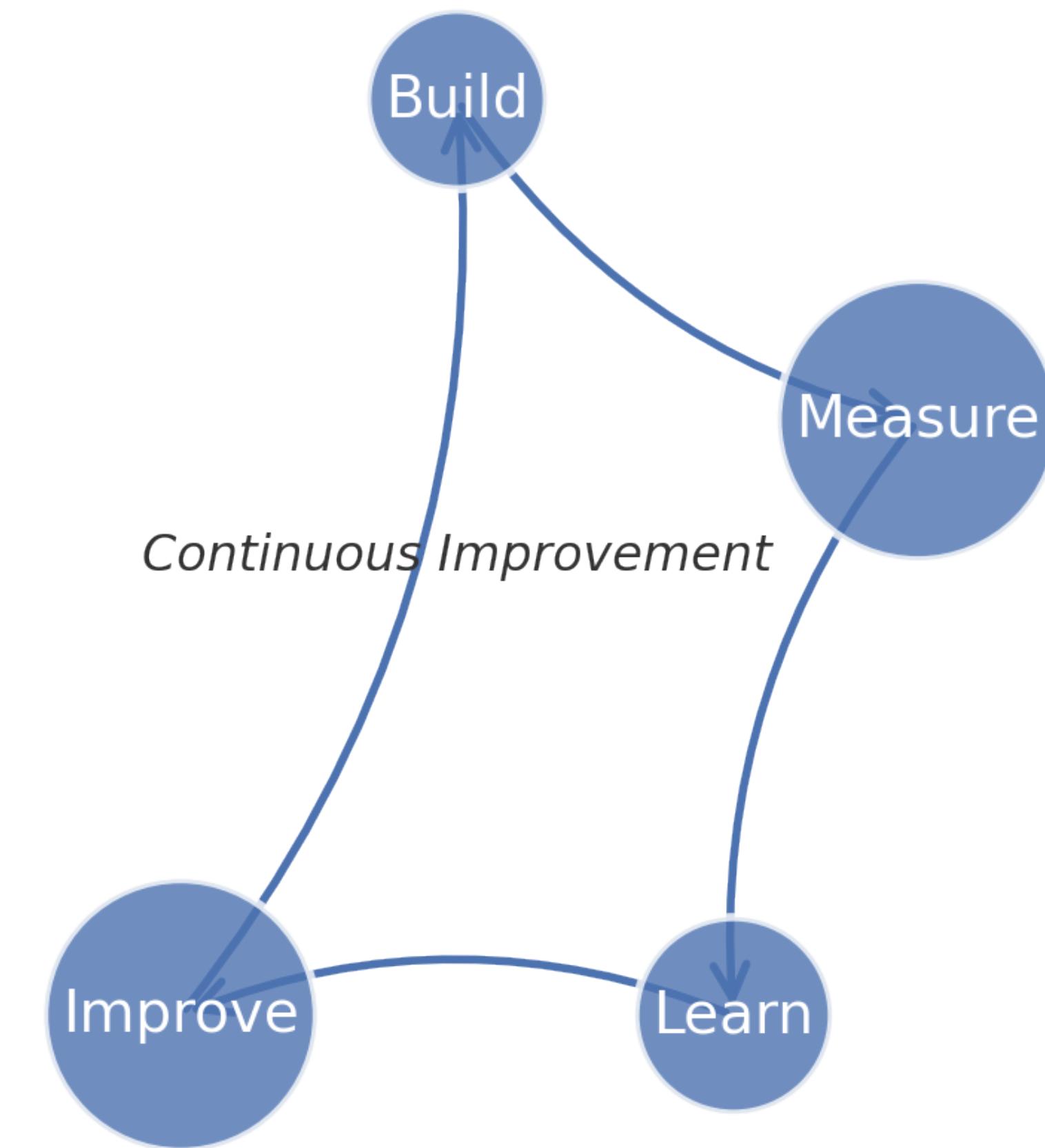
The Lean Startup Approach

Pivot and Persevere



Lean Startup Principles

Continuous Improvement



The Role Of Failure

Know when to fail or give-up?

Failure in the startup world is not an endpoint but rather a step on the path to success. It's an opportunity to learn, adapt, and grow.

- **Thomas Edison:** Edison failed thousands of times while trying to invent the electric light bulb. His famous quote: "I have not failed. I've just found 10,000 ways that won't work."
- **Steve Jobs:** Jobs was fired from Apple, the company he co-founded. However, he returned to Apple and led it to become one of the most valuable tech companies globally.
- **WD-40:** WD-40, the popular household lubricant, got its name because it was the 40th formula the company tried. It's now a staple in millions of homes.

Conclusion

Preparing for Your Startup Journey

- The definition and characteristics of startups.
- The importance of the startup ecosystem.
- Distinguishing entrepreneurship from small business.
- The startup life cycle and its stages.
- Common challenges and risks faced by startups.
- The qualities and mindset of a successful startup founder.
- The Lean Startup approach and its principles.
- The role of failure as a learning opportunity.
- The resources and support available to startups.

Assignment

Build your startup

- get co-founders
- generate/test ideas
- define a product
- get a name

Create docs with GDrive tools and share the doc with ales@spetic.si by the end of the week!

Please create a folder with the name of your team and share it with me. All the documents that you want to share, should be in the folder.

Resources

Startup Inspiration

- **Podcasts:**
 - How I Built This (NPR)
 - a16z Podcast (Andreessen Horowitz)
 - The Tim Ferriss Show
- **Books:**
 - The Lean Startup by Eric Ries
 - Zero to One by Peter Thiel
 - Founders at Work by Jessica Livingston
- **Videos:**
 - Y Combinator Startup School (YouTube)
 - TED Talks on innovation, failure, and entrepreneurship