

The Yegor Gaidar Summer Leadership Program YGSLP 2011-2012

I. PROGRAM ACTIVITIES OUTLINE

The Yegor Gaidar Summer Leadership Program is a joint project of the Yegor Gaidar Foundation and U.S. Russian Foundation, designed to assist Russian undergraduate students with the knowledge, skills and practical experience in the area of economic and business development, with a focus on economics and entrepreneurship. The students also toured Purdue's research facilities, technology transfer offices and business incubators.



During a three-week course of study at Purdue University in July 2012 ten students from Perm and Saratov regions of Russia worked in teams on a business case to commercialize a new or enhanced product. They determined the best way to establish a startup by developing a business plan, building a management team, identifying capital needs and creating a marketing strategy.

Meetings were held to discuss potential collaborations with researchers in Discovery Park, as well as graduate students, faculty members and entrepreneurs at Purdue Research Park. The program provided opportunities for Purdue students and these competitively selected Russian students to exchange cultural information and discuss entrepreneurship with a global perspective.

A formal reception to recognize the Russian students was set on Thursday, July 26, in the Hall for Discovery and Learning Research. Among the guests were outstanding professors of Purdue, including Acting President of Purdue University Dr. Timothy D. Sands. Purdue aeronautics and astronautics professor Alina Alexeenko, a native of Russia, was the keynote speaker for the event.

The program culminated when the Russian students delivered business-plan presentations on their ideas on Friday, July 27, in Discovery Park's Burton D. Morgan Center for Entrepreneurship. Each student received the Certificate of Accomplishment of Entrepreneurship Training Program from Purdue University.



II. ENTREPRENEURSHIP TRAINING COURSE at Purdue University, Discovery Park

A three week program to introduce ten undergraduate students to entrepreneurship and start-up company development was comprised of educational, practical application, networking and cultural activities. In order to drive the students to a final business model, each student arrived with a valid business idea.

Dr. Tim Peoples, Director of Purdue's Technology Centers assumed instructional responsibility for the program. Classes were held in Purdue's Discovery Park in the Burton D. Morgan Center for Entrepreneurship. Purdue's Office of Conferences handled all of the trips and logistics for the program. *Alan Rebar*, Executive Director of Discovery Park and Sr. Assoc. Vice President for Research, and *Candiss Vibbert*, Assoc. Director for Discovery Park Engagement and Asst. Vice President for Engagement, coordinated the program.

Week one was educational in nature and introduced the students to the concepts, tools and processes that make up the entrepreneurial world. Areas of major focus included company formation, intellectual property protection, industry and competitor analysis, business model development, financial modeling, writing a business plan and obtaining financing. The program is based upon the internationally recognized *So what? Who cares? Why you?* ® methodology developed by Wendy Kennedy.

At the very beginning Dr. Peoples divided the students into 5 groups of two people to work on high technology business-cases, which were used as examples for the development of the students' individual business ideas. The groups and topics, they were researching and developing, are as follows:

Yulia Khabibulina and Ekaterina Nekhorosheva put their efforts to research and develop a device, which allows automatic counting of vermin insects and isolating them into a special box to avoid ruining fruit and crops. They named their start-up company «**Bug Spy**».

Ksenia Perepelkina and Iuliia Badashkeeva studied information databases to develop a project on alternative automobile fuel made of specially processed algae. Their company was called «**Truck Oil**».

Ivan Korsakov and Aneliya Filatova delved deeper into plastic surgery peculiarities. The goal of their business case was to suggest a brand new technique to eliminate scars after undergoing surgery. They launched a start-up company named «**BeauSkin**».



Elena Tolmacheva and Yana Nursubina developed eco-friendly fuel for automobile industry. They suggested their own strategy to launch the product and conquer their individual niche on the market. Their project was named «**Eco Fuel**».

Yaroslav Gellert and Kirill Shagoiko became real specialists in designing a special device for providing diagnosis of cancer on its early stages. They have not only studied the technology of this device, but also analyzed the current situation on the market, having revealed competitive advantages of this equipment. The name of their company is «**Find a Chance**».

It should be noted that each of the cases was rather complicated and extraordinary, besides this ten Russian students, with major in economics, are not specializing in the areas of the above mentioned cases. However, as Dr. Peoples and Program coordinators noticed these reasons did not interfere with the process of understanding the problem, information research, business-plan development and working on a presentation for potential investors or clients. Also students had excellent background knowledge in finance and economics, which was underlined and appreciated by Purdue professors.

Week two focused on hands-on application of the tools and processes to the business cases given by the professor. Through interaction with business mentors and their team members the students began to build their businesses. The real world experience of the mentors helped keep the teams focused on practical application of their learning. As a result 5 groups successfully coped with their cases and did excellent presentations of their products.

Dr. Peoples pointed out that the group turned out to be very hard-working and achievement-oriented. He was impressed by the students' serious attitude to their work and task accomplishment. After the presentation of business-cases Dr. Peoples gave his final comments by revealing advantages and drawbacks of each group and giving his recommendations for future improvement.

This type of collaboration between professors and students seems to be very effective. Students acquired the skills of sharing opinions with the groupmates, giving critical comments on the business-case fulfillment as well as accepting criticism related to their own presentations.

In the **third week**, each student worked independently with minimal supervision to delve deeper into the business ideas the students bring to the course and create the final detailed business strategy. Periodic interaction with mentors and instructors was used to make sure the students are on track to finalize their businesses. The last phase of week three was pitching the students' businesses to potential investors in a business plan presentation forum which allowed them to receive feedback on their businesses. Each presentation covered the following aspects of a business idea:

1. Stating a real-life business problem
2. Providing statistics information on the current market situation
3. Giving solution to the problem
4. Stating market opportunities (competitors)
5. Potential customer description
6. Market attack plan
7. Detailed product description
8. Path to market
9. Financial forecasts
10. "The Ask" - Investments required

The classes were organized so that each student could present his/her business idea. Then Dr. Peoples divided them into groups again so that their topics were somehow related and students could help each other, which is a good way of collaboration for Russian students used to cooperative work. However, each student had an opportunity to work independently as well. Interaction with mentors and instructors was well-organized and turned out to be a very useful technique in the development of a final presentation.

Activities that occurred parallel to the program which complement the training include:

1. Visit to the Purdue Research Park and Purdue Technology Center

The group of Russian students had an opportunity to see the work of high technology startups and early stage companies at the Purdue Research Park. Among them was the company called «*Spensa Technologies*», where students could get acquainted with the production technology of a device (which can automatically count and isolate vermin insects), they were commercializing during the first two weeks of their training. This gave them a practical overview of what they were going to sell to potential investors.



The program also included a visit to «*Cook Biotech*» enterprise, which has been on the medical market for many years and its revenue amounts to millions of dollars. The students were told about a unique product, which is produced after Purdue technology. This is a special tissue made of pig intestines and used in wound healing operations. Thus, the company shows the ways of commercializing a high-technology product and making sufficient profit on it.

During the last week Purdue organized a tour around *SUBARU, Indiana branch* production line. The students were introduced to manufacturing of Subaru cars, saw the work of a high technology plant, where most of the work is done by robots and specially programmed machines.

2. Visit to Discovery Park at Purdue University

Tours around Purdue University, Discovery Park gave an overview of the research being done at university. The areas of high technology development include nanotechnology, cancer healing, aerospace technology development, etc. Russian students also had a couple of informal meetings with interns and young entrepreneurs at Purdue. This was an invaluable experience for them in terms of getting familiar with job opportunities in Indiana, start-up company launching, challenges faced at early stages of company development as well as learning more about American culture and networking possibilities.

Complementing an entrepreneurship program with visits to real start-up companies and big enterprises seems to be very useful and practice oriented experience. Next year this part of the program could be extended by introducing internships for Russian students with an American or international company or affiliate. This experience will give students a view of how business is done overseas and get acquainted with corporate culture and working style of these enterprises.

What is more, it would be good to include lectures from experienced entrepreneurs as part of the program. This might be useful for students in terms of professional and leadership skills development as well as gaining new knowledge from experienced managers and true leaders.

III. STUDENTS' FEEDBACK

At the end of each week the students described their observations and impressions from their daily activities, which were later posted on the USRF and Gaidar Foundation websites. Upon completion of the program the participants were asked to fill out the post-program survey, which was designed to get their feedback on the program. Here are some of the students' thoughts on their three-week course at the U.S. University.

Ksenia Perepelkina, Saratov: «Two students Melissa and Kate toured us around **Purdue University campus**. They showed us main Purdue sights and introduced the Russian group to educational facilities. How different are American universities from Russian ones! Purdue has a number of different fraternities and sororities: they live in separate buildings, organize special events and after graduation students remain part of this community.»



Kirill Shagoiko, Saratov: «In the middle of our program at Purdue we were invited for an **American cook-out** at our Professor Dr. Peoples' home. This was really amazing experience. The whole Peoples family gave us a warm welcoming. We got acquainted with traditional American food and became part of the family reunion party.»

Aneliya Filatova, Saratov: «The program was perfectly organized. Educational program was combined with an **amazing cultural tour**, which included visiting Washington, DC, Chicago, Indianapolis and Springfield with Lincoln Presidential Museum. Everything was so wonderful: university, people, travelling and country itself. Thank you very much for this chance to see new world and to learn new things!»

Yana Nursubina, Perm: «...it was really great to have an opportunity to **talk to young entrepreneurs**... Such talks have only proved that American students are highly motivated in becoming successful businessmen from an early age. These undergraduates and graduates have become an ideal example of success inspiring to turn my idea into a real business. **Educational system of the U.S. differs much from the Russian system.** Russian professors are more focused on theoretical aspects while the main target for the Americans is to apply theoretical instruments in practice. All material is explained on the example of business cases. Firstly, students are able to analyze the reasons of company's success or failure, to highlight the key issues. Secondly, teamwork is very important in the American universities, because you have a chance to share your skills and knowledge with your partners and find new interdisciplinary solutions.»

Ekaterina Nekhorosheva, Saratov: «**Excellent educational course in entrepreneurship** and start-up company development, broad cultural program (we compared big cities of the USA with small towns in rural areas, got acquainted with American history and art, etc), intensive cross-cultural communication and networking, availability of all university facilities (libraries, sport gyms, a swimming pool). The program touches upon various sides of personal development.»



IV. MEDIA COVERAGE OF THE PROGRAM

The YGSLP 2012 program received coverage both in the U.S. and Russian media. USRF Assistant Alya Rakhmatullina, who worked closely with the Purdue Marketing & Media Department, organized a number of interviews about the program for the Exponent newspaper and WBAA Radio, Indiana as well as an interview about U.S.-Russia exchange programs with one of the students and program coordinators for “The Voice of Russia” radio station.

Below are the links to the articles and radio programs, they can also be found on the USRF website – YGSLP news page.

<http://www.purdue.edu/newsroom/general/2012/120717HornettRussians.html>

http://www.purdueexponent.org/campus/article_c6d2ed1c-c8cb-5702-a1f2-6d4b64dc63ca.html

<http://wbaa.org/post/russian-students-get-crash-course-entrepreneurship-purdue>

http://english.ruvr.ru/radio_broadcast/25547106/83518936.html

Program Participants' Business Ideas

1. Iuliia Badashkeeva

Home city: Perm

Home academic institution: Perm State National Research Polytechnic University

Business idea: development of Perm region of Russia through promotion of ecological tourism, based on cultural potential of the area. Iuliia has actively participated in innovative forums in different regions of Russia and is ready to team with other group members to develop a more high technology oriented product.

2. Aneliya Filatova

Home city: Saratov

Home academic institution: Stolypin Volga Region Institute - Russian Presidential Academy of National Economy and Public Administration

Business idea: establishment of a communicative agency specializing in advertising messages through Internet social networks; creation of effective advertising campaigns in social media for the clients from Saratov region of Russia.

3. Yaroslav Gellert

Home city: Saratov

Home academic institution: Saratov State Socio-Economic University

Business idea: designing and launching the web-site project StudentLife.com, which will provide information for people interested in their career development. This Internet resource will contain information about companies, job opportunities, scientific, research, entertainment and other events in Saratov region of Russia.

4. Yulia Khabibulina

Home city: Saratov

Home academic institution: Saratov State Socio-Economic University

Business idea: increasing agricultural production in Saratov region through building a high-technology, energy neutral greenhouse with the initial area of 5-10 hectares near Saratov city. This greenhouse will be able to use different types of energy, including alternative, generating energy in one block and then dividing it equally to all the sections.

5. Ivan Korsakov

Home city: Perm

Home academic institution: Perm State National Research Polytechnic University

Business idea: creation of a small innovative enterprise (a start-up company at his home academic institution) based on a registered patent right for fiber optic pressure sensor (FOPS). FOPS can be used in oil and gas industry, aerodynamics, building and construction, hydro-acoustics, biomedical research, protective services with remote pressure monitoring.

6. **Ekaterina Nekhorosheva**

Home city: *Saratov*

Home academic institution: *Saratov State Socio-Economic University*

Business idea: technological development of autonomous power supply sources (APSS) based on application of new generators, their improvement for the purpose of efficiency increase, expansion of application area, cost reduction and supporting competition on the market; launching generators manufacturing at “Saratovgazavtomatika” enterprise (an energy development enterprise in Saratov region).

7. **Yana Nursubina**

Home city: *Perm*

Home academic institution: *National Research University "Higher School of Economics" - Perm branch*

Business idea: creation of an innovative service providing sales outlets, aimed at accurate data collection and processing by means of momentary transactions made with the help of a special application for mobile devices. This can allow small trade businesses to lower costs on expensive equipment, automate conventional operations conducted frequently, and make data collection easier.

8. **Ksenia Perepelkina**

Home city: *Saratov*

Home academic institution: *Saratov State Socio-Economic University*

Business idea: organizing a venture enterprise aimed at design and production of a mobile phone application for blood pressure measurement. The company is supposed to become an agent between companies producing mobile phones and pharmaceutical enterprises.

9. **Kirill Shagoiko**

Home city: *Saratov*

Home academic institution: *Stolypin Volga Region Institute - Russian Presidential Academy of National Economy and Public Administration*

Business idea: application of alternative energy sources in Saratov region of Russia; conducting research on the wind speed and geographic peculiarities of the area; development of a plan for the wind station construction; construction of a wind farm; improvement of energy infrastructure of the region.

10. **Elena Tolmacheva**

Home city: *Saratov*

Home academic institution: *Saratov State Socio-Economic University*

Business idea: establishment of a company recycling post-customer plastic goods. As a result of recycling process they will get secondary polyethylene terephthalate (PET) pellets used as raw material to make new packaging such as bottles, containers, etc. The company will sell PET pellets to the enterprises that produce a wide range of plastic consumer goods.