



FLAME
UNIVERSITY

Masterclass

Effectuation for Uncertain Times

Darshan Doshi

Founding Director - Centre for Entrepreneurship & Innovation

11 June 2020



India - \$ 5 Trillion economy

Create 300 Million jobs by 2040
10 million jobs a year!

3rd largest startup ecosystem

70k + Startups
9k + Tech Startups

\$13+ Billion VC Funding

24 Startup Unicorns

Covid-19
Problems = Opportunities?

Covid-19 Changes the World

Economic Recovery, Recession or Depression ?

Airbnb is cutting 25% of staff — 1,900 jobs — after its business has been slammed by the coronavirus crisis



OYO to furlough US and UK staff, considering layoffs

Short Term Rentalz (blog) - 08-May-2020

CEO Ritesh Agarwal said in a video message: "The company's balance sheet runway has come under severe stress. This is meant to ensure that ...

Startups like ClassPass and The Wing have cut significant portions of their workforce

TripActions, the \$4 billion Andreessen Horowitz-backed corporate travel startup, just laid off 296 employees as the travel industry grinds to a halt

Andreessen Horowitz-backed Wonderschool just laid off 75% of staff on a Zoom call, telling employees the coronavirus could dry up any more funding for 2 years

Creation During Crises

General Electric

Year Launched: 1892

2019 Revenue: \$95.2 Billion

Microsoft

Year Launched: 1975

2019 Revenue: \$125.8 Billion

Electronic Arts

Year Launched: 1982

2019 Revenue: \$4.5 Billion



Apple (1975, 2001)

Salesforce, Google, and Facebook

Mailchimp (2009)

Slack (2009)

FedEx

Year Launched: 1971

2019 Revenue: \$65.5 Billion

Trader Joe's

Year Launched: 1958

2019 Revenue (Estimated): \$13.3 Billion

HP

Year Launched: 1939

2019 Revenue: \$58.8 Billion

IBM

Year Launched: 1911

2019 Revenue: \$77.1 Billion

Hyatt

Year Launched: 1957

2019 Revenue: \$5.0 Billion

Disney

Year Launched: 1929

2019 Revenue: \$69.6 Billion

General Motors

Year Launched: 1908

2019 Revenue: \$137.2 Billion

Covid-19: Problems = Opportunities

- Groceries and essential goods
- Safety
 - Sanitizers, PPE, ventilators, robots, Apps like Aarogya Setu, and more
- Remote work connectivity
- Cybersecurity
- Healthcare
- AtmaNirbhar India
 - Build in India, Build for India
 - Vocal About Local
- Mental Health
- Insurtech
- Edtech
- Fitness & Health
- Personal Finance and Investments
- Gaming and Entertainment
- Global Logistics
- Vertical SAAS
 - Build in India for the World
- Others?

Covid-19 Initiatives in India

- Innovations
 - Innovation Challenges
 - Hackathons
 - Crowdsourcing
- Stakeholders
 - Government of India – Central and State Governments
 - Startup communities – Incubators, Accelerators, Investors
 - Corporations
- Investments
 - New Funds launched to solve problems caused by Covid-19 crisis
 - Focus on Profitability vs Funding
 - Rising Debt? MSMEs? Micropreneurs?

Mastering Uncertainty

- If you think you can predict the future, go ahead and place your bet
- When you think the future is unpredictable, effectuate
- If you are in doubt whether the future is predictable or not, EFFECTUATE

I want to lead and take charge, but...

I don't have an idea



I'm afraid to fail



I don't have money



I don't know what to do

So let's get to it...

What DO expert entrepreneurs learn?

- At least 15 years experience founding and running companies
- Multiple ventures including successes and failures
- At least one IPO

The Key Finding

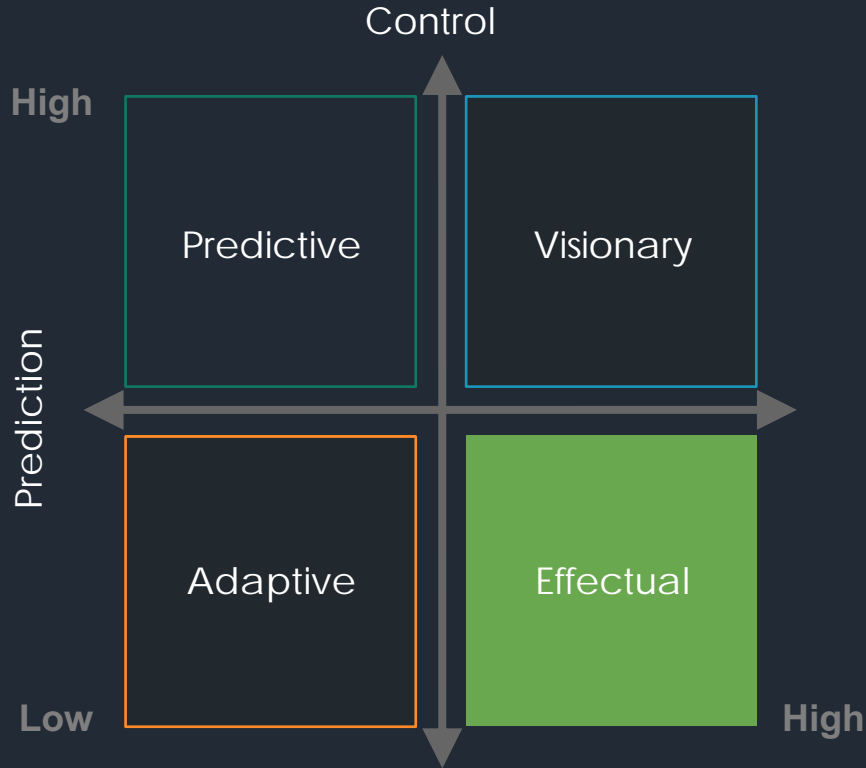
Causal Logic

To the extent we can predict
the future, we can control it

Effectual Logic

To the extent we can control
the future, we don't need to predict it

Effectual Logic



= Non-predictive control

How do you control a future
you cannot predict?

A hand holding a glowing sphere, symbolizing control and future prediction.

How do you control a future you cannot predict?

Work with what's already
within your control to **co-create it** with
self-selected stakeholders without having to predict it

Principles of Effectuation

Crazy Quilt



Affordable Loss



Lemonade



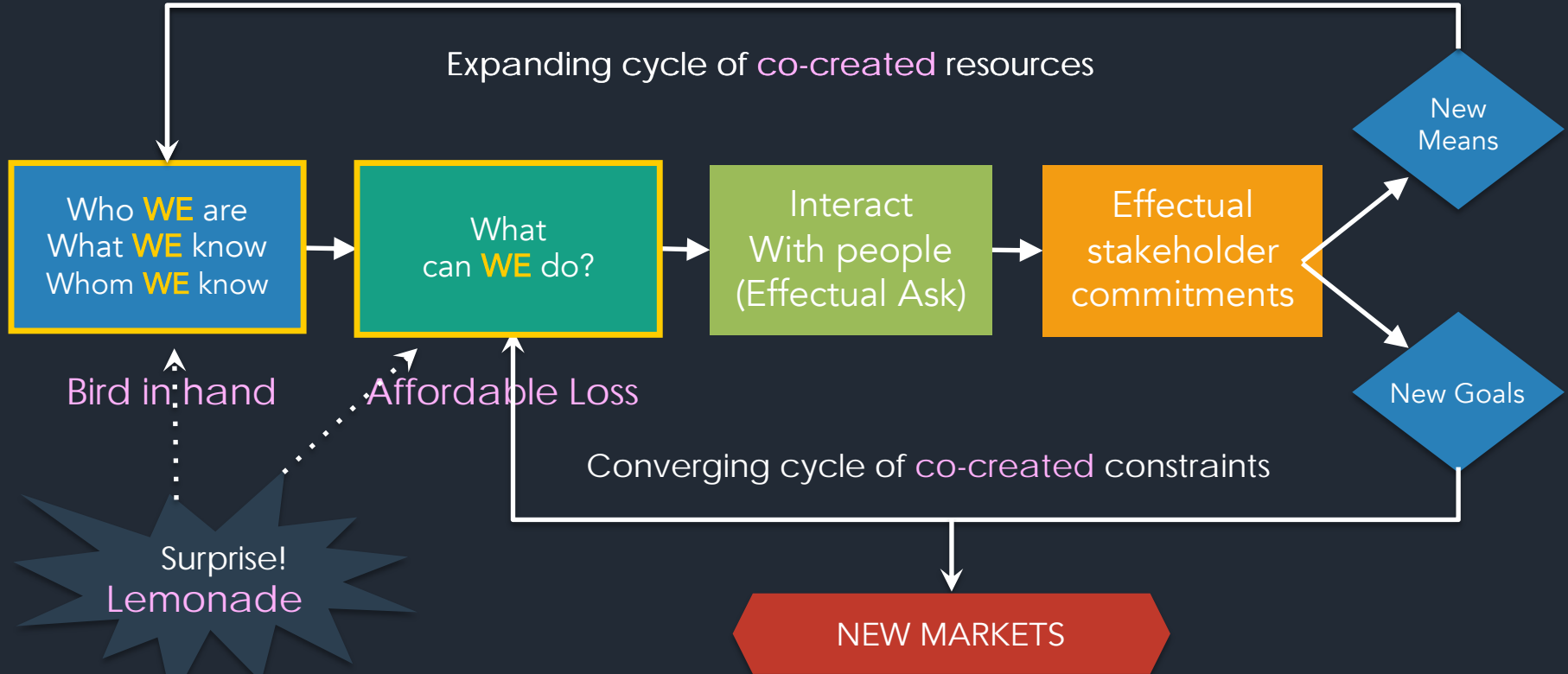
Bird-in-hand



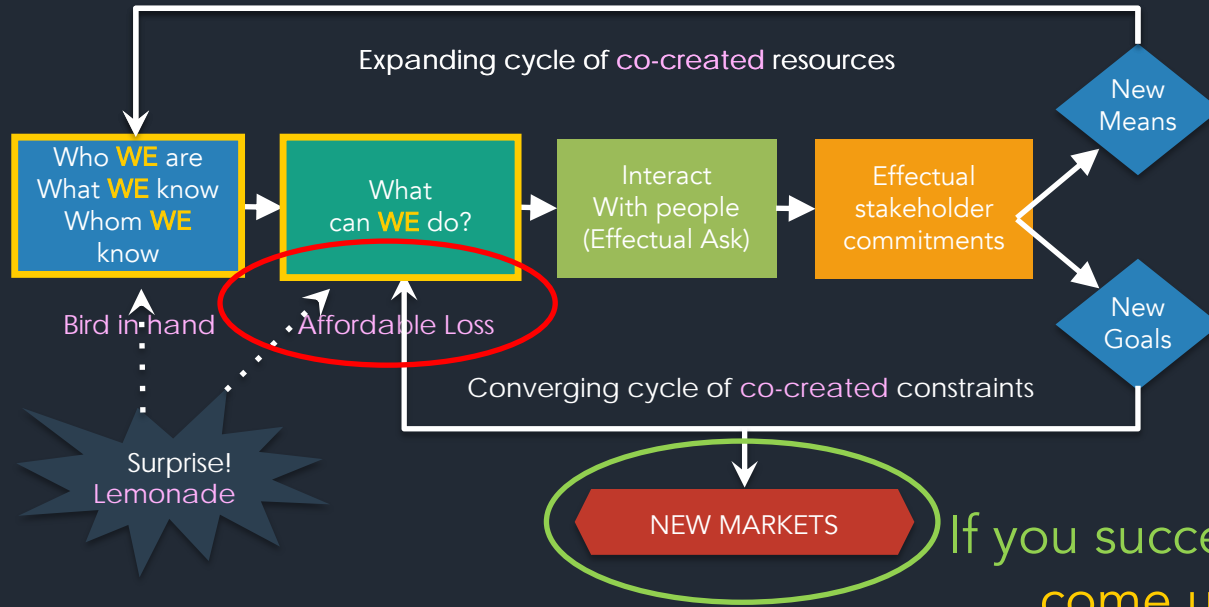
Pilot-in-the-plane



Co-creating the Future



Implications for Performance



If you succeed, you are more likely to come up with something new

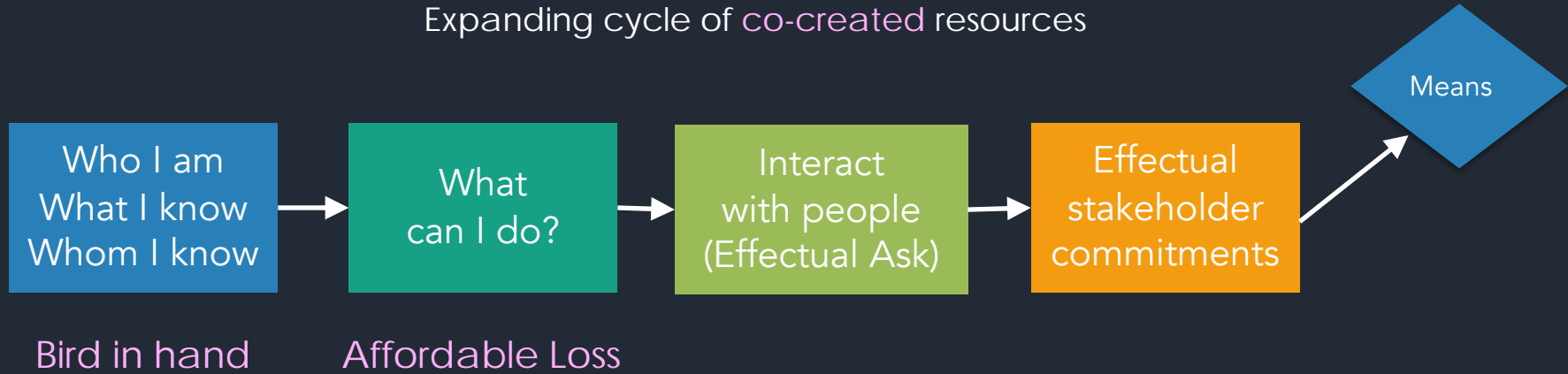
If you fail, you are likely to lose less
(nothing more than what you can afford to lose)

Mastering Uncertainty

- If you think you can predict the future, go ahead and place your bet
- When you think the future is unpredictable, effectuate
- If you are in doubt whether the future is predictable or not, EFFECTUATE

Your Turn – 5 mins Exercise

Expanding cycle of co-created resources



FCEI: A Vibrant Entrepreneurial Ecosystem



FLAME ORIGINS PROGRAM

Supports high potential early stage startups across all sectors through a structured and personalized 5-month mentorship program.

FLAME PATHBLAZER

An inspirational series of workshops & talks where we invite global achievers who have impacted the world.

FLAME INCUBATOR

This program helps product-ready startups achieve the next stage of growth over a year-long, deep engagement program.

FLAME ENTREPRENEURSHIP SUMMIT

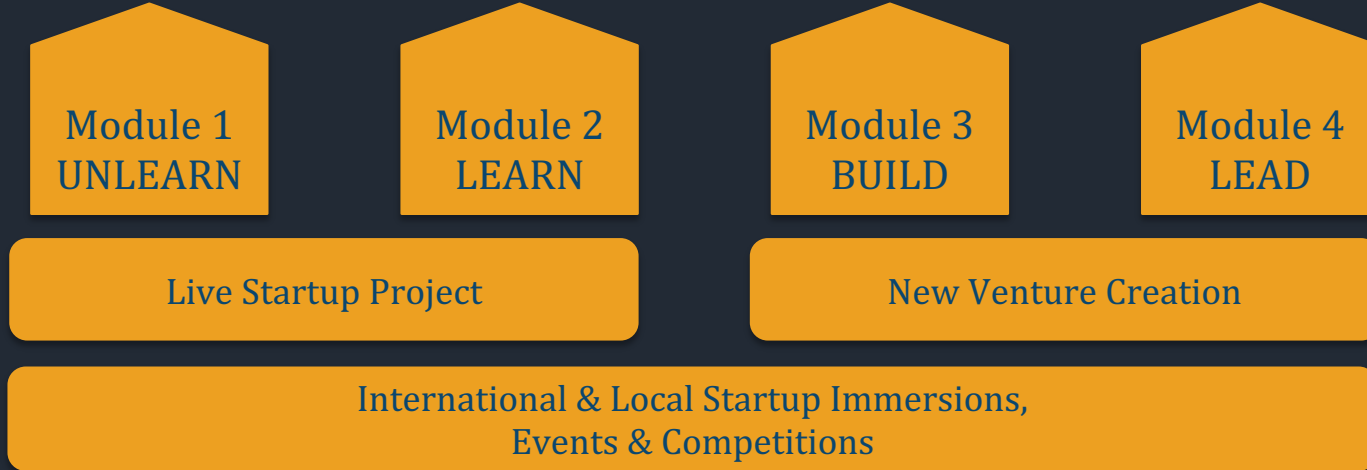
It is the flagship startup conference that brings together people from the Indian startup ecosystem, providing an opportunity for new business ideas to win seed capital and an opportunity to participate in the FLAME Origins Program.

FLAME COWORKING SPACE

A 50 seater coworking space that was recently inaugurated and is open to qualified startup founders.

One Year Post Graduate Program in Entrepreneurship & Innovation

Reshaping Entrepreneurial Education



Backed by experiential learning from practicing entrepreneurs, coaching from CxO's, global immersion, and access to maker space, incubation and investment

PGPEI: Educators, Entrepreneurs, Investors & Business Leaders

Advisors and Mentors



Hari Menon
Co-Founder & CEO, Big Basket
Area of expertise: Consumer Tech, E-Commerce, Innovation



Rupan Jhaveri
Managing Director, KKR India
Area of expertise: Private Equity, Negotiations, Opportunity Identification



Dr. Sara D. Sarasvathy
Paul M. Hammett Professor in Business Administration, UVA, Darden School of Business
Jamuna Raghavan Chair Professor in Entrepreneurship, IIM Bangalore
Area of expertise: Entrepreneurship, Cognitive Science, Behavioral Economics



Manish Chokhani
Director, ENAM Holdings Pvt. Ltd.
Area of expertise: Investments, M&A, Decision Making

FACULTY



Dr. Disha Kamdar
Vice Chancellor, FLAME University
Area of expertise: Negotiation Analysis and Decision Making



Darshan Doshi
Director, FLAME Centre for Entrepreneurship and Innovation
Area of expertise: Entrepreneurship, Leadership Development, Investments



Dr. Aravind Chinchure
Founder & CEO at QLEAP ACADEMY
Area of expertise: Research, Innovation, Intellectual Property



Dr. Dwarika Prasad Unyal
Professor & Dean - Faculty of Business
Area of expertise: Management, Retail



Kuntal Shah
Partner - Oaklane Capital Management
Area of expertise: Venture Capital, Private Equity, Investments



Prasanna Krishnamoorthy
Founder and Partner, Uppekha Catalyst
Area of expertise: Software as a Service (SaaS), Product Management, Venture Capital



Aneel Mashalkar
Head - JoGenNext
Area of expertise: Market Entry, Strategic Thinking, Business Development



Pranav Pai
Founding Partner, 3one4 Capital
Area of expertise: Venture Capital, Strategic Thinking, Technology Commercialization



Dr. Niraj Mankad
Assistant Dean - Programs
Area of expertise: Management, Business Analysis, Entrepreneurship



Dr. Bharat Damani
Associate Professor - Entrepreneurship
Area of expertise: Entrepreneurial Finance, Business Planning, Social Entrepreneurship



Dr. Amarpreet Singh Ghura
Assistant Professor - Entrepreneurship
Area of expertise: Family Business, Corporate Entrepreneurship, Business Model Innovation



Dr. Anirudh Agrawal
Associate Professor - Entrepreneurship
Area of expertise: Social Entrepreneurship, Open Innovation, Social Impact Assessment



Dr. Ganesh Natarajan
Chairman, SF World
Area of expertise: Leadership, Information Technology, Policy



Ravi Nigam
Co-founder & Former Managing Director, Tasty Bite
Area of expertise: FMCG, International Business Development, Partnerships



Ajay Bhagwat
Founder, RENU Electronics
Area of expertise: Electronics, Investments, Manufacturing



Hemant Jalan
Founder & Managing Director, Indigo Paints
Area of expertise: Retail, Manufacturing, Brand Development



Dr. Aamod Sane
Professor - Computer Science
Area of expertise: Algorithms, Software System Design, Distributed Computing



Rajith Narayanan
Chair - Digital Marketing & Communications, Advertising & Branding [IPSC]
Area of expertise: Advertising, Marketing Communications, Marketing Strategy



To learn more, visit

www.effectuation.org

