# Entrepreneurial Careers: Joining a Start-Up or Starting a Business

September 7th, 2016
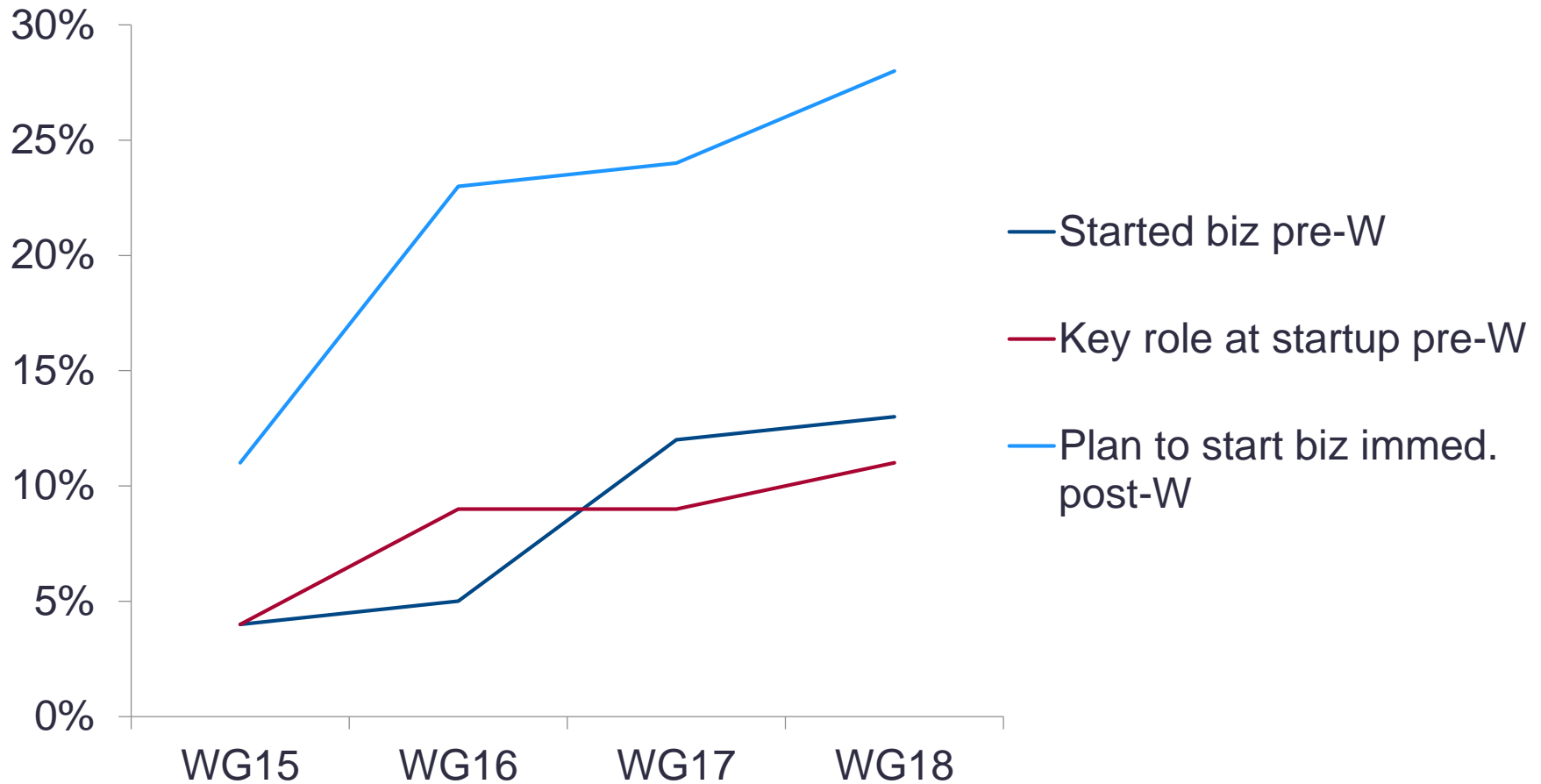
Maria Halpern & Robyn Ettinger

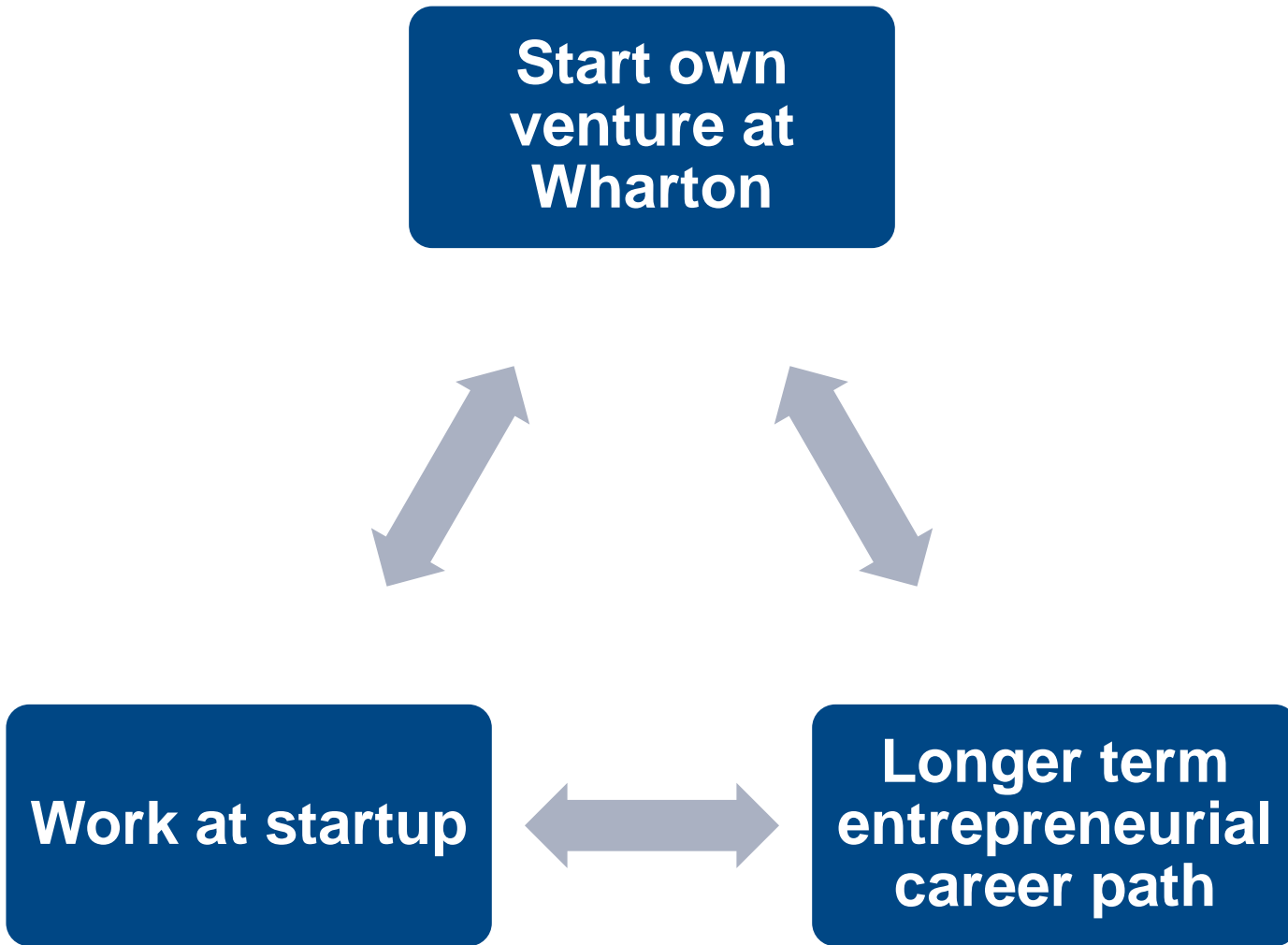# Agenda

- Entrepreneurship at Wharton

- Starting a business

- Joining a startup

- Next Steps

# Entrepreneurial Experience and Interest on Rise

**% of Class – Entrepreneurial Experience / Interest**



Legend:
- Started biz pre-W
- Key role at startup pre-W
- Plan to start biz immed. post-W

Wharton

# Categories of Entrepreneurial Interest

**Start own venture at Wharton**

**Work at startup**

**Longer term entrepreneurial career path**

# Exploring Entrepreneurship at Wharton

**WG15**

- **Before Wharton:** Rock Health, Health Tap, HC Consulting
- **At Wharton:** Wharton Angels, Dorm Room Fund, Semester in SF
- **Summer:** Maveron LLC – Summer and Fall Associate
- **After Wharton:** Partnerships, Earnest (Series A FinTech Startup)

**WG17**

- **Before Wharton:** Consulting (Tech focus), Nike Innovation Team
- **At Wharton:** Leveraged faculty (Grant, Massey, Fader, Lodish, Friedman, Lautman) as advisors and tapped into alumni/current student network for customer/investor intros, VIP, PennApps Accelerator, Innovation Fund
- **First Year and Summer:** Co-Founder, Twine Labs
  - *Wharton was one of first paying clients!*
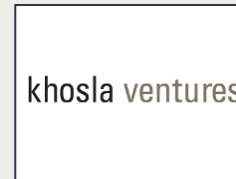
# How We Support Entrepreneurial Careers



**CAREER ADVICE/ EDUCATION**
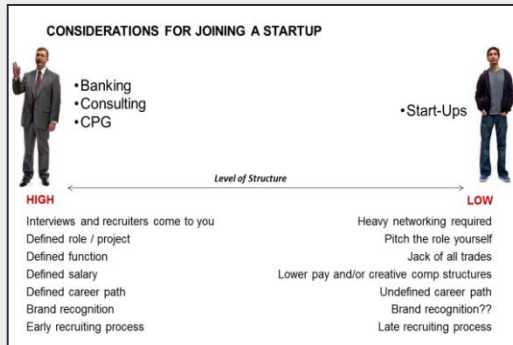
**PROGRAMMING**

**STARTUP/VC RELATIONSHIPS**

# How We Support Entrepreneurial Careers

## MBACM Entrepreneurial Careers Team
*Maria Halpern & Robyn Ettinger*

### Career Advice

- Self-assessment & decision making
- Research, networking & pitch development
- Industry & company insights
- Resumes, cover letter & interview prep

### Startup Company Relationships

- Develop employer outreach strategy based on student interests
- Strategize best recruiting approach for variety of early-stage companies

### Programming

- Develop programs and events for students interested in entrepreneurial career paths

## Penn Wharton Entrepreneurship

### Venture Development Programs

- Venture Initiation Program (VIP-C & VIP-X)
- Startup Challenge & Startup Showcase
- Summer Venture Award

### Career Related Resources

- Peer Lunch & Learn Sessions
- Startup Internship Award
- Small Business Development Center

### Other Resources

- Start Here Mondays
- Entrepreneur & Experts in Residence
- Entrepreneurship Courses

STUDENT COMMUNITY

FOCUSED CAREER SUPPORT

CULTURAL IMMERSION

COMPANY EXPOSURE

CUSTOMIZED CURRICULUM

# Starting a business

# Why Become an Entrepreneur?

"It's a wonderfully challenging career.  Finding a product that makes sense to build -- building it -- testing it -- raising money -- iterating on user feedback -- monetizing user desires -- building user habits in users -- it literally tests every part of my brain and stretches me in every possible way.  It's an amazing experience."

- Omar Seyal, WG11

# Wharton Graduates Starting Businesses

# What Kind of Businesses Are They Starting?

**% Own Venture by Industry**
**WG16, N = 36**



- Technology — 33%
- Health Care — 14%
- Social Impact — 14%
- Consumer Products & Retail — 8%
- Consulting — 6%
- Financial Services: Private Equity/Buyouts — 6%
- Manufacturing — 6%
- Financial Services: Diversified — 3%
- Financial Services: Venture Capital — 3%
- Media & Entertainment — 3%
- Professional Services — 3%
- Real Estate — 3%

VIPX XCELERATE

INNOVATION FUND
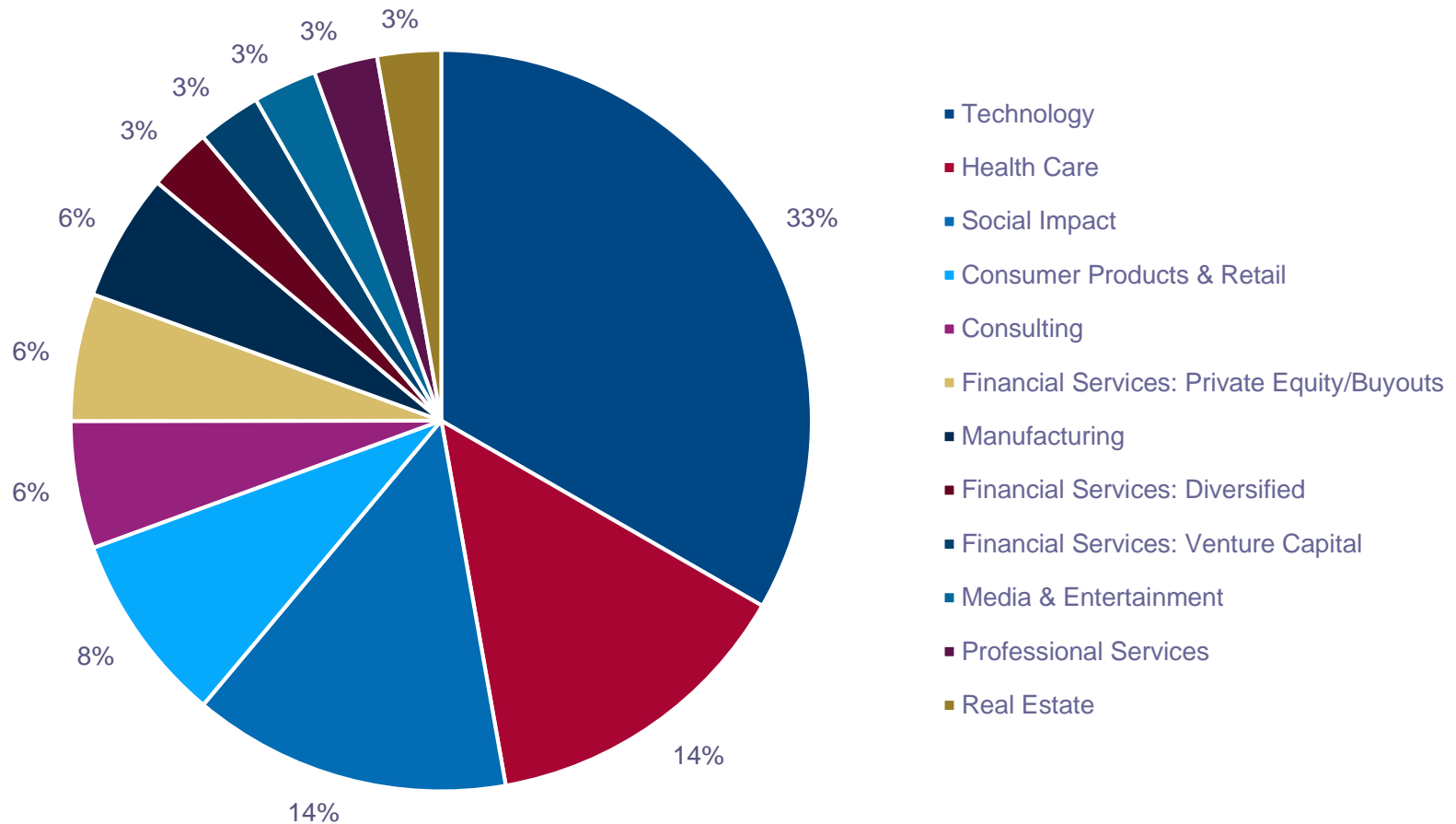
STARTUP SHOWCASE

STARTUP CHALLENGE

EIR EXPERTS IN RESIDENCE

STARTUP INTERNSHIP AWARD

VIPC COMMUNITY

SUMMER VENTURE AWARD

VIPSF SAN FRANCISCO

# Venture Development Resources by Stage

| Concept Development | Team Building | Business Establishment | Funding |
|---|---|---|---|

**Startup Challenge / Startup Showcase / PennVention**

| EIR | Weiss Tech | VIP | SVA / Penn Wharton Innovation Fund / M&T Innovation Fund |
|---|---|---|---|

| Penn Center for Innovation (PCI) | Conferences / Events | Incubator / Accelerator Programs | |
|---|---|---|---|

| Startup Weekend | | Penn / Drexel Legal Clinics | MentorTech / DormRoomFund |
|---|---|---|---|

| OPIM 651 | MGMT 816 | MGMT 801 / 806 / 810 / 813 | FNCE 750 / MGMT 804 |
|---|---|---|---|

**Student Clubs**

**(Founders, eClub, Wharton FinTech, WI&D, WDAC, Digital Health, WSVF)**

# Thoughts on Starting a Venture at Wharton



- Threshold for risk?
- Comfort with autonomy?
- Pension for building things/selling?
- Handling rejection?

**Personality Fit**

- Is this now, later, or much later priority?
- **If now, move from analysis to execution!**

**Timing**

- Support network?
- Accelerator or not?
- Co-founder?
- **Pick partners well!**

**Ecosystem**

- How much are loan payments?
- Family? Supportive partner?
- **Resist temptation!**

**Lifestyle**

Wharton

# Founder Career Paths

**Stephan Jacob**
**WG11**

**Cotopaxi.com - Founder / COO**
**2013-2016**

**Kembrel - Founder/CEO**
**2010-2013**



**Jenny Cheng**
**WG11**

**Google- PMM Google Fiber**
**2015-16**

**Pebble - Marketing Director**
**2014**

**KiwiCrate- Marketing Manager**
**2013**

**Joss & Main - Customer Acq.**
**2012**

**Catapulter - Co-Founder**
**2010-2012**
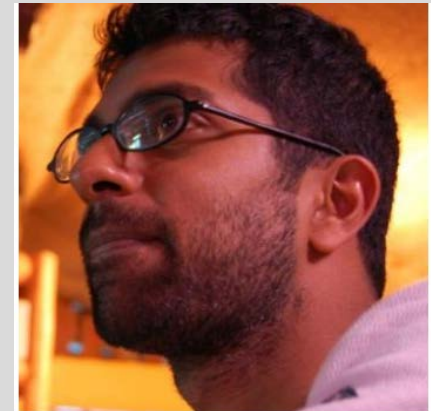


**Omar Seyal**
**WG11**

**Pinterest**
**Head Discovery Product**
**Head Growth Product (6mo)**
**Product Lead (6 mo)**
**Product Manager (5 mo)**

**Egomotion, Corp - Co-Founder**
**YC / Google Ventures Backed**
**2011-2015**

JOINING A STARTUP

# Typical startup job seeker

I want to take time from you, to give me something…

# Typical entrepreneur

…I have no time, but I need you to give me stuff

# The Startup Perspective

"Build relationships early, so by the time you need to apply it comes off as much less opportunistic and more organic."

"Go into interviews with a mindset of having something to prove. Dispel stereotypes right away (be creative, hungry) in a pleasant way. People say that the MBA is negative value."

"Too much general interest and volume of informational interview requests is huge. Have an idea of what you could do for us."

"Don't ping us because we are a hot startup. Be humble, be thoughtful, be a user. Have an opinion and ask really good questions."

When I see "I want to come help you with strategy," I stop reading.

# Startup Recruiting Growth – CareerPath 2013 - 2016
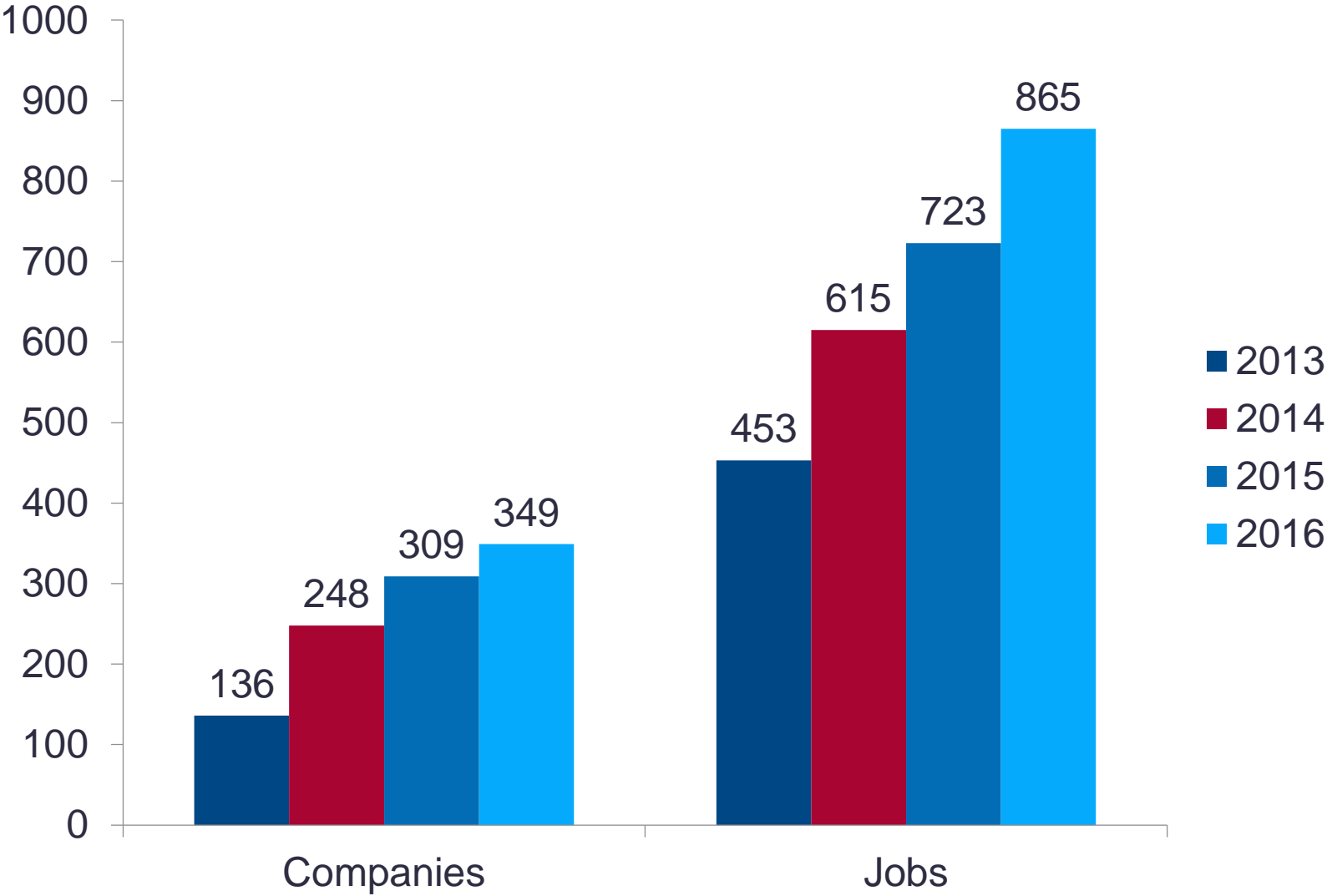
# Considerations for Joining a Startup

- Banking
- Consulting
- CPG

- Start-Ups

*Level of Structure*

**HIGH**                                                                 **LOW**

| | |
|---|---|
| Interviews and recruiters come to you | Heavy networking required |
| Defined role / project | Pitch the role yourself |
| Defined function | Jack of all trades |
| Defined salary | Lower pay and/or creative comp structures |
| Defined career path | Undefined career path |
| Brand recognition | Brand recognition?? |
| Early recruiting process | Late recruiting process |

# The Upside

➢ Exciting, fast-paced work environment and high-impact roles

➢ Exposure to many functional areas and responsibilities

➢ Direct access to company leadership

➢ Opportunity to influence strategic direction and decisions

➢ Financial potential

# Startup Career Paths

**Sara Wyman
WG12**

**Affirm – Head of Merchant Strategy**
June 2015-Present

**Reformation – VP Ecommerce & Retail**
2013-2015

**Etsy – Global Payments, Program Mgr.**
2012-2013

**BAML -Summer 2011**
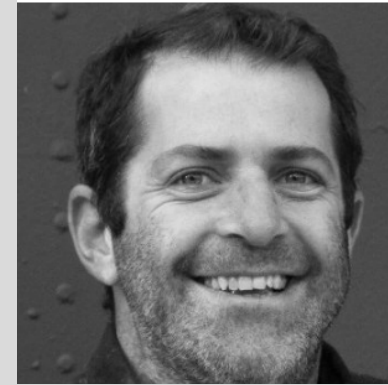**UBS – 2007-2010**

**Charles Birnbaum
WG11**

**Bessemer Venture Partners – Investor**
2013-Present

**Foursquare - Mobile BD**
2010-2013

**Bank of America**
2007-2009

**Silverlake**
2007-2009

**Joey Zwillinger WG10**

**Allbirds – Co-Founder**
2015 - Present

**Solazyme - VP of Industrial Products, Chief of Staff, MBA Intern**
2009-2015

**Industry Ventures 2008**

**Deloitte 2004-2007**

# What is a Startup?

➢ What stage is the company in – funding and/or employees:

    ➢ Early Stage: i.e. getting things off the ground

    ➢ Middle/ Hyper Growth Stage: i.e. expanding into new markets

    ➢ Late/ Maintenance Stage: i.e. building specific functional teams

➢ Across industries: technology, healthcare, energy, media, retail, social impact, etc.

➢ MBACM generally uses following guidelines:

    ➢ pre-IPO

    ➢ <250 employees

    ➢ do they hire like a startup?

# Company Examples – U.S.
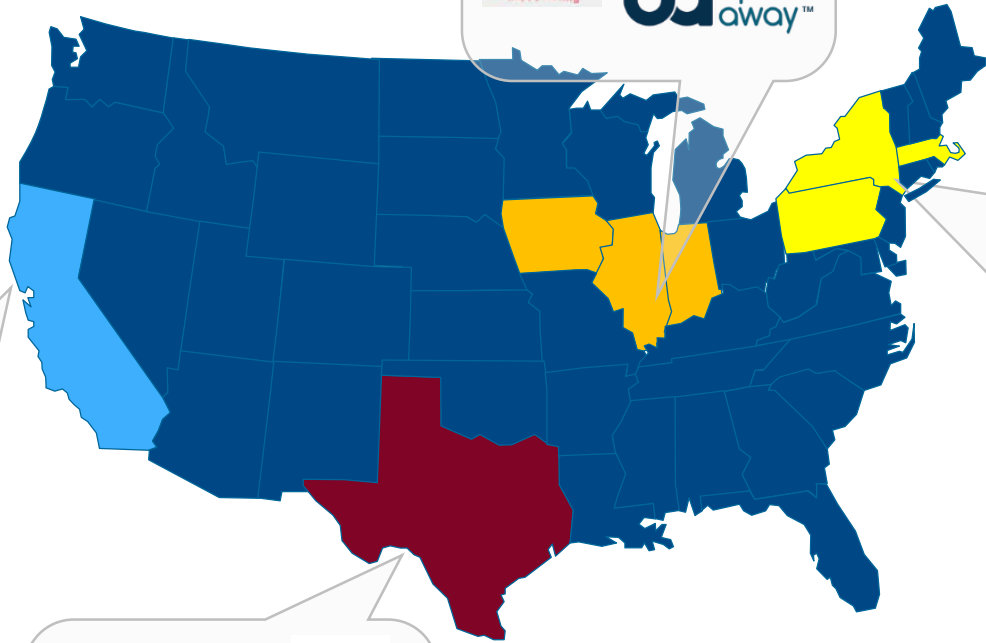
# Company Examples - International

# Startups That Made Internship Offers in 2016
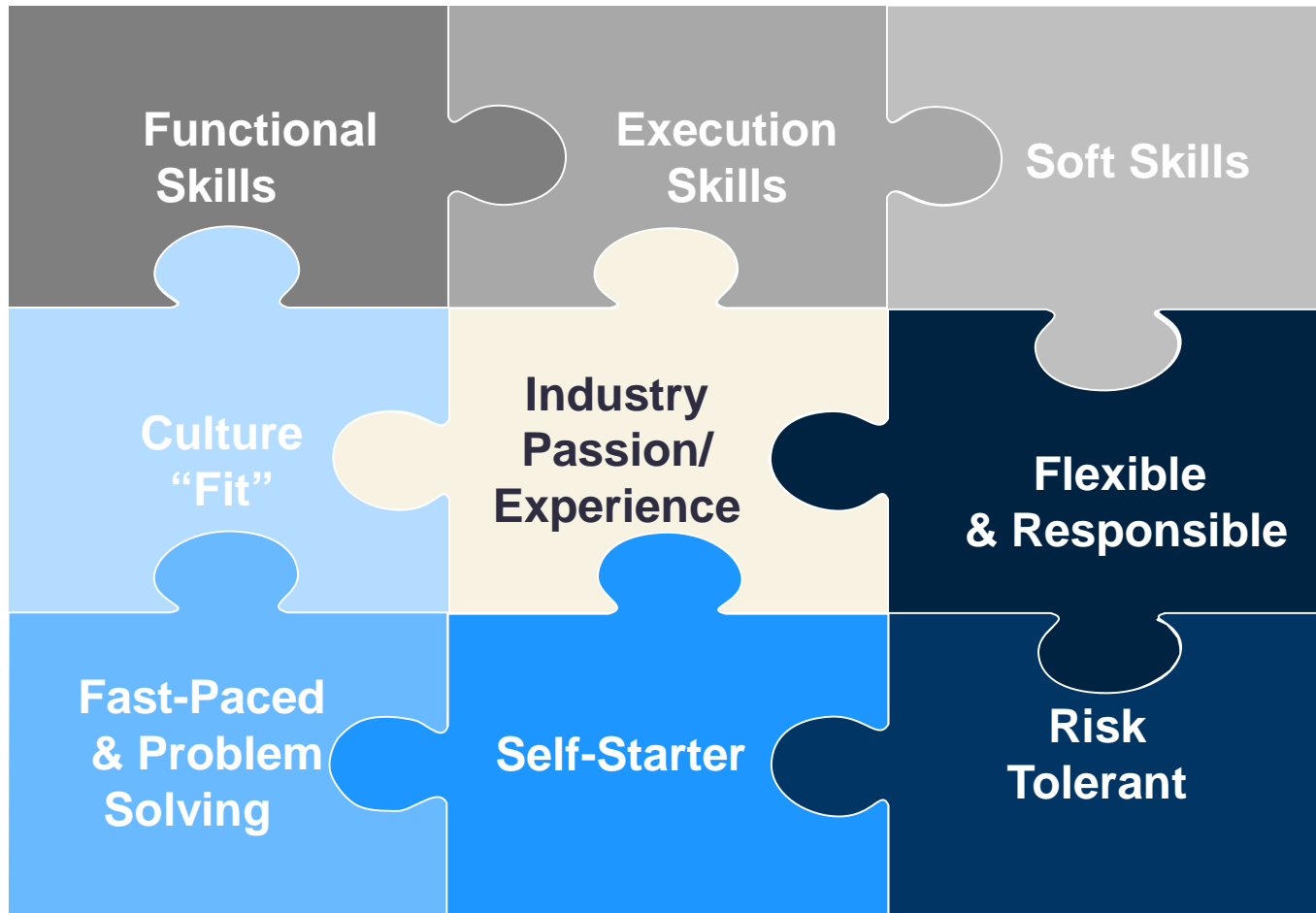
*Preliminary Data as of 8/1/16

| Technology | | Retail / eCommerce | Healthcare | FinTech |
|---|---|---|---|---|
| Airbnb | **SOFTWARE** | Babiators LLC | Accolade Inc. | CommonBond |
| Fitly Inc. | Andela | Blue Apron | Aledade | Credit Karma |
| Globality | BoomTown | Criquet Shirts | Cidara Therapeutics | GuiaBolso |
| Grace | CareCam | Everlane | Clover | Personal Capital |
| GrubHub | DemystData | Happiest Baby | Denali Therapeutics | Ripple Labs |
| Homie Inc | Lattice Data | Jack Erwin | Doximity | Tesorio |
| Luxe Valet Inc | PeopleLinx | Liberty Eagle (Subway | Fitango, Inc. | ZestFinance |
| Musical.ly | RapidSOS | East Africa) | HealthVerity | |
| NerdWallet | Samba TV | Master & Dynamic | InstaMed | **Social Impact** |
| Quantcast | | MeUndies | Iora Health | |
| SmartAsset | **HARDWARE** | MM.LaFleur | Jiff | Endeavor |
| Spotify | Altia Systems | PetFlow.com | Koneksa Health | Rising Academy |
| Springboard | Canary | Rent The Runway | Lumos Pharma, Inc. | Network |
| Valeon | | rocksbox | Nuna Health | |
| | **INCUBATORS** | The Honest Company | Quartet Health | |
| | GSV Labs | Tracy Anderson | Rezilir Health | |
| | | Advisors | Teladoc | |
| | | | Valence Health | |
| | | | Vytalize Health | |
| | | | Welltok | |
| | | | Ybrain USA | |

# What is Important to Startups

Candidate Skills & Personality

# Sample Intern Projects by Function

## PRODUCT



Case Study: Spotify

- Built marketing analytics tool to deepen promotional power with engineering and design teams
- Scoped MVP requirements, created wireframes and low-fi prototypes, defined project milestones and product roadmap
- Led daily standup meetings, UX explorations, and user feedback sessions to prioritize work and validate product requirements
- Identified unserved customer segment worth 36% of market share and recommended go-to-market plan to meet customer needs

## MARKETING / ANALYTICS



Case Study: PetFlow

- Conducted A/B testing to determine optimal email frequency resulting in a 30% increase in revenue/send
- Worked with digital marketing agency to create a google ad spend optimization tool that uses cart profitability and merchandize mix, increasing correlation of ad spend to predicted customer lifetime value by 2x
- Performed sequential testing to change shopping cart abandonment triggered emails, increasing conversion by 10%

# Sample Intern Projects by Function

## BUSINESS DEVELOPMENT



SOUNDCLOUD · spire · BAUBLEBAR · Credit Karma · thredUP

Case Study: doximity

- Sourced three high-value partnership targets that are now in advanced-stage talks; led strategic assessment of Doximity's API partnership opportunities
- Developed and recommended a user growth strategy & produced a framework through which future opportunities can be evaluated
- Assessed company's top business development opportunities via market sizing; did competitive analysis to help leadership set strategic priorities
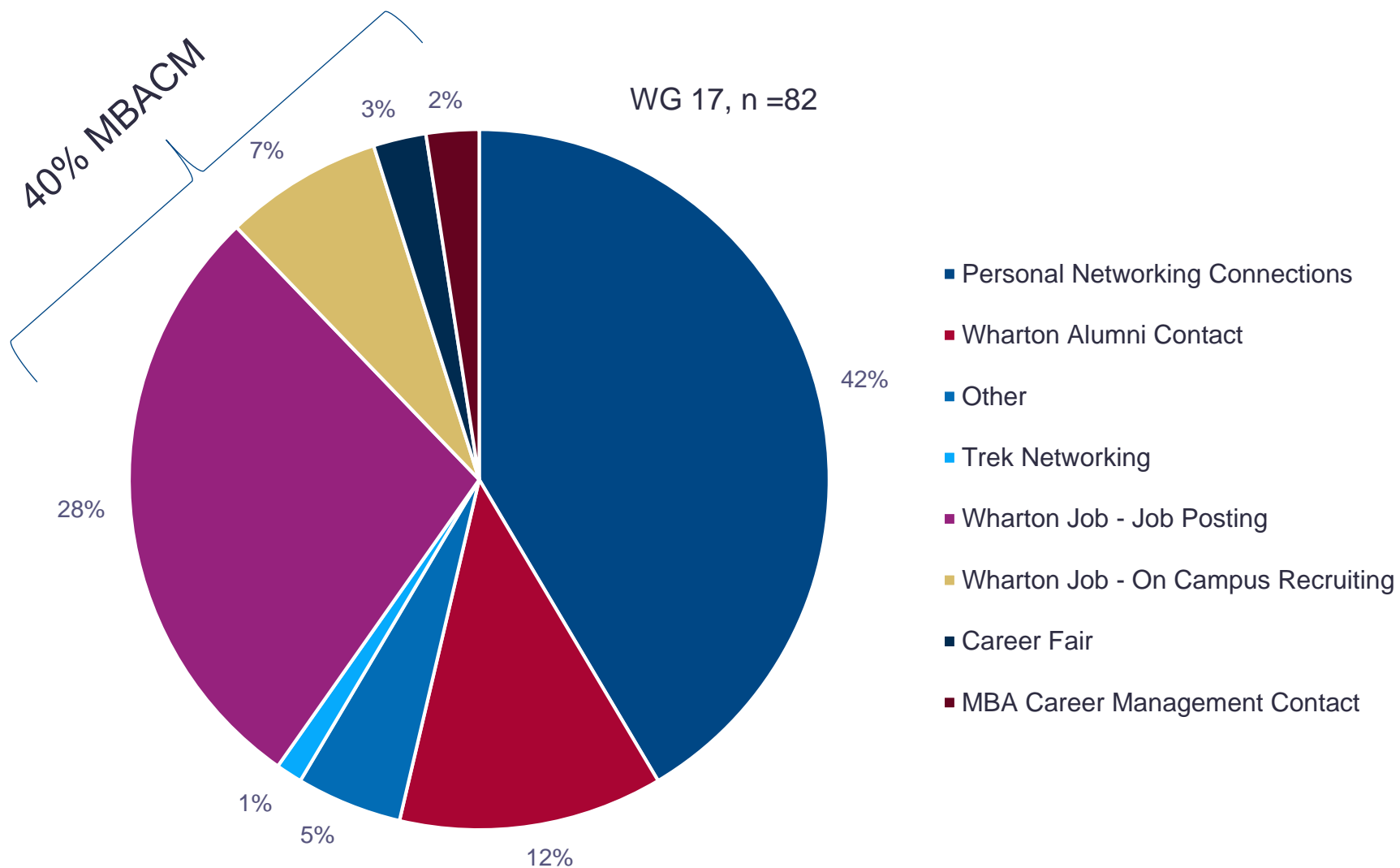
## OPERATIONS / FINANCE
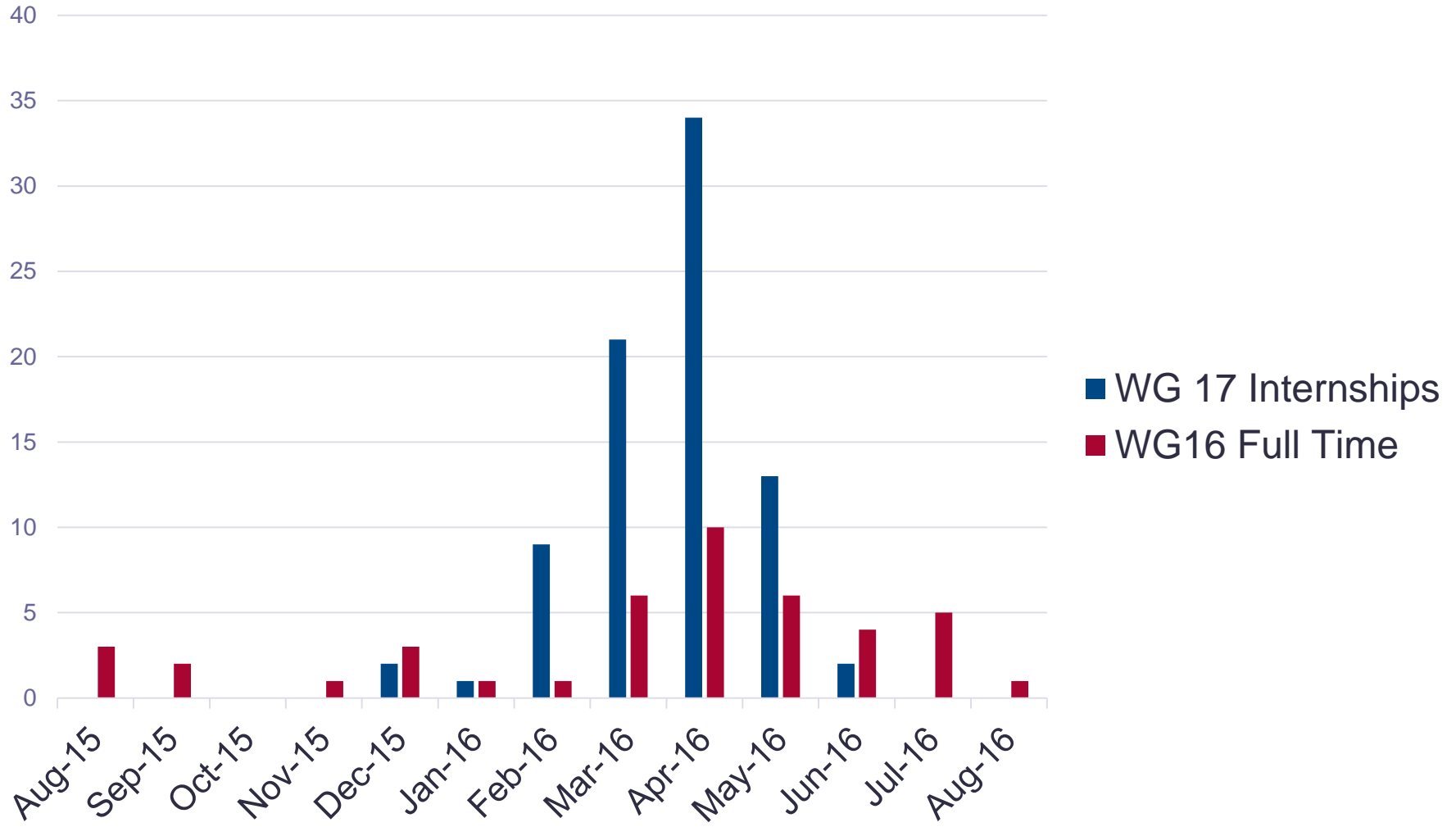


SQUARESPACE · LendWave · chubbies · Clover · Move Loot

Case Study: EVERLANE

- Managed 1-hour delivery program and daily operations for SF market
- Built P&L and projections for 1-hour delivery program for the first-time ever - provided insights into costs, inventory needs, and profitability
- Insights led to company decision to wind down program in the SF market and redirect resources to retail pilots
- Worked with team members in Engineering, Product, Merchandising, Inventory and Logistics
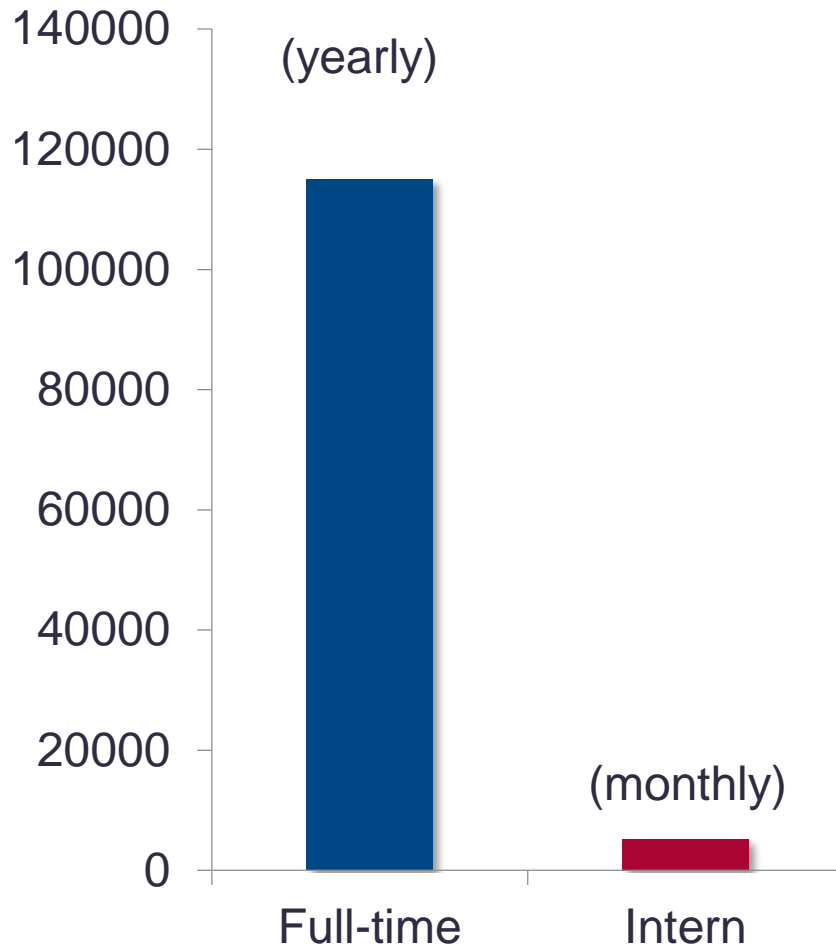
# Source of Startup Internship Offers



WG 17, n =82

40% MBACM

- Personal Networking Connections
- Wharton Alumni Contact
- Other
- Trek Networking
- Wharton Job - Job Posting
- Wharton Job - On Campus Recruiting
- Career Fair
- MBA Career Management Contact

42%
12%
5%
1%
28%
7%
3%
2%

# Timing of Startup Offers

# Accepted Startup Offers: Base Salary



*Full-time yearly median (WG16)*
$115,000 *(down 4%)*

25%: $105,750
75%: $125,000
Range: $80,000 to 160,000

*Internship monthly median (WG17)*
$5,200 *(up 15%)*

25%: $4,000
75%: $7,100
Range: $0 to $13,333 / month

# Tips for Startup Recruiting

## DO'S ⚙

- Immerse yourself early – get intro'ed

- Show you know and are willing to adjust to startup culture

- Have a POV – show you care about the product & why

- Think about brand, product, company, user traction

- Develop your online presence

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## *READ EVERYDAY!*

- TechCrunch
- VentureBeat
- Business Insider @SAI

For events…
- Startup Grind
- Startup Digest

# Tips for Startup Recruiting

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## DO NOT'S

- Take "no" personally!

- Mention constraints – time, salary, function

- Be entitled or patronizing

- Follow templates

# Startup Recruiting FAQ's

➢ **What is the perception of MBAs at startups?**

  ➢ It depends on the startup. Biases exist. Dispel them by acting humble and proving you understand startup culture. If startup has hired from Wharton before, they are likely pro-Wharton.

➢ **Do startups sponsor US work authorization?**

  ➢ For internships, students can use CPT; for full-time, every year ~15% of US-based offers go to international candidates (only ~10% if you exclude Canadians).

➢ **What is the right time to start reaching out to alumni?**

  ➢ Once you have a better sense of your story (sector, role, size, location, etc.); do homework first by talking to experienced 1Ys and 2Ys

➢ **How do I identify companies of interest?**

  ➢ Daily reading of industry blogs and news, CareerPath, Offer Directory, Crunchbase, AngelList

➢ **How do I know which startups are hiring interns?**

  ➢ Use Offer Directory filtered by startup to see who has hired in past; otherwise, nearly all startups have problems that need solving, so let's figure out where you fit in!

# Startup Recruiting: Timing of Key Events

| Sept | October | November | December | January | February |
|------|---------|----------|----------|---------|----------|
| Industry Chat, Network with Peers, Industry Comms | Resume Book Launch, Enterprise Workshop | | | Heavy networking during FRP | Treks, Startup Workshops, CP Postings Peak |

**Identify companies** →

**Internal Networking** →

**External Networking** →

| March | April | May | June | July | August |
|-------|-------|-----|------|------|--------|
| Interviews, NYC Networking Expo, Receive Offer | Interviews, SF Networking Expo, Receive Offer | Interviews, Receive Offer | Apply to Startup Intern Fellowship | Rock internship | Rock internship |

**Network** →

# Next steps

# We Are Here to Help

**Wharton MBA Career Management**

**50 McNeil Building, 3718 Locust Walk, 215-898-4383**

**Website: mbacareers@wharton.upenn.edu**

**General Email Inquiries: mbacareers.wharton.upenn.edu**

| MBACM Contacts | Penn Wharton Entrepreneurship Contacts | eClub President | Founders Club Presidents |
|---|---|---|---|
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**Office Hours @ MBACM**:
- Maria: Weds., 4:30 – 5:30 pm ET
- Robyn: Tues., 3:00 – 4:00 pm ET

- Manisha: Tues., 1:00 – 2:00 pm ET, Weds. 4:30 – 5:30 pm ET
- Michelle: Thurs., 12:3 0 – 1:30 pm ET

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# Questions?