

9 ENTREPRENEURSHIP

The role of universities in driving innovation, productivity growth and economic growth goes far beyond their fundamental activities of teaching and research, as discussed in detail in Chapter 3. Recognising this, the University of Oxford encourages students to use their knowledge and skills to start their own businesses and offers a suite of programmes and initiatives to support and engage these prospective entrepreneurs from the initial inspiration stage through to business creation, scaling and sustaining.

The University of Oxford is recognised as a source of some of the fastest growing start-up companies. A recent Sage study²⁷ found that Oxford has produced more founders of \$1bn businesses (“unicorns”) than any other university in Europe. Companies founded by Oxford graduates have included LinkedIn, Funding Circle and Eventbrite.

In 2014/15, there were 97 active start-up companies associated with the University of Oxford. These companies employed 776 people and had a turnover of £7.7 million. Many of these start-up companies will have been supported at some stage by programmes and initiatives at the University.

Table 9.1 – University of Oxford Start-ups in 2014/15

	Value
Number of active Start-up companies	97
Employment in Start-up companies	776
Turnover of Start-up companies	£7.7 million

Source: University of Oxford HE-BCI 2014/15

The University's entrepreneurship programmes and initiatives include:

- the Entrepreneurship Centre;
- Oxford Entrepreneurs; and
- the University of Oxford MBA programme.

9.1 The Entrepreneurship Centre

The Entrepreneurship Centre at the Saïd Business School aims to give students the skills and support to either start their own venture or to be a force for entrepreneurial change within existing organizations.

The Entrepreneurship Centre's initiatives cover a spectrum of activities. The Oxford Seed Fund is a student-run fund that invests between £15,000 to £25,000 in early-stage ventures founded by Oxford students and alumni.

The Oxford Launchpad is a co-working space based within Saïd Business School open to students from across the University as well as the wider community. The Launchpad provides workspace, the opportunity to tap into the University's global network of expertise and network with other entrepreneurs and the University's MBA students. With over 1,000 members and having reached capacity, the

²⁷ Sage UK (January 2017), Unicorn League

University is looking to evolve the Launchpad into the Oxford Foundry, a scaled up entrepreneurial hub with more space.

The Centre runs a number of educational programmes throughout the academic year. This includes skills workshops, seminars, networking events and forum convening. 'Building a Business', the Centre's online lecture series covering the basic principles of starting a business, has had in excess of 3 million downloads on iTunes U globally. 'Building a Business' is also run as a six-week evening lecture series at the Entrepreneurship Centre. VIEW (Venture Idea Exploration Workshop) is a free start-up workshop for students and non-students designed to allow people to explore their entrepreneurial ideas and accelerate the start-up process. There are also regular, informal evening talks by guest entrepreneurs entitled, 'Confessions of an Entrepreneur'.

Figure 9.1 – Entrepreneurship Centre Engagement



Source: University of Oxford Saïd Business School

9.2 Oxford Entrepreneurs

The Oxford Entrepreneurs Student Society is a student led organisation that promotes entrepreneurialism. It is the largest body of its kind in Europe with over 10,000 members, made up of students and non-students. The society has three main aims:

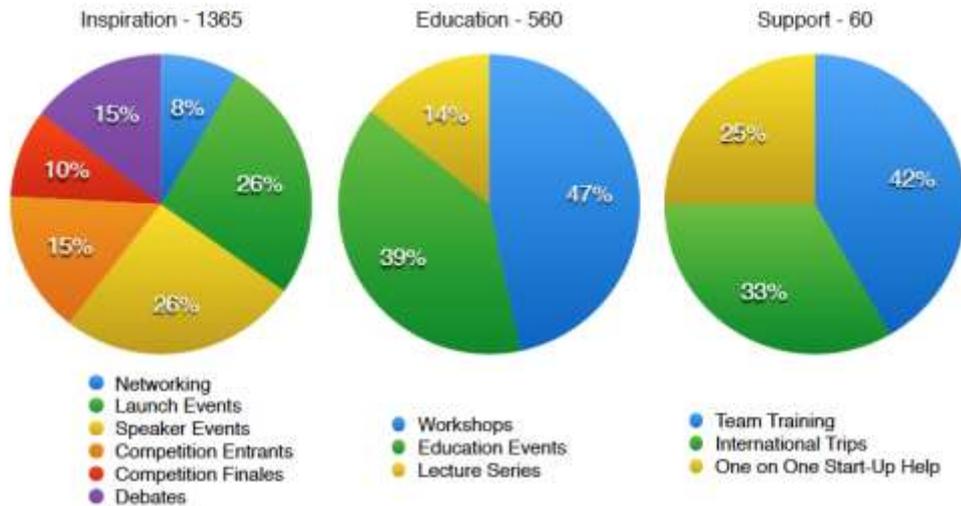
- inspiration – inspiring people to take on entrepreneurship and consider it a serious career path through hosting events with guest speakers, including Society alumni. Oxford Inspires is the Society's annual flagship weekend entrepreneurship conference. In 2014/15, 350 people attended the conference for keynote speeches, masterclasses and one-on-one mentoring sessions;
- education – equipping people with the skills, knowledge and mindset to be entrepreneurial individuals. The Society hosts regular series on general and specific aspects of entrepreneurship in the form of workshops and lecture

series, including digital marketing, learning to code, crowdfunding, pitching and the ‘How to start a Start-up’ lecture series; and

- support – helping pre-existing start-ups to develop and progress through direct mentoring by experienced entrepreneurs. As a social group specifically for active entrepreneurs, the Society provides a place for entrepreneurs to ask for advice from like-minded people.

In 2014/15, Oxford Entrepreneurs had almost 2,000 engagements with members through these activities, as outlined in Figure 9.2.

Figure 9.2 – Oxford Entrepreneurs Member Engagement



Source: Oxford Entrepreneurs (June 2015), 2014 - 2015 Review

9.3 MBA Programme

The MBA programme run by Saïd Business School (SBS) is the highest rated MBA in the UK²⁸ for entrepreneurship and this is due to the support and encouragement that the MBA students are given to start their own enterprises. The component courses of the MBA give a strong grounding for any would be business creator. In particular, however, in the second half of the MBA, students undertake an Entrepreneurship Project, which is an invaluable learning experience for those who wish to start their own company. As part of this, students work in a group to develop a full business plan and present it as a hypothetical investment opportunity to a group of venture capitalists and other business leaders. Students can also choose to expand on the business idea they have created as part of their summer project. Some of these projects have directly led to businesses being created, such as Seedrs, a crowd funding equity investment platform that allows people to invest in businesses that they support. This idea started as an MBA Entrepreneurial Programme and now employs over 60 people.

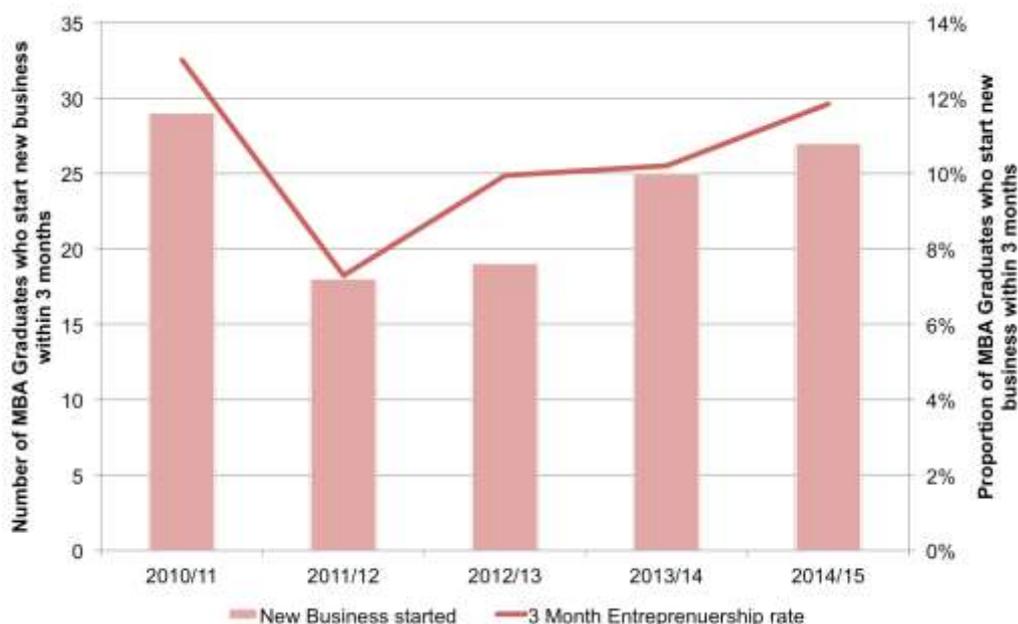
The MBA Alumni network is also a useful resource for current and previous students of the MBA programme in establishing their own businesses. The alumni of the MBA are connected through formal and informal networks, which can connect entrepreneurial students to business mentors, opportunities and finance.

²⁸ Financial Times (June 2015) MBA by Numbers: Top Programmes for Entrepreneurship (<https://www.ft.com/content/ade933aa-19c6-11e5-a130-2e7db721f996#axzz3eRYv5cN0>, Accessed 21/10/2016)

This is part of the wider Oxford Business Alumni Network (OBA), which was established by Saïd Business School in 1998 and now has 14,000 members in 131 countries. In the MBA rankings it was found that the Alumni network was a greater source of finance for entrepreneurs than the financial support programmes offered by Saïd Business School.

In 2014/15, there were 228 students on the MBA programme and within three months, 27 of these students had established their own companies²⁹. This is equivalent to 12% of the student body and since 2011/12 there has been an increase in both the number and proportion of MBA graduates who have established their own companies, as shown in Figure 9.3.

Figure 9.3 – Entrepreneurship of MBA Graduates after 3 Months



Source: University of Oxford

The class of 2011 Oxford MBA had 247 students, of which 13% had started their own business within three months of graduation and 36% had started a company within four years of graduation. This is equivalent to 89 companies being formed in total. Therefore, for every MBA entrepreneur that establishes a business within the first three months of graduation, almost two more entrepreneurs form companies over the next four years.

Table 9.2 – Oxford MBA Class of 2011 entrepreneurs

Percentage of MBA graduates who started a company	36%
Percentage of female MBA graduates who started a company	28%
Percentage of companies started in 2013, or earlier, still operating in 2014	88%

Source: Financial Times

The number of MBA students who have established businesses since completing their studies is not available. However, estimates can be made based on the rate and timing of graduate start-ups in 2011. In the MBA class of 2011, approximately

²⁹ University of Oxford (2016) Employment Report: MBA Class 2014 - 15

one third of the entrepreneurs had already established their companies within three months of graduation and the remaining entrepreneurs established their companies in the proceeding four years. If this pattern were repeated in the years after 2011, there would have been 255 companies established since 2011, of which 228 would be operating in 2015.

Table 9.3 – Oxford MBA entrepreneurs

MBA Class	Companies Established within 3 Months*	Companies Established by 2015	Companies Operating in 2015
2011	29	97	86
2012	18	50	44
2013	19	41	36
2014	25	40	35
2015	27	27	27
Total		255	228

Source: BiGGAR Economics, *University of Oxford MBA Employment Report

The MBA at the University of Oxford is one of the most international courses that the University of Oxford offers. In 2014/15, 95% of the students on the course were from outside the UK and 44 nationalities were represented. The majority of the students on the MBA leave the UK after they have completed their studies and therefore most of these companies will be established outside of the UK, reflecting the University's wide reaching impact.

Table 9.4 – Oxford MBA Graduate Destinations - Class of 2015

Region	% of Graduates
Sub-Saharan Africa	7%
Asia	19%
Australia and Oceania	7%
UK	32%
Rest of Europe	10%
Middle East and North Africa	3%
South America	1%
North America	21%

Source: University of Oxford MBA Employment Report

9.4 The Wider Value of Entrepreneurialism

The importance and value of entrepreneurialism is not limited to business creation and the associated jobs and turnover. Graduates with entrepreneurial and innovative mindsets are vital even for existing companies. A study by Millennial Branding³⁰ in 2012 compiled information from 225 companies about their hiring practices. This found that 29% of employers felt that entrepreneurship experience was either important or very important in the hiring process. This is because a grounding in entrepreneurship creates an innovative mindset which is valuable

³⁰ Millennial Branding (2012), Student Employment Gap White Paper (<http://millennialbranding.com/2012/millennial-branding-student-employment-gap-study/>)

even when working within existing companies. Such individuals can take an innovative, entrepreneurial approach to accomplishing tasks and solving problems, increasing productivity and driving innovation within companies. The University's support for entrepreneurship therefore has wider implications for the economy which although unquantifiable are equally important.