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Transitioning to Scale

Challenges and Support for Nordic Scale-ups

Master thesis in Management and Economics of Innovation

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Josefin Malmgren　　　　Adam Videbert

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ABSTRACT

Recently, focus in the Nordics has expanded from only concerning start-ups to also include companies in the next phase, the scale-ups. These companies have found a product market fit and are experiencing high growth, with great potential to benefit society by employing and paying taxes if they succeed in scaling up. Several initiatives have been initiated with the aim to support scale-ups, for instance scaling programs, which are cohort-based, time-fixed programs. However, research on how such programs should be designed is lacking, as well as research regarding scale-ups in general.

The purpose of the thesis is to identify the challenges that scale-ups face, and investigate how scaling programs can support companies in this phase. Furthermore, it aims to illuminate the need for policy makers and researchers to pay attention to scale-ups and understand how they differ from start-ups and established firms. Lastly, the aim is to improve social and economic sustainability, by highlighting how scale-ups most effectively should be supported.

The study mapped all scaling programs in the Nordics. Interestingly, the programs varied much in terms of companies accepted, which might be a result of the lack of a formal definition of scale-ups. Four of the identified programs were selected for deeper case studies in which participants and organizers from LEAP, Nordic Scalers, Scaleup Academy and TINC were interviewed. From these interviews, as well as observations and interviews with scale-up experts, challenges for scale-ups were identified.

In total, 21 challenges were identified for scale-ups, which in turn could be categorized into the challenge areas Ecosystem, Financing, Infrastructure, Leadership, Marketing & Sales, People, and Strategy. One of the most prominent challenges was access to competence both in terms of employees and scaling experience. From the collected data, a checklist containing ten design principles for scaling programs was developed.

The thesis will have several implications for the growth and success of scale-ups in the Nordics. Firstly, by highlighting the challenges for scale-ups, it can help entrepreneurs to avoid some of them. Secondly, it provides an overview of the current support environment for scale-ups, which is valuable both for entrepreneurs and program organizers. Thirdly, it can help program organizers to design more effective scaling programs.

Keywords: *Scale-up, scaling, high-growth company, growth challenges, scaling support, scaling program, program design principles, Nordic entrepreneurial ecosystem*

TABLE OF CONTENTS

GLOSSARY

B2B (business to business)	A form of transaction between businesses (Investopedia, 2018a)
B2C (business to consumer)	A form of transaction between a business and a consumer (Investopedia, 2018b)
NPS (net promoter score)	Measures customer experience and predicts business growth (Netpromoter, 2018)
SME (Small and Mid-size Enterprise)	In the European Union, small-sized enterprises have fewer than 50 employees and medium-sized enterprises have fewer than 250 employees (Investopedia, 2018c)

1. INTRODUCTION

In the past years, start-ups have received much attention in the Nordic countries. Many politicians and leaders of some of the largest corporations consider start-ups to be the solution for future growth, and thus invest a lot in these companies. Tremendous amounts of funding are invested in various kinds of innovation funds with the objective to support start-ups, by for instance loans, incubation hubs or accelerators. However, very few start-ups survive. According to Harnish (2014), only 4 % of the start-ups in the US reach a revenue of 1 million USD and only 0,4 % reach a revenue of more than 10 million USD. He further claims that there are similar patterns in the rest of the world. Research from Statista (2017) supports this, claiming that over 70 % of all start-ups fail, with the main reasons being either not satisfying any market need, running out of cash or not having the right team.

However, there are companies with potential of high growth that manage to overcome the initial start-up phase and have ambitions to scale up. These companies are sometimes called scale-ups, and have recently received greater focus in different parts of the world. There does however not seem to be any common definition of what a scale-up actually is. The Organization for Economic Co-operation and Development mentions high-growth companies in their report from 2007 and define high-growth companies as “All enterprises with average annualized growth greater than 20% per annum, over a three years period should be considered as high-growth enterprises. Growth can be measured by the number of employees or by turnover” (OECD, 2007, p. 61). As an additional requirement, they add that the company must have at least ten employees. Similar definitions have been used as definitions for scaling companies by many other organizations. The Scale-up Institute (2017, p. 7) uses the term “scale-up” and defines scale-ups as “SMEs who report turnover growth of 20%+ in the previous year and in each of their preceding two years”. Nordic Scalers (2017) formulate their definition of scale-ups as “Companies with turnover of over €2M. Have been generating revenue in preceding 3 years, have a minimum personnel of at least 10 people and growing at least 20% in the preceding 1-3 years”. Harnish (2014) names companies that are in the scaling phase as gazelles, referring to the phase between being a start-up and an established firm. He does not mention any numerical definition, but underlines that not only young firms can be gazelles.

There are also many variations of the definition of growth. Brännback, Carsrud and Kiviluoto (2013) mean that the definition varies among stakeholders, where growth definitions by politicians typically are focused on employee growth whereas entrepreneurs are more focused on revenue or user growth. Delmar, Davidsson and Gartner (2003) bring up assets, employment, market share, physical output and sales as growth measures. Brännback et al. (2013, p. 17) mention employment growth, sales growth profitability growth and the time it takes to reach growth as possible measure. As the interest in platform technologies has increased in the recent years (Magnusson & Nilsson, 2014), there has also been a greater focus on measuring user growth (e.g. Bernard, 2018; Yurieff & Fiegerman, 2018). Although definitions of growth are similar, no commonly accepted definitions of high-growth firms or scale-ups seem to exist in academic literature. This is in line with the result of a study by Delmar et al. (2003), who mean that the identification of high-growth firms largely depends on the measure and criteria applied. The Scale-up Institute (2016) also argue that the lack of a common definition of scale-ups itself can make it difficult for them to scale. In this thesis, scale-ups will refer to SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale.

1.1 PROBLEM IDENTIFICATION

A reason for the recent increased focus on scale-ups is that they have overcome many of the initial challenges and are planning for growth. Thus, they have potential to provide significant opportunities for employment and can hence contribute economically to society by paying taxes (The Scale-up Institute, 2016). The amount spent on initiatives to support these companies has increased in the Nordics, which for instance can be seen in the increased number of programs with the objective to support scale-ups (further called scaling programs). In the Nordics alone, six programs were founded in 2017 and 2018. Although all scaling programs are focusing on the scale-up phase, the programs have various designs and different requirements for participation. As there is some research on how accelerator programs support start-ups in the start-up phase (e.g. Cohen, 2013; Pauwels, Clarysse, Wright & Van Hove, 2016), no research has been found on how scaling programs support companies in the scaling phase or how such programs should be designed. Hochberg (2016), who has studied several accelerator programs for start-ups, means that additional research is needed on which type of programs and which program elements that are most effective in supporting participating companies. Furthermore, he means that such research could benefit entrepreneurs, local policymakers as well as business people.

The main activities for a start-up are to find and validate a repeatable and scalable business model (Blank and Dorf, 2012). If overcoming this step, Flamholtz and Randle (2007) mean that firms experience rapid growth in terms of both revenue and number of employees, which is what is happening to scale-ups. Although scale-ups have overcome many of the initial challenges, they face new challenges instead. There is some literature on the topic of challenges and best-practice for scale-ups, mainly written by experienced entrepreneurs. Although much of the literature points out similar challenges, they all take on different perspectives on the best-practice for scale-ups in dealing with the challenges. Moore (2014), for example, highlight the marketing challenge, while Harnish (2014) names leadership, financing and infrastructure as the greatest barriers for scaling companies. Academic research about scale-ups is almost completely missing.

1.2 PURPOSE AND RESEARCH QUESTIONS

The purpose of this thesis is to identify the challenges that scale-ups face, and investigate how scaling programs can support companies in this phase. Furthermore, it aims to illuminate the need for policy makers and researchers to pay attention to scale-ups and understand how they differ from start-ups and established firms. Lastly, the aim is to improve social and economic sustainability, by highlighting how scale-ups most effectively should be supported. As the answers aim to result in more succeeding scale-ups, this can lead to positive effects in terms of economic growth and more employment opportunities. To achieve the purpose of the thesis, the following research questions will be answered:

1. What challenges do scale-ups face?
2. What scaling programs are available for scale-ups in the Nordics, and what characterize them?
3. How should scaling programs be designed to support scale-ups?

1.3 DISPOSITION OF THE REPORT

Initially, existing research on scale-ups and accelerator programs will be reviewed in chapter 2 Literature Review. Next, the method used for carrying out the empirical research is described in the following chapter, 3 Method. The method is mainly divided into three parts: mapping, interviews and analysis. In the next chapter, 4 Empirical Study, the empirical data is presented. It consists of empirical data on challenges for scale-ups, a mapping of all scaling program in the Nordics and case studies on four of the scaling programs. In chapter 5 Discussion, the empirical data is related to the literature found in the review. First, the challenges for scale-ups are discussed, followed by a discussion on program design. Lastly, in chapter 6 Conclusions, the research questions will be answered and some final conclusions will be presented. This includes a checklist for scaling program design and recommendations on other ways to support scale-ups.

2. LITERATURE REVIEW

The literature review is divided into two parts where the first is focused on challenges for scaling companies and the second part reviews literature on accelerator programs. The topic of scaling companies is rather unexplored by academia, not least literature on programs that support companies in this phase. Thus, the literature regarding accelerator programs is focusing on early-stage accelerators.

2.1 CHALLENGES FOR SCALE-UPS

There is little literature on scale-ups, especially written by academic researchers. Instead, the existing literature is typically written by authors with practical experience from scale-ups. Five books have been used as a base for the literature review of challenges and the authors and focus of the books are presented in Table 1. For the literature review, these books have been complimented with articles and literature found using online databases with search words as "scale-up", "scaling company" and "high-growth firm" as well as chain searching.

TABLE 1: OVERVIEW OF THE REVIEWED LITERATURE FOCUSING SPECIFICALLY ON THE SCALING OF COMPANIES

Challenges for scale-ups	**Flamholtz and Randle (2007)**	**Bhidé (2000)**	**Sutton and Rao (2014)**	**Moore (2014)**	**Harnish (2014)**
Ecosystem					
Financing	X	X	X	X	X
Infrastructure	X	X	X	X	X
Leadership	X		X		X
Marketing & Sales				X	X
People	X		X	X	X
Strategy	X	X	X		X

Flamholtz and Randle (2007) have a rather comprehensive view of the transition to scale, defining several growing pains, which are described as (p. 48) "problems that occur as a result of inadequate organizational development in relation to business size and complexity”. Bhidé (2000) focuses on assets, coordination mechanisms and growth capacity as main constraints when young businesses grow into large corporations. Sutton and Rao (2014) take on a holistic approach, discussing earlier experienced cases of scale-ups to derive principles of how to successfully scale a company. Moore (2014) has a marketing approach, focusing on how scaling companies move customer base from the early market to the mainstream market. He also mentions finance, R&D and organizational development as critical areas. Harnish (2014) identifies three barriers for scaling as leadership, infrastructure and marketing. Further, he means that companies need to focus on people, strategy, execution and cash to scale successfully. The review is structured to deal with all these challenge, by going through the chapters Ecosystem, Financing, Infrastructure, Leadership, Marketing & Sales, People and Strategy.

2.1.1 ECOSYSTEM

The Scale-up Institute (2017) means that all scale-ups will experience growing pains and that it hence is important that these barriers are minimized by the aid of coordinated efforts by stakeholders in terms of entrepreneurs, governments, educators, large corporations and media. According to Davila, Foster and Ning (2010) much governmental support is given to new companies to incentivize entrepreneurs. However, they argue that governments should not only support early stage companies, but should also help existing companies to grow. As a result, there are many small companies that get stuck and cannot realize their full business potential. Scale-ups have however, according to The Scale-up Institute (2017), received more attention lately.

The Scale-up Institute (2017), states that scale-ups have a profound impact on the wealth and labor situation in a country. In turn, the national entrepreneurial ecosystem affects peoples´ likelihood to being involved in starting businesses (Baughn & Neupert, 2003). Reynolds, Hay, Bygrave, Camp and Autio (2000) agree and exemplify that the entrepreneurial activity is five times higher in the US than in Sweden, indicating a difference in the ecosystem. Start-up Genome (2017) also stresses the impact of the ecosystem by identifying a high concentration of new business creation to some few US regions. Specifically, the five most entrepreneurially active metro areas had as much new business creation as all other areas combined. This is explained by the differences in quality of the ecosystem. Etzkowitz and Ranga (2015) argue that formation of for instance business/technology incubators and science parks must be supported, and that there should be done a mapping of these institutions.

Cohen (2014) states that accelerator programs have previously been established with the purpose to improve the entrepreneurial ecosystem in a region. Etzkowitz and Klofsten (2005) further explain the benefits of an innovation ecosystem and mean that innovation success is not only about founding an initial cluster of high-tech firms. It is rather about the ability to create growth firms and transform old clusters as earlier successes are suspended, and mention Silicon Valley as an example. What is common in such ecosystems is that they have connection to at least one academic institution and often have several incubators and accelerator programs. Hallen et al. (2014) however mean that accelerators can be successful even outside strong entrepreneurial hubs such as Boston and Silicon Valley.

FIGURE 1: ILLUSTRATION OF HOW THE NATIONAL CULTURE AFFECTS THE BENEFITS OF STARTING A COMPANY IN A COUNTRY, AS OF BAUGHN AND NEUPERT (2003)

Baughn and Neupert (2003) conclude that, as illustrated in Figure 1, national culture affects both personal traits of individuals and financial, regulatory and legal structures. These aspects do in turn affect how beneficial it is to start own companies in that nation. The authors suggest that a supportive legal infrastructure is fundamental to create a capital market that favors new businesses. Apart from the culture, also the innovation system affects the ecosystem for new ventures, where Watanabe (2009) focuses on the collaboration between universities and industry. He found technology transfer between these actors to be a powerful tool to bring new innovations to the market. Etzkowitz and Ranga (2015) also discuss the interplay between actors, but mean that the interplay must be between three actors, namely industry, academia and government. They argue that lately, sources of innovation have shifted from coming from one of the actors to be a result of interaction between them all. To create a fruitful innovation system with this interaction, all actors must set common goals and engage in collaborative projects. They also suggest that there must be initiatives to create more beneficial policies for employment and make it easier for talented people to immigrate to the region. Etzkowitz and Klofsten (2005) mean that such policies should result from interaction between governmental organizations on several levels, businesspeople, non-governmental organizations and academia. According to Etzkowitz and Ranga (2015), efforts should also be made to create national and regional funds for venture capital. Furthermore, they mean that people should be made aware of and trained in intellectual property rights. To enhance the development of an innovation ecosystem, stakeholders within the system are encouraged to strengthen their dialogue and collaboration.

2.1.2 FINANCING

Feldman (2013) identifies six different methods of financing growth, however out of a start-up perspective. These methods are presented in this thesis as there is no literature available specifically describing the financing options for scale-ups. The first option is to finance growth by the company's own profit or from the owner's savings, which ensures full control for the owner. Second, founders can loan money from governmental organizations. Such loans let the owner retain the ownership and are often more flexible than loans from banks. However, they often require personal guarantees from the owners and even their spouses. The third option is bank loans, which also give owners full control of the business but must be strictly repaid at due date, given that the company at all qualifies for getting a loan. Fourthly, financial support can be received by personal sources such as family and friends, who have money to spare and believe in the business. Although the terms of such investments often are beneficial to the company, it might be hard to access business advice and personal relations risk being harmed. The fifth financing option is professional investors in terms of business angels, venture capital or private equity. These can provide helpful support but imply that owners must give away a certain share of the company to investors. Lastly, going public by issuing an IPO is a sixth way of financing growth. It is described as an easy way to access capital and more PR, but also includes disadvantages as it is expensive and exposes the company for many risks associated to being public.

According to Feldman (2013), financing is a fundamental part of feeding businesses´ growth. This is supported by Harnish (2014, p.199), stating that "Cash is the oxygen that fuels growth". Feldman (2013) however acknowledges that there is no perfect way of financing growth since all available options have drawbacks following their advantages. Companies must find a working mix of different financing options to succeed. If handled well, the financing options can apart from pure monetary resources also provide the business with value-adding support. On the contrary, if there is a bad match between the business and the financing option, this can act detrimental to the business and even make owners lose control of their businesses.

Bhidé (2000) states that many companies need to change their financing strategy when going from the start-up phase to scaling. Start-ups are often bootstrapped by personal funds and small bank loans. As such sources cannot provide much additional capital, growing implies that the start-up needs to look for financing from more professional venture capital or larger banks. Moore (2014) also points out that the financial objective of the firm changes when companies scale. In the start-up phase, the main objective is to reduce investor risk. Start-ups seldom have any financial goals and least of all profitability. However, in the scale-up phase, the companies must have the objective to make money. Furthermore, he points out a challenge in that entrepreneurs often want to get investor attention, leading to that they make “hockey stick forecasts”. Thus, they predict the revenues to quickly go from constant and small, to rapid and exponential. The problems with such curves are that costs often rise in at least the same pattern as revenues and that investors’ expectations rise even faster.

Moore (2014) further argues that the forecast rather should look like a staircase than a hockey stick, because of the irregular growth of the venture. The risk when having promised a hockey stick forecast to investors is that when the growth stagnates or declines, the investors take more command of the company to “solve” the problems which typically do more harm than good to the company. Harnish (2014) means that it is important to understand that the company's view of finance often differs from the bank’s or investor’s view of finance. While he means that the focus of growing firms should be on cash, the focus among banks and investors is often on revenue.

Shelton (2005) also points out financial deficiencies as a scale barrier. He means that the smallness of scaling companies implies that the companies have limited resources and thus are more sensitive to internal and external difficulties. If the company lacks resources to recover from inevitable setbacks, it will not remain viable long enough to exploit growth opportunities. The newness of scale-ups can be an issue regarding the inflow of capital, as short operating history and a non-existing reputation might make the financial inflow more difficult. Thus, the reputation of the founder or founding team is of great importance to attract capital.

According to Moore (2014), the dependency of investments makes entrepreneurs get into a welfare state mentality where focus on the next paycheck is larger than the sense of urgency. Instead, entrepreneurs should have an early focus on profitability, because with profitability, they lose the dependency on others. Focusing on profitability makes entrepreneurs more focused on launching the product rather than focusing on ideas that cannot be funded. Flamholtz and Randle (2007) agree on the importance of focusing on profits, but do however rather highlight the risk of revenues continuing to grow whereas profit remains flat or even declines. This leads to increased workload for the company, without getting any returns. Common reasons are because the company focuses on sales maximization instead of profit maximization, or that it lacks cost control. Harnish (2014) means that without cash focus, the company risks “growing broke”, meaning that although the company has profits and the revenue grows, the company might unconsciously lose money in their growth. He suggests that the companies should brainstorm how to improve their cash flow every third month, and preferably let the management team meet for some hours every month to discuss this matter. The common improvement areas are usually to shorten cycle time, eliminate mistakes or to change business model. Increasing the profitability is usually a successful way to improve the cash situation.

Feldman (2013) highlights that getting investments often is a time-consuming process, meaning that every investment typically requires several meetings. Moore (2014) also indicates that getting investments often takes too much focus from the business. He suggests that companies should focus on the funding they already have and try to prioritize expenses. The expenses that need to be prioritized are those that give the company a first good impression at the market launch, such as sales travels, offices and a phone that is answered in a professional way. Not until market leadership is established, the company should invest in other areas, like partnerships, alliances and advertisement.

2.1.3 INFRASTRUCTURE

Flamholtz and Randle (2007) state that growing companies must adopt a more structured way of operating to deal with technical and cultural issues. Entrepreneurs are commonly averse to do this transition since they believe it will turn their fast-paced entrepreneurial company into a bureaucracy. Preferably, companies find a balance of chaos and bureaucracy. Lewis and Churchill (1983) mean that companies need to fight to retain their flexibility and entrepreneurial spirit when they grow larger. Sutton and Rao (2014) agree, highlighting the importance of finding the right balance between infrastructure and freedom. They state that it is hard for human beings to understand the need for increased complexity in time. If infrastructure is not developed fast enough and the way of working at previous stages of growth is retained, work efficiency can be harmed. On the other hand, if too much complexity is added, structures and procedures can take away focus from the core work that must be done. Also Davila, Forster and Jia (2010) argue that many growing companies hardly ever have an infrastructure for future needs but only for present needs, or in many cases even past needs. The authors acknowledge that bureaucracy created by having too many systems is detrimental to an organization, but also claim that small companies more often suffer from chaos than from bureaucracy. Hence, companies can often add infrastructure to sustain growth without abandoning the entrepreneurial spirit.

Bhidé (2000) means that many young firms lack the infrastructure that is required for growing larger. Formal reporting relationships, policies, control systems and incentive structures are often undeveloped. Thus, also roles are unstructured and case-to-case judgements are required. Flamholtz and Randle (2007) focus on the issue of management and control systems, meaning that they need to be developed to enable successful scaling. Underdeveloped systems might lead to duplication of effort due to unclear role definitions, failure in goal achievement due to insufficient awareness of performance and decreasing productivity due to poor coordination. Davila et al. (2010) support the need for management systems, pointing at a study where companies with the highest intensity of management systems employed an average of 135 people after five years, whereas those with the lowest only employed an average of 43 people. Flamholtz and Randle (2007) mean that an effective control system should be designed to include key result areas, objectives, goals, a measurement system, a feedback or reporting system, performance evaluation and a reward system. If all these components are included, the authors argue that the probability for achieving the desired results increases from about 25 percent to about 80 percent.

Moore (2014) states that as firms grow and the organizations become more structured, the early employees might feel uncomfortable. Sutton and Rao (2014) point out that a common criticism to the formal organizational structures are the creation of hierarchies, which can make the organization bureaucratic and stiff. However, hierarchies are a natural way of organizing to create predictability, facilitate coordination and reduce conflicts. Flamholtz and Randle (2007) have also found that the way companies are organized seldom is planned but rather a result of many ad hoc decisions. Companies must often adopt new organizational structures when growing to facilitate the growth. When going from an informal structure, many companies tend to apply a functional organization structure. The authors however advocate a divisional form, to ensure that employees and products get fair attention as the organization grows. Lewis and Churchill (1983) agree, arguing that after the more informal organizational form, a functional structure is preferred until the firm is big enough to apply a divisional structure. Kotter and Sathe (1978) however recommend matrix organizations to allow for rapid decision-making. Further, Flamholtz and Randle (2007) suggest that when the firm is growing, it is necessary to appoint a COO to coordinate the divisions and let the CEO focus on long-term development and organizational development. Kotter and Sathe (1978) follow the same line of thought and suggest that firms must have a person dedicated for working with human resources to handle recruitment, training and employee issues.

Another problem identified by Flamholtz and Randle (2007) is the lack of formal structure for roles and responsibilities, which is further supported by Bhidé (2000) and Shelton (2005). Flamholtz and Randle (2007) mean that when people are not aware of their own role, they cannot relate their job to what others are doing, resulting in that jobs are done twice or that people feel the need of performing tasks themselves to ensure they get done. It might also lead to that divisions in the organization are sub-optimizing the work by not seeing what is good for the whole firm. Shelton (2005) agrees on the issue, meaning that the newness of scaling companies leads to a scale barrier of management and organizational deficiencies. To overcome this, organizations must develop organizational routines, structures as well as coordination and creation of new roles.

Flamholtz and Randle (2007) underline that many challenges simply originate in that an organization can no longer cope with the rapid growth and fast changes. Bhidé (2000) agree, meaning that as firms grow in terms of customers, employees, locations and suppliers, the heterogeneity of the firm increases. The heterogeneity often leads to increased costs due to lack of coordination mechanisms. Sutton and Rao (2014) also bring up this issue, meaning that in order to scale successfully, firms must know how to accelerate, but also when to brake and change gears. At some points, the rapid growth must be paused to give room for reflection, testing and planning.

Harnish (2014) means that increased complexity alone is a major reason for scale-ups to fail. As firms grow, the complexity of the firm increases exponentially. The complexity results in many other problems, such as problems with leadership, scalable infrastructure and marketing. Sutton and Rao (2014) state that a common misperception is that when scaling up, everything should be scaled up. The authors however mean that to scale successfully, the company needs to understand what to scale up and what to scale down, or even remove entirely. Some activities and mindsets which were necessary for the growth to one point, might undermine further growth and should hence be scaled down or removed. For instance, daily or weekly meetings with all employees can be beneficial in the first phases of growth, but as the organization reaches a certain size it rather becomes a waste of time and resources.

2.1.4 LEADERSHIP

To successfully make the transition to a larger firm, Flamholtz and Randle (2007) argue that effective leadership is required. Sutton and Rao (2014) emphasize that scaling requires leaders to connect people and make sure that work flows efficiently through these people. According to Flamholtz and Randle (2007), a leader should not apply the same leadership style in all situations. They argue that the two most important factors affecting the choice of leadership style in a certain situation are the nature of the task and the nature of the people supervised.

Furthermore, Flamholtz and Randle (2007) state that the appropriate style of leadership differs depending on which phase the company finds itself in. In an early-stage venture, they mean that a directive leadership style is preferred since the company needs extensive nurturing from executives to survive. Then the founder or the team of executives take most decisions, both operationally and strategically. This is possible due to the relatively small size of the firm, meaning that the founder can be in control of all that happens in the firm. Davila et al. (2010) support this, naming it a personal management style. However, they mean that when a firm grows beyond about 50 employees, a more professional management style should be adopted. Flamholtz and Randle (2007) agree, meaning that when the firm grows into a professional firm, the preferred leadership style often changes into a more non-directive approach. The new people often bring new abilities and ideas on how the firm should be managed. To reap the benefit from these new ideas, the organization should allow for decisions made by others than the founder. Thus, the founder must learn to delegate authorities instead of only delegating tasks.

Shelton (2005) means that small companies are more vulnerable to leadership weaknesses because of the overall lack of knowledge and organizational processes. Harnish (2014) on the other hand, states that the leadership challenges grow as the companies grow. He means that responsibilities for leaders are to predict, delegate and repeat. The prediction is usually easier in smaller companies where the leadership team is personally handling all operations. As the firm grows, executives grow further away from customers and frontline employees, which makes prediction more difficult. This matter also impacts the delegation, since letting go and trust others are one of the major challenges for leaders in growing organizations. A proposed reason to this is that entrepreneurs typically prefer to operate alone and find it hard to delegate. Lastly, repetition is about making sure everyone in the organization have the same goal and that operations flow.

Bhidé (2000) agrees on these difficulties, by stating that there are few entrepreneurs who have the ability to both start a company and lead it to become a well-established corporation. The typical ambition of a founder is to develop a new product or technology, whereas the ambition for someone building a large corporation is rather to make money. Many entrepreneurs who start with the attitude of having nothing to lose have difficulties to build the company as it becomes more valuable and every mistake costs more. Thus, only a few of those who start new businesses have the ambitions and willingness to take risks that are required for building the company. Flamholtz and Randle (2007) also underline that the CEO of a small but scaling company is often an entrepreneur. This brings along several entrepreneurial personal characteristics, of which one is the desire for control. This desire is beneficial, and somewhat crucial for organizations in the early stages of growth. However, when the organization has grown past a certain level, this behavior can be detrimental. If all decisions and tasks must be controlled by the CEO, the CEO can become a bottleneck for further growth. This is often a result of that the CEO is unwilling to hire someone with higher skills than him-or herself, since this would make the leader unable to control everything and also create dependency of others.

Flamholtz and Randle (2007) mean that the CEO must understand the new role when scaling. People will think of the CEO as a person who knows everything, can support anything and has great skills in all areas. Thus, CEOs must be careful with their actions, since small signals or words might echo through the organization. The authors suggest for CEOs to get support from external advisors to discuss issues to not let doubts and frustration out in the organization. They stress the importance of associates to assist and motivate the CEO throughout the process, and act as eye-openers for growing pains which the CEO is reluctant to acknowledge. Also, a great deal of patience is needed from both the CEO and the associates since scaling takes time.

Sutton and Rao (2014) have come across three mistakes many decision makers do related to their scaling efforts. First, decision makers have the illusion of that their company is of better quality and easier to scale than what reality looks like. Second, decision makers that live in this illusion are often impatient and hence want to scale before the product, organization or themselves are ready. Lewis and Churchill (1983) also acknowledge impatience and a will to grow too fast as common reasons for unsuccessful scaling. Third, Sutton and Rao (2014) mean that decision makers have too little knowledge about what they are scaling and how it should be scaled which turn them incompetent. Flamholtz and Randle (2007) discuss whether a single leader can perform all leadership tasks in a company. They have noted that most successful companies are led by a team of leaders instead of by a single leader. For instance, this team can be composed by the entire senior executive team, including for instance CEO, COO and CFO.

According to Flamholtz and Randle (2007), talented managers are required to lead the organization in the desired direction. The most successful companies satisfy this need both by external recruiting and internal resources. The most successful companies satisfy this need by both external recruiting and internal resources. The authors state that there is an issue of finding good managers, meaning that they are often lacking. In growing firms, so called "doers" are typically assigned to manager roles, which can put them in a position of poor delegation skills and poor coordination with others. Managers may also feel that they have responsibilities but not the corresponding authorities since only upper management may make decisions. There is a risk in small organizations that managers are recruited for tasks that exceed their level of competence.

Flamholtz and Randle (2007) state that when operative employees are developed into managers, they face several challenges. One challenge is the change in role concept, as the person previously has had a technical role whereas the new role requires the person to be a coach, let go of control of certain tasks and devote time for managerial tasks. Many new managers do not want to accept that the relationship between their effort and control of results in certain tasks becomes indirect. This results in that managers spend time on all tasks, implying a heavy workload for the manager and less development of other employees who have the factual responsibility for that task. Another challenge is that managers must evaluate themselves on new premises. They are no longer supposed to have the best technical competence, and must instead get self-esteem from the performance of the people they supervise. Managers also need to balance the wish of being appreciated with their capacity as managers, meaning that it is necessary to provide subordinates with both positive and negative feedback and handle related conflicts. Harnish (2014) underlines the importance of delegation for managers and leaders, pointing on several components that are required for successful delegation. To begin with, goals must be set for the teams to make sure they do the right priorities. Everything also needs to be measured, so that data can be collected from different performance indicators. There must also be a meeting rhythm so that feedback is provided to the team. Lastly, the leader must give recognition and rewards to the team.

Flamholtz and Randle (2007) identify several strategies leaders can adopt when transitioning to scale. The first is that the CEO keeps his or her role unchanged, often justified by that it is a bad idea to change something that has been proven successful. However, this strategy has often shown to lead to a dead end for companies, since what brought the company to initial success is not what will make it scale successfully. Another option is for the CEO to step aside and bring in a professional manager, while the CEO takes the position in the board. A pitfall in this strategy is that the CEO must let go of control and let the new manager get authority to operate the organization. In this strategy, the CEO will have a completely new role in the organization. The CEO is now supposed to focus on the long-term strategic issues and the corporate culture. Many CEOs have a hard time accepting this role since they feel they do not add any real value to the company by just being the organizational glue. However, it is of great importance that the CEO dares to ask the managers for direction of what to do, instead of making sure to be buried in work just to feel valuable. A third option for the CEO is to adapt his or her leadership style to better suit the new needs of the grown and growing organization. Also, the CEO can decide to sell the company or let it merge with another company.

2.1.5 MARKETING & SALES

According to Moore (2014), various customer types adopt products in different stages, as illustrated in Figure 2. Innovators and early adopters are in the early market, and are typically those who want to be first to adopt revolutionary technologies to gain a competitive advantage. Thus, they are prepared to bear with some minor bugs and glitches. The early majority, late majority and laggards are however in the mainstream market. These customers want to buy products for their existing operations and want the products to work properly and integrate them with their existing technologies. Also, they want to base their purchasing decisions on references and support in the market, which is hard to get for products from small companies.

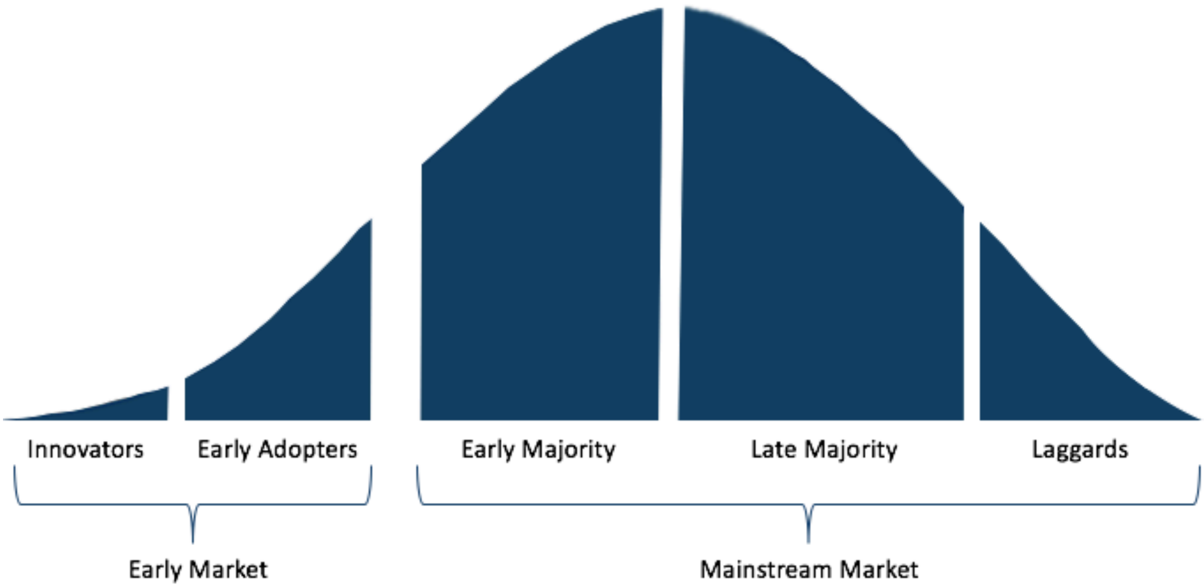

FIGURE 2: ILLUSTRATION OF THE MARKETS AND CUSTOMER TYPES OF ADOPTION, AS EXPLAINED BY MOORE (2014)

Moore (2014) states that typically, start-ups get great interest from innovators when releasing their first product, which makes the sales grow. Thus, the revenue starts to grow exponentially, and the forecast looks promising. Bhidé (2000) also mentions this phenomenon, talking about how young firms "catch a wave" to ride on beneficial market conditions and make the first profit. Moore (2014) however means that the growth does typically not follow a smooth exponential curve initially and mentions some minor cracks, especially a chasm between the early and mainstream market. Harnish (2014) also identifies irregularities in growth, mentioning several "valleys of death" and means that these valleys of death occur several times in the company's growth cycle. To deal with such irregularities, Moore (2014) means that companies must change their marketing strategies to scale up.

Harnish (2014) states that marketing is the greatest functional barrier for scaling up, underlining the importance of knowing the market that the company is trying to scale on. Moore (2014) also highlights the importance of choosing the right market, meaning that companies should select a target niche market when scaling up. He points out that a mistake often made is trying to target too broadly by targeting whole markets, which implies that the company never gets a strong position for any customer group. Instead, companies should prioritize to become market leading within the niche market and from that position expand to other markets. Shelton (2005) agrees on the importance of becoming market leading for a scaling company to succeed. Moore (2014) further means that the niche market to target should be a market where the company's product solves a compelling need and there is an appropriate size of the market. By estimating how large the revenue might be in the next couple of years and targeting a 50 % market share in the niche market, the maximum size of the target market can be set. Bhidé (2000) agrees to this and states that the growth potential of a company often is related to the market size.

Moore (2014) means that the company must consider the competition in the targeted niche market and position itself to reach the mainstream market. The goal with the positioning should be to make the product easier to buy. To do so, there should be a name that creates a technically accurate description of the product for those possessing technical knowledge on the topic. Potential buyers from the mainstream market want to clearly know what the product is for and who it is for. Additionally, they want a clear differentiation from other competitors in the market. For many tech companies that are trying to scale, the issue is rather to create the market than competing with others in the initial marketing step. People seldom change the way they see companies after they have made the first positioning, which implies that differentiating words such as "design leader" or "market leader" can be important. Lastly, it is important to communicate a strong position, good financials and a bright future to gain customers' trust on that the firm will stay on the market and keep investing in the product category. To succeed in getting the right positioning, the company must make a claim, back it up with evidence, communicate it to the right audience, pay attention to feedback and make adjustments.

Moore (2014) further states that scaling companies should use whole product marketing as customers usually are expecting more than only the generic product that is shipped in the box. Mainstream customers want whatever they buy to work flawlessly. Thus, additional features like installation, training, system integration and additional hardware must exist to satisfy them. Finding out what customers want and add the right things to the whole product is one of the most difficult parts for scaling companies. Harnish (2014) also emphasizes the importance of finding the right "what" to sell, but also brings up that they must find the right "how" to sell it. Some companies partner up with others and form allies to supply the whole product to customers. However, Moore (2014) means that such alliances often cause problems because of differences in company cultures, longer decision cycles and misinterpretations in contracts. He means that first when market leadership is established, the company should invest in partnerships, alliances and advertising. Furthermore, he points out that one of the challenges regarding sales is that the style of selling changes as the market changes from the early market to the mainstream market. The initial sellers for the early market are important for establishing market leadership but once established, the same selling style might risk pulling the company backwards to the early market again.

Moore (2014) means that to successfully scale and attract the mainstream market, it is essential to decide on an appropriate pricing and distribution strategy. The price gives signals, and might impact the easiness of selling the product. The major difficulty is that different customer types perceive price signals differently. It is however always important that the price communicates market leadership. It is also important to set a price that allows margins, not least for successful distribution. Building a distribution channel is hard but essential for the scaling company. The scaling phase puts extra pressure on all part of the channel, and to make it become a sustainable channel, margins can help by rewarding all parts of the channel for the extra work.

According to Moore (2014), R&D needs to change as the mainstream market is targeted, as the market needs usually become more important than the technology. The visionary and creative technology developers, or "pioneers", that were crucial in the early product development phase want to work freely and often dislike working within standardized processes and documents. They do typically not want to work in the infrastructure that is required when scaling up. There is a need to recruit "settlers" rather than pioneers for the product development department in order to handle the transition to scale. However, this brings moral, cultural and organizational challenges for the company as the pioneers have played an important role for the building of the company.

2.1.6 PEOPLE

A growing company has many challenges related to the team. Davila et al. (2010) state that all growing companies have the same challenges with human resources and that the way they handle these challenges will determine whether the growth can be sustained or not. Moore (2014) discusses the organizational structure, focusing on how the roles for the early employees change as the firm grow. For instance, he mentions how different competences are needed in the product development team when scaling compared to when developing the first product. He means that companies should create new roles for the pioneering developers. These roles should be temporal with the aim to make pioneers understand the mainstream market and as a next step be able to become product managers. Thus, they can be replaced in the product development department by developers with a mindset more suitable for the mainstream market.

According to Shelton (2005), one of the challenges among small organizations is to attract employees. Kotter and Sathe (1978) agree, stating that small companies seldom have the resources or the brand to compete with large organizations when recruiting. Bhidé (2000) on the other hand, means that growth is a positive factor in the matter of attracting employees because people look for opportunities for personal development and growth. He continues by saying that hiring experienced coworkers can be critical for young firms in their growth, but they are often hard to reach because of the yet little reputation and the insecure employment that such firms offer. Harnish (2014) also underlines the importance of finding the right people for growth, emphasizing that a strong marketing department is needed to be able to recruit these people. Nevertheless, it is not enough to blindly fill the organization with talented people (Sutton & Rao, 2014). As a leader, one cannot underestimate the need of coordinating and weaving together the people and their skills to make them perform at their best. For propelling scaling, it is not only important to have a high number of employees, but also to have diversity among employees. Kotter and Sathe (1978) discuss the challenges when succeeding in recruiting people, in which they point out that apart from the new systems needed when growing, more people also implies training to get the newcomers into their role as quick as possible. This requires resources from the current employees who then cannot perform their regular work.

Flamholtz and Randle (2007) highlight that cultural challenges can become obvious as companies scale up. Corporate culture is the values, norms and believes that guide the company and encourage certain behavior. The values are what characterizes what the company strives for and protect with regards to how it handles employees, customers and operations. Norms are the unwritten rules of behavior that the company encourages and that the employees should follow, concerning for instance how to dress and how to interact. Beliefs are the assumptions made by employees about themselves, customers and the company. In many companies, the real culture is significantly different from the nominal culture, which is the culture that the organization has defined on paper. This is often the case in growing organizations since the size implies that the culture can no longer automatically be transmitted from the founder to the employees. This is agreed on by Sutton and Rao (2014) who state that when the firm reaches a certain size, the founder cannot interact with all employees and hence not spread the culture.

Among different business units in an organization, Flamholtz and Randle (2007) found a statistical positive relationship between business units' accordance with the stated culture and earnings of the business unit. There are also differences in the culture common in entrepreneurial firms compared to in more professional firms. In general, entrepreneurial firms value fire fighters and responsiveness to changes whereas professional firms value planners and anticipation of changes in the environment. Also Sutton and Rao (2014) bring up this issue and describe how changes in actions and mindsets in the firm are required when scaling up.

Sutton and Rao (2014) point out that accountability is an important factor when scaling. Due to the heavy workload when scaling, an organization has no space or resources for employees who do not perform at their best. Flamholtz and Randle (2007) also identify a high workload as a growing pain, meaning that employees can feel that they work long hours but still not cope with the workload. Sutton and Rao (2014) support the issue of excessive workload when scaling up. They state that when people take on too much work, they do not follow their best intentions, shift focus too often and perform worse on all tasks. This might lead to morale issues and stress, which bring along physical illness, subsequently absenteeism and higher employee turnover (Flamholtz & Randle, 2007). Some reasons are an underdeveloped planning system and a too loose formal structure stating peoples' roles and responsibilities. Thus, they become insecure about their place in the firm since they do not understand the reasons for some of the changes made.

2.1.7 STRATEGY

Sutton and Rao (2014) state that there is no single best approach to successful scaling, and that one must understand the specific characteristics of the company and markets in question. Bhidé (2000) continues and means that the strategic approach for growing firms differs from the ones in the start-up or established phase. Further, he means that opportunistic and improvised approaches will not work as the firm grows. Instead, the larger organization and dependency on earlier choices require the firm to use policies and make decisions in a more analytical way. Flamholtz and Randle (2007) agree to this, meaning that when operating a small firm, the entrepreneur is handling strategic questions in an intuitive manner, most often handled without any formal process. A risk in the growth phase, when focus must be put on day-to-day issues, is that the long-term perspective is missed out, as illustrated in Figure 3. This issue is also brought up by Sutton and Rao (2014), arguing that it is important for companies to also paus the growth, take a step back, and give room for reflection, testing and planning.

FIGURE 3: ILLUSTRATING THE LOGIC OF BALANCING FOCUS ON THE DAY-TO-DAY ISSUES AND THE LONG-TERM PERSPECTIVE, AS PRESENTED BY FLAMHOLTZ AND RANDLE (2007)

Sutton and Rao (2014) argue that it is beneficial for growing companies to make decisions based on what is best for the future version of the company, not for the present version. In other words, when making decisions, decision makers should think of what is best for the company when it is ten or a hundred times bigger. Flamholtz and Randle (2007) agree on this, highlighting the importance of understanding how and where the company competes and what the critical factors are for becoming what is desired in the future. They suggest that growing companies should prioritize doing strategic planning, which means analyzing the environment the company operates in, assessing the organization´s current capabilities, setting organizational goals and developing plans on how to achieve the desired results. Furthermore, they mean that a formal strategic planning process is required to survive as a growing firm. Bhidé (2000) agrees on the importance of consciously working on the strategy to overcome the new strategic challenges that comes when a company scales. He states that entrepreneurs should actively articulate goals, formulate a strategy and effectively implement the strategy.

According to Flamholtz and Randle (2007), one of the biggest challenges in strategic planning is to dedicate appropriate time and effort to it. When companies scale, leaders and decision makers get more tasks to do and need to prioritize the little time they have. Typically, leaders tend to put more time on dealing with operational tasks instead of dedicating time to plan strategically. Sutton and Rao (2014) also discuss this topic, focusing on the balance between handling the present and simultaneously planning for the future. They suggest that companies should stress themselves into linking the ever-present heavy workload to the future goals, to not end up working on tasks not useful for the achievement of long-term goals. Flamholtz and Randle (2007) even suggest that at least one week per year and 10 percent of management´s time should be devoted to strategic planning, in order to successfully scale a company.

Bhidé (2000) finds several advantages of formulating a strategy for firms when transitioning to scale. A strategy aligns initiatives within the firm by defining boundary conditions and can also create more synergies between the initiatives taken. Focusing on a specific strategy also enables the company to build a reputation of expertise within a certain area. The strategy formulation within a transitional firm differs from the strategy formulation in large corporations. The role of the strategy for growing firms is to help creating a coordinated system of assets, while it is more about maintaining and expanding the system in large corporations. The transitional firm has many variables and options in its strategy, while large corporations have more limitations because of existing assets and past choices. Also, the process of formulating the strategy is more based on the entrepreneurs' goals, past experiences and adaption to unexpected circumstances for transitional firms, while it is more limited for large corporations.

According to Bhidé (2000), the importance of articulating audacious goals is larger for transitional firms, between the start-up and established phase, than in any other phase. They can help by giving impetus to the enterprise, since audacious goals can stimulate the search for new initiatives. Goals also help companies to justify their initiatives, as they can serve as cognitive anchors with psychological impact. Another reason for articulating goals is because they secure resources. A long-term goal can make employees feel a purpose of what they do and customers can develop loyalty if they believe the company has a worthwhile mission. Lastly, articulating goals also increases the cooperation within the company as all individuals strive for a common goal, resulting in fewer conflicts.

Flamholtz and Randle (2007) mean that one challenge for growing companies is that management not sufficiently communicates the direction, or that not even management has an adequate strategic plan. Hence, people lack understanding of where the firm is heading. The lack of direction and heavy workload force people to focus on putting out fires, leading to decreased organizational productivity and efficacy. Bhidé (2000) agrees on that having a common strategy can improve the efficiency of the company. He means that a common strategy and policies within the firm can promote cooperation as they facilitate teamwork and prevent conflicts. Additionally, policies can help making sure that the right people are attracted to and stay in the firm. Flamholtz and Randle (2007) found that working strategically creates a better culture in the company. They mean that in some organizations, a culture is created where people who fight fires are more rewarded than those who manage to keep the company away from fires. As growing companies are characterized by rapid changes, the lack of plan or communication of the plan might also lead to anxiety among the employees. If employee anxiety increases, the personnel turn-over risks to increase.

Harnish (2014) also underlines the importance of setting and communicating goals when scaling up. He specifically emphasizes the importance of having bold goals in this phase, to keep the entire organization focused on the goal and develop routines with the aim to reach the goal. Harnish (2014, p.7) further states: "The most successful business leaders have a clear vision and the routines to make it reality". Bhidé (2000) underlines the importance of making sure the organization adapt the way to work to where the company is heading, however focusing on implementation of strategies. A successful implementation is specifically important when competitors monitor each other's strategies, since the objectives and strategy often are openly communicated from the company.

2.2 SUPPORT ENVIRONMENT

There are several different types of support available for scaling companies, offered by both public and private sectors. There has been some previous research on support for start-ups but there is however no research available on scaling programs.

There are in broad terms three main types of support available for growing companies, being accelerator programs, incubators and angel investors. Accelerator programs (also called accelerators) are most similar to scaling programs, why literature on accelerator programs will be reviewed in-depth. Literature on other types of support is only briefly reviewed. To find literature on this matter, online databases such as Google Scholar and Chalmers Library have been used with the search words "Accelerator programs", "accelerators", "business incubator", business angel", "growth programs" and "scaling program", as well as chain searching and tips from other references.

2.2.1 CHARACTERISTICS OF ACCELERATOR PROGRAMS, INCUBATORS AND ANGEL INVESTORS

According to Cohen (2013), there are many similarities between accelerator programs, incubators and angel investors. For instance, they all aim to help fledging ventures. Sepulveda (2012) agrees and means that there are many similarities between especially accelerator programs and incubators, since they both aim to prepare companies for growth. However, he points out that incubators are suitable during an earlier stage than accelerator programs and means that incubators are for the company childhood while accelerators are for the adolescent. Ramadin (2009) focuses on angel investors and states that they invest large amounts of money in the seed-, start-up- and early-stage-phases of ventures. Furthermore, he claims that angel investors fill a gap between investments from unprofessional actors such as family and friends, and more professional actors such as venture capitalists. The rationale for angel investors to invest in early ventures is the expectation for large future profits stemming from the equity taken in the company related to their investment. Cohen (2013) brings up the aspect of service in return required from the participants in accelerators and incubators. Accordingly, accelerators are mainly operated by for-profit organizations taking equity in the portfolio companies whereas incubators generally are non-profit organizations taking only fees and rents from participating companies. An overview of the three different support types is shown in Table 2.

TABLE 2: A COMPARISON OF THE CHARACTERISTICS OF THREE COMMON SUPPORT MODELS, BUILDING ON COHEN (2013), SEPULVEDA (2012) AND RAMADIN (2009)

	Accelerator program	**Incubator**	**Angel investor**
Purpose	Prepare companies for growth	Prepare companies for growth	Fill the gap between professional and unprofessional investments
Duration	3 months	1-5 years	Ongoing relationship
Support	Working space, networking opportunities, educational seminars, seed investments, demo day for investors	Office space, ad-hoc administrative support	Investment, mentoring from the angel investor
Service in return	Equity	Fees and rents	Equity
Venture stage	Early (adolescence)	Early (childhood)	Seed-, start-up- and early-stage-phases
Cohort based	Yes	No	No

Cohen (2013) points out some further differences between accelerator programs, incubators and angel investors, identifying duration as a main difference. Accelerator programs typically have a duration of 3 months, while incubators typically last for 1-5 years and angel investors are ongoing relationships. Sepulveda (2012) agrees on the wide range of possible duration of participation in incubators, stating that ventures are generally a part of incubators from the birth of the company until it is ready to operate on its own. Whereas the selection process for incubators and angel investors typically is ongoing, participants enter accelerator programs in cohorts starting on a cyclical basis (Cohen, 2013). This implies that several participants enter the program at the same time and thus work more closely together. Accelerator programs typically support by offering working space, networking opportunities, educational seminars, seed investments and end with a demo day for investors. In incubators, the support is given as ad-hoc administrative support apart from the office space. For accelerator programs, mentorship is intense, and the participants typically must go to a specific site to participate. The on-site requirement generally also goes for incubators but not for angel investors. Cohen (2013) and Ramadin (2009) mean that angel investors also can give mentoring. Apart from the three types of support discussed, Hathaway (2016b) adds another type of support with great similarities, called a hybrid. The hybrid typically lasts between 3 months and 2 years, using a mix of incubator and accelerator program practices for support and mentoring.

2.2.2 ACCELERATOR PROGRAMS

Accelerator programs have been considered a modern and promising new post-start-up support model (Mian, Lamine & Fayolle, 2016). While Pauwels, Clarysse, Wright and Van Hove (2016) mention them as a new generation incubation model, many researchers also point out that there are differences between accelerator programs, incubators and angel investors (e.g. Cohen, 2013; Hochberg, 2016). There are some research regarding accelerator programs, mainly analyzing their structure (Cohen, 2013; Pauwels et al., 2016). In a recent study, Hausberg and Korreck (2018) state that the relatively new phenomenon of accelerator programs results in that there are few studies and little research within the area. Hochberg (2016) also states that the research about accelerator programs is in its infancy. Mian et al. (2016) especially point out that research about the role and efficacy of these programs is limited. Also, the existing research is focused on accelerator programs for early stage ventures (Cohen, 2013; Hochberg, 2016). There seems to be a gap in research regarding scaling programs or accelerator programs that are focused on the scale-up phase. However, according to the Scale-up Institute (2017), the number of scaling programs has increased exponentially during the last couple of years.

2.2.2.1 THE NATURE OF ACCELERATORS

The first accelerator was Y Combinator, founded in 2005 (Cohen & Hochberg, 2014). Since then, the number of programs has increased drastically and in 2014, the total number of accelerator programs was estimated to 300-2000 programs on six continents. Berthalt (2015) identified more than 5,537 entities that identified themselves as accelerators in 2015 while Hochberg (2016) estimated the number to be more than 3000 entities. Although the extensive number of accelerators, Yin and Lou (2018) mean that most people only know of top accelerators such as Y Combinator and TechStars, which are accelerators that have graduated successful companies and have high-profile mentors.

According to Hathaway (2016a), start-up accelerators support new, growing companies through education, mentorship and financing during a fixed time period. The idea is to compress many years of learning to only a few months. Cohen and Hochberg (2014, p. 4) define seed accelerators as "A fixed-time, cohort-based program, including mentorship and educational components, that culminates in a public pitch event or demo-day". Miller and Bound (2011) define five main features of accelerator programs: an application process that is open but competitive, provision of pre-seed investment in exchange for equity, focus on small teams rather than individuals, time-limited support in a program of events and cohorts of start-ups rather than individual companies.

Pauwels et al. (2016) mean that the model of accelerator programs is similar to the incubation model. However, they differ by not focusing on offering physical resources, being time limited, usually have a pre-seed-investment in exchange for equity, being less focused on venture capitalists as a next step and focusing on business development. Cohen (2013) points out one of the disadvantages of incubators as that the companies get used to the protective environment that the incubators are offering. Thus, the companies are not used to the actual market forces and might have difficulties in leaving the incubator. Sepulveda (2012) points out that the end of an incubator is a critical step for the business life cycle for participants. An accelerator is thought of to be short enough to not make participants dependent on the support and thus better prepare them for dealing with actual market forces. Hallen, Bingham and Cohen (2014) underline that a major challenge for new ventures is the actual newness, because it makes it hard to access knowledge. Thus, the idea of accelerator programs is to help them to learn. Cohen (2013) states that accelerators are purely for early stage ventures. Sepulveda (2012), on the other hand means that incubators are for the early stage while accelerators are for the growing stage. Hathaway (2016b) however highlights that there are many different types of accelerators, pointing on that the different types and number of accelerator program have increased rapidly during the past years.

2.2.2.2 ACCELERATOR TYPES

Clarysse, Wright and Van Hove (2016) found five different design elements that typically can be found within an accelerator program: program package, strategic focus, selection process, funding structure and alumni relations. These are further developed by Pauwels et al. (2016). Program package includes support in terms of mentoring services, training programs, counseling services, demo days, location services and investment opportunities. The strategic focus regards which industrial and geographical focus the program has. The selection process element gives the option of either online open call, use of external screening or team as primary selection criterion. Hallen et al. (2014) mean that selection and sorting dynamics are critical for accelerators. New programs might have difficulties to attract high-quality ventures although they are good. A way to come around that problem can be to have a strong differentiator or a unique target population. Yin and Lou (2018) have analyzed the selection criteria for accelerator programs. They found that the criteria differ in the different stages of the decision process, where the focus in the initial stage is on the realness of the product, while the focus in the last stage of selection rather is on whether it is worth to invest in or not. Klofsten and Lundmark (2016) however highlight that it is impossible to determine in an early stage whether an idea is good or bad. The funding structure for accelerators, as mentioned by Clarysse et al. (2016), can either be investor funding, corporate funding, public funding or alternative revenues. Many accelerators take equity in the companies in exchange for participation, which Bernthal (2016) names investor accelerators. Yu (2016) raises the concern that if these investor accelerators do not add much value, they might instead hinder the progress of the venture. In alumni relations, Clarysse et al. (2016) mention alumni networks and post program support.

Clarysse et al. (2016) further identify three different types of accelerators, but state that there also exist hybrids of these. Pauwels, et al. (2016) develop these accelerator groups and call them the ecosystem builder, the deal-flow maker and the welfare simulator. The ecosystem builder is typically set up by a company with the aim to strengthen its relations to other sectors. Accenture's FinTech Innovation Lab in London is mentioned as an example, where the program strengthens Accenture's relations to banking clients. Clarysse, et al. (2016) mean that accelerators of this type typically focus on supporting ventures in complex decision-making structures by using internal coaches. Deal-flow maker accelerators receive funding from investors and business angels and have the goal to identify promising investment opportunities (Pauwels et al., 2016). Here, Y Combinator is mentioned as an example. Typically, the ventures selected already have some proven track record. According to Clarysse et al. (2016), accelerators in this group focus heavily on mentoring by investors and business angels who know how to make the start-up attractive for follow-up investments. The welfare stimulator accelerator, as explained by Pauwels et al. (2016), is typically run by the government and has the goal to stimulate start-up activity and foster economic growth. The European Commission is setting up and supporting many of such programs. Klofsten and Lundmark (2016) also highlight the emergence of programs offered by universities. However, they state that an obstacle is that universities tend to lack the combination of both theoretical and practical knowledge.

As accelerator programs have become more popular, private, public and governmental efforts have increased (Hochberg, 2016). Although accelerators can help companies to grow faster, Hallen et al. (2014) warn policy makers for expanding the accelerator form too fast. A rapid increase of programs might lead to that the effect of the programs diminishes, for example because of the lack of mentors with the relevant knowledge and experience. This concern is also raised by Yu (2016). Klofsten and Lundmark (2016) notice high eagerness to start programs, but mean that organizers should put larger focus on the quality of the program rather than the frequency of starting them.

2.2.2.3 BENEFITS AND EFFECTS FROM ACCELERATORS

Miller and Bound (2011) discuss some of the benefits founders can get from accelerator programs. Firstly, accelerators usually offer funding. Apart from direct funding from the accelerator, studies show that participants in well-known accelerators also get a follow-up investment faster than peers (Hallen et al., 2014; Winston Smith, Hannigan & Gasiorowsi, 2013). The second benefit mentioned by Miller and Bound (2011) is business and product advice, since founders get the opportunity to meet people in the industry. Third, accelerators can give connections to future investors. Because of the quality pipeline that accelerators can be seen as, investors are typically interested in attending events where several participants are gathered all at the same place. Forth, acceptance to a program provides valuable validation to the start-ups. Fifth, peer support groups are valuable, meaning that the participating companies get to meet other companies in the same situation as well as companies that have grown into the next phase in the alumni network. That is something especially valued at Y Combinator. Lastly, pressure and discipline are considered important learnings from accelerator programs.

Hallen et al. (2014) point out that although not all accelerators have strong brands and solid track records, a key benefit from all accelerators is the learning. The most effective learning is a broad, intense and paced consultation with external experts. However, the authors highlight that mentors need to have entrepreneurial and industry expertise in order to successfully support. Further, Bernthal (2016) means that mentors should be ahead of start-ups in terms of experience and network connections. He also identifies the phenomenon of that mentors tend to volunteer in accelerator programs as they instead of expecting direct payments, they trust to receive indirect benefits at some point in the future.

There is a large quest for evidence proving the efficiency of accelerator programs (Hochberg, 2016), although some evidence can be found in research. Autio and Klofsten (1998) mean that some support arrangement may communicate their success, but success is however not properly defined and there is little actual data or proof of the success. Klofsten and Lundmark (2016) highlight the issue of that prospective participants are skeptical towards whether the program is worth the time and if it contributes with relevant practical skills. Hallen et al. (2014) however mean that although accelerator participation is time consuming, it does in many cases, but not all, support and accelerate the development of the venture.

Hallen et al. (2014) found that start-ups that had participated in any of the top accelerators tended to raise venture capital and gaining customer traction faster compared to others. Also Winston Smith et al. (2013) found that accelerator-backed start-ups seemed to get their follow-up financing sooner than others. Yu (2016) on the other hand means that companies participating in accelerators raise less money and also tend to close down faster. Thus, she concludes that accelerator programs are effective in evaluating the quality of the venture and help decide whether to continue or not. Hallen et al. (2014) conclude that the reason why companies that continue their business get funded faster than others is because accelerators resolve uncertainty around the quality of the company. The authors also mean that many accelerators do accelerate growth but in different ways, which makes it hard to draw conclusions on the outcome. Clarysse et al. (2016) support this, meaning that different types of programs should not be measured against each other, because they require different metrics.

2.2.2.4 PROGRAM DESIGN

Klofsten and Lundmark (2016) have analyzed a Swedish Entrepreneurship and New Business program offered by Linköping University since 1994. The program targets early stage start-ups with an idea, and the criteria for selection are the concept and drive as well as full commitment from the participants. The program consists of business plan development, workshops, coaching, mentorship and access to network. It is free of charge for participants. From this program, the researchers have found several success factors on program design as seen in Table 3. It is however important to note that these success factors were extracted from experiences from a program focusing on early stage entrepreneurs.

TABLE 3: SUCCESS FACTORS ON HOW ACCELERATOR PROGRAMS SHOULD BE DESIGNED, AS OF KLOFSTEN AND LUNDMARK (2016)

Critical area	Success factor (Klofsten & Lundmark, 2016, p.102-103)	Explanation
People involved	Adapt competence offering to the need	The competence of the people involved in the program should be adapted depending on the participants' needs
	Use experienced entrepreneurs	The coaches need to have experience of what they teach
	Put the right mentor together with the right participant	The mentors should be matched so that they suit the participating company
	Use a network of complementary actors	The network that participants get exposed to should contain a mix of actors
Program outline	Establish a comprehensive outlook	The program should cover a wide range of entrepreneurial topics
	Sandwich internships with theory	Although practical experience is important, it needs to be backed up with some research-based theory
	Strive for flexibility throughout the program	Because of the flexibility and short time-frames among the participants, it is important to also keep the program flexible and adapt it to the current needs
Entrepreneurial development	Define real needs	It is important to make the participants define real need to know what to work for
	Promote participants self-confidence	The program should aim to strengthen the self-confidence among participants
	Establish clear goals along the way	Make sure to set goals to define what to work for
	Recruit based on attitude, not on background	Drive and commitment are in many cases more important than previous experience
	Engender trust	It is important to become a trusted partner for the participants
	Avoid rushing results	For some companies, it takes time before results can be shown, and this should not be rushed

Some of the success factors presented can be supported by other research as well. Hallen et al. (2014) found in their study that the pre-knowledge of the participating founders has little impact on the outcome of the program, which supports that recruitments based on attitude rather than experience can be favorable. Clarysse et al. (2016) mean that accelerator designers need to have a clear vision and objectives for the program. This supports Klofsten and Lundmark's (2016) idea of the importance of setting goals and define needs early, but might however conflict with the flexibility and adaptability that they emphasize.

Klofsten and Lundmark (2016) further mean that it can take time to build a program, and for the specific program they were analyzing it took 2-3 years before it really took off. However, if the program manager, coaches and workshop leaders have previous experience, they mean that the establishment can be smoother.

3 METHOD

The empirical method can mainly be divided into three phases, being mapping, interviews and analysis. The mapping of scaling programs was executed to select interviewees for the next phase. The data collection through interviews was partly initiated before the mapping was completed, but it lasted for a long period of time as the interviews were spread out. Similarly, the analysis was initiated before the interview phase was completely done, with some "test analyses" to plan for the final analysis. However, the final analysis was made after the data collection was finalized. During the entire process literature has been reviewed and updated in accordance with new findings, but was finally sorted after the analysis. An overview of the method can be seen in Figure 4.

FIGURE 4: OVERVIEW OF THE METHODOLOGY OF THE THESIS

The empirical method is qualitative with an abductive approach, which by Dalen (2015) is explained as a mix between inductive and deductive approach. Thus, no hypothesis was stated initially to be tested, as a deductive approach would suggest (Taylor, Bogdan & DeVault, 2016). Moreover, an inductive approach would have implied that the data collection was completed before the literature review was initiated (Bryman & Bell, 2014). As literature was reviewed simultaneously as data was collected, the method was not either inductive. Taylor et al. (2016) however means that all qualitative studies need to be inductive. The reason for not choosing a pure inductive approach was partly because theory was needed to guide the empirical study. Also, time constraints did not make it possible to initiate the entire literature review after the entire data collection, as some data was collected far down the process.

There is some criticism towards qualitative studies regarding that they are too subjective, difficult to replicate, have problems of generalization and lack transparency (Bryman & Bell, 2014). To some extent, these issues are natural effects due to the characteristics of qualitative studies. However, to facilitate the possibilities to replicate the study and increase the transparency in the study, each step taken and every choice made will be described and motivated in this chapter.

3.1 RESEARCH QUESTIONS

In the beginning of the thesis work, first drafts of research questions were formulated to get a starting point for the study in accordance to the opinion of Bryman and Bell (2014), that general research questions should be stated early in a study. However, the research questions were updated as the process of collecting data continued and new insights were gained. This is a common approach according to Bryman and Bell (2014), meaning that formulating research questions is an iterative process. The research questions were iterated throughout the empirical study to guide the literature search and data collection, which also is in line with what is suggested by Bryman and Bell (2014).

The research questions were set and evaluated based on three criteria set by Bryman and Bell (2014); they should be clear, focused and achievable. When evaluating these criteria, it was assured that the two authors of the thesis could think of potential answers on every question before initiating the empirical study. The research questions for the thesis were finally set to be:

1. What challenges do scale-ups face?
2. What scaling programs are available for scale-ups in the Nordics, and what characterize them?
3. How should scaling programs be designed to support scale-ups?

Scale-ups are, in this thesis, defined as SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale. Scaling programs are defined as cohort-based, time-fixed programs with the aim so support scale-ups. Lastly, the Nordics is defined as Sweden, Denmark, Norway, Finland and Iceland.

3.2 MAPPING

The first step in the empirical study was to do a mapping of the existing support structure for scale-ups in the Nordics to get a profound understanding of the support program environment. As few similar mappings had been performed before, there were no estimations available on the number of programs that would be found before the mapping was started. The intention of the authors was however to map all programs that suited the definition of a scaling programs, without any upper or lower limit of the number of programs. The mapping was essential to be able to select programs for further case studies. To find actors that support scaling companies, a previously made mapping was used as a basis for the mapping in this thesis. This mapping was performed in 2016 on a mission by the organization Nordic Scalers, with aim to map existing start-up and scale-up programs in the Nordics. Although this mapping included some scaling programs, only few programs were relevant for this thesis. The reasons were that the focus of that mapping was different than the focus for this thesis and that the environment has changed since that mapping was published.

In addition to this, scaling programs in the Nordics were searched for on the search engine Google. As scaling programs is not an established term, also other terms were used in the search engine. Some examples are "accelerator program", "start-up support program" and "scale-up support". These terms were combined with the names of the Nordic countries in the search engine. Some examples of the terms searched for are "Scale-up support Sweden", "Accelerator program Denmark" and "start-up support program Finland". Also, the online start-up databases Crunchbase, Nordic Tech List and The Hub were used. On these databases, it was searched for accelerators in the Nordic countries. Additionally, also recommendations from interviewees were used to find more programs.

All programs found from any source were screened. As the objective was to find programs supporting scaling companies, not all programs were of interest. For instance, programs specifically targeting pre-seed companies and those accepting participants that merely had a business idea were not considered to be of relevance for this thesis, and were thus removed from the list of interesting programs. The programs that required participants to have a product developed were however kept on the list. In total, the draft list of potential scaling programs in the Nordics consisted of more than 40 programs.

The reason for using multiple sources to find programs was to ensure that all potentially interesting programs were considered. This was also the reason for keeping the list of all potentially interesting programs rather long, with a raw first selection. Problems were however experienced in the inconsistently used terminology in program descriptions as well as difficulties in accessing information.

3.2.1 SELECTION FOR OVERVIEW MAPPING

To limit the number of programs to those that were focused on supporting scale-ups, the programs that were kept on the draft list were further analyzed. This was done by visiting websites, searching for information about previous participants, using Google to search for articles about the programs and contacting organizers through email. To determine which programs that were finally going to be accepted to the final list of scaling programs, three criteria were developed: program characteristics, program focus and geographic relevance. The criteria were set to make sure that the programs would be helpful in answering the research questions, i.e. scaling programs in the Nordics.

Program characteristics: This criterion was based on part of the definition of accelerator programs by Cohen and Hochberg (2014). Although they focus on accelerator programs for early stage ventures, they say that the programs are cohort-based, time-specific and include educational components. Thus, these requirements were used on the programs selected for this study.

Program focus: The program needed to have a clear focus on scaling businesses, either stated in the program description or communicated when contacting the organizers. Similarly, the programs that communicated that they were only targeting early-stage ventures or companies without a launched product were removed. The programs kept were those supporting companies aiming to scale their business, and fall under the scale-up definition used in this thesis.

Geographic relevance: The support programs considered relevant for the mapping were programs that takes place and/or are governed or supported in the Nordics.

17 programs were finally categorized as Nordic scaling programs. To access sufficient information about the programs, information was collected through multiple sources such as programs' webpages, email contact with organizers and in some cases interviews with the organizers. However, access to information and inconsistently used terminology were considered as difficulties also in this step. As the programs had various participant requirements, the phases of participants differed among the programs. Three categories of scaling phases were developed as described below:

Early scale: SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale.

Scale: SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale, but also have around 10 million SEK in revenues and approximately 10 employees.

Late scale: SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale, but a revenue of more than 20 million SEK and at least 20 employees. However, the requirement of being a SME limits the maximum to 150 employees and 250 million SEK in revenue.

3.2.2 SELECTION FOR CASE STUDIES

From the 17 programs that were categorized as scaling programs, some programs were to be selected for deeper case studies. The reason for not studying all programs in-depth were the limited access to data in combination with the limited time available for the study. However, the intention was to get a broad understanding of scaling programs, why several programs were studied instead of only one. Thus, four programs were considered to be appropriate to get a broad understanding given the time, data and resources available. To get a thorough and holistic understanding of scaling programs, the objective was to choose programs with some major differences. Thus, some criteria were developed to assist the selection of programs:

- Difference in years the program had been operated
- Difference in public and private programs
- Difference in length of program
- Difference in scaling phase targeted in the program

In addition to this, the selection was based on relationships with organizers and accessibility of information. Lastly, the geographical location of the programs was taken into consideration to allow for a deep-dive in the programs. The final four programs that were selected can be seen in Table 4.

TABLE 4: AN OVERVIEW OF THE PROGRAMS SELECTED FOR CASE STUDIES AND THE SELECTION CRITERIA

	LEAP	**Nordic Scalers**	**Scaleup Academy**	**TINC**
Foundation year	2017	2017	2018	2012
Public/private	Public	Public	Private	Public
Length	2 months	6 months/ 10 weeks	12 months	1 month
Scaling phase	Early scale/Scale	Scale	Scale/Late scale	Early scale/Scale

A difficulty when choosing the programs was that many of them were new, explaining why three of the four programs chosen to case studies were started in 2017 or 2018. This also implied that in some cases, no participants had gone through the entire programs at the time of the study, for instance Scaleup Academy and Nordic Scalers. For the programs selected for case studies, organizers as well as participants were contacted. Contact information to these were found on either the webpage of the program, by searching for articles using Google or studying advertisements for the programs.

3.3 INTERVIEWS

The interviews were focused on three different interviewee groups: organizers, participants (founders) and experts. Organizers are representatives from organizations offering scaling programs. These representatives are either part of organizations that coordinate and fund a program, or support on a more operative level in the program. Some examples are representatives from Nordic Innovation and SEB Greenhouse. Participants are representatives from companies that are, or have been, part of a scaling program. The term “Founder” is used instead when not in the context of a scaling program. Experts are individuals with considerable experience of scale-ups, that do not fit in the two other categories. Some examples are people working at top accelerators or strategic positions in the national innovation support system. There is however some overlap, as some organizers have as much scaling experience as the experts. However, this is considered to have little relevance for the study. Bryman and Bell (2011) discuss that making use of several sources of information, called triangulation, is beneficial to apply in qualitative studies to cross-check findings and results in greater confidence in the findings. This is the reason why different groups of interviewees were used.

For each of the three groups of interviewees, an interview template was created in advance. The interview template was at first based on the research questions and initial literature review. As suggested by Dalen (2015), the interview template was tested once before it was used for data collection, focusing on the clarity of the questions and the length of the interview. However, the creation of the interview template was an iterative process, which implied that changes were continuously made to improve them and refine the focus. New literature or new data could be factors that triggered changes in the interview templates. In addition to this, few of the interviewees had the time to complete a thorough interview. Thus, some questions were prioritized and the interviews were adapted to the time available.

The interviews had a semi-open approach, which implies that the interview is directed to specific topics (Dalen, 2015). Moreover, the interviewer attempted to ask follow-up questions to clarify answers. Most interviews had two interviewers, where one interviewer took the lead to ask questions from the interview template, but both interviewers filled in with follow-up questions. The interviews were held in Swedish or English and ranged between 10-70 minutes, most lasting for approximately 30 minutes. However, at least one organizer interview per program lasted for at least 60 minutes, which enabled a holistic view of the programs. All interviews were recorded and transcribed in the original language. As seen in Table 5, a total of 32 interviews were conducted.

TABLE 5: OVERVIEW OF NUMBER OF INTERVIEWS PER GROUP OF INTERVIEWEES

Organizer	Participant	Experts
11	17	4

Whenever possible, several participants were contacted and interviews were conducted with those who showed interest in participating in the study. For the private program, the access to participants was harder because of the professional secrecy the program applied. The number of interviews for each scaling program varied, which can be seen in Table 6. Reasons for the diversity in number of interviews for the four programs were the accessibility to interviews and the number of participants that had participated in the program. Bryman and Bell (2014) state that in doing interviews, a difficult but critical part is to conduct interviews with a representative sample of the population. If not made properly, the sample will be biased and not provide a ground for results representative for the entire population. Thus, a minimum requirement of three interviewees per program was set, to ensure that the case studies were representative for the programs. More interviews for every program could probably have made the sample even more representative. The reason for the considerable number of interviews in TINC stems in that the authors got to visit the program and hence got the opportunity to interview many of the current participants. Also, as TINC is the oldest program, more previous participants were available in TINC than in any of the other programs.

TABLE 6: OVERVIEW OF INTERVIEWS PER PROGRAM

	Nordic Scalers	LEAP	Scaleup Academy	TINC	Other programs
Current participants	2	0	1	8	0
Previous participants	0	2	0	4	0
Organizers	2	1	2	3	3
Total	4	3	3	15	3

Interviews were primarily conducted in person. However, some interviews were conducted by telephone and Skype due to geographic distances and lack of time available for the interviewees. Doing interviews by telephone can in some ways be beneficial since they are easier to supervise and the respondent´s replies are not affected by characteristics of the interviewer (Bryman & Bell, 2014). On the contrary, responses derived from telephone interviews can also be inferior since the interviewee might be less engaged and the interviewers cannot to the same extent react if the respondent shows visual signs of confusion.

An aspect to consider in the Nordic Scalers program was that the program had changed radically from batch 1 to batch 2. Batch 1 was a six-months program offered in partnership with one of their Nordic partners. The program was ongoing as interviews were held, why participants from that program were interviewed. Batch 2 is a 10-week program offered in partnership with another of the Nordic partners. Batch 2 had not yet started at the time of data collection, why no participants from that program could be interviewed. Two organizers were interviewed, where one had insight in both batch 1 and batch 2, and the other only had insight in batch 2. This is however made clear in the case study descriptions.

3.4. ADDITIONAL DATA COLLECTION

In addition to the previously mentioned data collection, data has also been collected on conferences and by observations. One conference was attended, namely Scale-up Summit which took place at Epicenter in Stockholm the 14th of March 2018. The Scale-up Summit was arranged by Nordic Scalers and SEB Greenhouse and the entire conference was recorded (Simeconferences, 2018). No direct quotes were used from the conference, although the challenges that were spontaneously mentioned during the conference were treated as data. As these expressions were made by founders of scale-ups, the data was treated as data from the category “Founders”.

Observations were collected by following the TINC program in Palo Alto during the spring 2018. Most observations were not treated as data, although they developed the understanding of the program. However, content from some of the lectures were considered as data. No direct quotes were used, although this data also was used to support the analysis of e.g. challenges for scale-ups. As the lectures were run by experienced scale-up entrepreneurs, the label of this data is “Expert”.

3.5 ANALYSIS

The analysis can be divided into two parts, where the first part is analysis of challenges and the second part is analysis of case studies. In a first step, the analysis focused on analyzing the empirical data and in a second step to compare the findings to the literature review for the discussion. As Dalen (2015) states, the empirical data in an interview study consists of quotations. However, secondary data from e.g. program websites have partly been used for the analysis, although the focus has been on primary data from interviews.

3.5.1 ANALYSIS OF CHALLENGES

For the analysis of challenges, all transliterations were firstly read through by one person and all challenges that were brought up were highlighted. Secondly, the other author read though the document, highlighting any challenge mentioned that was still not highlighted. All the highlighted quotes of challenges were further transferred into an Excel sheet, where also the name of the source was noted as well as one or multiple "describing words", which were words describing the essence of the quote. This is what Dalen (2015) mentions as raw coding, which is an initial step for the coding and is an important part of the analytical process.

Secondly, as all quotes of challenges were transferred to the Excel sheet, the "describing words" were used to cluster the quotes that regarded similar areas. These clusters were further developed into 21 factors that were considered as challenges for scale-ups. Before deciding on the definitive factors, all quotes were read through twice to make sure the quote represented the challenges. The challenges were further grouped into seven different challenge areas. The names of the challenge areas were set to represent the content of their factors but did however have some inspiration from challenge areas mentioned in literature.

3.5.2 ANALYSIS OF CASE STUDIES

For the analysis of the case studies, all transliterations were firstly read through by one person and all quotations that were considered as interesting for any program analysis were highlighted. Secondly, the other author read though the document, highlighting any interesting quote that was missing. All highlighted quotes were further transferred into an Excel sheet, where also the name of the source was noted. The quotes were categorized in the five categories of "about the program", "participants", "content", "outline" and "other". Each of the categories were then analyzed one by one, where quotes regarding the same area were put together in a sub-category, such as "mentorship". Next, the sub-categories were analyzed to extract factors from the programs, such as "experienced mentors". The factors were then used as a base when writing the case for each program.

3.6 METHODOLOGY DISCUSSION

To perform the empirical study, a scope of the thesis was set up early, because of time constraints and limitations in access to information. The scope of the report was decided to be scaling programs in the Nordics. The term scale-up is rather new and does yet not have any commonly accepted definition. Also, the term scaling program is completely new, only mentioned by experts and organizers in person but never found written either in literature or in program descriptions. Thus, there have been difficulties in accessing information, as the information provided on websites to programs in some cases was unclear. Whenever program information has been ambiguous, efforts have been made to contact someone responsible for the program. Nevertheless, in some cases it has not been possible to get in touch with anyone, leading to that information about the programs in some cases is missing.

Secondly, some programs have not been able to provide information about the participants due to secrecy agreements. Thus, it has not been possible to get in touch with participants for these programs unless they were officially published. In other cases, when the information about participants was public, it was still difficult getting in touch with participants. This is because many of the programs are new and thus have a limited number of participants. Since many companies are in a critical scaling phase, founders and other company representatives also had limited availability of time. This led to the rather skewed sample size, where 15 of the 32 interviewees had connection to TINC. Efforts have been made to get in touch with more participants and organizers from the other programs that were studied in-depth, but it has however not been possible. Thus, there is a risk that the empirical data, and furthermore the analysis, has a greater influence from TINC than from the other programs. Furthermore, since TINC is designed for companies in the early stages of scale, there is a risk that it could have implicated the result. Most participants in TINC however have much entrepreneurial experience and have built several companies before. Thus, the skewed sample is not expected to have any major implications on the result.

As no initial hypothesis was set, interviews had a rather open approach although semi-open. Although this open approach captured many of the most interesting thoughts from interviewees, a stricter interview approach would have made it possible to draw more quantitative conclusions, which could have been interesting as well. There were however great variations in the length of the interviews, which also is an effect of the limited time available among interviewees. Interview templates for one-hour interviews were initially designed for participants, organizers and experts respectively. However, the fact that scale-up entrepreneurs are busy was learnt early on. To get any interviews at all, the questions in the interview templates were prioritized so that the length of the interview could be adapted to the time available. Especially interviews with founders had to be shortened. The implication of the varied length of interviews was that the same questions could not consistently be asked in all interviews. Possibly, this might have led to misinterpretations as questions were asked in different contexts in different interviews. An option would have been to shorten all interviews, to make sure all interviewees got the questions in the right order and context. However, much data would be missing from those who actually had time to provide several answers, probably leading to less findings. Another option could have been to only interview those who had time for a long interview. However, that would have led to less data being collected.

Because of the difficulties in accessing data, both secondary and primary data, the abductive approach was necessary considered the time frame. Having a pure inductive approach, as recommended by Taylor et al. (2016) would have implied that the data collection would have needed to end earlier, to have time to initiate a solid literature review after any analyses. Thus, less data would have been collected. However, there is a risk with the chosen approach that the empirical analysis has been affected by the literature review, although not purposely, since they were carried out simultaneously.

The intention of the authors has been to keep good ethics during the entire research process. Firstly, all interviewees have been informed about the purpose of the thesis prior to participation as well as in the beginning of every interview. If requested, transliterations have been sent to the interviewees after the interview. Secondly, all quotes have been anonymized and names that were mentioned in quotes have been rephrased. The ethics of the report could have been further improved by letting all participants read through their transcripts. However, this was not done as there seemed to be little interest among interviewees as well as time constraints.

4 EMPIRICAL STUDY

The empirical study is divided in three parts, where the first part regards challenges for scale-ups, the second part shows an overview of existing scaling programs and the third part consists of case studies of four scaling programs. Lastly, the challenges identified are connected to the case studies of programs, illustrating the challenge focus for every program.

4.1 CHALLENGES FOR SCALE-UPS

In the following sections, challenges will be presented in the seven challenge areas of Ecosystem Financing, Infrastructure, Leadership, Marketing & Sales, People and Strategy. A summary of all challenges is illustrated in Table 7.

TABLE 7: SUMMARY OF THE IDENTIFIED CHALLENGES FOR SCALE-UPS WITH DESCRIPTIONS

	Challenge	**Description**
Ecosystem	Insufficient scale-up support environment	• Insufficient support for scale-ups • Insufficient scaling experience • Insufficient collaboration with research • Insufficient Nordic collaboration • Insufficient legal support
	Non-supportive institutions	• Disadvantageous rules for employee stock options • Inflexible infrastructural contracts
	Nordic entrepreneurial culture	• Underdeveloped entrepreneurial culture • Underdeveloped networking capabilities
	Vague support environment	• Insufficient coordination among programs • Awareness of program environment • Insufficient proof of program effect
Financing	Find the right funding	• Select funding strategy • Tricky process for funding • Access foreign capital
	Lack of financial resources	• Resources enabling growth • Lack of cash
Infrastructure	Create and define processes	• Create repeatable processes • Define and control metrics
	Define roles and responsibilities	• Set an organizational structure • Set clear roles and responsibilities
	Deal with growth	• Being consumed by growth • Internal fight for resources • Need for persistence
Leadership	A new role for the founder	• New focus needed • Founder becomes a bottleneck
	Develop the leadership	• Adapt leadership to phase • Need for delegation
Marketing & Sales	Choose the market	• Choose international market • Choose market segment
	Customer understanding	• Leaders get distanced from customers • Understand customer and user needs

		• Package the offering • Sell the offering
	Manage customers and partners	• Build strategic partnerships • Manage large customers
	Keep improving and developing	• Product development stops • Business model revisiting • Keep market leadership
	Enter new markets	• Legal challenges in new markets • Manage different business cultures • Need presence in new markets • Access competence on new markets
People	Access competence	• Find the right talents • Changing competence requirements • Find the right investors • Find the right board
	Have an effective recruitment process	• Set a recruitment strategy • Formalize the recruitment process • Cost of recruiting • Threat of new competence
	Manage culture and people	• Scale the culture • Motivate employees • Manage mix of early and late employees • Stress from scaling • Founder experience loneliness
Strategy	Balance short- and long-term work	• Keep vision while dealing with urgent work • Retain focus with little time • Prioritize tasks • See the big picture
	Communicate the direction	• Articulate goals and vision • Have common goals within the board • Have common goals within the team

The empirical data in the following chapter is in terms of quotes from founders, organizers and experts. The category "founders" includes founders participating in scaling programs as well as other founders from the additional data collection. The category "organizers" represents organizers of any of the scaling programs that are presented in section 4.2 Overview of Scaling Programs. "Experts" are other persons with much scaling experience. The identification is based on quotations from these data sources when answering the question "What challenges do scale-ups face"? (with some minor formulation variations) as well as challenges that were randomly mentioned during interviews. The frequency of challenges being mentioned is illustrated in Figure 5.

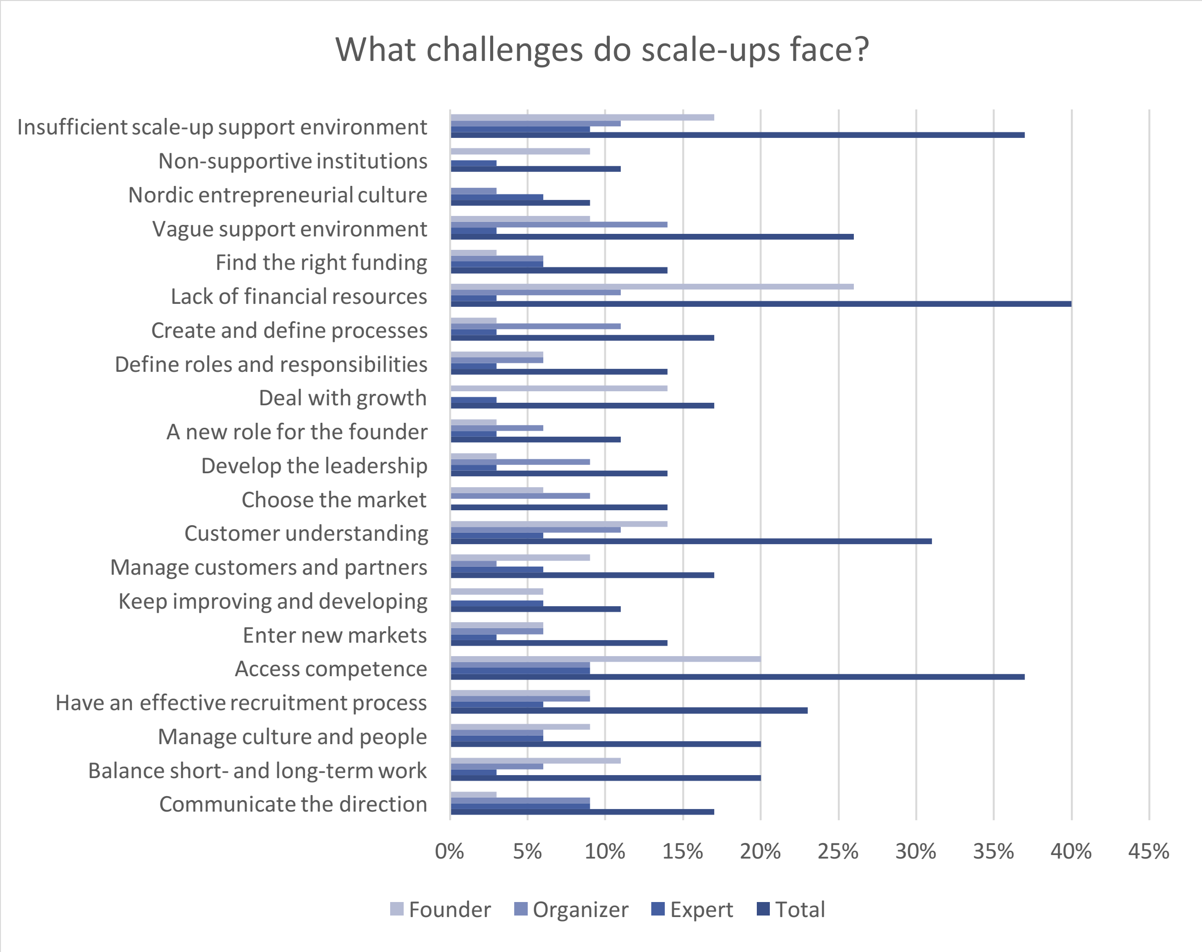

FIGURE 5: THE FREQUENCY OF THE CHALLENGES BEING MENTIONED

4.1.1 ECOSYSTEM

A vital part in the success of a scale-up is expressed to be the support environment for companies in this phase. Founders, organizers and experts all agree on an **insufficient scale-up support environment** in the Nordics. One issue is that the support available for companies in the scaling phase is not good enough. Many agree on that start-ups receive an unproportioned amount of attention and support compared to scale-ups, described by a founder as: ”If you look at all initiatives that are done from a political site and also a lot of accelerator programs, they are all focusing on start-ups. […] People should consider putting more emphasis on companies that actually grow". Interviewees mean that since scale-ups recruit more people and bring in tax money, it is reasonable to spend tax money on supporting them. An organizer states that: ”Looking historically on money spent on start-ups, the efficiency is not that good. It is better to spend money on companies that have a market and revenue". Organizers also believe that by creating a supporting context for scale-ups, more people will be willing to start companies.

It is also stressed that **non-supportive institutions** cause problems for scale-up entrepreneurs. One problem is expressed to be the disadvantageous rules for employee stock options in the Nordics. Organizers discuss that the most important thing Sweden can do is to change the regulations for employee stock options to facilitate for companies to apply those. One expert explains: ”Employee stock options should be taxed when they come out in value, not the current value […] It can turn out that the company happens to be worthless and you have still paid tax for it". A founder mentions that they would like to apply employee stock options if it was not so complicated: ”It is the bureaucracy around it and if you do it wrong there might be big tax related problems for the person you gave the employee stock option to". Another problem brought up to impede the growth is inflexible rental contracts for properties. A founder describes this issue as: ”Housing corporations are very inflexible. A regular contract lasts for three years, and that is very hard to cope with when you are about to scale".

Another challenge is the **Nordic entrepreneurial culture and traits** of people from the Nordics. To begin with, both organizers and experts mean that people living in the Nordics have a disadvantage when communicating and building networks, where an organizer describes people from the US compared to from the Nordics as: ”When describing the culture or the mindset it is the ability to communicate, to actually say what you want [...] Here, [in the US] people are really good at pitching themselves". Further, interviewees compare the entrepreneurial culture in the Nordics with that of Silicon Valley. The entrepreneurial culture in Silicon Valley is considered much more efficient and honest at the same time as people show concern of others' ideas and businesses. The pay-it-forward culture is also brought up as a major difference, and the effect of this phenomenon is expressed by an organizer as: ”When you see how it actually is and that it is for real, it is not made up. Then you understand the dynamics and the power in this system compared to other systems". The organizer continues by describing how this culture leads to an increased possibility to meet the right people: ”You can get all the meetings you want. It is amazing. It is not like that at home".

Lastly, interviewees experience an issue to be a **vague support environment.** One reason mentioned is insufficient coordination among the available support programs. It is argued to be good that there are many programs available since they are different and aim at different types of companies. However, founders find it hard to see the connection between the programs, to know which program to join and in which order. One founder explains: ”There should be a national site where programs are coordinated, because now it is like the wild west". Organizers agree and suggest that they should make a package of several programs and brand it together instead of doing it separately for each program. Furthermore, founders are not fully aware of what programs that are available for them. There are support programs offered from both private and public actors, but interviewees question whether the public really should develop programs or only financially support companies to join private initiatives. One organizer states: ”Personally I think that the public interventions should be to give possibility for companies to join programs regardless who is operating them, not to build own programs". Private initiatives are argued to have a better connection to the market and public programs can make it hard for private programs to succeed since it is hard to compete with something that is free. Criticism is also aimed at the approach to how programs are built in the Nordics: ”We often create programs that are based on what we think is good rather than talking to the companies, seeing which challenges they actually have". Founders also claim that uncertainty of program effect is the main reason not to join. A founder explains: ”There are very few proofs of that they are actually working". Founders also seem to doubt whether it is worth the time to join a program since they have to prioritize their time: ”There are so many events, here in Stockholm in particular, so how do I choose? Every hour away from the office is costing me money".

4.1.2 FINANCING

Finding the right funding is considered to be challenging when scaling up. There are difficulties in selecting a funding strategy in terms of how and when to get funded, and to what extent funding is needed. An organizer explains: “When it comes to financing, you need to have both belt and suspenders.

We are looking at a staircase where self-financing is the best option, then loans and then venture capital or the stock market". Several experts highlight the risks related to getting investors, focusing on the commitment to deliver that comes with it and the risk of getting bad contracts. An expert explains: "The most important thing for a founder is to sell as little as possible of the company for as much money as possible". Another difficulty is the tricky process of getting funding, both in terms of agreeing on good conditions and in terms of the bureaucracy and processing time that comes with it. A founder explains the difficulties of accessing the most beneficial capital by: "The hardest thing in the beginning is the access to capital, before you are profitable no one wants to give you loans and it is quite tough all the time. You need capital to access capital to reasonable conditions without giving away half the company". Another founder explains: "It is quite tricky to get [funding] in an early stage. Although I have great customers, we have a lot of municipalities and counties. […] There were a lot of paragraphs and it took time to get the money". Also, a difficulty in accessing foreign capital is pointed out by multiple founders. It is considered to be even harder and the companies are usually required to move abroad, since getting foreign capital to Sweden from abroad is considered as impossible by many. A founder requests: "Cannot politicians structure the innovation network or do something to make it easier for foreign capital to come to Sweden?".

Another challenge pointed out is the **lack of financial resources**. Several interviewees underline that the resources are what enable the companies to grow and scale. A founder states: "You have to have money in order to do anything", meaning that scaling is impossible without financial resources. An organizer supports this by: "It is also quite expensive, and you have to hire new people, and more people to that, so you have to have the financial ability to scale". A founder further highlights the cost of scaling globally and explains: "You underestimate how hard it is, how much money it costs and how long it takes […] If you are scaling up and go to the US or globally, you have to have big muscles". Another difficulty brought up is the lack of cash, meaning that focusing on cash flow is of great importance. A founder explains: "If you are not focusing on the cash flow all the time, it is probably quite easy to go down although you are quite big". An organizer further supports this by: "Cash is the biggest challenge for scale-ups. As simple as that. They are running out of cash".

4.1.3 INFRASTRUCTURE

Several experts considered **creating and defining processes** as one of the most important challenges. One difficulty is to create repeatable processes. An organizer explains: "Systems, routines and processes must be so that you can do the same thing a thousand times as you did one time". Another organizer means that the most important processes probably are the ones concerning the product, giving examples of invoicing and sales, explaining: "If you are increasing a lot in sales, you have to have processes on place. Every sales order cannot become a project". Furthermore, there is a difficulty in defining and controlling metrics. Both founders and experts underline the importance of metrics to understand what is happening as the company grows. A founder explains: "I think the two big things are validation and understanding of your company, not just know the people and how it works, but properly understanding the metrics of your company. How many calls do you need to make a sale, how big is your average sale, how much is it going to cost you". An organizer means that the speed makes this even more important, by stating: "Especially with this speed, it is important to have control of your metrics".

Another challenge expressed is to **define roles and responsibilities**. Several founders point out the difficulty in setting an organizational structure, not knowing what roles that are needed or in which order. A founder explains: "You have to find the people and the roles that they should have, which afterward feels obvious but not then". Another founder experiences the same problem, focusing on the importance to find the right structure for the specific company: "Everyone has the same problem. When you come to a specific phase it is clear that different companies have different organizational structures, but how should you reason around your company?". Another difficulty is expressed to be to set clear roles and responsibilities, meaning that confusion easily arise when the organization grows. An organizer describes: "It is important to have clear responsibilities. When you are many that are supposed to do the same thing, and do not really know where the boundaries are, you run together or put effort on what is not the most important". An expert agrees stating: "What permeate when you succeed is truly having roles and responsibilities super clear".

The challenge of basically **dealing with growth** is also mentioned, where interviewees point out that the entire organization must be able to grow with the company. Firstly, the risk of getting consumed by the growth is highlighted by several founders. One founder explains: "It is important to use the resources right and not get consumed by the growth. Then you get consumed by internal processes, interviews, getting people and teach people. In that process, you might forget customers and markets. It is important that you grow in a way so that the entire company is on the journey". Another founder focuses on the internal communication problems, and states: "Our greatest challenge was that we kept on fighting for our internal resources all the time". The importance of keeping focused in the growth is mentioned by another founder stating: "It is important to keep focus and make sure you are profitable so that you do not grow to death, which is quite easy to do". Lastly, the need for persistence is also mentioned, which is especially considered as important in organic growth. A founder explains: "I think the challenge is that it requires a lot of persistence, both financially but also motivationally".

4.1.4 LEADERSHIP

Interviewees express one challenge to be that **a new role for the founder** is developed, pointing out that there is a need for a new focus for the founder. An organizer explains: "From the beginning you do everything. When it then starts to grow and gets a working business model, some have a challenge in finding ways to phase out themselves". Several organizers and experts point out that few persons can be both the entrepreneur who starts the company and the person who leads the company into a large corporation. The founder is often the person who initially developed the idea and the product and has merely technical knowledge of the product. Organizers mean that when the company scale, the founder must switch focus to instead of being involved in the operative tasks engage in leading the company and being the strategist. A founder agrees, stating: "It is a little frustrating now that we focus more on the market and marketing than on the product. If you build the product you think that it should be most important". Also, organizers and experts point out the risk of founders becoming bottlenecks in the growth of the company. An organizer discusses usual pitfalls and describes: "The management and founder become bottlenecks, the information does not flow as it should, decision making stays in the top so that the organization does not know what to do". More people agree on that the access to information and awareness of the decision process are major issues related to this. An organizer further describes the issue as: "The most common reason why companies not grow in that pace or release the power is that the entrepreneur gets in the way for oneself".

Another issue related to the leadership in scaling organizations is to **develop the leadership**. Interviewees state that the leader must adapt the leadership to suit the current phase the company finds itself in, which is described by an organizer as: "To be able to develop the leadership and make your way through these different phases, that is the absolutely most important thing". Furthermore, to delegate tasks is also expressed as a difficulty, for instance by an organizer as: “It can be tough to go through this as a founder of a company, to both delegate responsibilities to others and persuade others to build your company. But there are no options”. Experts also point out that experienced entrepreneurs realize this gap and start to recruit to be able to focus on what they do best, such as building or selling the product. Further, they mean that the founder might not always be the right person to lead the company in the next phase. A founder states to experience this difficulty, stating: ”Suddenly I am supposed to lead people to be responsible for other tasks, which certainly requires a different leadership. Or rather, a leadership is suddenly required".

4.1.5 MARKETING & SALES

Several founders pointed out **customer understanding** as a challenge. Leaders tend to get distanced from their customers as the company grows, which can result in decreased customer understanding and sales. An organizer explains: “You get further away from that as you start recruiting, there comes more administrative tasks and different kinds of questions than those related to product development, sales and customers. They lose a bit of the feeling of what is actually going on in their customer relations”. An expert explains that the leader must spend a lot of time in recruitment processes when scaling by: “When you reach ten employees, then the founder will put half its time on recruitment for the next three years. That is how it is, there is no other way to scale the company”. Also, there is a difficulty in understanding customer and user needs. An expert explains: “It is extremely important that you understand what make people use your products”. To manage the offering is seen as a challenge by many founders, particulary to know how to package the offering. A founder describes: “We have a product that works, but how do we reach out with it in a good way?”. Lastly, there are also difficulties experienced in knowing how to sell the product. Another founder mentions: “We have to figure out how to sell the product without one-to-one interactions”. Another founder highlights the importance of knowing how the customers want to buy the product by: “I have to learn how they want to buy it in order to sell it to them that way”.

Another challenge pointed out is to **choose the market,** both in terms of segment and geographical market. In terms of choosing market segment, the difficulty is in having the right focus. One founder means that as long as the company is small, the product can be sold by using good sales people. However, as the company scale, there is a need to have a specific market in focus where there is an actual need, so that the product sells itself. The founder explains: “You have to find a specific need in a specific segment and sell to them”. An organizer underlines the need of doing research and knowing the market, by: “You need to know the market to be able to do anything”. Choosing the geographical market is seen as a difficulty among founders because of lack of knowledge and contacts. One founder also underlines the tendency in the Nordics of thinking too small, stating: “I think many companies in Sweden, us included, think too small. You might have a software that can be sold throughout the entire world, but how can you think big?”.

There is also a challenge mentioned in **entering new markets** with a specific focus on new geographical markets as these differ from the Nordic markets. Founders bring up the risk that comes with other legal environments in new markets. As legal systems differ, founders see problems in being aware of the regulatory frameworks in new markets as well as risks of getting in legal troubles for other reasons. A founder explains: “You might be innocent businesswise, but get sued anyway to be supplanted through a lawsuit and you cannot afford to fight back.” The founder further requests more legal protection and common efforts from the Nordics on this matter. Another difficulty is to manage different business cultures, especially when doing business and recruiting. An organizer explains: “Recruiting wrong is a common mistake, especially when going to the US. People think that Sweden and the US have the same business culture, but it differs drastically […] In the US they are very open and happy but it is very tough doing business and it is easy to get fooled by people”. Founders highlight the difficulty of getting presence in the new markets, where they see either recruiting in the new markets or moving themselves as possible solutions. A founder states: “I think we have to be here [in the US], because having nine hours’ time difference does not work. Everyone expects responsivity, it would not work if they call now and I reply tomorrow”.

Interviewees point on a challenge for scale-ups in **managing customers and partners.** One difficulty is to build strategic partnerships, which several experts mean are of great value for scale-ups. One expert specifically underlines the value of a channel partner by: “Channel partners is the number one thing to make a small company scale”. An organizer instead focuses on getting access to large firms, stating: “When it comes to scale-ups, I think it is important to contact the large corporations, like Volvo or Ericsson. Then they can piggyback on the large firms when going international. I also think it is becoming more open for large corporations to realize that they cannot do everything alone”. A second difficulty is to manage large customers, which is mentioned by several founders. Many point at that the processes are longer for these companies. A founder explains: “It is extremely hard especially with the time aspect with so long leads and processes for conversion. It can be one or several years from first contact to sign”. Also the bureaucracy in large corporations is seen as challenging. Another founder states: “Only getting to the right place in the company is challenging and then everyone has something to tell. There are many people that can stop a sales process in a large corporation”.

Several experts point out the challenges for companies to **keep improving and developing**, where some explain it to happen because the founders become too optimistic about their product and company, making them not see any need for improvements. Thus, the risk is that product development stops as the company scales, which an expert explains: “The biggest mistake an entrepreneur can do is to build something fantastic, and then think that growth is something that is going to be solved for the rest of their life. But growth is something you need to work on all the time”. The expert also points out the need for technical product development as the company grows: “A special infrastructure is required, so the technical challenges are big”. Another difficulty expressed is the business model revisiting. An expert means that it is important to make sure that the business model is appropriate and explains: “You think that you have found how to build a business model just because you have got some invoices and cash flow. And then you step on the throttle, raise venture capital and scale too early before you have validated your growth engine”. Also, the difficulty to keep market leadership is brought up, as founders experience a need of being fast in order to avoid large competitors. A founder explains: ”The challenge is to keep market leadership. Many of the large corporations are not competitors today, but they might say it is interesting and then put X millions on developing it”.

4.1.6 PEOPLE

Interviewees stress the challenge of **accessing competence** to cope with new requirements. One organizer explains the importance of properly scaling the organization as: ”The entire team is extremely important to cope with such growth […] And having the right competence in the team to scale fast”. In doing so, finding the right talents to recruit is brought up as a difficulty. A founder expresses that it is hard to find the right people, especially when operating in a specialized area: “It is all about finding the right competence, and that is hard”. Another issue pointed out is to attract talents to work in these relatively small companies, since they cannot compete on salary with larger corporations. Changing competence requirements are also challenging for scale-ups as the competence that was needed in the first phase is different from the competence needed in the scaling phase. A founder expresses that it is important for scale-ups to succeed with recruiting as: “It is a challenge to make sure that you bring in the right people in the right time. Especially when you are a small enterprise, one does not have much room for failed recruitments”. Competence is not only required among employees, but also among investors. A founder means that investors, apart from contributing with financial resources, also must be a good match with the company: “The challenge with the investors is to find those who can share this global vision […] Someone who dares to take some risks to get a bigger reward”. Scale-ups must also find the right board and management team that have the required competence. Based on that things change rapidly, an organizer states: “I believe that it is what is required now, a constant education of the management team about what is changing and how one must change”. Founders state that especially the competence of global scaling is scarce in the Nordics, which a founder explains by: “What I think is our main challenge today as a scale-up is that we have a lot of experience in growing companies, but we do not have experience in scaling outside our home market and there is very few who have that in the Nordics”.

Interviewees also highlight the importance of **having an effective recruitment process**, meaning that it is important to set a recruitment strategy. An expert means that the best people at the company mainly work there since other good people work there. The effects of not having an effective recruitment process are explained as: ”If you start to hire people which are not as good, the best people leave and the competence level is suddenly devalued. That is why recruitment is super hard but super important to scale”. Experts also mean that hiring family and friends in the early days of a company is common. However, it can be tough for the founder to let go of those as more professional competence is required. A program organizer stresses that it is important to only hire the most talented people to the team and to dare to contact them instead of going for the second best. It is also suggested to be a Nordic trait to think of how to do the recruitment as cheap as possible instead of as good as possible. Furthermore, interviewees argue that there is a need for formalization in the recruitment process. An organizer describes that the challenge is to know how to structure the recruitment and how to do it in practice: “What questions to ask in the interview, what signals to look for, what the most common mistakes are, what is the best practice of how to hire”. Also, the cost of recruiting, in terms of both financial and human resources, is mentioned. It is expressed that scale-ups might not afford to recruit good people but must instead continue to do things by themselves. A founder states: “When you get too eager and try to grow too fast, you do false assumptions and bad recruitments and you take people from their regular work to train others”. Lastly, an organizer believes that many founders can feel threatened of new competence that can outperform their own competence: “Many people are unsecure and do not want to hire persons that are better than themselves”.

Another challenge brought up is to **manage the culture and people** in the organization. Interviewees mention the challenge to scale the culture that was set in the initially small company and retain the values. A founder explains: “You might lose the small culture that was set in a such small company and get an entirely different culture”. Further, also keeping employees motivated is perceived as challenging. A founder mentions several ways to make people remain motivated by: “Make sure people do not feel left out, feel forgotten, or not as part of the whole. Then they will remain motivated”. An organizer further explains: ”How to make people feel motivated when they are one out of hundred compared to one out of six thousand? […] It requires a lot to make people feel motivated and have possibility to advance within the company”. A cause of this is mentioned to be the processes and hierarchies created when a business scale, which interviewees state are required for growing companies.

Another difficulty mentioned is to manage the mix of both early and late employees, not least in managing salary levels. A founder explains: "You get new expectations from the new and the old […] This means that you cannot hire someone that earns much more than those who has worked for the group for a long time". Furthermore, founders mean that one must be careful with salary raises to not create false expectations for the future. Interviewees also express that personal challenges come with scaling. Several agree on that people involved often experience stress and loneliness when scaling. One organizer questions: "Are you ready to scale? Because it is not an 8 am to 4 pm job to do that. Especially if you want to scale to the US where there is a time difference".

4.1.7 STRATEGY

Interviewees point out one strategic challenge as **balancing short- and long-term work** within the scale-up. There is a difficulty expressed in keeping the vision while dealing with urgent work, meaning that leaders and founders tend to put focus on where the fire is for the moment rather than working on the vision. An organizer explains: "Good scale-up entrepreneurs have the ability to be driven by a strong vision but do what needs to be done on Monday anyway, not saying 'are we going to be good on Monday or should we have a vision'. Many get stuck there, actually the majority". Also, several founders and experts point out the difficulty of retaining focused with little time, meaning that they easily lose focus on what they are doing because of the stress of always having much to do. A founder explains: "That is our biggest challenge, to get time and focus together". The difficulty of prioritizing tasks is also mentioned by several founders, who request help with the prioritization. A founder describes: "There are a lot of things that I have to do but do not have time to do, because there is so much else I should do as well". Founders point out another difficulty in zooming out and see the big picture, as it is easy to get too deep into the daily work. A founder states: "It would be valuable to get some kind of map of the reality, and see that you can either go there, there or there. So that you can grab it. When you are in the middle of it, you only see a big map but you have no idea of where you are or where you are going".

Another challenge mentioned in interviews is to **communicate the direction** of the company. There is a difficulty in articulating goals, although many experts highlight the importance of doing it. Several founders, experts and organizers point out the importance of having a clear strategy, which for example is expressed by an expert: "Do not underestimate the need of a clear strategy on what you are actually doing". Also setting a strong vision is considered to be of great importance, as it results in that the organization is moving in the same direction. One founder agrees on the need for a vision, but does however not emphasize having goals: "I started all my companies and never had a goal. Because I think it is dangerous to have a goal. But you need a really, really strong vision". Interviewees also point out the importance of having a common goal in the company board, which can be difficult. An organizer underlines the importance of knowing the agendas of the board and investors by: "What does the board and ownership look like and what is on everyone's agendas for the company? Is there a consensus of what we want with the company?". It is also considered to be of great importance to have a common goal in the team. An organizer explains: "Everyone needs to have a common goal in the team. Know what players there are in the team and make sure that there really is a common strategy so that not the CEO is first on doing something without support"

4.2 OVERVIEW OF SCALING PROGRAMS

To support scale-ups to overcome the challenges identified, there are scaling programs which are cohort-based, time-fixed programs with the aim so support scale-ups. This section presents the 17 identified Nordic programs for scale-ups. The information will be presented in four tables structured by the theme of the information in each table. The themes are; general information, participants, outline and content. A more detailed description of all programs can be found in Appendix 1.

4.2.1 GENERAL INFORMATION

Table 8 presents the 17 programs and describes the organization and responsible authorities around the program. Many of the programs are recently started and are under continuous development. A clear majority is also publicly funded and many of these are organized and funded by governmental organizations.

TABLE 8: GENERAL INFORMATION ABOUT THE IDENTIFIED PROGRAMS

	Founded	**Public/ private**	**Organizer**	**Funder**
Accelerator Scale-up Program	2012	Public/private	MIT REAP Norway University Consortium	MIT REAP Norway University Consortium
Entrepreneurial Marketing New York	2014	Public	Innovation Norway	Norwegian government
Företagsacceleratorn	2010	Private	Connect Sweden	Swedish banks, European Union as well as several other public and private organizations
GET Boston	2009	Public	Innovation Norway	Norwegian government
Greenhouse Growth	2017	Private	SEB	SEB
India Market Entry	2017	Public	Nordic Hub India	Oslo International Hub
Kasvun Roihu	2009	Private	Kasvun Roihu	None
LEAP	2017	Public	Business Sweden	Swedish government
Nordic Scalers	2017	Public	Nordic Scalers	Nordic Innovation (Nordic Council of Ministers)
Scale Global	2017	Private	Chalmers University of Technology	Vinnova
SCALEit	-	Public	Innovation Centre Denmark	Danish government
Scaleup Academy	2018	Private	Scaleup Partners	SEB

Scale-up Denmark	2016	Public	Capnova, Accelerace, Next Step Challenge, Marcod, Nupark, South Danish Growth Forum, Odense Robotics and the Technological Institute	North Denmark Region, Central Denmark Region, Region of Southern Denmark, Capital Region Denmark, Region Zealand, Danish Ministry of Business and Growth, European Regional Development Fund
TechCity Executive Accelerator	2013	Public	Innovation Norway and TechCity UK	Norwegian Government
TINC	2012	Public	Nordic Innovation House Silicon Valley	Vinnova, Innovation Norway, Business Finland, Icelandic Startups, Innovation Denmark
UCLA Global Access program	1998	Private	UCLA Anderson Business School	
Vitus	2010	Public	Trade Council of Denmark	Trade Council of Denmark

4.2.2 PARTICIPANTS

Table 9 presents the participants that the programs invite in terms of their stage in the scaling and their national origin. The requirements on the participating companies has been divided into early scale, scale and late scale to provide an overview of which stage of scale the programs are open for. The definitions of different scaling phases used in this thesis are:

Early scale: SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale.

Scale: SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale, but also have around 10 million SEK in revenues and approximately 10 employees.

Late scale: SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale, but a revenue of more than 20 million SEK and at least 20 employees. However, the requirement of being a SME limits the maximum to 150 employees and 250 million SEK in revenue.

TABLE 9: DESCRIPTION OF THE PARTICIPANTS IN THE PROGRAMS IN TERMS OF REQUIREMENTS ON SCALING STAGE AND NATIONAL ORIGIN

	Early scale	Scale	Late scale	Requirements	Accepted countries	Accepted industries
Accelerator Scale-up Program	✔	✔	✔	For tart-ups and SMEs with intention to scale. No requirements on size or type		All
Entrepreneurial Marketing New York		✔		Must have a product on the market, sufficient funding for the nearest future, willingness to go to the international market	    	All (the general program is open for Norwegian companies only, the focused program for creative industries is open for all Nordic countries)
Företagsacceleratorn		✔	✔	SMEs with at least 10 MSEK in revenue, ambitions and abilities to grow		All
GET Boston		✔		Companies with potential to grow, already having a revenue and being in the scaling phase		High-tech industries
Greenhouse Growth		✔	✔	Proven business model, a team on place, be through the product-market-fit phase. A typical guideline is to have a revenue of at least 10 million SEK		All
India Market Entry	✔	✔		Ready to grow to the international market		Tech
Kasvun Roihu		✔	✔	SMEs		All
LEAP	✔	✔		Global mindset from day 1, a scalable business model, address a global problem/opportunity, launched offering and paying customers, start-up or scale-up, planning for international growth in the near time, at least 12 months financing secured, at least two full-time dedicated resources		All

Nordic Scalers		✔	✔	Generating revenue previous three years, turnover or VC funding of more than €2 M		All, but tech companies prioritized
Scale Global		✔		Scale-ups, approximately 10 MSEK in revenue, 10 employees and have found their product-market-fit		All
SCALEit	✔	✔		Evaluated on team, product, revenue, funding, novelty and mindset		Tech
Scaleup Academy			✔	20-250 MSEK in revenue and 20-150 employees		All
Scale-up Denmark	✔	✔	✔	Varies depending on program within the initiative		12 hubs focusing on specific industries (see Appendix 1)
TechCity Executive Accelerator		✔		Past start-up stage, ready and with ambitions to grow internationally. Product in sale, financing for next 12 months		Tech
TINC	✔	✔		Momentum in the market/traction and minimum prototype or MVP, basic financing in place		Tech
UCLA Global Access program		✔		Some kind of scalable technology, profitability (or other funding for an international expansion), a launched product that is unique. A minimum of 10 employees is preferred		Tech
Vitus	✔	✔	✔	Fewer than 250 employees and a maximum turnover of 375M DKK and compliance with international rules for governmental subsidies		All

4.2.3 OUTLINE

Table 10 presents the programs and their outline in terms of where the program takes place, the length of the program, the participation fee, information about the cohorts and information about market visits, if applicable.

TABLE 10: DESCRIPTION OF THE OUTLINE OF THE PROGRAMS

	Geography	Duration	Participation fee	Frequency of cohorts	Size of cohorts	Market visit
Accelerator Scale-up Program	Norway and Boston	12 weeks	250 000 NOK per team (2-3 persons)	-	-	Boston (MIT)
Entrepreneurial Marketing New York	Norway and New York	6 months	10 000 NOK per person.	2 cohorts/ year	-	New York
Företagsacceleratorn	At regional partners´ locations	6-8 months	38000-48000 SEK	Regional differences, on-going starts or 5 cohorts/ year	Regional differences, on-going starts or 5 companies in each batch	No
GET Boston	Oslo and Boston	6 months	20 000 NOK	1 cohort/year	-	Boston (Babson College)
Greenhouse Growth	Stockholm	3-12 months	Free	No cohorts	No size	No
India Market Entry	Oslo, Mumbai, New Delhi	3 months	Equity and a fee	1 cohort/year	5 companies	Mumbai and New Delhi
Kasvun Roihu	Finland	3 months to 1.5 years, depending on program	From free to € 3500, depending on program	1 cohort/year	-	None/USA/Sweden/ China, depending on program
LEAP	Regional offices in Sweden	2 months	Free	-	5-10 companies	No
Nordic Scalers	Stockholm	10 weeks (previously 6 months)	Free	2 cohorts/year	20 companies	No
Scale Global	Stockholm and Silicon Valley	5 months	75 000 SEK	1 cohort/year	10 companies	Silicon Valley

SCALEit	Denmark and Silicon Valley	6 weeks	22 000 DKK for two founders	-	-	Silicon Valley
Scaleup Academy	Stockholm	12 months	40 000 SEK for SEB Greenhouse customers, 60 000 SEK for non-customers.	-	10 companies	No
Scale-up Denmark	Denmark	4-12 months, arias depending on program within the initiative	0-135 000 DKK, varies depending on program within the initiative	-	10 companies, varies depending on program within the initiative	No
TechCity Executive Accelerator	London	6 months	£ 2,700 (two executives)	1 cohort/year	10 companies	London
TINC	Silicon Valley	4 weeks	75 000 SEK (companies get major support from national funders)	2 cohorts/ year	About 10 companies	Silicon Valley
UCLA Global Access program	No specific location	5,5 months	17 000 USD (Swedish and Finish companies are funded)	1 cohort/year	About 60 companies	Los Angeles
Vitus	No specific location	12 months	Counseling with an hourly rate of 955 DKK. 50 % of this is subsidized	2 cohorts/year	10 companies	No

4.2.4 CONTENT

Table 11 provides an overview of the content in the programs. The program is considered to include the content if there is any form of the content in the program schedule. Therefore, the extent to which a content is offered in a program may vary significantly between the programs.

TABLE 11: THE TABLE LISTS THE CONTENT IN THE PROGRAM

	Mentorship	Workshops/lectures	Networking	Peer-to-peer	Bootcamp
Accelerator Scale-up Program	✔	✔	✔	✔	✔
Entrepreneurial Marketing New York	✔	✔	✔	✔	✔
Företagsacceleratorn	✔	✔			
GET Boston		✔		✔	✔
Greenhouse Growth		✔	✔		
India Market Entry	✔	✔	✔	✔	✔
Kasvun Roihu	✔	✔	✔		
LEAP	✔	✔		✔	
Nordic Scalers	✔	✔	✔	✔	
Scale Global	✔	✔	✔	✔	✔
SCALEit	✔	✔	✔	✔	✔
Scaleup Academy		✔		✔	
Scale-up Denmark	✔	✔	✔	✔	
TechCity Executive Accelerator		✔		✔	✔
TINC	✔	✔	✔	✔	✔
UCLA Global Access program					
Vitus	✔	✔			

4.2.5 SUMMARY OF MAPPING

The following section aims to provide an overview of the identified programs regarding organizers, duration of the programs and type of participants. If the organizer offers programs with various durations, an average duration has been used for this mapping. Similarly, if the organizer accepts several scaling phases to the program, the average scaling phase has been used for the mapping. The mapping can be seen in Figure 6.

1. Accelerator Scale-up Program
2. Entrepreneurial Marketing New York
3. Företagsacceleratorn
4. GET Boston
5. Greenhouse Growth
6. India Market Entry
7. Kasvun Roihu
8. LEAP
9. Nordic Scalers
10. Scale Global
11. SCALEit
12. Scaleup Academy
13. Scale-up Denmark
14. TechCity Executive Accelerator
15. TINC
16. UCLA Global Access program
17. Vitus

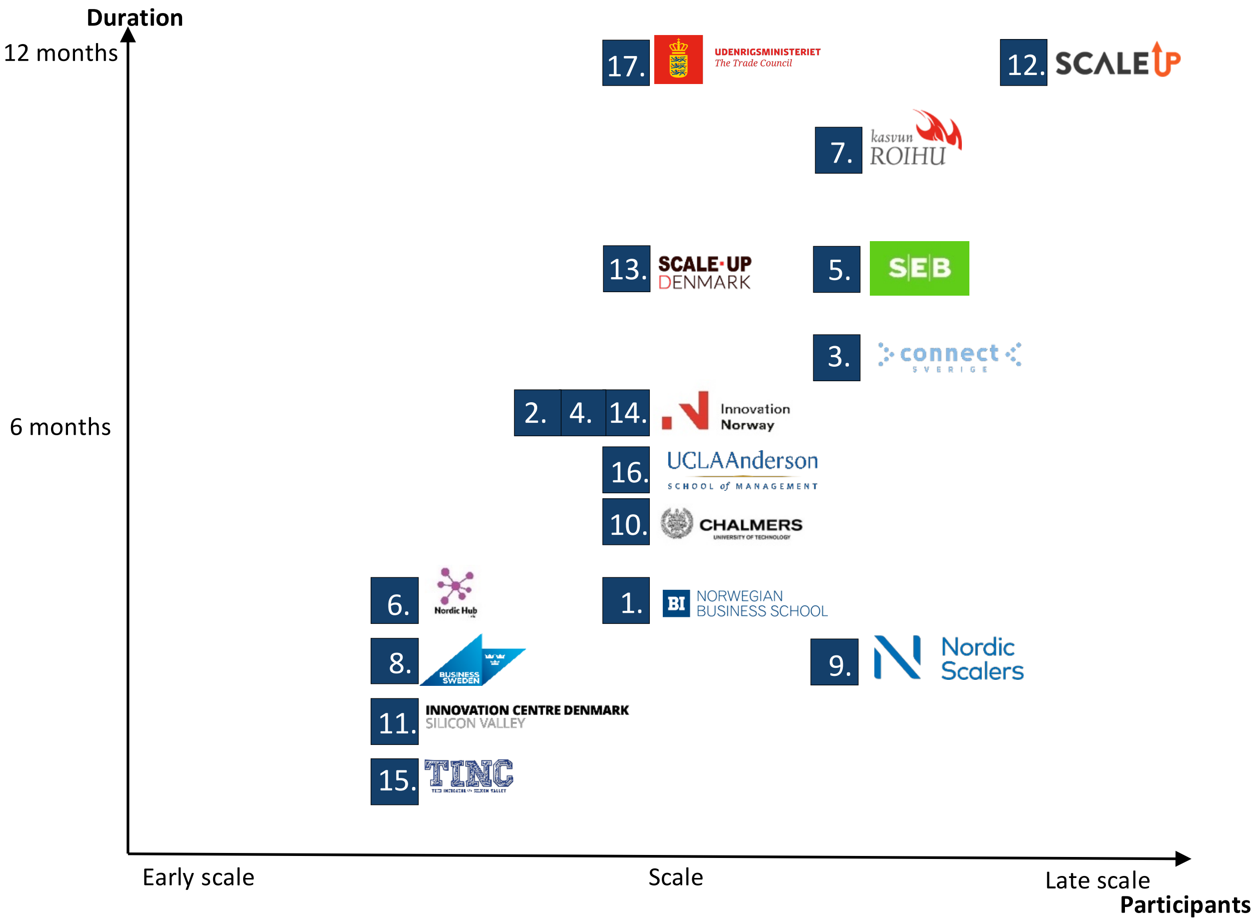

FIGURE 6: MAPPING OF THE 17 IDENTIFIED PROGRAMS, REPRESENTED BY THEIR ORGANIZER´S LOGO AND MAPPED INI RELATION TO THE DURATION OF THE PROGRAM AND THE PHASE OF THE PARTICIPANTS THEY TARGET

4.3 CASE STUDIES OF PROGRAMS

Four of the identified support programs have been studied in-depth and will in this section be presented as separate case studies. The four programs are LEAP, Nordic Scalers, Scaleup Academy and TINC.

4.2.1 LEAP

The information in this case study is built on interviews with one organizer of the program and two participants that participated in the program at two different geographical locations in Sweden. Also, information is taken from information material provided by Business Sweden (Business Sweden, 2018a) and their webpage (Business Sweden, 2018b). Any other information is referenced in the text.

Business Sweden is an organization partly owned by the government and partly by the private business sector, with 55 offices on 47 different markets. LEAP was initiated in 2017 by Business Sweden on a mission from the Swedish government. LEAP is part of their Going Global initiative, which is developed in collaboration with the organization Swedish Incubators and Science Parks with the goal to help companies internationalize. The program director describes LEAP as: ”We are only focusing on helping companies in later stages, known as "scale-ups", to internationalize their business. Business Sweden has offices in 50 markets around the world and a very long experience from helping companies" (Leijonhufvud, 2017).

Within the Going Global initiative, there are also another program. LEAP is described as a first step, and 30 of the companies that go through LEAP every year are selected for an additional program called Catalyst. These 30 companies have developed a feasible international go-to-market-plan in LEAP, have funding for growth with 12-24 months runway and are selected by an investment committee to participate in Catalyst. Catalyst is described as an extension of LEAP and is tailor-made for each participant, focusing on market entry by offering local mentorship, partnership and services in the new markets. Catalyst is a three months’ program where the company get their market entry project subsidized by 90 % up to 175 000 SEK.

Business Sweden claims that their core knowledge is within international growth, where they help companies to find their market priority. That is, finding the markets most suitable to grow into when expanding internationally. One of the organizers at Business Sweden explains: “We are helping companies to reach their full international potential”. Business Sweden focus on the market priority challenge and the challenge of little time and resources for LEAP. The program is run on different locations in Sweden, and has already been run in for instance Örebro, Växjö, Västerås Trollhättan, Östersund and Göteborg. In some cities, several batches have already been run and in 2017, a total of 60 companies attended the program. The goal is however to have 100 companies participating in the program every year. All batches start in cohorts of five to ten companies.

Business Sweden has previously run several programs focusing on international growth for established companies. The programs have focused on specific markets for companies that want to establish a business on that specific international market. However, the focus on scale-ups is new to Business Sweden, which resulted in that the LEAP-program was designed from scratch. An organizer at Business Sweden explains: “Before, we have worked with a similar process but it has had fourteen different modules where we really have calculated the entire internationalization case. We could not come with that process to the start-up companies, because they have another timescale […] LEAP is tailor-made for start-ups and scale-ups because they are different”.

Participants describe the program as a general program with a one-size-fits-all approach rather than a specific focus on industry or scaling phase. They state that this structure serves its purpose, where one participant state that the program suited them perfectly whilst another participant emphasizes that a more specific program might contribute with more value. A participant states: ”It is very hard to make a one-size-fits-all solution for all start-ups, because there is no. That is the risk, you have to balance either being too specific or too general […] Knowing that, I think LEAP has managed quite well to balance it”.

Both participants and organizers claim that the program suits those who want to scale internationally, as that is the only focus of the program. An organizer explains how they select global companies for participating in LEAP: “Have you thought of a global market from the first day when you founded the company? It cannot just be Sweden, it has to be global”. A participant explains that the program was very effective in helping to structure the internationalization process: ”If I would say one thing that they helped us with, it was to funnel our thoughts and see where it is smart to go first. That resulted in that when we have gone to those markets, we also know which are the next to go to after […] It was a very easy methodology".

Both participating companies and organizers describe LEAP as a preparatory program. They state that the next step is where things happen, and where the major value is. It can either be through the follow-up program Catalyst, which some participants are selected to, or through internationalization projects that can be bought from Business Sweden. One organizer explains: “LEAP is a homework you are doing home in Sweden. The cool things happen after LEAP, when you press the button and execute the plan that has been developed in LEAP and really get out in the world”. A participant that also attended Catalyst states: ”Catalyst was really good […] it was more of a consultant project where we could say what help we needed and got a guy there [on a Business Sweden office in the relevant market] who was awesome and really delivered”.

The program has yet no strong brand, which results in that companies enter the program based on referrals from incubators or other contacts rather than approaching it themselves. A participant states: “When we applied to the program we did not really know what it was”. Companies also seem to have difficulties to separate the different programs within Business Sweden’s Going Global initiative. However, as the program started, participants got a clear picture of the program and of what they could expect. A participant describes the expectations, which in the end were exceeded: “We definitely wanted to know where to begin when the program ended, or at least have some kind of map of the reality”.

Although participating companies are satisfied with the program, some want to see actual data on effect of the program. Then, they mean it could be used as a decision support for companies to join the program as well as a better selling point for Business Sweden. Regarding the participation in programs in general, a participant says: “It feels like it is more PR or goodwill than it actually creates something. I would like to see hard facts on whether LEAP and Catalyst work or not”. Another participant did however see great benefits from attending LEAP, stating "For us it was great, […] there is so much going on in your head and they are good at helping you funnel and sort your thoughts, and not making it too difficult".

4.2.1.1 PARTICIPANTS

The requirements for participating in LEAP are that the companies have a global mindset since day one, a scalable business model, address a global problem or opportunity, have launched offerings and have paying customers. Additionally, the companies also need to be part of the Swedish start-up or scale-up scene, planning for international growth in the near future, have secured financing on seed level for at least 12 months and have at least two full-time dedicated resources. However, there are no strict size requirements which results in that participating companies are in different phases. One participant explains: “I think we were almost too early. We had a lot of benefits from it, but I am not sure that other companies in our position would have had as great benefits. We had to work around things to make it benefit us. I think it is easier if you really have set the business model, got started with recurrent sales and maybe are more in a growing phase than start-up phase”. The participant means that they learned a lot although all participants were not in the same phase, but the matter to accept various companies tended to make the program more general and less specific. Another participant, who had been operating for several years and defined the company to be somewhere in-between a start-up and an established firm, did however not see any problems in the program being too general or accepting companies in too different phases, and instead thought that it was well adapted for them.

There are no requirements of industry for the participating companies. The organizers want a mix of companies, whereas participating companies mean that they learn more from companies similar to them. One participant explains: “I imagine that it might not be a must to be in exactly the same scaling phase and that there can be a minor spread there. However, I think it is more about what type of product you offer and what kind of operations you have. It might be hard- or software, cleantech or fintech, product or service. Maybe what I am after is that there should be a similar business model”. Thus, the participant means that some things that were particularly focused on software companies were not relevant for hardware companies.

When selecting companies to the program, there is rather a focus on the team, credibility and potential rather than the size of the company. An organizer explains: ”To look at the team is an important selection criteria. There should be a team of more than one person, preferably with complementary profiles with maybe a CEO and a CTO. There has to be someone doing the job, it is very important. I usually look at the team, credibility in project plan and potential”.

4.2.1.2 OUTLINE

The program runs for two months, which can be seen in the outline illustrated in Figure 7. Three different workshops of three hours each are held during the program, which cover the topics of prioritizing opportunities, international collaboration and building the business case. In the workshop of prioritizing opportunities, a data driven methodology to select the market opportunities with the highest overall potential is used. Business Sweden offers access to databases with extensive market information. In the international collaboration workshop, different ecosystems are identified and information on how to gain access to international financing and local ecosystems is analyzed. Here, representatives from international offices of Business Sweden are often used for answering specific questions. Lastly, the workshop in building the business case focuses on increased understanding of revenues, costs and resources necessary for scaling up internationally in the markets chosen in previous workshops, by calculating three different scenarios of market entry. Apart from the three workshops, the participating companies also get coaching sessions with coaches from Business Sweden. These sessions are often held at the company’s premises, to simplify for participants. During coaching sessions, the participating companies get access to information and contacts in the new markets, as well as guidelines and hands-on recommendations on how to proceed.

FIGURE 7: OUTLINE OF LEAP

The outline of the program was considered as good by participants. One participant explains: ”The outline with a workshop, then a meeting with a coach and then workshop again worked very well for us. Then we actually had to do things in-between, because we would have contact with our coach soon". However, one participant states that they wished for higher speed: "Two months is a pretty long time, so maybe have a higher speed and less time in-between [the workshops]. Because then you have time to start something else or follow another track". The program is run at several locations in Sweden simultaneously, to be accessible for many companies. It is free of charge for participants and is funded by tax money. A participant means that it is a factor that lowers the barrier for participation. Regarding the accessibility, an organizer explains: “We are trying to collect a bunch of companies, because the ecosystems are everywhere and a lot is happening outside of Stockholm”. Further, the organizer explains: “I have rejected companies that have been too early for us. Since we run the program that often, I just tell them to work more to get paying customers and then we will see again in six months”.

The organizers are emphasizing how little time scale-ups have and are thus trying to take little time from the companies’ main business. The workshops last for three hours each and the individual coaching sessions are mostly done at the companies´ offices to save time for them. An organizer explains that “The time is what is the hard part for them, because they have so much to do. We cannot do an entire day with them, only a short time”. According to organizers, the time aspect is also why there is no bootcamp or travel included in the program. Participants do however not seem to regard this as negative, as explained by one participant: “It was definitely nothing I missed […] It [Bootcamps] really risks becoming general, where you pitch, train pitching, go through business modelling and are very basic”.

4.2.1.3 CONTENT

Participants describe the program as educational with a lot of information, explained by a participant as: "It was quite theoretical". Much of this information was however considered as hands-on, which both participants and organizers claimed to be one of the most important parts in a program design. However, one participant means that some parts of the program were unnecessary and indistinct. Both organizers and participants highlight that the organizers have been attentive to feedback and willing to improve the program. The organizers claim to have developed the program design to become more practical and hands-on and one organizer explains: “In the next batch we are going to start LEAP 2.0, where we have made some changes. We are developing the program, things like presentations of the ecosystems, like San Francisco and Berlin, are not super interesting for all participants”.

The workshops were described by participants to be good in general, but of varying quality. Some described the workshops as practical, whilst other thought they were too theoretical. The workshops that were considered as most hands-on were those that were appreciated the most. However, which workshops that were thought of as most hands-on varied among participants. One participant meant that the two first workshops, focusing on marketing, were hands-on while the economic workshop was more theoretical and hard to grasp. Oppositely, another participant found the two first workshops to be too theoretical but the third workshop, about the business case, was considered as a powerful tool and was highly appreciated. The participant explains: “What was maybe most prominent was this numerical analysis of the potential of a new geographical market. It was a prioritizing tool, quite cool”. However, the participant continues: ”I would have wanted more numbers, I mean these hands-on tools. There were quite a lot of things that felt unnecessary, like too vague”. Thus, there are requests on more hands-on tools on the workshops, and the organizers claim to have considered this when running new batches of the program.

Every participant got a dedicated coach from Business Sweden, who sometimes also was the one that ran the program at the local office. The coaches had experience in Business Sweden's internationalization methodology but some had little experience from running companies. A participant explains: "The coach was very good, but you had to bear that in mind. I did not experience that as a problem, but the coaches that were used were not those who had been running a company for 30 years". The coaching was focused on opportunities where Business Sweden could assist the company and to follow up on the workshops. Thus, the coach did generally not give direct advice to the participants but was rather helping the companies to get the right support from Business Sweden. A participant explains: ”The coach comes out to us and basically tries to understand what we might need help with. That was something concrete, he asked if we were interested in the Middle East. Then they had a representative from Abu Dabi who came and gave us a pitch on what he did and which industries he worked with […] Otherwise it was more about checking how it is going and see if there is something concrete that Business Sweden can help with”.

The peer-to-peer worked well in the programs as participants in each batch had to interact during the practical workshops, which led to an informal network. Although the companies in the batches were different, participants claimed to have learned a lot from each other. A participant states: “You get to know each other and start talking. There is an exchange and network outside of the arranged activities. But as always, the team exercises are what gets it going”.

There were no external network activities arranged by Business Sweden. However, participants were invited to relevant events run by Business Sweden and connected to representatives in the specific markets when needed. A participant explains: ”Some external people came lecturing, but I think it was mostly Business Sweden people. They opened up for some events that they were arranging, like some hubs, and even after the program it has been like that, investment meeting in Hong Kong and industry meetup in London for example. Otherwise, it was more informal and you spoke about things that happened, but it was not through Business Sweden but rather the informal network.” Over all, participants seemed to get great value out of the network they got through the program, especially with peers. A participant explains: ”If only looking at the LEAP program, we got a few pretty good tools. I appreciated the focus of the workshops. However, as in many of these initiatives, it is almost more worth it because of the network and because you get to meet other companies in the same situation”. One participant wished for arranged alumni events a couple of months after the program, when the program is still fresh in mind, but the participants have had time to work on the plan that was developed in LEAP. A participant explains: "In the middle of the program we did not see as great need of talking to peers. Now when we have come to the next step it would be interesting to see what challenges you have faced, based on what you thought when you participated in the program. Because it seldom turns out as you first think. Then you could have benefited from others´ experiences in another way".

4.2.2 NORDIC SCALERS

Information for this case study has been gathered from interviews with organizers of the program and participants, as well as from the organizers´ websites (Nordic Innovation, 2018; Nordic Scalers, 2018). It should be noted that there are major changes made in the program between the first batch, further called batch 1, and the second batch, further called batch 2. At the time of data collection to this thesis, batch 2 had yet not started, resulting in that only participants from batch 1 were interviewed. In terms of organizers, an organizer from batch 2 was interviewed as well as an organizer with insight in both batch 1 and batch 2.

Nordic Scalers is a pan-Nordic scaling initiative started and funded by Nordic Innovation. Nordic Innovation is in turn funded by the Nordic Council of Ministers, which aims to increase cooperation among the Nordic countries. Nordic Scalers is operated by a consortium consisting of one privately held organization in each of the Nordic countries, being; Rainmaking (Denmark), Epicenter Stockholm (Sweden) Start-up Norway (Norway), Maria 01 (Finland), Icelandic Start-ups (Iceland). Nordic Scalers was started in the end of 2017 and batch 1 was operated by one of the Nordic consortium partners. Batch 1 was run for six months and included a market visit to New York. However, the organizers describe batch 1 as a pilot and the program has been developed for batch 2. The consortium made a joint decision to run batch 2 from another Nordic consortium partner since the partner operating batch 1 was more experienced in supporting start-ups rather than scale-ups. Epicenter Stockholm was selected as the new consortium partner to run the program, as it is a scale-up actor with much experience from the scaling phase. Epicenter Stockholm branded their program as “Scale-up Lab” and thoroughly changed the outline of the program. For batch 2, Scale-up Lab will run for 10 weeks as a more intense program. An organizer who has insight in both batches means: “As the persons running a scale-up do not have much time, they [the partner running the second batch] think that it is better to have a more concentrated program”. Also, the organizers of the second batch adapt the program to the companies taking part in the program. This organizer explains: “we base the Scale-up Lab on the companies´ needs […] We will move more in this direction as the program develops”.

4.2.2.1 BATCH 1

Batch 1 was taking place during the spring 2018. A reason for participants to apply to the program was to get support from people with scaling experience. One participant states that: “we needed someone that had done it before multiple times, and knows the right people, which is the most important thing”. Another participant agrees on that the people in the program was a main reason for applying: “That was our main focus, it was people that we could see could help us move on”. Participants seemed to value the experience and understanding from the organizers, as explained by a participant as: “It is not about being theoretical about how to run your business […] We are growing, we are hiring people, we have been funded, all of that, so they are not trying to tell us what we should do and what our product is”.

The program organizers emphasize that leaders in scaling companies lack time, implying that it is hard to attract scale-ups to participate in support programs. An organizer describes this issue as: ”The problem with scale-ups is that they have managed to get into a market, and then most of them assume that they are god´s gift to humanity and already know everything, so to attract them to such a program is hard". This can be supported by the fact that seven companies were accepted to the program even though it was open for ten companies. However, among the participants in Batch 1, there seemed to be a high satisfaction. One participant expresses his content by: ”Our impression is that it is a super program for us […] Nordic Scalers creates awareness of the situation and makes participants make informed decisions”.

4.2.2.1.1 PARTICIPANTS

Nordic Scalers did not apply requirements on the industry the participants operate in, so companies from all industries were welcome to apply. Nevertheless, the organizers prioritize tech-companies and participants were required to have potential and ambitions for growth. Also, companies from all Nordic countries were welcomed to the program, the only requirement was that the company was registered in Denmark, Finland, Iceland, Norway, Sweden, the Faroe Islands, Greenland or the Islands of Åland. Nordic Scalers ensures that the companies are in the same phase by applying strict participation requirements on phase. It is stated that participants should have an annual turnover of at least two million Euros, been generating revenue for the preceding three years, minimum 10 employees and growing at least 20 % in the preceding one to three years. The phase of the participants is according to one participant the most important aspect: ”I would say that companies in the same phase is most important because the phase often defines the problems”.

To get the most benefit from the program, one participant emphasizes that participation in the program must fit with the current state of the company: ”You have to want to contribute with the right time and you need to invest in the program […] It has to fit into your roadmap, do not join now if you are going into another country in six months because it is going to eat your time”. Related to this, Nordic Scalers also applied strict commitment requirements on the participating companies. Participants had to be ready to commit with time, budget and people that are required to benefit the most from the program. A participant emphasizes that if joining a program, one must be ready to dedicate time to it to realize the potential value of the program: “Time to commit for sure, you have to really want it if you join an accelerator program. If you are half-arsed, you will get half-arsed results, and that is not good enough for a scale-up”. It is also said that one must be ready to dedicate financial resources for developing and performing ideas that are generated during the program. Furthermore, Nordic Scalers requires participating companies to contribute with a CEO or cofounder to the program, making sure that decisions can be made in the program. Apart from bringing the right people, Nordic Scalers also encouraged participants to bring several people to the program by requiring at least two persons to participate.

4.2.2.1.2 OUTLINE

The program ran for six months and consisted of workshops, mentoring, peer-to-peer activities, networking and a trip the New York to get introduced to the US market. The outline is illustrated in Figure 8. It was divided into three phases: plan your market entry, investigate and connect with US partners and lastly found and fund. The first phase lasted for two months and included four two-day workshops aimed at understanding the target market. Also, a dedicated plan for the next phase was developed. The second phase consisted of the eight-day trip to the US. During the trip participants were to conduct a market analysis, do customer scouting, get access to a network of legal support, community partners and talent. Further, the plan and strategy for going into the new market were finalized. The trip also included pitch sessions and meetings with potential investors and partners. During the third and last phase, participants were to choose between the strategies of founding or funding, or applying a combination of these. The founding was focused on setting up the business on the foreign market whereas the funding focused on finding investors for scaling into the new market.

FIGURE 8: OUTLINE OF NORDIC SCALERS BATCH 1

The program was free of charge, meaning that Nordic Scalers neither applied a participation fee or took equity, which according to the participants was a main factor for them to apply to Nordic Scalers. Participants however covered their costs related to the market visit in New York. One participant expresses the importance of not giving equity by stating that “We did not have to give away equity, which is the most important thing for a scale-up since it is a big company. It is not a start-up, in a start-up you can give away some equity but you cannot really do that in a scale-up since it is so much money”.

As part of the program, participants spent one week in New York to gain insights and experience from the US market as this market was the international focus of the program. Several participants mean that the US focus was important for them when applying. It is also said to be important to go to the market into which companies plan to expand to get a feeling of the market and to establish a network. A participant stresses the importance of the trip to the relevant market and elaborates on this by: “It is super important to go to the US and meet both clients and partners there. To get a feel of everything, go to potential office sites to see where you can set up your office and meet the people there”. The market visit was made in the fourth month out of six and a participant expresses a wish to visit the market earlier in the program: “I think we should have done it sooner, I think it is pretty far down the process that we are going”. Moreover, a wish to visit the market several times is expressed, to not push everything into only one week and to be able to apply what has been taught. A participant explains this reasoning by: “I would like to do some of the workshops where we learned about sales, maybe do it actually in New York so that you can pick up the phone and try this right after”.

Participants also express that it is important to meet in person since online sessions do not offer the same connection. As participants come from several Nordic countries, not all did however participate physically on all meetings. One participant, who was based in the city where the program activities took place, states that some of his peers who were not based in that city would have appreciated if the sessions could be made in person instead of on a distance: ”We have ours in person. But I know some of the other guys wanted it to be in person cause on a skype call you cannot connect in the same way”.

4.2.2.1.3 CONTENT

Participants perceived Nordic Scalers batch 1 as a practical program. This is considered to stem from that the program focused on scale-ups and not start-ups, since participants mean that scale-ups are not in need of theoretical education but of practical advice. One participant describes this by: ”They accept the fact that we are all companies that have proven that we actually were able to scale our business and we are growing, […] they are focusing on how to solve all the practical problems”. Nevertheless, a participant wishes for even more practical content: ”We could have had fewer classes and focused more on the practical stuff”. According to a participant, the practical sessions are where the real value is created.

According to organizers, the peer learning between the participants in the program is vital. It is said to be one of the most valuable things participants can get out of such programs which is expressed by one organizer as: “It is extremely important, what we call peer-to-peer, that you learn from one another is 50 % of the efficiency of such a program”. Another organizer follows the same line of thought, saying that: “It is one of the most important components, to just give people the opportunity to ask each other and coach each other”. Despite the agreed upon importance, participants think that the peer-to-peer content was not working well. There were peer groups where participants learned from each other, by working together on common issues. However, participants did not prioritize this since they either were too busy with their own work or did not feel that they would benefit from it. One participant expresses: “I think that is the one thing that has not really worked out for the program. There was supposed to be peer-to-peer groups, and they are there, I think people are so focused on working on their own company, and feel they do not have time for it”. The participant argues that it would be better if the peer-to-peer was not so organized but instead let to come naturally. Another participant focuses on the fact that the companies were in too different industries to be able to relate to each other and benefit from peer-to-peer activities, and describes the exchange they could get from another participant as: ”I mean, even though we are both in the scaling phase and are both expanding to the US market, the customers we are meeting, the partners we need, the funding we need etcetera is so different so we have very little in common”.

There was a focus on networking as participants could build networks with several different actors. Through the program, participants mention being able to connect with mentors, fellow participants and partners in the US market. The networking opportunities were described by a participant as: “The biggest value, without comparison, is the fact that somebody grabs your arm, takes you along to the US, set you at a table and start introducing you to people”. Nordic Scalers helped participants build their networks, but a participant wishes that they would have got more support in connecting with people that could help them set up their businesses in the US, explaining: ”Maybe I [if organizing the program] would have been a little more active in connecting people with overseas accountants and lawyers”. This is not agreed upon by another participant, arguing that participants have responsibility to create their own network: ”There is a lot of network opportunities but you have to invest in the time right. You have to actually reach out to people and not expect the network to come to you”. This participant however expresses a wish for partner agreements arranged by Nordic Scalers for all participants to access good deals that could facilitate their market entry: ”We are talking about 11 companies moving to the US and setting up, so making partner agreements would make a lot of sense”.

Participants and organizers agree on that Nordic Scalers offers excellent mentors with scaling experience. It is argued that, to be able to help companies with their scaling, one must have done it oneself. From this organizers´ perspective, good mentors are important not only for the participants but also for the reputation of the program: ”In Nordic Scalers we make sure that there are mentors with the right competences […] It is very important. This is also helping to attract companies to the program”. The mentors were matched together with the participants after that both parties pitched themselves and based on this made their wishes on who they would like to mentor and who they would like as mentors.

Participants hence got a dedicated mentor from whom they got support during the program. One participant, focusing on the mentor´s experience, means: ”The mentors are extremely good. Extremely good. They have all themselves built companies in the US before, so they are like just, an oasis of knowledge. […] So actually you can rephrase the whole thing, actually this program is of value because of the mentors basically”.

The workshops given covered several different areas related to scaling a business. The common impression seems to be that the workshops were broad but good, as expressed by a participant: ”They have used broad areas where everyone needs help: sales, legal and growth are the three main so far. […] Overall I think the workshops are really good”. The workshops were according to a participant combining three methods of teaching: theory, firetalks and working sessions. During theory sessions, participants learned about a specific theme relevant for that particular workshop. During firetalks people who had scaled before and shared their stories. Working sessions were when participants got to work on their own companies. A participant felt that the firetalks were of little value since they could not relate to the case brought up in the story: "I mean it is interesting, it is a good story, but I mean for us it is not applicable. We can learn very little from their case because we are operating in a very different space and field".

4.2.2.2 BATCH 2

As previously described, batch 2 of Nordic Scalers differs greatly from batch 1. Scale-up Lab, as it is called, is a program where only a limited number of screened applicants are accepted for participation. 20 companies are allowed in each batch of the Scale-up Lab and during 2018 two batches will be run. An organizer of Scale-up Lab expresses that they feel that the program attracts relevant companies to the program, which is stated as: ”I think that it is a good mix of them, I think we receive a good amount of companies”. The lab takes place at the Epicenter in Stockholm. Each scale-up accepted to the program can bring three people and the requirements on the participants in terms of their phase and industry are the same as for batch 1. Participation in the Scale-up Lab is free of charge, meaning that there is no financial commitment whatsoever, neither in terms of participation fee or equity. The outline is illustrated in Figure 9.

FIGURE 9: OUTLINE OF NORDIC SCALERS BATCH 2

The aim is to supercharge the growth of scale-ups by giving them the necessary skills, knowledge and focus. The Scale-up Lab takes place for 10 weeks and follow a proven growth methodology. The methodology is called the Growth-o-Meter© and is comprised of eight elements. Each week three hours are spent together with a coach to focus on the eight cornerstones which lay the ground for successful growth. The eight cornerstones are Funding, Growth Hacking, Sales, Internationalization, Technology, Team, Communication and Corporate Administration. The cornerstones are discussed in workshops and one-to-one sessions in which each participant has their own dedicated scale-up partner. An organizer emphasizes the importance of the quality of the scale-up partners by: ”Nordic Scalers has a real substance in the advisors and the ones who help to build companies”.

The Scale-up Lab is broken down into a process of four modules, being: Define, Set goals, Execute and Follow-up. During the first module, participants are introduced to the program and their fellow participants. They are also defining the ambitions of the participants' growth, deep-diving into their business models, speed-coaching with all scale-up partners. In the second module, participants work with a couple of tools to structure the goals for the Scale-up Lab and for what happens after the Lab. The first two modules take place during the first two weeks on-site at the venue in Stockholm. All on-site sessions last for three hours during an afternoon. During the third module, which lasts for eight weeks, participants can during the first six weeks choose a niche from one of the tailor-made tracks, being: Increasing sales, Online marketing and Growth-hacking or Funding your growth. Thus, participants can choose the program focus that suits them best. Participants do five of these sessions online and one on-site in Stockholm. The last two weeks in the third module are common for all participants and focus on how the leader of the company should adapt the leadership. During all three modules, participants will have one-to-one sessions with their dedicated scale-up partner. Participants can follow all on-site activities in the program via an online course if they do not have possibility to be in Stockholm. After the program, the organizers follow up on the participants after 100 and 200 days.

4.2.3 SCALEUP ACADEMY

Information in this case study is built on interviews with one participant, one organizer from Scaleup Partners that runs the program, as well as one organizer from the partner organization SEB Greenhouse. Also, information is taken from the two organizations' webpages (SEB Greenhouse, 2018; Scaleup Partners, 2018). Any other sources are referenced in the text.

Scaleup Academy is a private program run by Scaleup Partners. In Sweden, the program was introduced in January 2018, but it is based on a scaling methodology that was established in 1998 at MIT, called “The Birthing of Giants”. The program was a 15-months program that approximately 1500 companies already have gone through. The methodology is also partly explained in a book by Harnish (2014). An organizer explains these previous experiences as one of the success factors: “It has been done in so many companies before, and it is built on collected competence from entrepreneurs. It is not a theoretical model or something that has been put together because it should work, it actually works”. To run the program, the organizer is required to be certified in the “Scale-up Methodology”. In Sweden, the program is run by Scaleup Partners, which is a private company.

The program is operationally run by a coach from Scaleup Partners. The coach is educated in the methodology and have a rigorous entrepreneurial background, which is a requirement for running the program with the Scale-up Methodology. There are approximately 250 coaches available worldwide whereof one is Swedish. The organizer explains: “It is not exactly the same program, it is a development where some things that are specific for Sweden are added”. When running the program in Sweden, another international coach has been engaged as well. Scaleup Partners also has a partnership with the large bank SEB, which offers the program as a part of their Greenhouse Growth Programs initiative and subsidizes the participation fee for their members. The bank claims to know their customers´ needs well because of their close cooperation, and decided to add Scaleup Academy to their value offering as it matched the needs of their customers. An organizer from SEB explains: “Since we work closely with customers and also entrepreneurs that are not customers at our bank, we learn what they want faster than anyone else. That means, we learn what challenges they have and therefore it becomes quite easy for us to know what we are looking for regarding partnerships". SEB also does marketing campaigns for the program through their channels to attract participants.

The program is run in Stockholm, Sweden, and is targeting management teams of scale-ups. An organizer explains: "It is about letting the management team move to a place where other management teams, the entrepreneur and the CEO are and then in a structured way guide and coach the companies to get as effective growth as possible, sustainable growth". A participant agrees on the benefit from getting time for internal focus and explains: "When you are in your company, you work on where there is most fire, but working on the company is about long-term planning and building a foundation for growth. It is seldom you take time to actually do that. I think it is excellent that you can use the meeting time to work on your company. I think that has been of great value".

The program aims to support scale-ups and giving access to experience by having an experienced coach. An organizer explains "When you have your product-market fit and are about to gear up, you need processes that are streamlined, so that you do not need to reinvent the wheel every time. And exactly that, know how you structure your organization, know when to gear up, take the step, then I think having experience to fall back on is of great value". A participant also agrees, stating: "For me it is about getting access to advice from the great leaders running the program".

The program mainly focuses on five challenges for scale-ups; The first is that the founder becomes a bottleneck as the complexity of the firm increases. The second is that the distance between the leader and the customers increases, as the complexity increases and more time is required to be put on internal questions. Thirdly, the roles and responsibilities need to be clear and defined as the company grows. Fourthly, the competence need of the organization changes as the company scale up. Lastly, there is a need for systems, routines and processes to become repeatable.

The participant claims to be satisfied with the program, meaning that it has been of value already, although the program is not finished yet. The organizers measure customer satisfaction of the program regularly after every workshop, and claim that there is a high customer satisfaction rate on the program. A participant explains: "It has been very good, very necessary". Apart from customer satisfaction, no other measures on effect are collected in the program. The cost of the program is 40 000 SEK per participant for SEB Greenhouse members and 60 000 SEK per participant for non-members.

4.2.3.1 PARTICIPANTS

Although the first Swedish batch started in January 2018, there has been a high application rate to the program and a second batch started already in February 2018. One organizer claims that the bank is a distribution channel for the program, and sees it as one reason for the many applicants. The organizer explains: "I think the SEB-bank is a great partner, because they reach many companies". This is supported by a participant stating: "I got the tip to participate from my contact at the bank".

The program targets entrepreneurs and leaders with a strong drive to grow and create value as well as willingness to share experiences and learn from others. The organizers explain the typical participant to be a company wanting to move from good to great. One of them explains: "You want to improve a company that is already fairly good. […] Either they have got stuck and do not know how to move on, or they have speed but are now entering a harder passage that they have not entered before. In those cases, they need support and their boards might not have that competence either". Although the program does not have any specific focus on international scaling, at least one of the participants have plans for internationalization.

To attend the program, there are strict participation requirements on size where the companies need to have revenues of 20-250 million SEK and more than 20 employees. An organizer explains: “We do no exceptions. We have considerably more applications than what we accept, so we are strict on our requirements”. Anyway, one participant experienced that there were some variations in phases among the participants, explaining: “There are some different phases, but it works quite well anyway. They have been good at not accepting too small companies to the program”. Furthermore, the participant explains that participants operate in various industries and business models: “There is a mix, they [the organizers] have truly tried to mix B2B-B2C, services and products etcetera”.

4.2.3.2 OUTLINE

The program runs for twelve months with a physical meeting every month, as illustrated in Figure 10. It starts with a two-day kick-off where the entire methodology is gone through. A participant explains this practice to be valuable by: “The first meeting that we have is a two-day kickoff where you work with the strategy in the company. Then you are at least two from your company working on concretizing and clarifying, because it is very seldom you have time to work on your company”. During the kick-off, the first quarterly priorities are set. An organizer explains: “There are two very intense days where we get a draft of what is most important for the company’s scaling journey”.

FIGURE 10: OUTLINE OF SCALEUP ACADEMY

After the initial kick-off, participants meet for half a day every month. Every third month, there is a quarterly assessment day where the meetings run for an entire day and the quarterly priorities are followed up. According to a participant, it is a good regularity of meetings to make things happen. The participant explains: ”You get continuity in it and it keeps up-to-date. You can check off what you are doing, what you are not doing and why it does not work. It is a good way to make it happen. If you go to a course only for a few days, you are high afterwards for two days and then you get back to reality. But here, you cannot get away. You have to deliver on what you are supposed to do”. According to one of the organizers, there is a thought behind why the program has a solid structure: “We are running it very structured and they [the participants] like it because they have to put time on what they think is important but what they in everyday life lose because there are so many incoming questions”. The meetings are always in-person. However, in-between the meetings, contact is kept through email or social media where there is a common group. Also, there is a digital tool called Meteronome which is specifically designed for the methodology. In the digital tool, participants can upload their goals and enable others to follow their process to reach the goals.

An organizer means that scaling experience is required when designing a program, and highlights that one of the success factors for the program: “If you understand how their reality is, you also know how to design these kinds of programs to make them very good for the companies”. This is also considered to be one of the reasons for the high number of applicants, according to the organizer.

4.2.3.3 CONTENT

The meetings consist of workshops on different topics every time. For some workshops, external experts are invited to talk to add more competence or value, but the scale-up coach is the one leading every workshop. The idea is to serve the information to the participants, instead of letting them spend time searching for it. The structure of the workshop is to initially present relevant tools to the management team and then let them work on it. An organizer explains “We support by shortly introducing important concepts, so that they will not have to search for them”. The organizers underline that scale-ups have little time and thus no time to search for concepts and a participant explains that there is a great value in getting these new tools presented: “Reaching 100 million [SEK] is one thing, but then go from 100 million [SEK] to 1 billion [SEK] as I want to do, then you need some new tools”.

Another part of the workshops is to show role models and best practice, to demonstrate how to successfully work on the specific topics. An organizer explains: “We quickly come to the core, show companies where it works and make clear how you should obtain this in your company. In that way, we get a very effective process in getting the most important pieces for the growth journey. And then we coach as they obtain these”. A participant further explains “What I like with the concept is that it is for real, you work with your company”. The program is overall described as a hands-on program providing relevant information.

The idea with the workshops is to let participants apply the concept to their own company, give feedback to each other and set goals to work on for the coming sessions. The participants engage in discussions when presenting their work during the workshops, but there are however no organized peer-to-peer opportunities among the participants. One organizer explains this as something that might be because the batches are rather new by: “Yet it has not been much peer-to-peer. But in Holland [where the program also is run] I think there is a little more. I think it is about the companies that participate, so it might be from case to case. However, the intention is to have more of it”.

The program does not have any one-to-one-sessions or specific networking events with focus on external networking. Hence, the program offers no structured mentorship opportunities. This is said by the organizers to be a matter of time, since the companies have little time to spend in a program. An organizer however explains that there are opportunities for support as: “It is not structured, but if they have got stuck on something or have a specific question they can contact us. We have continuous contact, but we are not promoting any mentorship”.

4.2.4 TINC

The following information is based on interviews with organizers, current and former participants as well as the organizer´s website (Nordic Innovation House, 2018). TINC was also the program which was physically visited and observed by the authors of the thesis.

TINC is a public program operated by Nordic Innovation House in Silicon Valley. Nordic Innovation House was founded in 2011 by Innovation Norway. However, in 2014 it became a Nordic collaboration as Vinnova (Sweden), Business Finland (Finland), Innovation Center Iceland (Iceland) and Innovation Center Denmark (Denmark) joined. Today, Nordic Innovation House offers several support programs, a virtual office for members as well as a soft-landing place for Nordic companies doing business in Silicon Valley. The 14th batch of the TINC program was run during the spring of 2018 and more than 125 companies have previously graduated from the program. Even though the initiative is public, an organizer of the program argues that the public influences in the program are minimal: ”Looking at our initiative, TINC, is as close to private as a public initiative can be. It is very market oriented".

Furthermore, the organizer argues that it is better that support programs are run by private actors, explaining: “I do not think it is appropriate that public actors run a program, but I do think it is appropriate that they make sure that there is capital that companies can get to participate in other programs which might be better since they are run by experienced entrepreneurs”.

The focus of the program is to help Nordic companies scale globally, with specific attention to the US market. A participant explains the impression of the focus of the program as: ”As I experienced it, the focus was on how to scale the business, make it big and internationally marketable". TINC is perceived to be a broad but hands-on program giving insights in many different areas. According to an organizer, it includes several basic components attracting many talented entrepreneurs. A participant expresses appreciation to the broad approach as: ”TINC is a good program because it is rather broad […] For us it is super". However, another participant is not content with the broad approach, wishing that the program would go more in-depth on topics instead of just scratching on the surface. As a hands-on program, the value is said to be created when the entrepreneurs apply what they learn in the workshops and take actions on their company. Therefore, the organizers do not want to hold hands with the companies and guide them but instead give them the tools to take care of their own development. A participant appreciates that good advice is given to save time and effort by: ”One can surely waste years on figuring out how to do. But now we get the book of recipes at the right time which feels super luxurious and convenient".

TINC is being held at the Nordic Innovation House in Palo Alto, California. Thus, participants spend four weeks there during the program. Several participants claim that a main take-away from the program is that it creates inspiration and develops a mindset. Both participants and organizers agree on that entrepreneurs get better at thinking big and that this is something that they continue doing when going back home. This new way of thinking is said to spread like rings on the water and spread this mindset to their home countries. An organizer of TINC says: “I believe you become a much better innovator and business person […] These concepts and the understanding of how to be successful becomes a way of how to be at home as well”. A participant explains this benefit as: “You see things in new ways, get new ideas and inspiration and to just get away from the office can be valuable”. Other participants also agree on that it is good to step out of the everyday business to look at the business objectively.

Apart from the inspiration and mindset, TINC is also said to develop an understanding of the US market, described by a participant as: “TINC was very good both for understanding how the venture capital and start-up business market works in the US and compare it to how it works in Sweden”. A wish for a deeper understanding for how the US market works also seems to be a common reason for applying to TINC. The program is said to provide value in terms of validation of the offering to see how to package the offering and properly communicate this to the market. A participant expresses: “Here it is more about the business model and stress testing this business model in this environment”. The value of getting this validation is said to be that someone believes in the offering. Another participant says that TINC was going through topics as “how to charge customers, how to package the offering, what is the models for go-to-market and product-market-fit”.

The organizers of TINC mention that it is important for them to have a big network in Silicon Valley in order to help the participants. They mean that it is all about personal relationships and one need this to be able to connect with mentors and set up a program. According to participants, TINC is handled by dedicated organizers with good networks, which a participant explains by: “The ones handling the program are very good and have engagement. It is important when coming to a new country in this phase, that someone cares about the company and wants to help”.

Many participants express that TINC is a surprisingly good program, meaning that the program exceeded their expectations. It is said that the program is well organized, professional, practical and that it gives a lot of good contacts. A participant explains: “It has exceeded my expectations, in particular on the caliber of mentors and workshops they have put together”. That the program exceeds expectations does however also indicate that initial expectations are low. Participants express that they did not have high thoughts of the program before it started and mean that the TINC brand can be improved. One participant expresses being concerned of the risk of being stuck in the program for many weeks if it did not deliver any value and that it was just built without thinking about the companies. Several participants also mention that they did not know about the existence of the program before they applied. This is also agreed upon by organizers who believe that not many start-ups or scale-ups are aware of the programs and that they should put effort into being more visible. A participant suggests a way to handle the low expectations: “That boils down to the easiest way to communicate the value of the program, it is participant testimonials from former participants, because you can relate to them”. It is also suggested to present figures on how many former participants would recommend the program to other companies to increase expectations by using net promoter scores (NPS)..

TINC is a relatively old program in the context of accelerator programs, and has been running since 2012. Former participants express that it is hard to know what the program has given, but they believe that the program has given effect to their business and that it was worth the effort in terms of time and money. One previous participant explains that: “I am convinced that some of the things that were said between the companies and mentors have had influence on that we have a better result”.

4.2.4.1 PARTICIPANTS

TINC is focusing on giving participants understanding of customers and the US market. All companies participating in TINC are aiming to scale their businesses. Even though TINC targets early stage scale-ups, also some start-ups have gone through the program. The program is said to aim at high-potential companies with a product uniqueness and with a strong entrepreneurial team. The program is open to Norwegian, Swedish, Finnish and Icelandic tech-companies, but no Finnish companies have yet participated in the program.

A participant means that TINC is useful both for start-ups and scale-ups, saying that participants can pick parts of the program and apply to their own businesses. The program is perceived to both aim at those who want input on their business models from Silicon Valley and at those who want to learn how to package their offering before going to the US market. On beforehand, one participant was concerned that there would be too many early stage companies in the program, but was relieved when seeing that all companies had a clear view of what they did. However, another participant also expresses that it was vague which phase the program aimed at and that it was perceived to be targeting start-ups rather than scale-ups. Further, there is no consensus whether it is good or bad that the companies are in slightly different phases. One participant argues: “It is important to identify in which phase the companies are since the support needed in the different phases is very different”, whereas another participant states: “I think the differences are good also because it is a great way to learn and understand how we are different”.

TINC targets participants with a validated offering. An organizer explains: “If you have a little bit of product market fit in your home market, that is the best. And you are sort of ready to start thinking of scaling globally”. One participant argues that if a participant is in a too early stage and not have a validated offering, they are wasting time for themselves and for others. However, companies need to be early enough to be away for four weeks as it is expressed to be tough to be away for so long, especially when scaling up and daily business needs to be dealt with. TINC requires that the top management is representing the companies when participating in the program. A participant running a company being in a rather late stage compared to some other TINC participants states that: “What happens to me is that I have to go away from customers who are willing to pay me money to join a program for a month, and when you are talking to investors and everything, they want to see traction every single month”. Another participant agrees and states that it is good to go through the program early since foundres will get more and more to do as the business is growing.

Opinions are more aligned regarding whether participants should be in the same industry and have the same business logic or not. Many participants appreciate that, even though it was not on purpose, all companies in their batch were operating in the B2B segment. One participant explains: “It would not have been time to be as cutting edge if half of the companies sold consumer products. Now we can go so much more in-depth in a relevant way”. Another participant agrees and says that if a program has a mixed target group, there must be a clear purpose with it. It is also emphasized that companies should not be in the same industry segment since that can imply that some are competitors.

TINC recommends participating companies to bring two or three persons to the program. Some companies only bring one person, which is argued to possibly reduce the learning effect of the program. A participant who attended the program alone expresses a desire to have another colleague participating in the program: “The reason for it being good bringing two persons is that it enables discussion about our own company here and now. Plus that I would not have to brief back to the colleagues at home”. Hence, only being one person implies that the real-time interaction is lost and that one extra communication step is added. An organizer agrees on that having someone who can ask questions, join meetings and to discuss with gives extra value.

4.2.4.2 OUTLINE

The program runs twice a year, once during spring and once in the autumn. When accepted to the program, participants are invited to a two-day kick-off in Oslo where they get to meet each other and the organizers, and be introduced to the program. Participants in TINC spend four intense weeks in Silicon Valley following a schedule consisting of workshops, networking events and mentor meetings, as illustrated in Figure 11. In the end of the fourth week, and hence the end of the program, there is a pitch day. There are diverse opinions of the outline of the program where some think that it is an appropriate length whereas other argue that it could have been shorter. One participant explains: “The first period at TINC was very tough for me and my co-founder since we worked day and night and had to, with time difference, take part in the program and run a business from the US”. Some participants would wish that the program was less intense in the beginning so there would be time to let go of everything at home and get to know each other. It is also discussed whether the program could be divided into two parts, where step one would focus on if it is right to establish the business in the US and the second one to see how to do it when the decision is made. Another participant says that it could have been enough with two weeks and then have virtual meetings to follow up.

FIGURE 11: OUTLINE OF TINC

Being at a bootcamp in Silicon Valley for four weeks seems to give value to the companies, both in terms of being away from the everyday business but also being in Silicon Valley in particular. A participant explains: “It was good to be in Silicon Valley since you can get all meetings, the culture and the inspiration”. An organizer explains the benefit of going away: “The fact that they are leaving their own countries and go here, enables them to lose their everyday stress. It is much easier to focus and be present. And just digest everything and implement it in their own business”. A main benefit perceived by participants is that it is easier to keep focused on the program when there are no distractions from the day-to-day life in their home countries. The fact that Silicon Valley implies a time difference of eight to ten hours for participants also seems to be a factor that makes it easier to focus on the program since no regular business activity takes place during the days. One participant argues that TINC would not have given the same value if it took place in the home country: “TINC would not have worked if it had been in Sweden, even though the same things would be said. All of this here is needed, everything, and to get to be here”. Being away far enough so that people do not go home over weekends is another benefit mentioned, since participants get to know each other better and exchange experiences also outside of the program structure.

The cost for TINC is 75 000 NOK per person attending. The fee is subsidized by Vinnova and Innovation Norway for Swedish and Norwegian companies, respectively. This results in a participation fee of 25 000 NOK, plus costs for traveling, accommodation and other expenses which are not included. Icelandic and Finnish companies can also get financial support from Start-up Iceland and Business Finland. The pricing model is however about to change to encourage companies to bring several persons to the program. In the new pricing model, the first person from a company will still cost 75 000 NOK while the fee for the next person will be significantly lower. Furthermore, TINC does not take any equity, which according to a participant is important: “It is not like TINC has such a brand that you would give away equity”. Another participant agrees and states that it is too expensive to give away equity when the company already has got traction in the market. An organizer of the program also likes that the program is financed by participation fees instead of by equity, since it implies that organizers do not have any financial interest in the companies. It is expressed by: “We have no other agenda than to help them […] And we do not make any money of anything they do. So it is very easy, we have a very clean agenda”. Having a participation fee does not seem to bother the participants. Instead, it is argued that it is good to have a fee to create a small barrier for participating in the program, which is expressed by one participant as: “I think it is good to screen a little, so that they do not get just anyone, but those who are engaged and dedicated”.

In TINC, the different activities are held on several different locations in and around Palo Alto. These are places such as Nordic Innovation House and Stanford University in Palo Alto as well as Innovation Norway´s office in San Francisco. This implies that participants sometimes have to move between workshops, mentor meetings and events. It is said to be important that the logistic aspect works well, which is described by one participant when discussing what is important to think about when organizing a program: “Logistics, the feeling of not having to think about where to be and when and just feel that everything fits together. Super important, and it has worked well here”. Other participants wish for a more detailed schedule in advance to be able to optimize the stay in the US and plan meetings not included in the program, which is expressed as: “A clear description of what is going to happen and like this is what your days are going to look like”. One participant argues that it is as important for the program to be clear about the program, as it is for the participants to be clear about their products.

When having gone through TINC, companies become part of an alumni network. This network is however not very organized and depends mostly on the activity of the alumni themselves, even though there have been some occasional gatherings in the Nordics organized by the program. Organizers mean that they could be more active with their alumni network, as described by one organizer as: “So we try to use our alumni, but we should use our alumni more. So that is one of the challenges". Participants express a wish for a structured alumni network where new members continuously are added after going through the program, expressed as: "I wish that there was some kind of structured network after going through the program. That it does not suddenly end but that participants flow out of the program into something new". The participant also suggests that it would be good if former participants took part in the kick-off in Oslo before the program to share their experiences. After spending one month together, participants feel that they have established good relations with each other. These relations are maintained through a Facebook group. The organizers also follow up their contacts with the companies to hear how things are going and if they can help somehow, explained by a participant as: "They are rather curious. In a way, we are the best references for the next program. They care for that we are doing well".

4.2.4.3 CONTENT

The mentors used in TINC have experience from scaling businesses themselves and are well-renowned people in the area. Since their availability in time is limited, the program pays the mentors for the time which they dedicate for mentoring the participants. The experienced and competent mentors are for instance described by participants as: "Unbelievably good mentors that have experience from doing this journey" and "They have really good networks. They might not have all answers but they have experience, that was obvious. It was a good level". One participant mentions that they did however not get so much out of the mentors since they did not have the competence they were looking for. One the other hand, some participants wish for even more mentoring, described by one of them as: "Much more of it. But I understand that it is a matter of costs for the organizers. But it would be really good if you got more of it".

There is a pool of mentors available for the program and the mentoring model is based on that all participants have access to all mentors. All participants meet all mentors in one-to-one settings in the beginning of the program. After doing so, they can book mentor sessions with all mentors, or pick only the ones they desire to meet, during the following weeks of the program. One participant prefers this model compared to having a dedicated mentor, since it maximizes the learning opportunities. Another participant agrees and explains: "The risk otherwise is that you will be matched with one mentor and then it is not that person that gives you maximum exchange. Here it is more flexibility in a structured way". However, a participant highlights the drawbacks of not only having dedicated mentors and states: "Because now you do not get that consistency and the feedback. They do not really follow up on you […] at least have one mentor and go into depth with that person". The participant does however also acknowledge the risk that the mentoring will not give much if this mentor is not a good match.

The workshops in TINC are broad and cover topics such as pitching, financing, value proposition, growth, focus and prioritizing for scale, behavioral design, fundraising, scaling sales and legal. Most workshops are practical and basic with much interaction rather than an educational lecture. This is described by a participant as: "I think the practical pieces were important, lectures do not give as much. The workshops were more practical". The broad workshops seem to imply that what is taught is on a basic level, which one participant highlights, stating that the perceived quality of the workshop depends on which phase the company is in. Another participant expresses this as: "There were some very fundamental workshops […] I think it was a little too general and basic level".

The workshops are said to cover relevant topics and questions. However, there is a wish for more focus on legal and scaling related issues among some participants. On the legal side, it is desired to go through how to make contracts, contracts for financing, how to recruit and how to create a small company in a new country. Other participants are more focused on how to scale a business and how to build the organization to make it big, expressed as: “In particular, development of the organization and employees and how to scale the business in terms of people is very important, and I did not feel that it was so much of that”.

Organizers and participants believe that a major value in TINC is the possibility to establish a network in the Silicon Valley ecosystem. To do so, the program organizes open-to-all networking events where participants get to pitch their businesses for the attendees, followed by a mingle. Participants also attend external networking events. Before the program, the organizers talk to the participants to create a list of which people or companies they would like to meet during their stay in Silicon Valley. The organizers then try to use their own networks to find persons with whom they can connect the participants. This list is continuously updated throughout the program. A participant explains: “We have managed to build a good network of contacts which has resulted in that we have got to meet very skilled and competent people”. Despite the help TINC gives to create a network, an organizer highlights the importance of that the participants talk to people and build their own relations. A participant shares the same view and describes: “They are very generous with their network, so that is really good. TINC help to find the right people, but have high requirements that oneself is to book meetings”.

Participants spend four weeks in Silicon Valley, meaning that they spend a lot of time together both within the program but also when they do not have program related activities. The exchange between participating companies seems to be of value, which one participant describes as: “The big value of participating in an accelerator as TINC is the interchange between the companies […] Much of the experience comes from other companies in the same situation”. An organizer follows the same line of thought and says: “They gain a lot of added benefits, they get to know each other super well. Because they go through this experience together, it is very intense, so they become really good friends […] And they become like a family”. According to an organizer, the group dynamic effect is created by the fact that participants go on a bootcamp together and is not location dependent to Silicon Valley. In the TINC batch running during spring 2018, there were 11 companies participating who connected well with each other during the program, supported each other and established relationships. However, one participant thought that there were too many participants to get the attention they desired, which was expressed as: “Maybe there are too many participants. The best thing would be if it was only me, right?”.

Both organizers and some participants agree on that it is hard to organize peer-to-peer activities since it risks being forced and that it is better to have it open, which is expressed by an organizer as: ”We can facilitate it and give them the space, but sometimes they need to initiate it”. Thus, TINC does not organize any peer-to-peer activities but the outline allows space for self-initiated activities. It is however discussed how the peer-to-peer can be enhanced even more, and one participant suggests that more peer-to-peer effects can be built in if organizers for instance recommend participants to live in the same area or be more active with feedback to each other.

4.4 CHALLENGES IN PROGRAMS

The four programs noted have great variations. For instance, the programs focus on different challenges for scaling companies. Thus, the focus of the programs can be related to the challenges identified in section 4.1 Challenges for Scale-ups. Table 13 illustrates which challenges each of the studied programs support scale-ups in. As the programs do not clearly communicate their focuses, the representation is based on interviews with organizers and participants, as well as the authors’ observations. Some challenges are considered in most of the programs, whereas others are not considered in any. These challenges can be of the nature that programs could and therefore should support companies in overcoming them, while some must be supported from a higher-level actor in the ecosystem.

TABLE 13: REPRESENTATION OF WHICH CHALLENGES THE PROGRAMS SUPPORT

	Challenge	LEAP	Nordic Scalers	Scaleup Academy	TINC	Not supported
Ecosystem	Insufficient scale-up support environment					✔
	Non-supportive institutions					✔
	Nordic entrepreneurial culture and traits					✔
	Vague support environment					✔
Financing	Find the right funding		✔		✔	
	Lack of financial resources			✔		
Infrastructure	Create and define processes	✔		✔	✔	
	Define roles and responsibilities			✔		
	Deal with growth		✔		✔	
Leadership	A new role for the founder					✔
	Develop the leadership		✔	✔		
Marketing & Sales	Choose the market	✔		✔	✔	
	Enter new markets	✔		✔	✔	
	Customer understanding	✔	✔		✔	
	Large customers and partners	✔			✔	
	Keep improving and developing				✔	
	Distribute the offering	✔			✔	
Strategy	Balance short- and long-term work		✔	✔	✔	
	Communicate the direction			✔	✔	
People	Access competence		✔	✔		
	Have an effective recruitment process		✔	✔		
	Maintain the corporate culture		✔	✔	✔	
	Personal challenges			✔		

5 DISCUSSION

The discussion is divided into two parts, where the first part considers the challenges for scale-ups, combining literature and empirical data on challenges. The second part discusses more specifically how the programs work in order support scale-ups, comparing data from the overview mapping as well as case studies with literature on accelerator programs.

5.1 DISCUSSION OF CHALLENGES

The discussion of challenges is organized as to follow the structure of the seven areas where challenges for scale-ups were identified in Section 4.1 Challenges for Scale-ups, being: Ecosystem, Financing, Infrastructure, Leadership, Marketing & Sales, People and Strategy. The findings within these areas are discussed in relation to prevailing literature on each area.

5.1.1 ECOSYSTEM

The Scaleup Institute (2017) argues that the ecosystem provided by stakeholders is an important determinant of the success of the companies, and the lack of this support is highlighted as one of the most significant challenges in this thesis. Insufficient scale-up support was also one of the most frequently mentioned challenges, both by organizers and participants. They argue that scale-ups in the Nordics do not get sufficient attention and support, implying that fewer scale-ups succeed in their scaling. Several interviewees argue that money would create more value if it was spent on scale-ups than on start-ups, which is entirely in line with the findings of Davila et al. (2010) who argue that more money should be allocated to help established companies to grow instead of only supporting early stage ventures. Interviewees mean that not doing so leads to that tax money is not used in the most efficient way since a lot of money is spent on start-ups that ultimately fail before they generate value. Scale-ups on the other hand, have already proven their business model and can use the support to grow and generate increased employment opportunities and tax incomes. Building an effective ecosystem for scale-ups can hence be vital for economic and social sustainability as the success of scale-ups can generate economic growth for regions and better conditions for the people. The Scaleup Institute (2017) supports this argument, by stating that scale-ups have significant impact on wealth and labor. Several programs identified in this thesis are recently started, in particular the programs focusing wholeheartedly on scale-ups, such as Scaleup Academy and Nordic Scalers. This supports the development indicated by The Scaleup Institute (2017), that more attention is aimed at scale-ups.

Many interviewees agree on that the scale-up support ecosystem is vague and that programs should be coordinated. This can be considered as an extended view of what Etzkowitz and Ranga (2015) argue about that all support initiatives should be mapped. By doing so, it can be clarified for the users of the ecosystem, the scale-ups, what support they can get. This thesis can act as a first building block for doing a comprehensive mapping of the support initiatives in the Nordics which the authors of this thesis ague to be vital to create an efficient ecosystem for scale-ups. Another question is whether support initiatives should be private or public. A suggestion is that programs should be designed by private actors but sponsored by public actors. Such collaboration is recommended by Etzkowitz and Ranga (2015), stating that government, industry and academia should work together. Klofsten and Lundmark (2016) support this argument, by pointing out how universities build programs but lack the practical knowledge. Similarly, one can also assume that programs developed by other actors lack the theoretical knowledge, why practical and theoretical knowledge may be combined by collaboration between actors.

Creating efficient support may be more important in the Nordics than in other regions, as some interviewees mean that Nordic founders have potential for improvements regarding skills such as networking and communication. It is also reckoned that the Nordic entrepreneurial culture is underdeveloped, which may be a reason to that the entrepreneurial activity is significantly lower in Sweden compared to the US (Autio et al., 2000).

The Nordic scale-up ecosystem is also suffering from non-supportive institutions such as regulations and policies. As this affects all scale-ups negatively, policy makers should help scale-ups by redesigning such regulations to be more supportive, and not least less impeding. Attention should for instance be aimed at the difficulty in issuing employee stock options, which seldom are applied today due to non-supportive regulations although policymakers have made clear attempts to make it easier. Etzkowitz and Ranga (2015) agree on that more beneficial employment policies are needed. From interviews, it came clear that using employee stock options must be made less bureaucratic and be taxed upon only when being sold. As Etzkowitz and Klofsten (2005) suggest, such policies should be formulated through interaction between actors from both the user and policy-making side.

5.1.2 FINANCING

Challenges related to financing were frequently mentioned by founders as well as organizers and experts. While founders mostly focused on the lack of financial resources, organizers and experts seemed to focus more on the challenge of finding the appropriate funding, and especially selecting a funding strategy. A reason for the differences in focus might be because founders had high operational involvement in the companies and thus rather saw the need for money than the strategic issue of choosing how to get money.

The lack of financial resources was the most frequently mentioned challenge, which indicates that this challenge is the most urgent. The high attention founders put on the lack of financial resources may be explained by Shelton (2005), who means that their smallness makes companies more vulnerable at temporary setbacks compared to large corporations. The empirical findings made it clear that founders consider it essential to have financial resources to get their scale-up growing, which is supported by both Feldman (2013) and Harnish (2014). Activities such as hiring and global scaling are particularly highlighted as financially challenging, indicating that these activities require large financial resources. Long-term funding is evidently important, but also access to cash is highlighted as an issue as the short-term cash flow is necessary to get the firm growing. This can be directly referred to Harnish (2014), who also states that having control of cash is one of the most important success factors for scaling firms.

Experts and organizers highlight the importance for scale-ups to find a funding strategy. This is supported in literature by Bhidé (2000), meaning that scale-ups need a new funding strategy as they require significant funding. From empirical findings, it seems like self-financing in terms of revenues is preferable since it implies little risk and companies can avoid unfair funding deals. However, capital injections might enable the companies to scale even faster, motivating why investors may be necessary. However, as scale-ups are relatively large and have much to lose, it is of great importance that any investor is a good match for the scale-up. Firstly, they should have valuable experience, such as scaling experience, to contribute with. Secondly, they should have reasonable expectations, and respect that the founders actually have managed to build their companies successfully. Thus, they should not try to take control of the companies but instead support in developing visons for the companies. These considerations are supported by both Moore (2014) and Feldman (2013) in literature. Thirdly, an investor should focus on several measures instead of only looking at for instance revenues. Both Harnish

(2014) and Moore (2014) express skepticism towards that investors do not, and suggest greater focus on cash and growth patterns. Lastly, it is important to discuss the challenge in closing the funding deals after the strategy is set. The empirical data suggests that this is a bureaucratic and long process, especially if accessing foreign capital. In literature, Feldman (2013) supports that investment processes typically are long as relationships need to be established. However, no literature was found on any challenges in accessing foreign capital.

5.1.3 INFRASTRUCTURE

Infrastructural challenges were discussed by founders, organizers and experts. Organizers and experts more frequently mentioned challenges in building an organization with repeatable processes and defined roles, whereas founders focused on challenges in dealing with the growth. This could once again be because founders are so operationally involved in their scale-ups, meaning that they only experience how the rapid growth consumes them. However, if defining roles and repeatable processes, as underlined by organizers and experts, they might not experience the growth as problematic. Assuming this, there is great potential for scaling programs to support scale-ups in this challenge area.

Creating repeatable processes was mentioned as an essential but difficult step when scaling up, where especially the sales process was considered hard to make repeatable. To set these repeatable processes is describes as challenging in literature as well, where Flamholtz and Randle (2007) mean that many firms have not developed the infrastructure needed to grow. Several interviewees mention metrics as important when scaling up the organization. As there seems to be a high speed and chaotic environment in scale-ups, this is probably good to keep track of what is actually happening in the company. It is also supported by Flamholtz and Randle (2007) who stress the importance of developing control systems when scaling. However, few specific metrics were mentioned in literature and the empirical data. The growth measures mentioned by for instance Brännback et al. (2013) in sales, profit and employees are probably too general for giving value to any scale-up. Instead, very specific measures would probably be more valuable, such as the cost of sales for every specific product. Developing a framework for what metrics to use when scaling would probably be of great value for scale-ups.

It seems to be hard for scale-up entrepreneurs to know the best way to initially organize the company. Founders especially seemed to find it difficult to know when to recruit what roles. Many founders seem to wait too long before recruiting, implying that they themselves experience excessive workload and cannot focus on scaling. Several founders claimed to search for knowledge on defining roles in scaling organizations, but had difficulties in finding it. No literature discussed how to reason around what roles to hire in different stages, although several authors (e.g. Flamholtz & Randle, 2007; Sutton & Rao, 2014) discuss how the organizational structure is a challenge within growing firms. It might be that the organizational structure is too individual for each company to make it possible to give any general advice. However, knowledge and experience can probably be accessed either through peers in the same situation or by mentors or coaches with experience from scaling companies. Many of the support programs also focus on such challenges, indicating that scaling programs might be a suitable way to overcome these challenges. Several interviewees highlighted that not only defining roles is important, but also to make them clear enough for people to work efficiently within the organization without working on the same task. Clear roles are also argued to be important in literature by Flamholtz and Randle (2007) and Shelton (2005).

The most frequent challenge mentioned among founders was to deal with the growth, where interviewees meant that the growth could consume the company. There were several different ways to define the challenge, all focusing on internal challenges in the company and most meaning that there were just too many things happening at the same time. A founder stated that the growth made the company fight for internal resources, indicating a lack of coordination. Coordinating activities in a scale-up is probably more challenging than anywhere else, as everything grows rapidly and many people are new in their roles. Harnish (2014) also mentions the growing itself as an issue, pointing out that the complexity of the firm grows exponentially as the company grows. The focus and persistence that founders argue are needed for scaling can probably be related to what Bhidé (2000) mentions as being ready to grow, with a developed infrastructure. Probably, scaling programs can help to prepare the scale-ups for growth although programs cannot solve all the internal problems related to it.

5.1.4 LEADERSHIP

Challenges around leadership were found in the empirical data, however more frequently highlighted by experts and organizers than founders. The explanation might be found in the actual challenge mentioned, that founders do not realize that their role changes as the company scale up. As the challenge is mentioned both in empirical data and in literature by for instance Flamholtz and Randle (2007) and Harnish (2014), it can be assumed to be an important challenge to highlight. Scaling programs can play an important role in doing so to founders.

It is made clear in the empirical data that founders, in the beginning of the company lifecycle, take on an operational role and is responsible for all tasks. This is supported by Bhidé (2000) who states that founders mainly start their company to develop a new product or technology, suggesting that they are focused on the product and not on running the company. Several founders experience frustration in that they must focus on new areas instead of only the product as the companies grow, which could indicate that many founders are doers rather than leaders. Thus, it might be hard for founders to recruit others to the technical roles as they have a hard time accepting that they are no longer the person possessing the highest competence in the product. Apart from solely being a matter of interest for different topics, Flamholtz and Randle (2007) suggest that founders do not want to accept that their relationship to the results becomes indirect, meaning that founders do not in the same extent have an impact on the actual product but must reward themselves for leading others to success. This also means that it can be hard for founders to delegate tasks, which is explained by Harnish (2014) by that entrepreneurs often prefer to operate alone. The new role of the founder also requires the person to change the leadership, why these two challenges are strongly related.

To cope with these new requirements is challenging. Literature, for instance Bhidé (2000), even suggests that not all founders can be leaders of high-growth companies. This appears to be true as some interviewees stated to know very few persons who succeeded in making this transition. Thus, it is relevant to discuss the different strategies a CEO can adopt when scaling the business, as presented by Flamholtz and Randle (2007). The strategy for founders to leave their roles unchanged is deemed to fail by both literature and empirical data, since the founder is said to often become a bottleneck in the organization if the role and leadership is not changed. The major negative effects of this seem to be that information does not flow properly in the growing organization, which may be a cause of that the informal way of distributing information in a small organization is not enough to spread information in a larger organization. Empirical findings also suggest that the decision process hinders the organization to grow. Flamholtz and Randle (2007) discuss that decisions should be controlled by the CEO in the early days of the firm, whereas the CEO must let go of this control as the company grows to avoid becoming a bottleneck. To circumvent this detrimental situation, Flamholtz and Randle (2007) suggest the founder to either move to a position in the board and bring in a professional manager to run the firm or try to adapt the leadership to cope with the new requirements on the role as a CEO. The empirical data supports this, which indicates that it might be a suitable strategy. However, founders need to be reminded of this, as it probably is easy to get blind for the fact that someone else might lead the company better than the founder at a point.

5.1.5 MARKETING & SALES

There are several challenges regarding marketing and sales, where customer understanding was the most frequently mentioned challenge. Several scale-ups, as well as scaling programs, focus on international markets and challenges related to that. A reason seems to be that they see greater potential in scaling on larger markets than only in the Nordics.

The challenge of choosing market segments was mentioned, mainly by organizers, as a problem that became more obvious when scaling up. This might also be why many of the identified scaling programs focused on market selection. Founders underlined the importance of finding a market that was appropriate for their products, describing the need to find markets where the user need was large enough to make the product sell itself, which is supported in literature by Moore (2014). Both Bhidé (2000) and Moore (2014) mean that the growth in the start-up phase might be because the company was catching a wave, but as the company scale and targets the mainstream market, there is a need to find a real need among customers. Thus, although scale-ups per definition have a product-market-fit, the customer segment might change or get expanded as the company scales up.

A reason for the large focus on international markets might be that the Nordic countries are small, which seems to make it difficult to scale up. This is in line with what Bhidé (2000) mentions about the importance of choosing a market that is large enough to scale on. Shelton (2005) focuses on finding a market where the company could become a market leader, which also is supported by Moore (2014). As there are more actors and hence higher global competition compared to the competition in the Nordics, it might be hard for Nordic companies to get a leading position on a global market. No literature did specifically discuss the challenges of choosing international markets, which might imply that researchers see little difference between choosing market segment or choosing international market. The founders interviewed did however see additional difficulties in choosing international markets in terms of access to information and contacts.

The empirical data also revealed challenges in entering the market, after selecting it. Emphasis was put on legal issues as rules and regulations that might differ a lot between different countries. As Nordic scale-ups typically are small compared to many internationally established corporations, they probably have less power when entering international markets compared when operating in the Nordics. Shelton (2005) brings up this issue of smallness, meaning that it makes scale-ups more sensitive to both internal and external difficulties. Further, recruiting also becomes difficult when entering new markets, in terms of both accessing competence in the new market and managing the new business cultures. Accordingly, several interviewees pointed out that to successfully enter a new market, the company must have physical presence on the market due to time differences, understand the different business cultures and build relationships. The challenges brought up by founders on entering new markets might be the reason why several of the support programs focus on this issue. Both TINC and Nordic Scalers batch 1 had bootcamps in US, which enable participating companies to build relationships and understand the business culture. However, both these programs focus only on the US market. LEAP does not include any trip to a new market, but offers contacts and information for a broader range of international markets. LEAP does however have a greater focus on choosing the market, while the potential extension of the program, Catalyst, deals with the actual market entry.

When scaling up, it seems to be challenging for founders to keep their customer focus and understanding. As the company grows, the increasing focus on more administrative tasks for the founder results in less customer interactions. Not being close to customers when scaling might be a significant risk, as Moore (2014) states that the type of customers changes as companies scale up. If not being close to the customers when taking decisions, there is a risk that the product moves away from being what the customers really need. Several interviewees pointed out that understanding customer and user needs is extremely important. This might be a great issue for scale-ups, as the leaders might understand the early market customer but have little understanding of the mainstream customers. Consequently, there is a risk that the decisions taken by the leader do not reflect what customers want.

Several founders also point out the difficulty in knowing how customers want to buy the product and thus know how to package the offering. How to sell the product is brought up as challenging by Harnish (2014), and is also highlighted by several founders in the empirical data, focusing on the challenge in creating scalable sales processes without one-to-one interactions. Moore (2014) also emphasize this difficulty, meaning that the mainstream market wants to buy the products in another way than the early market. As the mainstream customers want comfort and easiness, companies must find ways to sell the product in an easy way. What was not brought up by interviewees but by literature, is that the competence requirements of sales people change as the company scales up (Moore, 2014), since the mainstream market prefers other selling styles than the early market. It could be a coincidence that no interviewee mentioned this as a challenge, but could as well be that sales people are more flexible than assumed by Moore (2014).

Several founders pointed out the challenge in dealing with large customers and partners. The process of handling large customers was experienced as long, both in terms of time and number of stages that any decision had to go through. A long sales process might affect the cash flow negatively, which for instance Harnish (2014) mentions as a critical aspect of the survival of scale-ups. There are however also benefits of having large customers, since they can provide opportunities for scale-ups as deals can lead to significant revenues. Large corporations were also mentioned as a potential opportunity for partnerships for scale-ups. Then scale-ups can benefit from their size, as it can reduce the issue of smallness pointed out by Shelton (2005). Large partners can for instance act as distribution channels for the offering and make it reach a larger audience. Moore (2014) does however not promote partnerships in general, pointing out disadvantages in terms of longer decision cycles and mismatches of cultures. Furthermore, he means that scale-ups should focus their resources on getting market leadership by themselves, and first after doing so establish any partnerships or alliances. Scale-ups should hence be aware of that large companies can create both risks and opportunities, both as customers and partners.

Experts highlight the tendency of founders being too optimistic about their products, meaning that although the product is successful at launch, the company needs to keep improving to grow further. As the company grows, also the technical needs grow. Moore (2014) briefly addresses that the product development focus might need to change within the R&D team as the mainstream market is targeted. This is because they, in contrast to the early market, prefer flawless products rather than new and innovative products. Several founders point out the challenge in keeping market leadership which also is considered to be of great importance by several authors, for example Shelton (2005) and Moore (2014). Moore (2014) sees being positioned as a market leader as a prerequisite for at all be able to reach the mainstream customers. An expert also highlighted the importance to revisit the business model although the company has succeeded to grow, to understand why it grows. Probably, this also must be done to understand how to maintain the grow, as markets and customer needs change continuously. The difficulty in doing so is that leaders typically have little time, and thus have difficulties to find time to work on anything else than urgent work. However, organizers from all scaling programs state that one of the values that companies get from participating in the programs is to dedicate time to work on such issues. Thus, a scaling program is probably a good way for companies to reflect both on the business model and the sources of growth.

5.1.6 PEOPLE

Challenges regarding people and employees were frequently mentioned by interviewees. The most frequently mentioned challenge was to access competence. That is not surprising considering the high growth of scale-ups in combination to the rather small competence market in the Nordics. Since many scale-ups are technology based, technology competence is especially needed. Literature, such as Kotter and Sathe (1978), identify attracting employees as a challenge for small companies. They focus on that it is hard to attract employees since small companies do not have a brand and recognition. Empirical data shows that founders have a hard time competing with large firms in terms of what to offer potential employees. Also, it is found to be challenging to merely find the right competences available on the market, which is a difficulty not brought up by previous literature. It is particularly hard when a niche competence is needed, which possibly often is the case for scaling tech companies. To attract employees, scale-ups could however focus on the opportunities to grow with the organization, as pointed out by Bhidé (2000). Efforts could also be made to simplify for scale-ups to access competence. For instance, recruitment of international competence could be made less complex and there could be more exposure opportunities towards universities. There, scaling programs with strong university partnerships could be helpful.

When succeeding in attracting competence to the growing organization, it is important to ensure that the people have the right quality. If not, interviewees bring up the risk of that a vicious circle is created and that the competence level in the company eventually decrease. This can be explained by that talented people want to work with other talented people, and are hence only attracted to companies with a high level of talent and competence. Thus, recruiting the wrong person can harm the company in more ways than only areas related to one specific position. The recruitment process is also costly in terms of time and money. This is brought up in the empirical data as well as by Kotter and Sathe (1978), meaning that bringing in more people to the organization implies that current employees must engage in, and spend time on, training. Having an effective recruitment process is thus important both because it is mentally challenging for current employees and the founder to spend much time on recruiting, but also to save the company's resources.

The workload is high when scaling a business, which comes clear both in empirical data and literature (e.g. Flamholtz & Randle, 2007). This puts founders and employees under high pressure which can lead to challenges on both a personal and organizational level. Risks are that people get stressed out, lose motivation and in the worst case leave the company. Therefore, it is both hard and important to overcome this issue to scale successfully, implying that it is a challenge that must be prioritized. It also seems easy to underestimate this need. Retaining employees and competence may possibly be even more important than attracting new competence. A risk is that people feel left out uncertain of their roles in the company, probably due to that they do not get as much attention as they got when the firm only consisted of a small team, as well as that their role is changing as the organization develops and new roles are created. In times like this, it may be argued that the culture of the company is even more important to keep employees motivated and focused on the goals that are to be attained. However, interviewees state that it is challenging to scale the culture and that there is a risk of getting an entirely new culture when many new people are brought in. As a lot of people are joining the organization, it can be hard to transfer the culture to everyone. This might be a further source of anxiety among early employees since they do not feel that they work at the same company as before. As explained by Flamholtz and Randle (2007), the way of transmitting the culture must hence change from an informal way, where the founder meets all people and spreads the culture, to a more formal way of setting a clear corporate culture.

5.1.7 STRATEGY

Strategic challenges were also brought up in a significant share of the interviews. A problem for scaling companies is that everything happens fast, and that the growth is in many directions. Thus, founders always have a lot to do and consider it difficult to prioritize what to do with the time they have. That new strategic challenges arise as the company grows is supported in literature by several authors, for instance Bhidé (2000) who states that growing companies must set strategies, while opportunistic and improvised approaches might work for very small companies. The empirical data indicates that this is experienced by several founders, as some experience a challenge in having to use most of their time to put out fires. This is in line with what Flamholtz and Randle (2007) state, that one of the biggest challenges in the strategic planning is to dedicate time and effort to it. The empirical data further illuminates the importance and challenge of working on a vision simultaneously as dealing with the everyday work. Sutton and Rao (2014) state that all decisions should be made with a future version of the company in mind, which several organizers and experts agree on. It is important for founders to be able to prioritize between strategic work and urgent activities, as well as take time to work on the company and step back to see the big picture. Scaling programs probably have high potential to support participants in doing so, as they force the founders to step back from the everyday work when attending the programs.

Although both experts and organizers highlighted communicating the direction as one of the most important challenges for scale-ups, founders did however seldom mention the challenge. A reason might be that the need does not become obvious for founders until after the scaling journey, which makes it important for e.g. scaling programs to illuminate this need. Whether interviewees want scale-ups to have a vision, a strategy or a goal seems to differ, but everyone agrees on that the direction in any way must be communicated. Neither literature or organizers focus on the practical difficulties in communicating to the people in the organization, but rather that the leaders do not see the importance of doing so. Flamholtz and Randle (2007) mean that management typically do not communicate sufficiently or that they do not even have any strategic plans to communicate. Bhidé (2000) underlines the importance of having a strategic plan, but also stresses the importance of implementing the strategy by sharing it to the organization. Interviewees mean that the communication mainly is important to make the entire organization work in the same direction, as the CEO otherwise risks to work in an opposite direction to the rest of the organization. This might be an important point to consider for scale-ups, as the leader easily can grow away from customers as their work tasks and workloads increase. Consequently, both the challenge of balancing short- and long-term work and to communicate the direction are highly prioritized by organizers. This is in line with the focus of the programs, where all analyzed programs except LEAP have focus on at least one of the strategic challenges.

5.2 PROGRAM DESIGN

The identified scaling programs differ from those presented as accelerator programs in the literature, as explained by e.g. Cohen (2013). Although the structure is similar, with for instance mentorship, workshops and networking events, they differ in business models, target participants and their focus. Start-up accelerators aim to educate entrepreneurs and help them set up their businesses, and the organizers often have control in the companies as they take equity for participation. Scale-ups already have traction and their businesses going. Thus, scaling programs should not aim to educate them in how to run the business, but rather focus on tools that could help them grow faster or more sustainable. Also, as the business is running for scale-ups, in combination with high growth, leaders typically have less time and flexibility compared to start-up entrepreneurs. Thus, many scaling programs are designed to take little time from the managements' everyday work. The following chapter discusses some design principles for scaling programs, based on literature and empirical findings.

5.2.1 ORGANIZING THE PROGRAM

One of the most prominent findings was the need for scaling experience for people involved in the programs. Several programs used partners to access this competence, such as Nordic Scalers who even shifted their organizing partner from batch 1 to batch 2 to access the more scaling competence. Because of the need for experience, it seems appropriate for scaling programs to utilize networks and partners when designing programs. For instance, partnerships with international hubs can be suitable for programs with international focus, partnerships with universities for competence access and academic touch, and collaboration with scale-up actors such as Epicenter for experience access and networking opportunities. Using a partner with a large network as distribution channel, as Scaleup Academy does with SEB, also seems appropriate as they attract many participants. Nordic Scalers also seems to have advantage in getting applications by being run by consortium partners with established networks. Collaboration between public and private actors could however be improved. The risk with publicly funded programs is that the competition of programs gets skewed and that not the best programs are developed. An idea could be to let public funding subsidize participation fees, but let private actors arrange the programs and thus let the market decide which ones to support. Also, to coordinate all public funding to make more conscious funding efforts would be appropriate, as the coordination is experienced as low today.

Klofsten and Lundmark (2016) state that program organizers should engender trust, which seems to be the case for all programs in the case studies. Especially in TINC, organizers were highlighted as a success factor because of their engagement and generosity in sharing their networks. A reason for the trust might be because most programs were publicly initiated, with the only objective to make more scale-ups succeed. Since no equity is taken, organizers have no profit maximization goal or any other hidden agenda. Instead, the organizers did their best to support the scale-ups. Although Scaleup Academy is a private program, participants showed great trust to the organizer. Scaleup Academy did however not seem to have any obvious profit maximization objective, and organizers stated that the only goal was to make more scale-ups succeed.

TINC has been operated and developed for several years, why the program can be classified as an established program. However, when looking at other scaling programs in the Nordics, it comes clear that several are quite new. Scaleup Academy is new but is however built on a previous methodology, which the organizers see as a benefit. LEAP was however recently designed from scratch, which seems to have been challenging, supporting Klofsten and Lundmark (2016) in that it takes time to build a good support program. Nordic Scalers has completely redesigned their program from batch 1 to batch 2, and LEAP has developed the program after the first batch. However, since LEAP runs batches more frequently and organizers are attentive to feedback, the program probably improves faster compared to other programs.

Measuring effect of programs seems to be hard, as there is no universal KPI that can be used. All four programs in the case studies have high participant satisfaction, where they point at for instance good content, fair participation deals and good access to experience. A reason for this might however be that only participants with positive impression want to contribute to a thesis like this. Many organizers and participants claim that the programs have effect, but organizers do not seem to find any way of measuring it. An exception is Företagsacceleratorn (see description in Appendix 1), that uses several KPIs to measure the effect. Most KPIs used are qualitative, although they also measure the average revenue growth during a 5-year period. As there are many factors impacting the revenue growth, the KPI probably has little causal relationship to the actual effect of the program. In fact, finding a single KPI to measure the effect is probably not possible. The authors of this thesis however believe that several growth measures combined, such as sales, profit and employment growth as suggested by Brännback et al. (2013), can give an indication of the actual effect of the program if measured frequently. This, in combination with qualitative measures such as customer satisfaction and Net Promoter Score (NPS) could give a good indication on the program quality. By measuring, organizers will also get better understanding of what effects the program have and be able to communicate the benefits to improve the brand of the scaling program.

Many programs seem to have difficulties in marketing and branding the program. The participants did often not know about the program before being approached by organizers or recommended to the program by their network. Also, when applying and being accepted to the programs, information was revealed quite late, which made it hard for participants to plan. Providing participants with information is particularly important in programs like TINC, where participants go to a bootcamp and thus must find accommodation. However, there seems to be an overall lack of information regarding scaling programs in the Nordics. Several participants mean that the brands of the programs should be improved, as they could give value to more companies if more people knew about them. Not getting enough, or the right, applicants seem to be a challenge for organizers. Presenting measures of the effect of the program could however motivate participation and attract participants. Also, using testimonials from earlier participants who can present opinions and recommendations of the programs could be beneficial.

5.2.2 SELECTING THE PARTICIPANTS

Although all 17 identified scaling programs identified were said to target scale-ups, they had great variations in participants and requirements for participation. That might be because there is no definition of scale-ups, which also The Scaleup Institute (2017) highlights as problematic. TINC and LEAP support companies in the early stage of scale, whereas Nordic Scalers and Scaleup Academy support scale-ups in later stages. For instance, Scaleup Academy accepts companies having a revenue of at least 20 million SEK and a minimum of 20 employees whereas TINC merely requires participants to have a product on the market. Further, Scaleup Academy and Nordic Scalers are rather strict on their size requirements whereas TINC and LEAP can allow companies outside their formal requirements if organizers believe the company is a good fit to the program. Participants in all programs did however experience variations in phases of the companies attending the programs. This may suggest that the phase, in terms of actions and developments to be made, rather than the size itself defines the challenges. Some argue that companies can adapt what is said in the program to make it applicable for them, meaning that they must not be in the exact same phase. However, participants seem to benefit more from programs if they are in the same phase. Defining and using designations as early scale, scale and late scale can be a good idea to attract participants in the "right" phase, as well as having clear participation requirements.

In LEAP and Scaleup Academy, all types of industries are welcome to apply whereas TINC only accepts tech-companies and Nordic Scalers also prefer tech-companies. Many argue that it is good with a mix of industries to learn more, and they also point out that different industries reduce the risk of participants being competitors, which might affect the openness in the cohorts negatively. Most participants in TINC seemed to prefer if all participants had similar business logic, i.e. similar business models or focused on either B2B or B2C, as the challenges were said to be similar for such companies. This can be assumed to stem from that TINC approaches early stage scale-ups which aim to find the right way to approach the market and find their source of growth. In such early-scale programs, when many participants experience market challenges, it might be good to only accept companies with a single business logic as companies otherwise risk being to different. However, in later-scale programs it is still believed to be good to accept companies with a variety in their business models to improve the mix as they rather focus on general scaling challenges. Most programs had batch sizes of approximately 10 companies. To have several participants in a batch are preferable, as it increases the opportunity for peer-learning. However, too many participants can imply that the quality of the program is impaired as participants get less attention from the organizers.

Klofsten and Lundmark (2016) mean that accelerator programs should recruit participants based on attitude rather than background. Although all scaling programs have a recruitment process where personal backgrounds are considered, recruitment to scaling programs seems to be more based on the company characteristics rather than the individuals in the companies. This is exemplified by for instance Scaleup Academy's and Nordic Scaler's strict numerical participation requirements. LEAP however has greater focus on the team when recruiting and is also the only program that is offered at several regional locations, which increases the accessibility for participants and enables more companies to join it. The regional locations are however only in Sweden, but accepting participants from all Nordic countries, as TINC and Nordic Scalers, was considered as positive by both organizers and participants.

Cohen (2013) describes that accelerators take equity in the company in return for the support provided, but none of the identified scaling programs do so. Instead, studied scaling programs apply a participation fee for participants. A reason for this is because scale-ups already are big, which implies that even a small piece of equity would be of large value. Additionally, scale-ups typically have established revenues, making it possible for them to pay a rather high participation fee, which generally is hard for start-ups. The programs' business models of having participation fees instead of taking equity are probably less scalable and thus less attractive for private initiatives. That might explain why there were so few entirely private scaling programs found. Taking equity in participating companies might also incentivize the organizers to support the participants. For the programs studied, it however seemed like organizers wanted the participants to succeed anyway, which might imply that the goal of the programs rather was to contribute to society than to maximize profit. As there seems to be much public funding available for support programs, it might be appropriate to let participants pay at least a small participation fee to increase their commitment to the program. The participation fee can hence act as a small barrier and ensure that only companies that are willing to dedicate resources to the program apply.

Organizers and participants from most programs preferred that at least two team members attended the program, as it enables internal discussions and learnings could be applied faster. For programs with bootcamps like TINC, bringing several team members also enabled day-to-day work to flow more smoothly. A suggestion could therefore be to formulate participation fees that incentivize the desirable number of participants, by for instance subsidizing the participation fee for the second company representative joining the program.

5.2.3 BUILDING THE STRUCTURE

Scaling programs can be categorized in two different categories regarding duration. Short programs last for 1-6 months, and do typically have a specific focus or niche. For instance, ScaleIT, Entrepreneurial Marketing New York and TINC all focus on a specific international market. LEAP focuses on choosing the market and Nordic Scalers batch 2 enables participants to choose one of three focus modules to customize their program. Secondly, there are long programs that last for longer than 6 months. These programs have a more holistic approach, but the risk might be that participants become too comfortable and used to the support, as pointed out by Sepulveda (2012). However, as scale-ups are more stable and self-contained than the early stage start-ups Sepulveda (2012) discusses this concern for, this risk is probably less significant for scale-ups. It is not possible to draw any conclusions on whether long or short programs are preferable, as it depends on the need for the companies. If a company has a specific need, a short niche program might be preferable as everything in the program is relevant. However, a long, holistic program can help unveiling needs that were not known of before.

The duration of the programs is however not the only time dimension that is interesting, also the intensity differs a lot between the programs. TINC is an intense program running with the founders being constantly in the program for four weeks whereas founders only meet once a month in Scaleup Academy. This can be related to the phase of the companies supported in the program, since companies in a later stage of scaling seem to be too busy to join an intense program. Although many scale-ups have little time, participants seem to value a rather high intensity of the programs with regular meetings to keep things in mind.

TINC and Scaleup Academy start with intense kick-offs, which are experienced as good by participants to get a sense of the program and to meet peers in the batch. By creating contexts for participants to get to know each other early, there is probably more likely that open discussions will appear where participants learn from each other's experiences. This is highly valued by participants in TINC, who mean that the exchange between participants is one of the main values of the program.

Klofsten and Lundmark (2016) highlight flexibility in the program as one success factor, pointing at the short time-frames among participants. All programs seemed to have high adaptability to participants' needs. LEAP is an example of this as the coaches visit the participants' sites during some coaching sessions to save time for them. Many participants agree on that urgent and unforeseen challenges sometimes appear which force them to deal with them instead of focusing on the program. However, some mean that such urgent issues appear all the time, and that there is value in having program meetings at fixed times where leaders must let go of urgent issues to work on the company in a program context. Participants seemed to see great benefits from having physical meetings, although contact through digital media in-between physical meetings seemed to be valued.

Several programs focus on international markets and include bootcamps in their offering. In TINC, the entire program is a four-week bootcamp in Silicon Valley and in Nordic Scalers batch 1 there was a one-week bootcamp in New York. Although participants in TINC seem to enjoy the bootcamp and underline the importance of visiting the market that the company tries to scale on, participants also mean that it is hard to leave the business for that amount of time. It comes clear that it is important to visit the geographical markets that companies scale on. However, if a market visit only is a small part of the program, there seems to be little need for all participants to go at the same time, or even going to the same place as they might aim to enter different markets. If educational elements are dealt with in the home market, the main purpose of the market visit is probably to build a network and meet potential partners or customers. If the scaling program has a broad network and collaboration with for instance international hubs such as Nordic Innovation House, participating companies can probably get as much value from the market visit if going alone compared to when going in a large group. This would enable for participants to customize their market visits to whenever and wherever suits them. However, scaling program organizers should encourage market visits and be generous in sharing their networks.

In Scaleup Academy, quarter-wise prioritizes are set and followed up every quarter. Setting goals is in line with what Klofsten and Lundmark (2016) recommend for accelerator program design. In Scaleup Academy, these follow-ups are not strict, although a participant mentions that they serve their function because they make the companies do what they are supposed to. The digital software used in Scaleup Academy can also help coaches to follow the development of the companies. Also in LEAP, the participants get tasks to do from session to session, which participants state is good for making them do the work. Thus, following up tasks and results seems to be appreciated and beneficial. Klofsten and Lundmark (2016) however underline the importance of not rushing results for program designers. This does not seem to be an issue as no organizer monitor KPIs to ensure that the companies live up to any expectations.

5.2.4 CHOOSING THE CONTENT

Workshops were used in all four programs, and in all programs participants wanted practical and hands-on workshops. This is partly contradicting the success factor for program design mentioned by Klofsten and Lundmark (2016), meaning that practical experience should be mixed with research-based theory. In TINC, the workshops were described as basic but good. A reason for having more basic workshops might be because not all participants were in the same phase, implying that they faced various challenges and that there is not sufficient time to deep-dive into all covered topics. In Scaleup Academy, different topics were gone through on every session and the structure for the workshops was pre-designed by the methodology the program follows. First, relevant tools were presented, then role models were shown as well as best-practices for the topic. This structure seemed to be appreciated among participants, especially since several founders expressed access to best-practice and competence as challenges. Participants from all programs seemed to agree on that experienced workshop leaders, as well as mentors, were important. This is also supported by Klofsten and Lundmark (2016), meaning that a success factor for program design is to use experienced entrepreneurs. TINC, Nordic Scalers and Scaleup Academy use workshop leaders with experience from scale-ups, while LEAP does not require the workshop leaders to have scale-up experience but instead internationalization experience.

Mentorship by one-to-one sessions was used in TINC, Nordic Scalers and LEAP, which is considered to be a good way to ensure that companies get the individual support they need. In TINC, all participants had access to some time slots with several mentors with different competences and backgrounds, although all had extensive entrepreneurial background. Having several mentors can be valuable, as participants get advice from many points of views and as only having one mentor implies the risk of that the mentor do not have the competence that the company needs. TINC solves this issue by letting companies meet several mentors, hoping that any mentor has the appropriate competence. Klofsten and Lundmark (2016) support this, stating that the competence offered in the program should be adapted to the need of the companies. Participants from all programs claim that the competence offered matched their needs well. In LEAP, the mentor is a representative from Business Sweden, and the sessions are mainly focused on opportunities for Business Sweden to support internationalization. In Nordic Scalers batch 1, mentors and participants were matched together after a session where both parties pitch themselves and all participants get, depending on their choice, one or several mentors to connect with throughout the program. This is in line with what Klofsten and Lundmark (2016) advocate, meaning that the right mentor should be put together with the right participant.

Klofsten and Lundmark (2016) also mean that programs should use a network of complementary actors. This is for instance done in TINC, where all lecturers and mentors are external and focus on different areas of competences. The organizers also use their own networks to give companies access to complementary actors. This focus is also seen in Nordic Scalers, where participants get access to complementary actors by the various speakers invited and the mix of people involved. LEAP and Scaleup Academy focus less on giving access to complementary actors, although external lecturers at times are invited to the programs. Fellow participants can also be regarded as a part of the network participants get in the program. The thesis suggests that peer learning is a vital part of programs. In TINC, LEAP and Scaleup Academy there are no organized peer-to-peer activities. This is however not seen as a loss since participants believe that peer-to-peer is more rewarding if it comes naturally. This may be supported by the fact that Nordic Scalers batch 1 had organized peer-to-peer groups which according to participants did not seem to function well. The number of participants in a batch also seemed to affect the networking and benefit of a program, as was expressed by a participant in TINC who argued that 11 participants were too many. As previously discussed, having too many participants may lead to that participants get too little attention whereas too few participants may harm the exchange and peer learning between participants.

Few programs have an established and organized alumni network or other post-program activities. This is wished for by participants who believe that they can benefit a lot from maintaining the relationships with peers after the program and build new relationships with participants from other batches. A possible explanation for that no alumni networks are established can be that many of the programs are recently started. Scaleup Academy has for instance not yet finished their first batch. TINC, which has been running for several years, has an alumni network with some gatherings organized by the organizers. However, this does not follow a formal structure but happens on an ad-hoc basis when organizers have the possibility to organize it. Participants can however connect through a group in social media that is created by organizers, which can be regarded as some sort of alumni network. It is also suggested that alumni participants should participate in kick-offs to connect with companies which are about to join the program.

6 CONCLUSIONS

Scale-ups are by many considered to be vital for the growth and wealth of regions as they provide tax incomes and employment opportunities. Therefore, many stress the importance of supporting these companies in overcoming the various challenges faced when transitioning to scale. Even though no clear definition of scale-ups was found in literature, the fact that the scale-up ecosystem is receiving increasing attention from both public and private sectors is indicating that progress is being made in the area. The increased attention is highlighted both in literature and empirical data. However, having no clear definition of scale-ups was experienced as problematic since different terminology was used by many practitioners. The proposed definition of scale-ups in this thesis is: SMEs with a product market fit, traction in any market, user or revenue growth of at least 20 % in the previous year and ambitions to scale.

The purpose of the thesis was to identify the challenges that scale-ups face, and investigate how scaling programs can support companies in this phase. Furthermore, it aimed to illuminate the need for policy makers and researchers to pay attention to scale-ups and understand how they differ from start-ups and established firms. Lastly, the aim was to also improve social and economic sustainability, by highlighting how scale-ups most effectively should be supported. As the answers hopefully result in more succeeding scale-ups, this can lead to positive effects in terms of economic growth and more employment opportunities.

6.1 ANSWERS TO RESEARCH QUESTIONS

After reviewing literature on the topic and interviewing founders, organizers and experts within the area, it is possible to draw conclusions and thereby provide answers to the research questions:

1. What challenges do scale-ups face?
2. What scaling programs are available for scale-ups in the Nordics, and what characterize them?
3. How should scaling programs be designed to support scale-ups?

6.1.1 CHALLENGES FOR SCALE-UPS

As anticipated, and as described by previous literature, scale-ups face many challenges when scaling up. In this thesis, 21 challenges were identified and these can be categorized into seven challenge areas: Ecosystem, Financing, Infrastructure, Leadership, Marketing & Sales, People, and Strategy.

Challenges found to be related to the ecosystem were insufficient scale-up environment, non-supportive institutions, Nordic entrepreneurial culture and a vague support environment. The financial challenges were found to be to find the right funding and lack of financial resources. The infrastructural challenges were identified to be to create and define processes, define roles and responsibilities and to deal with growth. Challenges identified within leadership were the new role for the founder and to develop the leadership. In marketing and sales, challenges identified were in terms of choosing the market, enter new markets, understand customers, manage customers and partners, and to keep improving and developing. Challenges related to the people in the organization were found to be to access competence, have an effective recruitment process, and to manage culture and employees. Lastly, the strategic challenges identified were to balance short- and long-term work and communicate the direction.

The findings can be of use for founders who want to be prepared for the challenges they will face when scaling up their business. Due to the many challenges identified, some challenges are more urgent or critical. Lack of financial resources, access to competence and the insufficient scale-up environment were the most frequently mentioned challenges, indicating that these are critical. However, from writing the thesis the authors can conclude that also building the infrastructure and developing the leadership should be considered as urgent, since many of the other challenges stem from these issues. It should however be noted that all scale-ups do not necessarily face all challenges, and that other challenges can arise. The findings can also be valuable for program owners who are to design programs adapted to the needs of scale-ups as well as policy makers aiming to improve the ecosystem for scaling companies.

6.1.2 SCALING PROGRAMS IN THE NORDICS

There are many different support programs available for Nordic scale-ups. In this thesis, 17 programs have been identified whereof four have been studied in-depth. An overview of the programs is presented in section 4.2 Overview of Scaling Programs, and all programs are further described in Appendix 1.

It was found that the programs differ in how they are outlined, what topics they cover and what participants they approach, particularly in terms of scaling stage of the participants. This can be considered surprising, as all programs claimed to target scale-ups or participants in the scaling phase. The definition that was used in this thesis was broader than the definition used by e.g. some of the programs. This might be why many programs with various participating requirements were considered as scaling programs in this thesis. A general problem among the programs was that they had little information available and were hard to access further information from, a fact agreed upon by participants in all four programs of case studies. Neither of the programs had a strong brand and founders often doubted to participate as they did not want to waste time and no proof of effect of the programs could be found.

Furthermore, many of the scaling programs were somewhat publicly funded or subsidized. Several programs were recently founded, which support previous observations on that scale-ups have received greater attention in recent years. However, as the focus increases, it becomes more important to coordinate the programs and the efforts that are put on scale-up support, not least for publicly funded initiatives. The authors of this thesis recommend that a Nordic database with excessive information on all support initiatives available for scale-ups should be developed, to be used by both scale-ups and policy makers.

6.1.3 RECOMMENDATIONS FOR SCALING PROGRAM DESIGN

There is no literature on how scaling programs should be designed, possibly explaining why the identified programs are so different. Through this thesis, it is found that there is no general optimal way of designing a scaling program since different scale-ups have different needs. Generally, the needs can be connected to how far the scale-up has come on its scaling journey. Early stage scale-ups typically focus on finding their source of growth. For those, short and intense programs are preferable since they enable participants to learn a lot, and doing it fast. Also, the management can often cope with an intense program and still manage their business in these companies. Late stage scale-ups rather focus on handling and optimizing growth. Since the management in these companies often are less flexible and more time constrained, longer and less intense programs are appropriate. However, there are exceptions where for instance late-stage scale-ups with a certain need can benefit more from a short niche program.

Based on the empirical findings, 10 general design principles for scaling programs have been developed and are summarized in Table 14. The proposed design principles should be used as guidelines for all programs even though some aspects can and should be adapted to the specific focus of the program.

TABLE 14: RECOMMENDED DESIGN PRINCIPLES FOR SCALING PROGRAMS

	Design principle	Recommendation	Explanation
Building the structure	**Organize collaboratively**	Collaborate with partners	Collaborate with international hubs, universities and scale-up actors such as Epicenter for network and experience
		Public and private collaboration	Programs should be run by private actors and public subsidies should incentivize scale-ups to join programs
	Measure program effect	Use multiple KPIs	Find KPIs indicating the effect of the program, at least measure the NPS
		Brand the program	Show measures as NPS and testimonials from previous participants to brand the program and attract relevant applicants
Selecting the Participants	**Attract appropriate participants**	Use strict requirements on size	Be clear about the scaling phase that is targeted in the program
		Accept diverse companies	Accept companies from different industries and business logics (B2B/B2C)
		Appropriate batch size	A batch size of 6-10 participants is appropriate
		Geographic openness	Open the program for companies from all Nordic countries
	Apply a participation fee	Apply a participation fee	Apply a participation fee to only attract companies which is committed to the program and willing to dedicate resources
		Incentivize multiple persons	The pricing model should incentivize companies to bring two to three persons to the program
		Take no equity	Do not take equity in participants
Building the Structure	**Build an efficient outline**	Decide on program focus	Design a relatively short and intense program if targeting early stage scale-ups and a longer and less intense program if targeting later stage scale-ups
		Off-site kick-off	Organize a kick-off for participants at an off-site location for participants and mentors

		Encourage market visit	If scaling internationally, encourage participants to go to the relevant market and help the with plans and networks as they go, for instance by collaborating with Nordic hubs such as Nordic Innovation House
		Post-program support	Offer participants follow-up support to provide further guidance after the program
	Set goals	Set clear goals	Let participants set goals as they enter the program and develop KPIs for them, and update these each session
		Follow up on goals	Follow up on goals by looking at the KPIs and preferably by using a digital tool where progress can be monitored
Choosing the Content	**Offer mentorship**	Mentors with scaling experience	Only use mentors with experience from scaling companies themselves
		One dedicated mentor	Match each participant to one mentor that will follow them during the program and meet them between each session
		Give access to all mentors	Apart from the dedicated mentor, give participants access to the pool of mentors connected to the program
	Offer workshops	Workshops focused on challenges	Have workshops on the topics Ecosystem, Financing, Infrastructure. Leadership, Marketing & Sales, People and Strategy
		Adapt content to participants	Adapt workshop content to the focus of the program and to what is requested by participants in each batch
		Present practical tools	Present practical tools and best-practice to guide participants
		Fixed structure of workshops	Present best-practice, show role models, discuss related challenges faced by participants and let participants apply the tools provided on their own companies
	Incentivize peer-learning	Let peer learning come naturally	Give space and facilitate for natural peer-to-peer activities, but do not organize formal peer-to-peer sessions
	Offer networking opportunities	Invite to networking events	In-between the workshops, invite participants to interesting events organized by partners
		Create alumni networks	Create an alumni network for participants from several batches to follow up on the program learnings and to maintain and build relationships

6.2 FURTHER RECOMMENDATIONS

The thesis has provided insights on how Nordic support programs can contribute to social and economic sustainability by making more scale-ups succeed. Scale-ups are already today important to society since they provide employment opportunities and pay taxes. However, in the future they have potential to become the major employers in the Nordics, contributing with innovation and economic growth. As they already have proven to be successful and experience high growth, they probably have greater potential than other companies to succeed. Giving greater attention to scale-ups is hence positive for both individual scale-ups and regions at a national and international level. Apart from the design principles for scaling programs, five additional recommendations are given on efforts that should be made to support scale-ups.

First, researchers should continue studying scale-ups to develop best-practices for scale-ups. As of today, there is a lot of research on how to manage start-ups and established firms, but not on how scale-ups can maximize their chance to succeed. Apart from the best-practices, a definition of scale-ups should be decided upon to bring clarity for policy makers, scale-up entrepreneurs and program organizers. To do this, metrics which truly can measure the development of scale-ups must be defined. The risk if not researching the topic further is that the term “scale-up” will be nothing else than a buzz-word, which results in an indistinct environment for scale-ups and scaling support.

Second, policy makers should continue to increase the attention given to scale-ups. Coordinated efforts in terms of financial support and development of the scale-up ecosystem should be made. Even though this thesis stresses the importance for governments to support scale-ups, there should be no misconception that start-ups should not be supported. Start-up support is required to encourage entrepreneurs to start new ventures, which eventually can become successful scale-ups. Since scale-ups already have some proven successes, they probably are less likely to fail compared to early-stage start-ups. Thus, improving support for scale-ups can ultimately generate tax incomes that allow for support to be aimed at both start-ups and scale-ups.

Third, to improve the scale-up environment, policy makers are recommended to put some of the funding dedicated for scaling programs on building a database for Nordic scaling programs. In the database, clear information about the programs should be presented together with testimonials from previous participants and metrics of the program outcomes. This clarity can result in that scale-ups need to put less effort in searching for information and can choose the programs that suit them best. Also, when information is clear and scale-ups can choose appropriate programs, it will become easier for policy makers to decide which scaling programs to prioritize public funding on.

Fourth, apart from the support of scaling programs, it is also found that scale-ups need support from the ecosystem. Policy makers must overlook rules and regulations that affect scale-ups and adjust those that impede their growth. One area to consider is that of employee stock options, which is desired but not applied in scale-ups due to complexity and unfavorable tax regulations. Changing, or rather clarifying, this can enable scale-ups to attract competence by incentivizing people to join young companies.

Lastly, Nordic collaboration should be enhanced and encouraged on all levels. Scale-up entrepreneurs, program organizers, policy makers and researchers can all benefit from each other by collaborating and creating a larger context. Individually, the Nordic countries are small, but together, the Nordics is a major economic region with great potential for innovation and a fruitful entrepreneurial ecosystem.

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APPENDIX- INFORMATION ABOUT SCALING PROGRAMS

Appendix 1 contains information about all the 17 programs that was identified as Nordic scaling programs. An overview of the programs is found in section 4.2 Overview of Scaling Programs. The following descriptions contain information about responsible authorities, participants and the program structure where applicable.

1. ACCELERATOR SCALE-UP PROGRAM

Accelerator Scale-up Program is a Norwegian program for entrepreneurs, start-ups and SMEs with intention to scale. Information about the program is gathered from the website of one of the organizing institutions (Norwegian Business School, 2018).

RESPONSIBLE AUTHORITY

The program is organized by MIT REAP University Consortium which is led by Norwegian universities and regional business clusters. MIT REAP University Consortium consists of six top universities in Norway: University of Agder, University of Bergen, Western Norway University of Applied Science, Norwegian University of Science and Technology Ålesund, University of Stavanger and BI Norwegian Business school. The acceleratior program is part of the collaboration and aims to "Establish an elite of high-growth companies by providing a unique training program to accelerate scaling up their businesses".

MIT REAP stands for Massachusetts Institute of Technology Regional Entrepreneurship Accelerator Program and was founded in 2012. The aim is to help regions accelerate their growth. To do so, it helps high-level teams from around the world by letting them work alongside the MIT faculty. The ordinary program lasts for 2 years, but Accelerator Scale-up Program is a short version of the entire program.

The accelerator is structured around the MIT model for "Disciplined entrepreneurship". In the model, six themes are presented and further broken down into 24 steps. The themes are around customer segmentation and profiling, value proposition and competitive position, customer acquisition, business modelling, product building and design, and how to scale the business.

PARTICIPANTS

Participating companies must have an established business organization with an intention to scale and high potential for growth. There are no requirements of size or type, and the program is designed for 2-3 professionals working in SMEs, business units, spinouts or established companies.

PROGRAM

The program is a 12 week intensive program, in 2018 running from April-June. Participants get matched with competency and insights that are targeted to each project's specific situation. The program helps to address challenges and provides tools and frameworks that help companies develop a strategy. During the program, participants will use their own real-life challenges and co-create solutions together with peers from other industries. It also offers an opportunity to meet other participants, investors, mentors and relevant entrepreneurial communities to exchange ideas, knowledge and experience.

There are five modules evenly distributed during the time of the program. The third module is at MIT in Boston, US, where the participants stay for five days. The modules are about developing scalable business models, feedback, customer discovery, business case exploration, financing, and competence acquisition. The tuition fee is 250 000 NOK per team, travel and accommodation excluded. However, each company can apply for funding support from regional clusters.

2. ENTREPRENEURIAL MARKETING IN NEW YORK

Entrepreneurial Marketing in New York (EMNY) also has a related program called Entrepreneurial Marketing for Creative Industries (EMCI), which run simultaneously at the same location. They are Norwegian programs which are open for early and midscale scale-ups from all Nordic countries. Information is gathered from the organizer's website (Innovation Norway, 2018b) and an interview with the organizer.

RESPONSIBLE AUTHORITY

EMNY is a public accelerator program operated by Innovation Norway, a Norwegian organization with the aim to strengthen the position of Norwegian industries and enterprises. Innovation Norway is the Norwegian government's tool to develop Norwegian enterprises and their competitive advantage as well as to enhance innovation among these.

PARTICIPANTS

EMNY is open for companies with a product or service already available on the market. The company must also, whether from sales or from investors, have sufficient funding for the nearest future and be willing and ready to bring their company to the international market. The person, or persons, participating must have authority to represent the company and make decision on its behalf. Hence, it is appropriate to send the CEO or executive in sales or marketing. Since the start in 2014, 50 companies have participated in the program. It has previously only been open for Norwegian companies, however as for 2018, a version of the program for Creative Industries (EMCI), is also open for Nordic companies.

PROGRAM

EMNY is an accelerator program focusing on the challenges of successful marketing, branding and sales approaches when growing a business. The aim of the program is to provide participants with skills, tools and mindsets to successfully brand their products on the global market. The program runs twice a year, once during spring and once during fall. The program starts with a kick-off for two days in Oslo and continues in New York for ten days, approximately one month after the kick-off. The program has a hands-on approach and includes days of both learning and doing. During the learning-days the participants will take part in workshops about the topics Messaging, Branding, Marketing, PR, B2B and B2C Sales, Building up your sales organization, Selling through channel partners, and Presentation skills. On the doing-days the companies will work on deliverables from the workshops and apply the new knowledge on the own company. Furthermore, the program also offers one-to-one mentoring with senior executives from a field relevant to the company, evening networking events, local tech-meetups and office desks at Nordic Innovation House in New York. After the program, the companies should have set relevant and clear goals for the coming six-months. During this six-month period, the companies are offered six monthly video hangouts. The participation fee for the program is 10 000

NOK per person and includes the above mentioned activities. Expenditures for travel, accommodation, insurances and living expenses during the stay are to be covered by the participant.

The sub-program EMCI is basically the same program as EMNY. However, this program is directed towards scale-ups within creative and cultural industries, including architecture, games, design & fashion, film, literature, music, advertising, media, TV and radio, visual arts, and performing arts. Apart from the kick-off in Oslo and participation in EMNY, participants in this program will also be offered seats at the Nordic Innovation House office for two months. The cost to participate in this program is 8 000 NOK.

3. FÖRETAGSACCELERATORN

Företagsacceleratorn (The Company Accelerator) is a Swedish accelerator program operated by the private organization Connect Sverige. Information about the program is collected from the website of Connect Sverige (Connect Sverige, 2018) and e-mail conversations with an organizer of the program.

RESPONSIBLE AUTHORITY

Connect Sweden is part of the global Connect community started in at University of California in San Diego in 1986. The purpose of the community is to bring together entrepreneurs with actors who can help them and have resources in terms of financial strength and competence. Connect Sweden was started in 1998 by Kungliga Ingenjörsvetenskapsakademin (Royal Engineerging Science Academy). Connect has connections to a lot of companies and other actors all over the world.

PARTICIPANTS

Företagsacceleratorn targets entrepreneurs in Swedish SMEs with a strong ambition and ability to grow. Until 2018, 348 companies had gone through the program. The average revenue of participating companies is 27,5 million SEK. The program starts a new batch of companies five times a year and accepts five companies to each batch. The program lasts for 6-8 months and costs 38.000-48.000 SEK per company.

PROGRAM

Företagsacceleratorn was first started in 2010. The program is organized separately by the regional offices of Connect Sweden and there are slight variations in how the program is run. In the program in the Gothenburg region, admissions are done on an ongoing basis whereas the program in Stockholm starts five times a year in batches of five companies. The program provides a business development process where companies are assisted in strategic issues to reach long-term goals. After participating in the program, companies will have developed a growth strategy to meet challenges in expansion and export. Företagsacceleratorn is outlined as a process consisting of four parts: Analysis, Intervention, Growth Fuel and Growth. Companies will analyze their current business model with the aid of a competence panel and then develop this together with mentors that match the need of each company. Hence, the program provides entrepreneurs with knowledge and network to facilitate their growth efforts. Companies accepted in the program will receive support from a mentor, a coach and at a certain point in the program support will also be given by an advisory board. All activities in the program are organized by partners of Connect Sweden. Furthermore, a major part of the business development happens between the companies participating in the program by peer-learning.

The program uses several KPIs to measure the effect of the program. Companies that have gone through the program increase their revenue by 7,8 million SEK on average over a 5-year period after participation. 40% of the participating companies experience higher competing power, market share or profitability after going through the program. Furthermore, 94 % of the participants experience the program as valuable.

4. GET BOSTON

GET stands for Global Entrepreneurship Training and focuses on teaching participating entrepreneurs how to get their business global. The information below is gathered from Innovation Norway´s website (Innovation Norway, 2018a) and an interview with an organizer.

RESPONSIBLE AUTHORITY

GET Boston is a program operated by Innovation Norway (see description of Entrepreneurial Marketing New York for more information about Innovation Norway).

PARTICIPANTS

GET Boston is open for Norwegian companies having a proven potential for the global market and with potential for growth. Companies should be operating within high-tech industries such as ICT, clean-tech, renewable energy, med-tech and biotech, oil & gas, maritime. They targeted companies are in the scaling phase, with revenues from sales and willingness to enter a new market or add something to their technology line.

PROGRAM

The program comprises a kick-off in Oslo, a getaway and teaching plan at Babson college outside of Boston and a follow-up day in Oslo. These activities are spread out on a period of approximately 6 months, with the kick-off in Oslo taking place in March, the travel to Boston in April and the follow-up session in September. During the kick-off session in Oslo, participants get to know each other and get introduced to the program, as well as the opportunity to meet participants from TINC and EMNY (described later respectively earlier in this section). In Boston, participants go through a series of different lectures and workshops. The focus of the program is primarily educational and do hence not include any practical work with the participants´ own businesses. The lectures teach the participants within the topics: Managing a Growing Business, Entrepreneurial Finance, How to Develop Sales, The Entrepreneurial Journey, Entrepreneurial Leadership and Culture of Innovation, Business Models, Marketing Technology Products, Growth through International Alliances, and lastly Dynamics of Innovation. The lectures are however not pure theoretical, but focuses on case studies and company experiences. Apart from the lectures there is also pitching workshops and practices.

There are around 30 available seats in the program. Each participating company pays 20 000 NOK thanks to subsidy from Innovation Norway on about 40 % of the actual cost. This fee covers tuition fee for Babson college for five days including lectures, workshops, meals and accommodation. Also the initial kick-off in Oslo with related workshops and meals are included. Expenses for the travel to Boston and Oslo, accommodation and other expenses in Oslo are however not included in the fee.

5. GREENHOUSE GROWTH

Greenhouse Growth is a set of scaling initiatives offered by the Swedish bank SEB. The following information is conducted from an interview with an organizer and the website (SEB Greenhouse, 2018).

RESPONSIBLE AUTHORITY

Greenhouse is run by SEB and was launched in 2017. It is targeting companies in growth and claims to offer a total solution including events, programs and access to expertise. The idea of the program is to let successful companies thrive by building their companies in a context that substantially increase the likelihood for them to succeed. The context consists of people, networks, resources, assets, insights and capital. The idea is to help entrepreneurs make better decisions in the end. Greenhouse believes that real life competence is essential to give advice to companies in the scaling phase, which is why they have partnered up with multiple partners in different areas who have the right experience and competence within different topics. The organizers of Greenhouse mean that by working closely with customers and entrepreneurs, they learn faster than anyone else which challenges they have and thus know which companies to partner with. By finding the superior partners within each company, the belief is that it saves time for the customers who otherwise would have had to search for the competence themselves. The kickbacks that are gotten from the partnership agreements are always reinvested to improve the value to the customers.

PARTICIPANTS

To participate, the companies need to have a proven business model, a team on place and be through the product-market-fit phase. The typical guideline is to have a revenue of at least 10 million SEK, because that shows that the product is something that is working and can be scaled up. However, all industries and verticals are welcome to apply and ambitions are valued high.

PROGRAMS

Greenhouse is offering support in four different ways. However, they all have a common structure where one part is to inspire by giving access to other entrepreneurs' experiences and insights to a greater mass. The other part is more about hands-on performance and to practically drive change in the companies. Four different initiatives are offered: Scale-up summit, Scale-up club, Scale-up Lab and Scaleup Academy.

Scale-up summits are inspirational days on different locations in Sweden, where international super entrepreneurs are invited to share their best practice on how to build companies, make decisions and overcome challenges. Local entrepreneurs are invited to take part in these days, free of charge, and the idea is to build an environment where best practice is shared to a greater mass.

Scale-up club is the community for ambitious entrepreneurs that is offering theme evenings where experts within different areas are invited. There is a lecture or seminar for approximately 40 minutes and then a mingle event where all club members can talk to the invited expert. It is an informal way of coming close to expert competence, and the goal is that all participants learn something from every event.

Scale-up Labs are 10-weeks programs for scale-ups. More information about Scale-up Labs is to be found under the "Nordic Scalers" section. SEB distributes the Scale-up Lab to their customers in Greenhouse Growth.

Scale up Academy is a 12-month program run by Scale up Partners, which is one of SEB's partners. The program is also run independently, but SEB customers get a subsidized participation fee of 40 000 SEK per participant compared to 60 000 SEK for others. The program is a 12 months program, building on the scale-up-method developed by MIT. More information can be found under the section "Scaleup Academy".

6. INDIA MARKET ENTRY

India Market Entry is an accelerator program for Norwegian companies aiming to go to the Indian market. The information presented below is gathered from the website of the responsible authorities (Nordic International Hub, 2018; Oslo International Hub, 2018).

RESPONSIBLE AUTHORITY

India Market Entry is operated by Nordic Hub India which in turn is founded by Oslo International Hub. Nordic Hub India is a community for Nordic companies in India that provides incubation and acceleration for those looking for business opportunities in India. The goal of the program is not only to prepare firms for an Indian market entry but also to get the participants in business in India, the fastest growing major economy in the world. The program aims to give participants knowledge, network and partners in India. The first program ran in 2017 and a new program is coming up in 2018.

PARTICIPANTS

The program is open for Norwegian tech companies that are ready to grow into the global market. All tech companies are welcomed, however companies within FinTech, EdTech, GreenTech, Smart health, Biotech, Green buildings, Ocean industries and Smart city solutions are prioritized.

PROGRAM

The program runs for three months and is open for five companies in each batch. After a company gets selected for participation in the program, it will take part in individual meetings in Oslo in order to identify appropriate partners and customers in India. Before doing an actual visit to India, the companies will attend a "Preparing for India" workshop in Oslo. During the visit to India the participants are located at an office in Mumbai belonging to Innovation Norway. In India, time is spent on workshops, mentoring, site-visits as well as partner and networking meetings. The site-visits range from visiting small scale slum businesses, large corporations and successful tech start-ups. During the program, individual work and mentoring lead to adaption of the business model and the marketing strategy to suit the Indian market. The participants can also get advice from Norwegian companies already established in India and from successful Indian entrepreneurs. After the visit, the companies are offered individual mentoring sessions from a mentor assigned to each company, as well as bi-monthly follow-up events in Oslo. To participate, companies give away some equity, pay a commitment fee and cover their own travel expenses. However, the program is subsidized and additional funding is available.

7. KASVUN ROIHU

Kasvun Roihu is a Finnish company and likewise the name of the initiative containing several different growth programs. The information about the program is compiled from information available on the organization´s website (Kasvun Roihu, 2018).

RESPONSIBLE AUTHORITY

Kasvun Roihu is a private Finnish initiative, a company started in 2009 which is helping SMEs to international growth. Their belief is that doing so is the key for helping the entire economy to grow, which is why they provide entrepreneurs with services and networks to facilitate growth in ventures. They were started with support from Humap and the Competence for Enterprise Central Finland project. Kasvun Roihu is operating several accelerator programs focused on coaching.

PROGRAMS

The programs offered are named Kasvu Open, Broker, Grow to market USA/China/Sweden and Northern Growth.

Kasvu Open should barely be considered as an accelerator program, but rather a competition for growth-hungry ventures. It is open-to-all Finnish SMEs and is a growth competition were companies get support and advice from coaches to develop their growth strategy. As for the competition of 2017, 420 companies participated in the competition. It starts every spring in several different regional tracks, each track being a separate competition for companies from the same region. The winners from each track will take part in the national final in October, where the Most Promising Growth Venture is elected. The program includes coaching from a pool of 1000 growth professionals and investors.

Broker is a coaching program for business developers, lasting for 1-1,5 years. After first starting in 2010, it takes place every year. The program is run by a concept and method developed by business professionals and aims to help business developers to develop in their roles. This is done by coaching, peer-learning with other business developers and customer companies. Participants will also be connected to an extensive network and get an official business developer's vocational degree.

Grow to Market is a program for ventures from Finland aiming to grow internationally. There are three different programs, focusing on internationalization to the US, China or Sweden, respectively. The program starts with an initial workshop a few months before visiting the relevant market to meet potential partners, get access to a network and to get coaching. Companies will get one-to-one coaching as they enter the new market and there is also peer-to-peer learning. Companies can also get a post-trip meeting to get further assistance. The initial workshop is free and does not require that the company participates in the trip. On the workshop, the company will get help to develop their road map for their internationalization effort. The trips to China and the US have slightly different outlines. The fee for the trip to China (Shanghai) is 2800 € + VAT. The days in the US focus on Introduction to US markets, How to make it in the US, Finance and Legal, Sales and Customers, and Sales Meetings.

Northern Growth program a coaching program for SMEs from the Finnish region of Oulu who aim to internationalize their business. It is co-organized by Oulu Chamber of Commerce, Business Oulu and Kasvun Roihu. The focus of the program is to develop internationalization plans for the participating companies. The program consists of three days of workshops, one each month in March, April and May. The workshops cover the following topics: Crystallize your internationalization strategy and know your customers, Concretisize your Grow to Market plan and, Financing growth and managing contacts and risks. After participating in the program, companies can also choose to participate in the trip included in the Grow to Market program. The cparticipation fee of Northern Growth is 3500 € + VAT and includes participation for two persons on the three workshops.

8. LEAP

LEAP is an accelerator program supporting Swedish companies with their internationalization process. The following information is collected by an interview with an organizer of the program, a presentation provided by Business Sweden (Business Sweden, 2018a) and their website (Business Sweden, 2018b).

RESPONSIBLE AUTHORITY

LEAP was founded in 2017 and is run by Business Sweden, on a mission from the government. Business Sweden is an organization partly owned by the government and partly by the private business sector, with 55 offices on 47 different markets. The focus of the program is to help scaling companies to grow internationally.

PARTICIPANTS

The requirements for participation are that the companies have a global mindset since day one, a scalable business model, address a global problem or opportunity, have launched offerings and have paying customers. Additionally, the companies also need to be part of the Swedish start-up or scale-up scene, planning for international growth in the near time, ready financing on seed level or at least 12 months secured and have at least 2 full-time dedicated resources.

PROGRAM

100 companies per year go through LEAP, which takes place at different locations in Sweden and lasts for two months. They all start in cohorts, but the sizes of the cohorts differ between 5-10 companies. Three different workshops on three hours each are held during the program, which have the topics of prioritizing opportunities, international collaboration and building the business case. In the workshop of prioritizing opportunities, a data driven methodology to select the opportunities with the highest overall potential is used. Business Sweden offers access to databases with extensive market information. In the international collaboration workshop, different eco systems are identified and information on how to gain access to international financing and local ecosystems is analyzed. Here, representatives from international offices of Business Sweden are often used for answering specific questions. Lastly, the workshop in building the business case focuses on increased understanding of costs and resources necessary for scaling up internationally in the markets chosen in previous workshops, by calculating three different scenarios of market entry.

Apart from the three workshops, the participating companies also get three coaching sessions with business coaches from Business Sweden. These are usually held at the company's premises. The participating companies get access to information and contacts in the new markets, as well as guidelines and hands-on recommendations on how to proceed. The program is free of charge for the participants and funded by tax money.

30 of the companies that have gone through LEAP with a feasible international go to market plan and funding for growth with typically 12-24 months runway will be selected by an investment committee to participate in an extension of the LEAP-program, the Catalyst program. The program is tailor made for every company, focusing on market entry and offering local mentorship, partnership and services in the new markets. It is a three months program where companies get their market entry project subsidized by 90 % up to 175 000 SEK.

9. NORDIC SCALERS

Nordic Scalers is a pan-Nordic accelerator program for mid- and late-stage scale-ups. Information about the program has been gathered from the organizers´ websites (Nordic Innovation, 2018; Nordic Scalers, 2018) and interviews with both Nordic Innovation and Nordic Scalers.

RESPONSIBLE AUTHORITY

Nordic Scalers is a scaling initiative started and funded by Nordic Innovation. Nordic Innovation is in turn funded by the Nordic Council of Ministers, an inter-governmental agency for cooperation among the Nordic countries of Sweden, Denmark, Norway, Finland and Iceland. The aim of the cooperation is to promote cross-border trade and innovation. The economic region of the Nordics consists of 26 Million inhabitants and is one of the most comprehensive regional partnerships in the world. Nordic Scalers is aiming to make the Nordic region a leading region for scaling businesses and hence not only for starting businesses. It was started in 2017 and offers sessions, scale-up labs and a community to the most ambitious scale-ups in the Nordic region. The program is a joint program between the organizations Epicenter Stockholm, Rainmaking, Start-up Norway, Maria 01, Icelandic Start-ups, and Nordic Innovation. There is no fee or equity taken in the program, but the participants pay for any travel expenses.

PARTICIPANTS

The company must be registered in the Nordics which includes Denmark, Sweden, Norway, Iceland, Finland, the Faroe Islands, Greenland or the islands of Åland. The program aims at scale-ups only, and companies are matched to the Nordic Scalers definition of a scale-up. participants should have an annual turnover of at least two million Euros, been generating revenue for the preceding three years, minimum 10 employees and growing at least 20 % in the preceding one to three years. Companies shall have a scalable business model, a validated offering and be in the middle of an expansion phase and be ready to grow exponentially. They shall also have a good track record and a plan to exceed this in the future. Start-ups, who are said to have very little revenue and unlike scale-ups have an unproven business model are not invited to the program. Companies from all sectors are welcome, but those working with new technologies are prioritized.

PROGRAM

Nordic Scalers provides support in the form of Scale-up summits, Scale-up sessions and scaling programs. The Scale-up summits and sessions are events where participants can network with and learn about scaling from business executives and entrepreneurs who has gone through the process of scaling before. The scaling program was significantly changed between the first and the second batch, with a new organizer and a new structure.

Batch 1 of Nordic Scalers was a rather long growth and market entry program which ran for six months, started in 2017. Ten companies were accepted to the batch. In the program, networking and mentoring from serial entrepreneurs with experience from scaling were combined with workshops, peer-to-peer activities and a trip to the market of relevance. In batch 1, the focus was on the US and the program hence included a trip to New York. The program was divided into three different phases, which for the first batch were; Plan your market entry, Investigate + connect with US partners and lastly Found + Fund. The first phase lasted for two months and included four two-day workshops aimed at understanding the target market. Also, a dedicated plan for the next phase was developed. The second phase consisted of the actual eight-day trip to the target market. During the trip, participants conducted market analyses, customer scouting, got access to network of legal support, office location, community partners and talent recruitment. Further, the plan and strategy for going into the new market was finalized. The trip was also including pitch sessions and meetings with potential investors and partners. During the third and last phase of the program, participants were to choose between the strategies of founding or funding, or applying a combination of these. The founding was focused on setting up the business on the foreign market whereas the funding focused on finding investors for scaling into the new market.

Batch 2 of Nordic Scalers is branded as “Scale-up Lab”, and is also offered by SEB Greenhouse. The lab is run by Result and takes place at the Epicenter Venue in Stockholm. 20 companies are allowed in each batch of the Scale-up lab and during 2018 there will be two batches. Each scale-up accepted to the program will be allowed to bring three persons. The aim is to supercharge the growth of the scale-ups by giving them the skills, knowledge and focus necessary. The scale-up lab takes place for 10 weeks and follow a proven growth methodology. The methodology is called the Growth-o-Meter© and is comprised of eight elements. Each week three hours are spent together with a coach to focus on the eight cornerstones which lay grounds for a successful growth. The eight cornerstones are Funding, Growth Hacking, Sales, Internationalization, Technology, Team, Communication, and Corporate Administration. The cornerstones are focused on through a series of workshops and mentoring. The mentors are matched together with the participants after both parties have pitched themselves and based on this made their wishes on who they would like to mentor and who they would like as mentors. The participating companies do also get the chance to under organized form work together with issues of the other participating companies to reach peer-learning. Participation in the lab is free of charge.

10. SCALE GLOBAL

Scale Global is a university-led program for Swedish companies aiming to scale their businesses. Information about the program is gathered from the website of the program (Scale Global, 2018).

RESPONSIBLE AUTHORITY

Scale Global is an initiative from Chalmers University of Technology which aims to help companies to scale their businesses globally. The program is organized by Chalmers University of Technology but financially sponsored by Vinnova. Vinnova is a public Swedish organization belonging to the Ministry of Enterprise and Innovation, with mission from the to foster innovation.

PARTICIPANTS

Scale Global is open for scale-ups from Sweden which are ready to scale. The targeted companies are ambitious, have global potential and are managed by a leader who wants to continue leading the organization throughout the growth phase. The companies accepted in the program have around 10 MSEK in annual sales and employ more than 10 people. The companies must also have found their product market fit and be aware of the upcoming challenges for further growth. In each batch, Scale Global accepts 10 companies. The cost for participating in the program is 75 000 SEK plus travelling costs. No equity is taken.

PROGRAM

The program consists of workshops, a field trip to Silicon Valley and coaching. The five workshops take place in Stockholm for 1,5 days each and teach participants in areas required for a successful transition to scale. The topics of the workshops are Prepare for Scale, Communicate for Scale, Scale your Sales, Measure for Scale, and Scale your Organization. Workshops also allow for discussions on issues brought up by participants. The field trip to Silicon Valley lasts for a week and takes place early in the program, between the first and second workshop. The focus during the trip is to "Scale your Ambition". During the trip, participants also get to meet notable people from the Silicon Valley ecosystem, including business leaders, venture capitalists and scholars. Each participating company is matched with an assigned a mentor, but do have access to all coaches if needed.

11. SCALEIT

SCALEit is a Danish growth initiative with the aim to make Danish tech startups insights in the Silicon Valley ecosystem. Information is gathered from an interview with an organizer and from the organizer´s website (Innovation Centre Denmark, 2018).

RESPONSIBLE AUTHORITY

SCALEit is a Danish accelerator program series operated by Innovation Centre Denmark which is a governmental partnership between the Ministry of Foreign Affairs, the Ministry of Higher Education and Science of Denmark. The aim of the organization is to aid actors such as businesses and researches to operate and grow globally. Apart from Copenhagen, they are operating in seven locations worldwide (Munich, New Delhi, Sao Paulo, Seoul, Shanghai, Silicon Valley and Tel Aviv), from which they can provide support in terms of specialized consultants and extensive networks. SCALEit takes place at Innovation Center Denmark Silicon Valley. Apart from running the program, the center also offers an incubation space, soft-landing and virtual office to Danish companies.

PARTICIPANTS

SCALEit offers programs for Danish tech companies with global ambitions. The applying participants are evaluated on the criteria team, product, revenue, funding, novelty, and mindset. The programs are targeting scale-ups, which are defined as companies with a product-market-fit and revenue of at least 1 million DKK. There should be a tech-vibe in the company and be a scalable business.

PROGRAM

There are multiple types of program within SCALEit with different focus. Mindset is a one-week-camp for companies that want to adapt the Silicon Valley mindset to their existing business. SCALEit Invest is for Danish tech start-ups who are actively fundraising and are ready to pursue a Sand Hill Road investment, which is the highest concentration of venture capital in the world.

SCALEit June is a 6-week program designed to give aspiring tech companies valuable insights from the Silicon Valley Ecosystem to help them grow faster. If accepted to the program, companies take part in a program to make them ready for global scale through Silicon Valley. The aim of the program is to make participants understand how to attract American customers, approach investors and partners, develop strategies to scale the business, build a team in the US and build the company's legal foundation. Also, participants are to get themselves a network in Silicon Valley. The program contains pitching training, communication workshops, feedback from advisors, entrepreneurs and investors, speakers, panel discussions and networking events. Participants will also get the opportunity to get mentoring from internal and external resources. No specific mentor will be assigned the participants. Participants spend 8-10 days in Silicon Valley. The cost for the program is 22 000 DKK and covers the program fee for two representatives from the program, travel and accommodation expenses is not included in the fee. As of the spring of 2018, 152 companies have taken part in the program.

In 2017, there also was a program called SCALEit Catalyst. It was for companies that wanted to explore and attract funding while accumulating knowledge with the aim of scaling internationally, also lasting for six weeks. SCALEit Catalyst costed 65 0000 DKK per company for two founders, excluding travel and living expenses. Participants could also get 35 % reduction of the price through a fund.

12. SCALEUP ACADEMY

The following information is based on information from the program websites (SEB Greenhouse, 2018; Scaleup Partners, 2018) as well as interviews with the organizer Scaleup Partners and the partner SEB Greenhouse. Scaleup Academy is also one of the program that is analyzed as a case study in the following chapter.

RESPONSIBLE AUTHORITY

The program was launched in Sweden in January 2018. The program is however developed out of MIT's program "The Birthing of Giants" which was founded in 1998. It was a 15-months program that more than 1500 companies have gone through at different locations. To run the program, the organizer is required to become certified in "the scale-up methodology". In Sweden, the program is run by Scaleup Partners, which is a private company.

There is however a partnership between Scaleup Partners and SEB Greenhouse, resulting in that Scaleup Academy is also offered through SEB Greenhouse. The program is however independent and does not require participants to be SEB Greenhouse members. The program organizer describes SEB Greenhouse as a distribution channel for the program.

PARTICIPANTS

The program is targeting entrepreneurs and leaders with a strong drive to grow and create value as well as willingness to share experiences and learn from others. The participating companies should be small or medium sized enterprises with 20-120 employees and a yearly revenue of 15-250 million SEK. Companies from all industries are welcome to apply. The first batch in Sweden started in January 2018 with ten participants, and the second batch started in February 2018 with seven participants.

PROGRAM

The program lasts for twelve months, starting with a two-day meeting to go through the entire model. After that, there is a meeting half a day once every month. Every third month, there is a larger check-up with a whole day meeting. There is also a Facebook group where communication in-between the meetings is kept. The participants also receive a digital program called Meteronome where they can upload their goals and let others follow their process to reach the goals.

For every meeting, the Scale-up coach introduces a concept that is considered to be of great importance. The idea is to serve the information to the participants, instead of letting them spend time searching for it. The coach also shows examples of role models and best practice within the specific topics. The participants then apply the concept to their own companies, give feedback to each other and set goals to work on for the coming sessions. There is no one-to-one-mentoring or specific networking events with focus on external networking. The cost of the program is 40 000 per participant for SEB Greenhouse members and 60 000 per participant for non-members.

13. SCALE-UP DENMARK

Scale-up Denmark is a training concept for entrepreneurs and small businesses with the aim to establish an elite of high growth companies in Denmark. Information is gathered from the organizer´s website (Scale-up Denmark, 2018).

RESPONSIBLE AUTHORITY

Scale-up Denmark is a cross regional initiative where the founding partners are from the North Denmark Region, Central Denmark Region, Region of Southern Denmark, Capital Region Denmark, Region Zealand and the Danish Business Authority. There is an advisory board consisting of representatives from the five regions and various representatives from Danish business and trading institutions, from both private and public sector. The reason for the cross-regional scope is to ensure critical mass of businesses and skills. Scale-up Denmark is funded by the five Danish regions in partnership with the Danish Ministry of Business and Growth. It also gets funds from the European Regional Development Fund.

PROGRAMS

Scale-up Denmark consists of 12 hubs, of which the first were established in 2016. The hubs are within bioeconomy, cleantech, food, energy efficient technology, health and welfare technology, information and communication technology, life science-biotechnology, maritime industry, offshore industry, smart industry, experience economy and tourism, and robotics. All hubs offer programs for high growth companies and are run by external companies, focused on acceleration.

The bioeconomy hub is run by Capnova. The requirements for participating is that the company wants to grow, have international ambitions and have high growth potential. The program offers acceleration environment with mentoring, start-up meetings, progression checks, participation in camps, preparation of growth plans, a final progression check and evaluations. There is also collaboration with well-established companies, to connect participating companies with heavy players in the industry.

The Cleantech hub, Food hub and Information and Communication Technology hub are run by Accelerace, that offers 6-8 months' programs with one-to-one business training from experienced consultants with industry expertise. The programs also include access to corporate partners, mentoring, learning labs and workshops, potential follow-up investment from Accelerace, and a founder's´ package with resources and tools from e.g. Amazon, Microsoft and Rackspace with a value of 150 000 EUR. For the Information and Communication technology hub, the program also offers access to test technology on customers in collaboration with corporate partners. To participate, the companies need to have a proof-of-concept or product on the market and minimum two full-time founders that are committed to the program.

The Health and Welfare hub and Life science hubs are also run by Accelerace. The participants are offered intensive business training, access to a network with world-class mentors, learning labs and workshops, investment opportunities from Accelerace and partners, and a founder's package with resources and tools from e.g. Amazon, Microsoft and Rackspace with a value of 150 000 EUR. The participating companies must have a validated plan and defined strategy for how to make it commercialized. Also, there need to be more than one full-time founder who is committed to the program.

The hub for Energy efficient technologies, Offshore industry and Experience economy and tourism are run by Next Step challenge. The program is run as a challenge for five months, running January to June. The program is estimated to have a value of more than EUR 33.000. To participate, the companies need to have a strong business idea, want to scale their business, have a strong organization and be ready to participate in the accelerator. Participating companies need to move to Denmark. The program offers an interim advisory board with industry experts, systematic validation of the company and strategy, access to investors, a tailormade individual scale-up program, company specific activity plans and milestones, opportunity to penetrate the European market, and camps providing new learning.

The maritime industry hub is run by Marcod, which is the maritime center for optimization and operations. The program is for companies within the maritime industry that need funding to realize the full growth potential and are looking to develop and work with new market opportunities, new technologies or new strategies. The program runs for 6-8 months, offering growth camps with focus on strategy and management, workshops with skill development within i.e. sales, internationalization and maritime trends, individual counselling and training for raising capital and a flexible accelerator with individual counselling. The companies need to have less than 250 employees and under 50 million EUR in revenue, a large growth potential and a management team with commitment to the program.

The hub for Smart industries is run by Nupark and is targeting ambitious SMEs and start-ups that are working within industry 4.0. The companies need to have new growth opportunities, have competitive advantage, scaling potential, motivated and dedicated team, potential to solve the challenges, and a team that represents something extraordinary. The program runs 6-9 months with up to 10 companies in each cohort. It offers individual training with experienced coaches, workshops, knowledge and tools to test technologies, and training in raising capital. Four different types of programs are offered, depending of what kind of mentors that are used. Thus, the program costs between 0-80.000 DKK for participating companies.

The hub for robotics is supported by South Danish Growth Forum, The Trade board and European Regional Development Fund between 2017-2019. The program is run by South Danish Growth Forum, Odense Robotics and the Technological Institute. Participants need to work within robotics or automation and have ambition to grow. The program is individually adapted and run between 4-12 months. It offers individual expert advice, a personal business coach, a strategy and growth plans for the coming 2-3 years, access to relevant workshops and access to investors. The workshops are within leadership and culture, Strategic HR, Value Proposition and Messaging, Distribution and go-to-market, requirement and roadmap, and supply chain. The cost for the program is 135.000 DKK.

14. TECHCITY EXECUTIVE ACCELERATOR (TEA)

TechCity Executive Accelerator is an accelerator program that is run by Innovation Norway. Information about the program has been collected from Innovation Norway´s website (Innovation Norway, 2018).

RESPONSIBLE AUTHORITY

TEA was founded in 2013 as a collaboration between Innovation Norway and TechCity UK. More information about Innovation Norway is found in the information about Entrepreneurial Marketing New York.

TechCity UK was launched in 2010 as an initiative to support the growth of technology cluster in East London. Since then, TechCity has grown to become the largest digital cluster in Europe. In 2014, it expanded to embrace the entire UK and TechCity UK now collaborates with digital communities, government, universities and businesses across the country with the goal to support the growth of digital businesses. Its mission is to help digital tech companies to grow through different programs, research and events. Several programs are run by TechCity UK, target start-ups and Scale-ups in different stages.

PARTICIPANTS

The program is open to executives at Norwegian Tech-companies which are past the start-up stage and ready to grow internationally. The companies must have developed a product in sale, have financing for the next 12 months and have ambition and potential for international growth. 10 companies will be selected and typically 2 executives from each company attend the program.

PROGRAM

The program is held in London, where selected companies will have access to co-working space in the tech community Level39. Level39 is the world's most connected tech community, which consists of a large community space in London, owned by Canary Wharf Group. It is thought to help businesses scale by giving access to world-class customers, talent and infrastructure. Members of Level39 get access to expert mentors as well as dynamic work space, events and best-in-class facilities. Apart from access to a hot desk in Level39, the program consists of 3 workshops lasting for two days each. The topics of the workshops are advanced negotiation, business modelling and financing for growth. The sessions bring in a mix of experts, mentors and investors, which give opportunities for participants to grow their UK network. The 2017-2018 program runs from November 2017 to May 2018. The workshops are distributed evenly with the first in November, the second in January and the third in March for the 2017-2018 program.

The program aims to enhance skills within PR and communications, sales and negotiation tactics, business modelling for international growth, funding-alternatives in an international growth place and creating and building an internationally-ready team.

Approximately 40 companies have been part of TEA since the start of the program, whereof 9 Norwegian companies have stayed in Level 39. The program is funded by a mix of participation fees and governmental funds. The program fee is £2,700 without travel, accommodation, insurance and other living expenses included.

15. TINC (TECH INCUBATOR SILICON VALLEY)

TINC is an accelerator program for Nordic companies with ambitions to scale. The following information is based on information from the organizer´s website (Nordic Innovation House, 2018) as well as interviews with program organizers.

RESPONSIBLE AUTHORITY

TINC was founded in 2012 and is run by the Nordic Innovation House in Palo Alto. Nordic Innovation House was initiated in 2011 by Innovation Norway. However, in 2014 it became Nordic as Swedish Vinnova, Finnish Team Finland, Icelandic Innovation Center Iceland and Danish Innovation Center Denmark joined. Today, the organization offers a virtual office for members, as well as a soft-landing place for Nordic companies. The 14th batch of the program was run during spring 2018 and more than 125 companies have previously graduated from the program.

PARTICIPANTS

The program is open to Norwegian, Swedish, Finnish and Icelandic tech-companies, but no Finnish companies have yet participated in the program. The program wants participants with a strong entrepreneurial team, entrepreneurial DNA in terms of drive, openness and ability to execute, high potential and product uniqueness. Also, the top management is required to participate in the program. To be suitable for TINC, the companies should also have traction, a product to work with, a reason to be in Silicon Valley, ability to attend the program for four weeks and financing that allow for participation and follow-up activities based on the learnings. The participating companies are typically in various phases, with some early-stage scale-ups and some companies with more than 10 employees and more than 10 million in revenues. The selection process is firstly a screening of all applications. The next step is an interview with an organizer and the last step is a more thorough interview with one of the mentors.

PROGRAM

The program runs for four weeks in Silicon Valley. During the two first weeks, the schedule is intense with many workshops, mentor meetings and events. The mentor meetings and events continue throughout the entire program and in the fourth week, the program ends with a Pitch Day. The companies are encouraged to network and book meetings during their stay and the organizers at Nordic Innovation House use their own networks to help the participants connect them with potential investors and partners. The mentors are recurring to the program and are professional business coaches hired for the TINC program. All companies get the opportunity to meet all mentors by signing up for time slots.

The program costs 75 000 NOK per participant and it is recommended to bring two or three persons to the program. However, for Swedish and Norwegian companies, Vinnova respectively Innovation Norway sponsors 50 000 NOK per participant, so participants pay 25 000 NOK per person. Travels and living expenses are however not included in the program.

Before the program starts, all participating companies are invited to a kick-off in Oslo. This kick-off is arranged in collaboration with some other programs arranged by Innovation Norway. After the program, all participants are invited into an alumni Facebook group and invited to alumni activities, such as dinners, that are arranged whenever the program organizers visit the Nordics.

16. UCLA GLOBAL ACCESS PROGRAM

UCLA Global Access Program is a support program available for companies looking for global expansion. It is not a regular accelerator program but give support to scale-ups by letting MBA students do research for the participants. Information about the program is gathered from the organizer´s (UCLA Anderson School of Management, 2018) and national subsidizing organizations´ websites (Almi, 2018; Business Finland, 2018).

RESPONSIBLE AUTHORITY

The program is organized by UCLA Anderson Business School in Los Angeles, United States, and has been operating since 1998. Since 2014, Sweden has been connected to the program and allows Swedish companies to get funding to participate. Swedish companies can apply to Vinnova which in turn nominate several companies for interviews at UCLA. If accepted, Vinnova covers the cost of the program on 17 000 USD. Most of the money are for covering the students' travel expenses and research. In Finland, the collaboration with GAP has been going on since 1999 and over 200 Finnish companies have participated in the program. Finnish companies get funded by Kiito funding or Funding for young innovative companies.

PARTICIPANTS

The program is suitable for companies with a proven product-market fit that want to look for new international markets. UCLA Anderson Business School require participants to have a technology, international ambitions and cash flow from currently paying customers. In addition to this, they require full access to strategic and financial data as well as top management´s time for meetings with students. The program usually includes 60 participating companies from about 15 countries. The requirements for participating companies, stated by Vinnova, are that they have a scalable technology, profitability (or some other kind of funding) for an international expansion, a launched product that is unique enough to survive international competition and preferably at least 10 employees, so that company executives have time to engage in the program.

PROGRAM

The companies get teamed up with five executive MBA students at UCLA Anderson Business School, who on average have 8 years of working experience. The participating companies send two executives to UCLA for two days to meet the MBA students and set the scope for the project. The MBA students will then work on the projects and conduct more than 125 personal interviews with customers, experts, distributors and consultants. The executives return to UCLA to receive a comprehensive business plan and watch presentations of the projects to a panel of judges. In 2018, the program ran from the middle of June to the beginning of December with several interactive online sessions and a Mid-Course presentation. The students usually also spend about a week visiting the company. The MBA students get supervision from the university and advisors during the entire program. Some of the advisors are Bob Foster, Janis Forman and Robert Spich, who all have large experience from both industry and academia.

17. VITUS

Vitus is a Danish program which is run by the Trade Council of Denmark. Vitus was launched in 2010 and aims to help Danish companies to efficiently expand globally. Information about the program has been gathered through the organizer´s website (Ministry of Foreign Affairs, 2018).

RESPONSIBLE AUTHORITY

The Trade Council of Denmark is a sub-organization of the Ministry of Foreign Affairs. They are responsible for governmental activities which aim to promote Danish export and foreign investments in Denmark.

PARTICIPANTS

The Vitus program targets Danish SMEs with the highest growth potential. The requirements for being allowed to participate in the program is that the company has fewer than 250 employees and a maximum turnover of 375M DKK. Furthermore, participants must also comply with international rules for governmental subsidies. The Vitus program starts in batches of 10 companies.

PROGRAM

For 12 months, participants take part in a program divided into two phases; the strategy phase and the execution phase. During these two phases, companies will get 265 hours of counselling at an hourly rate of 955 DKK. However, this cost is subsidized by 50 % by the responsible authority. During the strategy phase the participants will go on a fact-finding tour and attend two workshops. This will be done in close collaboration with an adviser and other leading actors. The product of the strategy phase is an export strategy which also will get feedback from business executives. With support of the adviser, the export strategy will then be executed in the execution phase. The execution phase and hence the entire program ends with a final evaluation meeting 12 months after the start of the program. Apart from the hourly cost for the counselling, the costs associated with the fact-finding tour is to be paid by the participants.