The MIT School of Entrepreneurship

By Adi Gaskell
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The following is the first of a two part interview. The first part sees me talking with Jonathan Lehrich, the MIT EMBA Program Director, about the start-ups that have emerged from their class and how they support students in starting up a new venture. Jonathan is one of the creators and Program Director of the MIT Executive MBA. Mr. Lehrich championed many other initiatives at MIT Sloan prior to creating the MIT Executive MBA, including the Global Entrepreneurship Lab (G-Lab) and China Lab and India Lab programs. He is a 2005 graduate of MIT Sloan, and holds degrees from Harvard and the University of Chicago.

*How important is creating a start-up to trying out the things you’re teaching students?*

We think it is very important for students to apply what they learn. There is great value and learning in starting a company or leading a change initiative in an existing company. The EMBA program provides an environment in which students actively apply what they learn both to start-ups and to established organizations. Some students come to the program from start-ups and are facing challenges of growth and scalability. Other students come to the program with ambitions to tap MIT’s resources to start a company of their own. Still others are leaders in more established firms that are actively acquiring and incubating businesses.

A central part of the EMBA curriculum is the Innovation Driven Entrepreneurial Advantage (IDEA) module. The module combines projects with an MIT start-up with panels and speakers from across MIT to deepen the student relationship with the MIT ecosystem. Students take away a deep understanding of the mechanics and practices of new product innovation, entrepreneurial strategy, and developing entrepreneurial advantage.

*Are lessons from each start-up fed back into the class so that both those involved in the start-up and their fellow students can learn?*

Yes. For example, during the IDEA module students work with a start-up at MIT and help them develop a strategic partnership with a large company. In this context students build off of what they are learning in the program to shape the strategic direction of the company and accelerate its growth. The EMBA students share these projects with each other and learn lessons from a variety of industries and product segments. Throughout the
program there is a heavy emphasis on applied learning projects. These projects provide
a rapid feedback loop for the students both to accelerate learning from their own
projects and to learn from the experience of their classmates’ projects. These lessons are
shared through frequent project presentation and class discussions.

*What are the differences between innovating in a start-up and innovating from within
an established business?*

We think it is important for executives to develop an integrated look at innovation and
entrepreneurship from the perspective of both start-ups and large firms. An interesting
thing is that many start-ups need to act more like large companies — they need to be
scalable, to deliver predictable quality, to adopt systematic processes and procedures.
On the other hand, many established companies need to act more like start-ups — they
need to foster innovation, be nimble, and take risks — and this requires a culture that
embraces change and challenge to the status quo.

*Does working on real life projects improve the personal relationships developed
between students and the school?*

We have found that a combination of real world projects and a program emphasis on
team collaboration deepens the relationships both among the students and between the
students and MIT. Importantly, this also deepens the learning experience and
accelerates positive impact on the students’ organizations. We just had our January
elective period and over 50% of last year’s graduates returned to participate in classes.
In one of those classes, on product pricing strategy, two new companies started by
EMBA alumni served as real-life case studies for the students to apply the pricing
strategies and techniques they learned in the class. Not only did everyone gain from the
experience but it highlighted the importance of the long-term relationship that students
develop with the Institute.

*Do you have any goals for the program with regards to the number of start-ups
created?*

We want our students to be change agents. This is done both by creating new companies
and by leading established companies in competitive markets. We don’t have a long-
term goal for a number of start ups created.

We focus on creating an environment where talented entrepreneurs can learn best
practices, access the resources they need, and gain the confidence to make bold
decisions. This environment is equally about the institute as it is about the students who
make up each EMBA cohort. For example, in last year’s class there where two
companies that were both started by EMBA students and then were funded by
classmates. This type of collaboration makes great things happen.