

ENGAGING ENTREPRENEURIAL ECOSYSTEMS FOR THE YOUTH

SustainConsult: Venture Biography



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Content

Disclaimer	3
1 ID Card	4
2 Founder(s)' Background and Motivation	4
3 Business Modell	4
4 Startup development	5
4.1 Idea-Generation	5
4.2 Incubation / Founding	5
4.3 Scaling-up / Consolidation	6
5 Reflection and Conclusion	7

Disclaimer

The document presents a story of an existing startup prepared through desk research and a narrative interview with the founder. For reasons of data protection, the names of people, cities, support programmes and companies are exchanged with pseudonyms. The biography has been approved for publication by the startup and can be used for further research by citing it accordingly (see below).

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1 ID Card

Pseudonym	SustainConsult
Which ecosystem?	Ruhr
Founding date	founding 2016 as hobby/side project, restart 2020
Sector	Sustainability Consultancy (GmbH)
No of employees	33 (15 consultants, further students, and interns)
(Expected) Turnover	
Male/female founder	male
Startup phases	
idea generation	2016 (out of a previous job, as side project)
incubation/founding	2020
consolidation/scaling	2024-onwards
Funding / financial support	none

2 Founder(s)' Background and Motivation

The history of SustainConsult started, while the founders were working for a Corporate and their job was to develop an innovation department. Both were qualified business economists. In 2014 they opened one of the first (inofficial) coworking spaces in a city in the Ruhr and organised startup events. *"We realised that the topic of innovation and business development within a Corporate is, of course, relatively difficult. And we wondered, how can that work better?"*. The two colleagues designed a creative solution that didn't have to go through the strict corporate processes of decision making, and then tested innovation with a partner. *"During that time, I was in Amsterdam and learned about lean machine and lean startup methods"*. They participated at the first Ruhr Summit, organised startup camps for students, networked in the startup ecosystem and offered Design Thinking Workshops for the corporate. However, in this early phase both were employed at the corporate.

3 Business Modell

SustainConsult supports companies during their sustainable transformation from strategy to implementation of new sustainable business models and products. At the beginning, the startup didn't have to do any acquisition, as it had signed a contract with the Corporate and now continued to work for the Corporate as an external company instead as an employee. The company discussed funding opportunities with the economic development agency, but none were forthcoming. The company then went to a sustainable bank and took out an overdraft facility. Nowadays, the company's majority of customers are situated in the Ruhr, others in Germany and in Switzerland. SustainConsult offer consultancy, events and workshops for startups and sustainable companies. The company certifies others according to the B Corp certification and undertakes sustainability assessments.

4 Startup development

4.1 Idea-Generation

Thomas and Max, his cofounder, were working as innovation managers in a traditional company (corporate) in the Ruhr since 2014. They participated at and organised a lot of startup-events and were inspired in 2016 to start their own company as a hobby project next to their regular employment. Their first product was to validate innovation in companies, and they carried out customer tests and did these in a standardised way for companies. That was their first product.

"Being now a company, we were on the other side at startup events," said Thomas. They collected new experiences, got feedback from their pitches, and met other founders at a 'Gründerstammtisch' (Round Table for founders and startups). *"I met there a person with skills in IT development, and in exchange I helped him out with his business management issues"* said Thomas enthusiastically. *"And suddenly we had a part-time job to offer for a student."* However, a little later both founders got children and their startup laid down for a while.

In 2019/2020 the Corporate was taken over, and after 12 years, Thomas' learning curve has flattened out, which is why he has decided to leave the company. *"Another support network that had definitely had a very strong influence on my startup journey is the [Happy Startup School](#) from England. It's an international group. I went there for the first time in 2016, I think, and I've been following them online for a while. I am in their online community, I go to their events, and then I spent a week with them in India with lots of people who were kind of like: What are we going to do with our lives now? A journey of self- and impact-discovery."* This journey gave Thomas personal motivation to start with a startup all over again focusing sustainable impact. Furthermore, he managed the subsidiary for the Corporate that made innovations for the Corporate, that worked quite well, but even they reached their limits in terms of speed requirements and creativity. *"And then we spoke to the lawyers and asked, how can we solve this problem. In the end it turned out that we can't actually solve this within the Corporate, the best we can do is pass it on externally"*. Thomas recognized that someone external to the company was needed as a cooperation partner and realised this was his chance: *"I said great, I want to leave anyway."*

4.2 Incubation / Founding

Due to these developments, Thomas took Max's part of the company, because Max wanted to stay in the Corporate. At the beginning of 2020, SustainConsult was re-established. Thomas moved into a coworking space and had two employees in the beginning, quickly adding additional colleagues who helped to set up the organisation. They had their first project for the Corporate he worked in before. In the end of 2020, they counted eight employees including students. From the beginning on Grubengold focussed on sustainability in their organisational setup (e.g. BCorp certification)

The location in a coworking space led to further contacts and the acquisition of additional mentoring contracts. *"We made a deal with another startup that we also got to know at the coworking-space. They helped us with marketing, and we helped them with design issues. Because we had a designer in the team, so we swapped hours. But we needed a tax consultant again, who then explained to us, how it would be mapped for tax purposes and things like that."* The support infrastructure was again useful for Thomas.

Furthermore, the company took part in the startup round table and exchanged ideas with other companies on questions such as *"How do you organise your work? How do you organise your scheduling, how do you calculate your hourly rates?"*

Covid-19 hit in the very beginning of the startup's (second) founding phase. It was not possible for SustainConsult to apply for public Corona aid (funding), as no turnover was achieved in the year before and many events were cancelled. During the pandemic, an influential individual in the Ruhr's entrepreneurial ecosystem developed an online entrepreneurship training course and SustainConsult and other startups provided the content for it. *"That was also marketing and networking for us."*

SustainConsult tried also to grow further alongside the contract with the Corporate and wanted to develop further towards the sustainability context. A single focus on the innovation consultancy topic turned out to be less promising during the Covid-19 pandemic, that's why the startup pivoted to Sustainability and Consultancy. Thomas already had new ideas and plans: *"Me and Nicolas founded the 'Match' in 2020, which is a network for energy startups that is not specific to the Ruhr region, but which is also a link between the startup world and our consulting world, because we bring, for example, these startups back into contact with the corporations."*

The company grew until 2022. In this period a broader organisational and management model was also introduced, with Nicolas a co-managing director came on board in 2021 (Nicolas had worked for SustainConsult since its foundation) and the startup moved into its own office space in another commercial building, which hosts a startup or company network. There were many other different and exciting companies. SustainConsult had the opportunity to organise the premises for an unconference, a kind of barcamp. This was the opportunity to position themselves with the topic of sustainability and innovation and related event organisation. Until now, they have organised this type of event five times in the Ruhr and four times in Switzerland.

SustainConsult started a network called "SustainabilityRuhr". The basic idea was very similar to that of a 'Gründerstammtisch', just not focusing on startups, but on sustainability. During the initial phase, they had a lot to do with the business development agency and made contacts and worked together with them. SustainConsult has a huge network of freelancers to grow the company.

SustainConsult counts 33 employees in the End of 2023, of whom 15 are consultants. As a local University of Applied Sciences offers a study programme in the field of sustainable development, a lot of internships and working students come to SustainConsult. The startup learns from the students and the other way around. The university is like a supplier of knowledge and trainees for these sustainability topics. *"That is somehow very practical."*

SustainConsult's employees and founders cooperate with other startup support infrastructure. They act as mentors if there are young founding teams or early startups in the field of energy.

4.3 Scaling-up / Consolidation

Since 2023, SustainConsult is starting to notice challenges related to company growth: *"where it's just kind of: OK, we see that processes are perhaps not running quite so optimally. In case of doubt, we usually talked to each other quickly, but now we are 15 full-time people, who work in different projects, roles and rhythms, so to speak."* The founder realised processes reached their limits and tried to find solutions for it. *"For example, we have reduced my working hours to create space for others. And now we have a colleague, who is taking on part of my role. We hope she can approach organisational development from another perspective", Thomas desires.* Expanding to other countries and areas has not worked out yet. *"We have tried to expand into Switzerland, that hasn't worked out yet. The conference event is running, but apart from that the Swiss business hasn't really worked out yet."*

5 Reflection and Conclusion

The startup scene in the Ruhr stimulated the foundation of SustainConsult and the founder is part of the ecosystem. He supports the ecosystem through initiating new networks and events, and he offers his mentorship. Due to the need of consultancies who support companies to get more sustainable, SustainConsult grew in the market intersecting innovation and sustainability. As a result, the company is currently growing.

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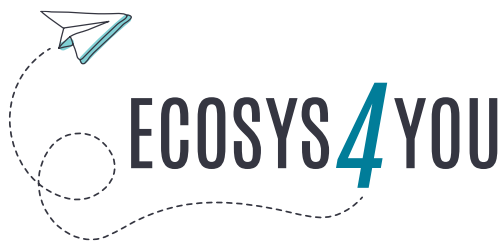
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Ecosys4you – Engaging Entrepreneurial Ecosystems for the Youth (2023-2026) strives to bridge the entrepreneurial ecosystems of the Ruhr, Germany, Varna, Bulgaria and Slovenia by connecting young founders, startups, HEIs and other ecosystem actors.

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