



RMK COLLEGE OF ENGINEERING AND TECHNOLOGY

NATIONAL INNOVATION AND STARTUP POLICY 2019

FOR STUDENTS AND FACULTY

OBJECTIVE

- Higher Education Institutions (HEIs) to actively engage students, faculty and staff in innovation and entrepreneurship related activities.
- To bring uniformity in terms of Intellectual Property ownership management, technology licensing and institutional Startup policy.
- To create a robust innovation and Startup ecosystem across all HEIs
- To enable the students to participate in innovation and entrepreneurship (I&E) related activities, thus encouraging students to consider startups and entrepreneurship as a career option.
- To manage Intellectual Property Rights (IPR) ownership, technology licensing and equity sharing in Startups or enterprises established by faculty and students.
- To make the innovation as the epicenter of education.

Vision of NISP Policy

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Mission of NISP Policy

- By mobilising resources at the institute for supporting pre-incubation, incubation infrastructure and facilities.

- Defining a sustainable financial strategy in order to reduce the organizational constraints to work on the entrepreneurial agenda.
- By creating facilities within institution for supporting pre-incubation
- Pre-Incubation/Incubation facility will be accessible 24x7 to students, staff and faculty of all disciplines and departments across the institution.
- Through Mentoring and other relevant services through Pre incubation/Incubation units

1. Strategies and Governance

- Investment in the entrepreneurial activities should be the part of the institutional financial strategy.
- Minimum 1% fund of the total annual budget of the Institution should be allocated for funding and supporting innovation and startups related activities through creation of separate 'Innovation fund'.
- The strategy should also involve raising funds from diverse sources to reduce dependency on the public funding.
- Bringing in external funding through government (state and central) such as DST, DBT, MHRD, AICTE, TDB, TIFAC, DSIR, CSIR, BIRAC, NSTEDB, NRDC, Startup India, Invest India, MeitY, MSDE, MSME, etc. and non-government sources should be encouraged.
- To support technology incubators, academic institutes may approach private and corporate sectors to generate funds, under Corporate Social Responsibility (CSR) as per Section 135 of the Company Act 2013.
- Institute may also raise funding through sponsorships and donations. Institute should actively engage alumni network for promoting Innovation & Entrepreneurship (I&E).
- To establish processes and mechanisms for easy creation and nurturing of Startups/enterprises by students (UG, PG, Ph.D.), staff (including temporary or project staff), faculty, alumni and potential startup applicants even from outside the Institutions.
- Students who are under incubation, but are pursuing some entrepreneurial ventures while studying should be allowed to use their address in the institute to register their company with due permission from the institution.
- Importance of innovation and entrepreneurial agenda should be known across the institute and should be promoted and highlighted at institutional programs such as conferences, convocations, workshops, etc.
- Micro action plan should also be developed by the affiliated institutes to accomplish the policy objectives.
- Product to market strategy for startups should be developed by the institute on case to case basis.

2. Startups Enabling Institutional Infrastructure

- To create facilities within their institution for supporting pre-incubation (e.g. IICs as per the guidelines by MHRD's Innovation Cell, EDC, IEDC, New-Gen IEDC, Innovation Cell, Startup Cell, Student Clubs, etc.) and Incubation/ acceleration by mobilizing resources from internal and external sources

- This Pre-Incubation/Incubation facility should be accessible 24x7 to students, staff and faculty of all disciplines and departments across the institution.
- HEIs may offer mentoring and other relevant services through Pre-incubation/Incubation units in-return for fees, equity sharing and (or) zero payment basis. The modalities regarding Equity Sharing in Startups supported through these units will depend upon the nature of services offered by these units.

3. Nurturing Innovations and Startups

- Allow **faculty and staff** to take off for a semester / year (as sabbatical/ unpaid leave/ casual leave/ earned leave for working on startups and come back. Institution should consider allowing use of its resource to faculty/students/staff wishing to establish start up as a fulltime effort.
- The seniority and other academic benefits during such period may be preserved for such staff or faculty. Start a part-time/full time MS/ MBA/ PGDM (Innovation, entrepreneurship and venture development) program where one can get degree while incubating and nurturing a startup company. AICTE has already issued guidelines for a similar program
- **In return** of the services and facilities, institute may take 2% to 9.5% **equity/ stake in the startup/ company**, based on brand used, faculty contribution, support provided and use of institute's IPR (a limit of 9.5% is suggested so that institute has no legal liability arising out of startup.
- The institute should normally take much lower equity share, unless its full-time faculty/ staff have substantial shares). Other factors for consideration should be space, infrastructure, mentorship support, seedfunds, support for accounts, legal, patents etc.
- **For staff and faculty**, institute can take no-more than 20% of shares that staff / faculty takes while drawing full salary from the institution; however, this share will be within the 9.5% cap of company shares, listed above.
- **Students** entrepreneurs should be allowed to sit for the examination, even if their attendance is less than the minimum permissible percentage, with due permission from the institute.
- HEIs should allow their **students** to take a semester/year break (or even more depending upon the decision of review committee constituted by the institute) to work on their start ups and re-join academics to complete the course.
- Student entrepreneurs may earn academic credits for their efforts while creating an enterprise. Institute should set up a review committee for review of start up by students, and based on the progress made, it may consider giving appropriate credits for academics.

4. Product Ownership Rights for Technologies Developed at Institute

- **Product development and commercialization** as well as participating and nurturing of startups would now be added to a bucket of faculty-duties and each faculty would choose a mix and match of these activities (in addition to minimum required teaching and guidance) and then respective faculty are evaluated accordingly for their performance and promotion.

- Institutions might also need to update/change/revise **performance evaluation policies** for faculty and staff as stated above.

5. Organizational Capacity, Human Resources and Incentives

- Institute should recruit staff that has a strong innovation and entrepreneurial/ industrial experience, behaviour and attitude. This will help in fostering the I&E culture.
- Faculty and departments of the institutes have to work in coherence and cross-departmental linkages should be strengthened through shared faculty, cross-faculty teaching and research in order to gain maximum utilization of internal resources and knowledge.
- Periodically some external subject matter experts such as guest lecturers or alumni can be engaged for strategic advice and bringing in skills which are not available internally.

6. Creating Innovation Pipeline and Pathways for Entrepreneurs at Institute Level

- To ensure exposure of maximum students to innovation and pre incubation activities at their early stage and to support the pathway from ideation to innovation to market, mechanisms should be devised at institution level.
- The institute should link their start ups and companies with wider entrepreneurial ecosystem and by providing support to students who show potential, in pre-startup phase. Connecting student entrepreneurs with real life entrepreneurs will help the students in understanding real challenges which may be faced by them while going through the innovation funnel and will increase the probability of success.
- For strengthening the innovation funnel of the institute, access to financing must be opened for the potential entrepreneurs.
- Institute must develop a ready reckoner of Innovation Tool Kit, which must be kept on the homepage on institute's website to answer the doubts and queries of the innovators and enlisting the facilities available at the institute.

7. Norms for Faculty Startups

- Only those technologies should be taken for faculty startups which originate from within the same institute.
- In case the faculty/ staff hold the executive or managerial position for more than three months in a startup, they will go on sabbatical/ leave without pay/ utilize existing leave.
- Faculty must clearly separate and distinguish on-going research at the institute from the work conducted at the startup/ company.
- In case of selection of a faculty start up by an outside national or international accelerator, a maximum leave (as sabbatical/ existing leave/ unpaid leave/ casual leave/ earned leave) of one semester/ year (or even more depending upon the decision of review committee constituted by the institute) may be permitted to the faculty.
- Faculty must not accept gifts from the startup.
- Faculty must not involve research staff or other staff of institute in activities at the startup and vice-versa.

- Human subject related research in startup should get clearance from ethics committee of the institution.

8. Pedagogy and Learning Interventions for Entrepreneurship Development


- Diversified approach should be adopted to produce desirable learning outcomes, which should include cross disciplinary learning using mentors, labs, case studies, games, etc. in place of traditional lecture-based delivery.
- Entrepreneurship education should be imparted to students at curricular/ co-curricular/ extracurricular level through elective/ short term or long-term courses on innovation, entrepreneurship and venture development. Validated learning outcomes should be made available to the students.
- Pedagogical changes need to be done to ensure that maximum number of student projects and innovations are based around real life challenges. Learning interventions developed by the institutes for inculcating entrepreneurial culture should be constantly reviewed and updated.

9. Collaboration, Co-creation, Business Relationships and Knowledge Exchange

- Stakeholder engagement should be given prime importance in the entrepreneurial agenda of the institute. Institutes should find potential partners, resource organizations, micro, small and mediumsized enterprises (MSMEs), social enterprises, schools, alumni, professional bodies and entrepreneurs to support entrepreneurship and co-design the programs.
- The institute should develop policy and guidelines for forming and managing the relationships with external stakeholders including private industries.
- Knowledge exchange through collaboration and partnership should be made a part of institutional policy and institutes must provide support mechanisms and guidance for creating, managing and coordinating these relationships.

10. Entrepreneurial Impact Assessment

- Impact assessment of institute's entrepreneurial initiatives such as pre-incubation, incubation, entrepreneurship education should be performed regularly using well defined evaluation parameters
- Formulation of strategy and impact assessment should go hand in hand. The information on impact of the activities should be actively used while developing and reviewing the entrepreneurial strategy.
- Impact assessment for measuring the success should be in terms of sustainable social, financial and technological impact in the market. For innovations at pre-commercial stage, development of sustainable enterprise model is critical. COMMERCIAL success is the ONLY measure in long run.


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