
GUIDE: AEI ENTREPRENEURIAL INTERNSHIP GUIDE

OVERVIEW

Background

Small and Medium Enterprises (SMEs) pursue economic opportunities created by innovation through development and commercialization of technology-based products and services. Supporting an entrepreneurial culture is foundational to encouraging innovation and knowledge-based SMEs that will diversify the Alberta economy.

In 2016, Alberta Innovates met with entrepreneurs and stakeholders to gather input into ways to support early stage entrepreneurs. We also scanned other jurisdictions to learn from their experience in programs that rely on experiential learning for developing entrepreneurs by blending classes and seminars with mentorship, and hands-on learning.

Alberta Innovates listened to entrepreneurs and our partners around the province who identified a gap that exists for those people who are at a very early stage in their business development, and want to expand their skills by learning from experienced business owners and executives. We focus on coaching, community and capital, recognizing the role that local communities can be playing in identifying new high potential entrepreneurs who have demonstrated capacity and willingness to expand their knowledge and skills.

The Alberta Entrepreneurship Incubator (AEI) program is designed to offer support for entrepreneurs, especially recent graduates and those individuals who are unemployed due to the recent economic downturn. One of the tools available to new entrepreneurs through this program is the AEI Entrepreneurial Internship developed by Alberta Innovates, in consultation with the Government of Alberta's Ministry of Economic Development and Trade. This Internship is designed to develop and

support early stage entrepreneurs through experiential hands-on learning with an experienced mentor within and established SME, while continue building their own business venture.

Program Details

Business Development Advisors (BDAs) in the Alberta Entrepreneurship Incubator (Incubator) locations around Alberta work with their community to pair aspiring entrepreneurs, who have a promising entrepreneurial concept (Applicant), with innovative Alberta companies (the Mentor Company). Mentor Companies will provide meaningful business experience and a rich learning environment, mentoring, and advice to the Applicant, while creating a flexible working arrangement allowing the Applicant to continue to develop their own entrepreneurial venture. BDAs service to facilitate such engagement

The goal of the Internship is to pair Mentor Companies with aspiring entrepreneurs. Alberta Innovates funding is directed to the Mentor Company to help offset the cost of employing the Applicant.

HOW THE ENTREPRENEURIAL INTERNSHIP WORKS

Eligibility

(a) Applicant Eligibility Criteria - To qualify as an Applicant, an entrepreneur is required to satisfy the following criteria:

- have an ongoing working relationship with the local incubator;
- be recognized by a BDA as an entrepreneur who is focused on building and developing their own innovative and scalable business;
- demonstrate a willingness, and capacity, to do the work required to accomplish their goals;
- be willing to do both: work at the Mentor Company, and pursue their own venture development;
- is not in a conflict of interest with the Mentor Company.
- not currently employed on a full-time basis;
- not been employed by the Mentor Company in the last six months; and
- not have an outstanding balance, or otherwise owe money, to Alberta Innovates or its subsidiaries.

(b) Mentor Company Eligibility Criteria - To qualify as a Mentor Company, a company is required to satisfy the following criteria:

- be an innovation, technology, or knowledge-based business;
- have the ability to provide a senior-level mentor to work with the Applicant;
- demonstrate the willingness to provide meaningful work that advances the Applicant's business experience;
- have the ability to provide the Applicant exposure to management-level concepts and activities;

- be willing to create a work arrangement that would allow some time flexibility to support Applicant's own venture development (e.g. for attending meetings or events);
- is not currently employing the Applicant or is not retaining them on contract;
- Is a legal entity:
 - incorporated in Alberta; or
 - incorporated federally or in another jurisdiction AND extra-provincially registered in Alberta; or
 - a General Partnership, Limited Partnership or Limited Liability Partnership AND registered in Alberta; and
- not have an outstanding balance, or otherwise owe money, to Alberta Innovates or its subsidiaries.

(b) Project Eligibility Criteria – for the purpose of this AEI Entrepreneurial Internship, a Project refers to the time, activities, and learning outcomes during the term an Applicant spends with a Mentor Company. To qualify for funding all Projects must:

- Provide business work experience relevant to the Applicant's intended business;
- Demonstrate specific, measurable, achievable outcomes to support the Applicant;
- Provide value to the Mentor Company;
- Start after the execution of the Agreement between Alberta Innovates, the Applicant, and the Mentor Company; and
- Be completed in no fewer than three (3) months and no more than twelve (12) months.

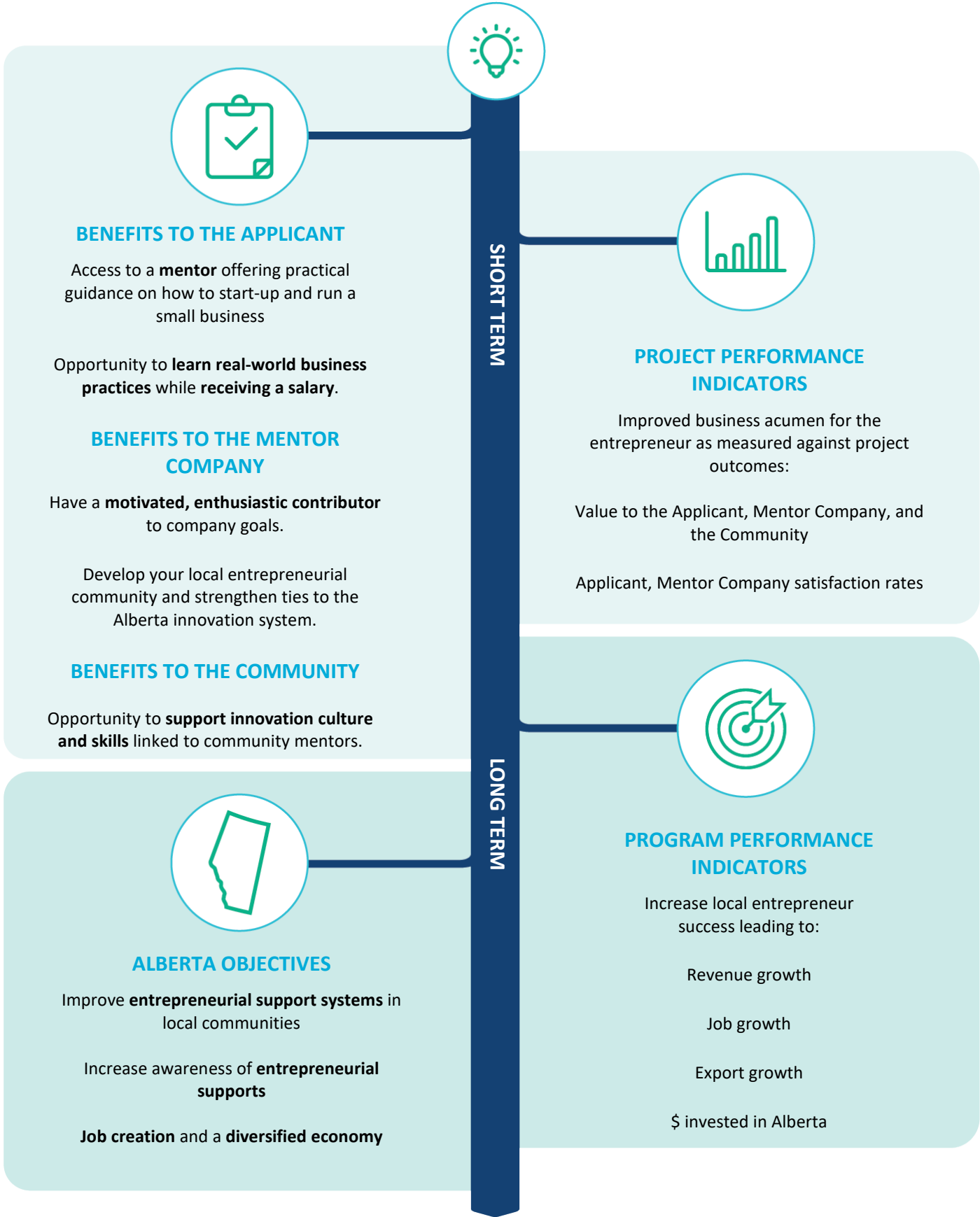
Program Objectives and Performance Measurement

The objective of the AEI Entrepreneurial Internship is to facilitate real-world entrepreneurial and hands-on experiential learning for enthusiastic and dedicated Alberta entrepreneurs.

Over the life of the Project, the Applicant, as a client of the local incubator, will interface with their BDA on a regular basis, and continue to work with them on their own business venture. The BDA will monitor the progress being made toward the Applicant's goals, and the Internship will continue as long as the Applicant's intended business plans continue to move forward.

At Project completion, Alberta Innovates will require a brief Final Report from the Applicant, the Mentor Company and the BDA, that outlines the outcomes achieved versus the outcomes proposed, the value to the Applicant, the Mentor Company, and the community. Once Projects are completed, Alberta Innovates continue to monitor the progress of the Applicant, unrelated to the Internship itself, via common incubator metrics to accurately evaluate the economic, social and environmental benefits realized for the province. Alberta Innovates also has a common set of performance metrics for the Alberta Entrepreneurship Incubator Program, which it monitors via the incubator. These are highlighted on the next page.

Objectives and Performance Metrics





How Funding Works

(a) Project Funding

Funding from Alberta Innovates includes a monthly payment to the Mentor Company to be used exclusively for the salary of the Applicant during the term of the Project.

The Mentor Company and the Applicant will decide the number of months, hours of work, and total salary for the Project, within the 3 to 12 months allowable, and divided equally by the number of months committed in the agreement. Some flexibility is expected in order to support the Applicant's own business plans. Alberta Innovates will fund up to two thirds of the Applicant's salary, up to a maximum of \$20,000.

Examples might include;

- The Mentor Company and the Applicant agree that the Applicant will work for 9 months for a total of \$30,000. The Mentor Company contributes \$10,000 and Alberta Innovates will invest \$20,000.
- The Mentor Company and the Applicant agree that the Applicant will work for 3 months for a total of \$12,000. The Mentor Company contributes \$4,000 and Alberta Innovates will invest \$8,000.
- The Mentor Company and the Applicant agree that the Applicant will work for 12 months for a total of \$40,000. The Mentor Company contributes a total of \$20,000 and Alberta Innovates will invest its maximum of \$20,000.

These are just meant as examples; real scenarios will be considered on a case by case basis.

Alberta Innovates will fund up to two thirds of the Applicant's salary, up to a maximum of \$20,000, for up to one year.

HOW TO APPLY

Before applying for the Entrepreneurial Internship, an Applicant will have been previously approved for an Alberta Entrepreneurship Incubator Stage One Application. Once the Applicant has an approved Stage One application, the following steps are required for a Stage Two Entrepreneurial Internship application.



STEP 1 Sourcing a Mentor Company

The BDA identifies a potential Applicant and works with the Applicant to write the specific, relevant, achievable, and measurable desired learning outcomes.

The BDA works with the Applicant, and the local community, to find a Mentor Company.

The Mentor Company will provide a Letter of Intent (LOI) as part of the Application, indicating the expected activities and outcomes of the project, and the conditions of employment.



STEP 2 Application and Evaluation

The Applicant will work with the BDA to complete an AEI Entrepreneurial Internship application.

Once submitted, the application will then be reviewed by Alberta Innovates.

The results will be communicated to the Applicant, the BDA, and Mentor Company.



STEP 3 Upon Approval – Starting the Project

If approved, the Mentor Company and the Applicant will identify a reasonable start date and execute an agreement with Alberta Innovates to proceed with the activities of the project.

EVALUATION PROCESS

Alberta Innovates works with the BDA to evaluate applications. Alberta Innovates retains the sole right to determine the evaluation process and make a final decision. Results will be provided in a timely manner, usually within three weeks of submission date.

The BDA will be instrumental in the success of an application. They will be looking for motivated entrepreneurs with a clear idea of where they are and where they want to get to with their business.

TERMS AND CONDITIONS

This Guide is intended as a high-level overview of the AEI Entrepreneurial Internship. It provides BDAs, interested entrepreneurs, and potential Mentor Companies with a roadmap of what to expect over the term of an AEI Entrepreneurial Internship. Please be aware Alberta Innovates may modify this Guide from time to time in keeping with any changes to the AEI Entrepreneurial Internship.

Once an application has been evaluated and approved for funding, Alberta Innovates will require the Applicant and Mentor Company to sign our standard investment agreement form. A copy of the [investment agreement](#) is available on the Alberta Innovates website. The investment agreement outlines in detail the roles, responsibilities, and obligations of the various parties to ensure a successful Project. Alberta Innovates will not provide any funding until the investment agreement has been signed by both the Applicant and the Mentor Company.

The Mentor Company and the Applicant will also sign a standard [employment contract](#) and provide a copy to Alberta Innovates. Alberta Innovates will not be involved in negotiating the terms of employment between the Mentor Company and the Applicant.

CONTACT INFORMATION

Should you have any questions about this guide or the Alberta Entrepreneurship Incubator Program in general, please contact Alberta Innovates at inbox_grants@albertainnovates.ca .

To reach the Business Development Advisor closest to you, please visit our [website](#).

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