

# Why Lean Start-up Methodology May Not Apply to Social Enterprises

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## Summary

This essay will explore the funder's experience in building Acceset and examine the relevance of the lean start-up methodology in relation to Acceset's challenges in building a company. Acceset is a social enterprise that aims to build bridges to help mental health sufferers accept care and empower them with technology and training to reset the lives of fellow sufferers.

## Article

The best guide for social enterprises solving complex and sensitive problems appears to be the five important questions outlined by Peter Drucker, rather than the lean start-up methodology.

Peter Drucker outlined five important questions for social enterprise. The first question was to determine the mission of the social enterprise and why we do what we do (Drucker, 1993). For Acceset, the purpose of our existence lies in addressing the problem of mental health stigmatization and poor accessibility to professional

resources for the sufferers. The mission was instructive as it formed the tenet for formulating our company values, identity, and culture. These inform the types of employees we should hire to gear the company towards success.

The problem of the lack of accessibility to mental health support when one urgently needs it is something the founder, Oon Tian Sern, learned from his own family experience. His mother suffered tremendous stress during the Asian Financial Crisis from work. His Dad was retrenched, and family relations were strained. Without adequate support, his mother became depressed.

This experience proved instruction in shaping the company mission to ensure that, when successful, no families have to go through what the founder experienced while growing up.

One piece of advice from lean start-up was to get out of the block (outside of one's comfort zone) and talk to people and customers (through street interviews) about the problem (Ries, 2011). This was not applicable to Acceset's context as no one was willing to talk about mental health back in 2015 because it was a negatively perceived and stigmatized topic. It is a sentiment that is still prevalent in Singapore today, especially among the youth (Ng, 2018).

In the absence of willing customers and users, Tian Sern had to subscribe to newsletters and tap into research

work done on mental health by academic researchers. Dr. Amelia's research on mental health trends, and the study of youth, and adult response to adversity, showed that both youth and adults have a strong preference to rely on themselves to solve their own problems (Gulliver, 2010). The preference for self-reliance is the most important and significant barrier to seeking help for both youth and adults (Gulliver, 2010). There was also evidence that perceived positive past experiences, social support, and encouragement, can be helpful to sufferers deciding to reach out for professional help (Gulliver, 2010).

The company also monitored the latest mental health trends from a news app known as Flipchart, as well as from Google Alerts, a free-to-use content monitoring service.

From studying the news, important insights about how the mental health of youth worsen was gleaned. We learned that social media and smartphone addiction directly contributes to the worsening of mental health concerns among youth. For example, a study conducted by the Mental Health Foundation showed that almost one-third of youngsters believe social media is driving them towards isolation, which causes them to experience anxiety or depression because of loneliness (Jones, 2018).

We also learned about industries where mental health problems are more prevalent. For example, the creative industries are likely to attract individuals with mental

health issues and their long hours make creatives more at risk of developing mental health problems (BBC, 2018).

Analysis of this information helped to crystallize a commercial business model for Acceset. It was clear that there may be commercial value in providing a software-as-a-service to corporations to better manage the health of their employees to lower the insurance premiums they pay.

We moved on to build the prototype of the tech solution after figuring out the business. According to Ries, a minimum viable product (MVP) should have just enough features to satisfy early customers to provide feedback for future development (Ries, 2011). Often, that translated into advice (in our case) such as tapping into free off-the-shelf tech solutions such as Facebook groups, Telegram, Slack, or Whatsapp groups to see if individuals would really talk about their problems.

This idea might have worked for most enterprises, but it was awkward to apply this advice to our context, given the stigma surrounding mental health. One cannot be certain whether there may be abuses and whether people are ready to open up over social media. The strength of the advice is that by tapping into existing platforms, the effort required is minimal. However, what is minimal may not always be "viable," depending on the complexity of the problem being solved.

Our decision was to work with developers that we sourced from meetup groups to provide pro-bono software development for the first version of Acceset's prototype. We took eight months to build the first version of the anonymous communication system that allowed the sufferer to be matched to two trained volunteers who provided active and indirect support to the sufferer.

*Screengrab of the Acceset app platform showing how one sufferer's utilized the outlet to express their emotions and problems.*

With the prototype, Acceset went to roadshows to meet youth, non-profit organizations, and counselors to obtain feedback. It was clear that end users, counselors, and non-profit organizations' directors had very different views on what they perceived to be valuable about the platform. End users wanted more features that provided instantaneous communication while directors of non-profit organizations cautioned against having more instantaneous features as it may increase the risk of abuse if the end users did not use the feature for its intended purpose. Counselors were concerned about the resources required to cope with the increased demand if the platform was successful and the increased workload for them.

Upon further discussion, we discovered that the common ground of all stakeholders' feedback was that they valued

an efficient and responsible system that improved the outcome and experience of what they are doing. It was an indirect validation of the inefficiency in the social sector. For mental health sufferers, they may not be matched optimally to the most relevant counselor who has the skills to meet their needs (which had not been expressed). For counselors, a mismatch would mean more administrative work to record case information, transferring the case and information to another organization, and doing research on which other organizations could best be of help to the sufferer.

There appears to be room to build big data to optimize the match between the needs of sufferers and the skills of organizations or counsellors. Yet, it is challenging to roll out innovation in the social sector because the perception is a misstep can have grave consequences.

It was our aim to build the big data through trials, where we could collect data and analyze it to build the foundation of the algorithm. We reached out to non-profit organizations and schools to support our efforts. What we learned is that the stakeholders prefer risk mitigation over the merit of the innovation. They are more likely to front-load all possible risks and ask for results and evidence-based research before even considering a trial. For most businesses, the purpose of a trial is to improve the technology but for the organizations I approached, the perception is the trial involves humans who may be vulnerable so to iterate based on their experiences may

be unethical.

It was clear that only government institutions can lead the way in managing the innovation and the building of big data for mental health. It was clear also that research collaboration needs to be put in place so that we can roll out bigger trials in schools. In this regard, the traction for a social enterprise may not be whether the product had revenue or users, but whether there was intellectual property and research done for the solution. Acceset is exploring research projects with the National Council of Social Service, as well as the Institute of Mental Health, to see if a collaboration or partnership can be forged to test-bed the tech product.

To conclude, lean start-up methodology has its place in the entrepreneur ecosystem. How it is applied may differ across small businesses, tech companies, and social enterprise. Especially for companies that are attempting to build AI and big data for a sector that is traditionally conservative and risk-averse, there is a need to creatively interpret and selectively apply the principles within lean start-up methodology to ensure the growth of the company.

## **Author bio**

**Oon Tian Sern** is the founder of Acceset. He is also a Queen's Young Leader award winner from Singapore.

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