GUIDE FOR FOUNDERS

How to have a positive experience in any founder or startup programme

Introduction

This guide is for founders, and their evolving teams, in Aotearoa's startup ecosystem. Being in a startup can be a real rollercoaster ride - it takes a leap of faith to begin the journey and continuing takes dedication and grit. It can be really hard, with many highs and lows.

When you participate in a founder or startup programme, you entrust others in the ecosystem with your time and ideas. The purpose of this guide is three-fold:

(1) to help you, as a founder, recognise when you experience good behaviour from others in the ecosystem, and likewise when that's not the case

(2) to encourage you to intervene if you see another founder being subjected to unacceptable behaviour, as it should not be tolerated,

(3) to empower you to raise concerns and get support if needed.

This guide was born out of two founder-centred hui with representatives from the ecosystem, one-on-one interviews with founders, and with support from New Zealand Trade & Enterprise.

A Code of Conduct has also been created as a template for use by anyone working with startups in Aotearoa. The Guide for Founders and the Code of Conduct share similar key messages to promote consistency across the ecosystem.

What good behaviour looks like

Your wellbeing is paramount. Your interactions with the startup ecosystem should be positive and supportive and this should extend to your relationships with the programme funders and providers, mentors, advisors and investors. Below are some examples of what good behaviour looks like:

Respect

- Programme providers should genuinely want to see you do well and actively look for the potential in your idea or problem to solve.
- You don't have to change who you are as a person to get where you want to go.
- Professionalism should be present in every engagement e.g. using positions of power or authority to impact your entrepreneurship journey will not be tolerated.
- Mentors, investors and the programme providers should advise and challenge you in a manner that demonstrates respect for you.
- Treat others, including other co-founders, employees and investors as you would like to be treated which may be different to how you have been treated in the past.

Tikanga Māori

Tikanga Māori is a set of binding principles, beliefs and traditions practised collectively by Māori whānau, hapū and iwi since time immemorial. The word tika means 'correct', 'just', 'decent' and 'honourable' in te reo Māori, and so tikanga is considered ideologically as the right way to do things. This accordingly guides and constrains all aspects of Te Ao Māori and Māori life, including social relationships and ceremonies, moral behaviour, economic activity and so on.

- Programmes which promote the application and exploration of matauranga Maori should prioritise a tikanga Maori approach by providers, investors and mentors.
- You are not expected to fill the role of a cultural capability builder for mentors, investors or programme providers.
- You should never have to accept terms or conditions of investment which compromise the integrity of tikanga Māori.

As tangata whenua, Maori are the kaitiaki, or custodians, of matauranga Maori. The interconnected nature of kaitiakitanga and whakapapa means Maori have the right to protect and secure the integrity of tikanga and matauranga.

Diversity

- Your world views and perspectives are acknowledged and respected.
- Your cultural realities and contexts are considered holistically as part of who you are.
- The process to engage in a programme is fair and considerate to your needs.

Transparency

- Startup terminology is explained clearly and you are empowered to ask questions.
- Intentions and expectations are clearly communicated to you, with no hidden agendas.
- Programme staff do not gatekeep relationships with investors and mentors that you have built through your networking or other connections.
- Programmes may match you with mentors, advisors and investors and these should be a good fit for you. It is okay to ask about the logic behind these matches.
- You are given an opportunity to provide feedback at the end of the programme and feel safe doing so through mechanisms such as anonymity and clarity of process.
- Conditions of advice or investment are clearly communicated and are explained in ways which are easily understood.
- You should feel comfortable to be open and honest about your team dynamics and progress. You should feel comfortable to be open about statistics and metrics when communicating with stakeholders.

Accountability

• Investors are responsible for their own due diligence process. They are aware investing in an early stage startup is risky. If they are new, they are to seek advice from investment advisors.

- You are responsible for your own due diligence on investors and are empowered to seek independent advice to ensure you make the best decision for your business.
- It is part of the programme's duty of care to ensure you feel safe with the ecosystem partners they introduce you to, such as investors and mentors. If you experience any issues, they are there to support you and take appropriate action in consultation with you.

Self-Determination

- You are empowered to decide whether to pitch for investment or wait. If investment isn't the right decision for you at the end of a programme, this decision is respected.
- Failure can go hand-in-hand with the entrepreneurial journey. This is when the ecosystem supports you. It can be a really difficult decision to pivot, exit or shutdown your startup. This is when the ecosystem should rally around you.
- You feel safe to communicate major changes to your startup, including shutting it down or pivoting.
- There is no pressure to work with a particular investor if you believe it is not a good fit.

Red flags and warning signs

There can be inherent power imbalances within relationships in the ecosystem and bad behaviour can occur. It's important that these are acknowledged upfront, with protection and support measures in place, if required.

The following prompting questions have been designed, with founder experience in mind, to help you consider whether you are in a situation where unacceptable behaviour is occurring, provoke positive action and ensure the environment created by organisers/decision-makers fosters empowerment and safety.

FOUNDERS, ASK YOURSELF...

"Is the situation I am in giving me a bad feeling, making me uncomfortable or feeling compromised?"

"Am I currently surrounded by people or circumstances that are negatively affecting my view of myself and the world?"

"Do I feel compelled to change or mask who I am to fit in or achieve my startup goals?"

"Do I feel like I am pushed to accept terms of conditions of investment which compromise the integrity of Mātauranga Māori?"

"Do I feel like the programme providers, mentors, advisors and investors lack the cultural capability to engage with tikanga Māori and or mātauranga Māori?"

"Have I said or done something to another person that I would not accept for myself?"

"Do I feel pressured to follow a course of action I don't want or am not ready for? For example, pressure to raise investment."

"Do I feel like the programme providers, mentors, advisors and investors respect my personal wellbeing needs?"

"Have investors or the programme put unrealistic expectations on me in terms of deliverables?"

If you feel like answering "yes" to any of the above questions it might be useful to speak to someone else about your experience and potentially seek help from an independent party.

What unacceptable behaviour looks like

Unacceptable behaviour can come in many different forms. Some types of behaviour have legal ramifications, such as bullying, harassment, violence and aggression. These types of behaviours are summarised below. Further detail with examples can be found in Appendix A.

Bullying - Bullying is repeated and unreasonable behaviour directed towards a person or a group which creates a risk to safety and health. 'Unreasonable behaviour' means behaviour that a reasonable person, having considered the

circumstances, would see as unreasonable; behaviour that is victimising, humiliating, intimidating or threatening.

Harassment - Sexual, racial or other harassment that is one-off, repeated or continuous. Anyone can be harassed for any reason including gender, age or background. Harassment can create a hostile environment and impact a person's sense of safety. Harassment can take many forms including threats, abuse, insults and taunts resulting from discrimination.

Violence & Aggression -Violence and aggression covers a broad range of actions and behaviours that create a risk to safety and health. These are actions or behaviours that may physically or psychologically harm another person.

Violence and aggression can harm both the person it is directed at and anyone witnessing it. Physical assault or the threat of physical harm of any form is a criminal act.

Discrimination - The Human Rights Act 1993 protects people in New Zealand from discrimination in a number of areas. Discrimination occurs when a person is treated unfairly, or less favourably, than another person in the same or similar circumstances.

Appendix A includes examples of unacceptable behaviours in the ecosystem.

Raising concerns

We encourage you to raise a concern if you feel something isn't right, and recommend that you contact the provider first.

All providers in the startup ecosystem are encouraged to have a process for raising concerns, so that founders and their teams who experience any level of discomfort about behaviour have a forum to communicate their concerns and a process to follow.

We are currently working on a process to manage any potential concerns raised with our partners. More details to be released as the process unfolds.

Need to talk?

For immediate and free assistance from a trained counsellor: Call or text support service <u>1737</u> Call 800 LIFELINE (<u>0800 543 354</u>), Text HELP (<u>4357</u>) or Call Suicide Crisis Helpline 0508 TAUTOKO (<u>0508 828 865</u>)

Check out a list of helplines and other resources available via <u>Mental Health</u> <u>Foundation</u>.

Other assistance:

Arbitrators' and Mediators' Institute of NZ Inc https://www.aminz.org.nz/

Appendix A: Types of harm the Code of

Conduct seeks to prevent

The types of harm we are all looking to avoid and reduce through the Code of Conduct are behaviours which negatively impact those around us in our startup ecosystem.

If a suspected criminal act has been committed, the appropriate response is to contact the police.

What is Bullying

Bullying is repeated and unreasonable behaviour directed towards a person or a group which creates a risk to safety and health.

"Unreasonable behaviour" means behaviour that a reasonable person, having considered the circumstances, would see as unreasonable, like behaviour that is victimising, humiliating, intimidating or threatening

A few Examples

Comments or actions might include things like:

 abusive, insulting or offensive language or comments,

- aggressive and intimidating conduct,
- belittling or humiliating comments,
- victimisation,
- practical jokes or initiation,
- unjustified criticism or complaints,
- deliberate exclusion
- spreading misinformation or malicious rumours.

What is Harassment

Sexual, racial or other harassment can be one-off or repeated/ continuous.

Anyone can be harassed, including any gender, age or background. Harassment can create a hostile environment and impact a person's sense of safety.

harassment may take many forms including threats, abuse, insults and taunts based on a person's race.

A few Examples

Physical, verbal or visual conduct (which can be written or spoken) might include thinas like:

- material sent by email, SMS or put on a website, blog or on social
- networking,
 verbal abuse or derogatory comments.
- intrusive personal questions,
- offensive gestures,
- initiation ceremonies that involve unwelcome and unsafe behaviour.
- offensive comments or jokes, insults or taunts based on a person's gender, sexual orientation, race or other characteristic.
- repeated or inappropriate advances in-person and/or online.
- sending unwelcome pictures, content and messages of a sexual nature.
- unwelcome physical contact, including unwanted touching, hugging, cornering or kissing.
- actual or attempted rape or sexual assault.

What is Violence & Aggression

Violence and aggression covers a broad range of actions and behaviours that create a risk to safety and health. These are actions or behaviours that may physically or psychologically harm another person.

Violence and aggression can harm both the person it is directed at and anyone witnessing it.

Physical assault or the threat of physical harm of any form is a criminal act.

A few Examples

Abusive behaviour, including psychological, written or verbal assault.

Intimidating behaviour that might create a fear of violence, such as stalking or threatening to cause physical harm.

Any form of physical assault, which might include things like biting, spitting, scratching, hitting, kicking, punching, pushing, tripping, throwing objects.

What is Discrimination

The Human Rights Act 1993 protects people in New Zealand from discrimination in a number of areas.

Discrimination occurs when a person is treated unfairly, or less favourably, than another person in the same or similar circumstances.

Harrassment, bullying or violence could be due to discrimination on the grounds of:

- age
- race or ethnicity
- sexual orientation
- disability
- religious or ethical beliefs
- marital or family status
- employment status
- Difference of opinion
- Other