Building Social Capital Fundamental to Market Success

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Technology transition is rarely a linear path. Between concept and commercialization there is a virtual chasm, a disconnect between the world of research and the world of application. Many important and transformative ideas fall into this "tech valley of death" due to a simple lack of understanding on the part of the inventor of who to engage in their work, and how to go about connecting with them.

We call this concept **Social Capital**— it's the theory that success is contingent on maximizing the human capital, the people, organizations, and institutions, invested in your technology**.** Venture capital is critical to success - you can't get anywhere without funding - but the savviest entrepreneurs understand that the human capital invested in your idea is just as important. People are required to build curiosity and hope about what an innovation can achieve. In other words, you need to work with others to create a space for your technology within its context. Without that, it will fail - regardless of its quality or potential or its technical achievements. A light can't be lit without a plug allowing it to tap into the electrical currents that power it.

Building social capital means building a diverse coalition of champions and stakeholders who not only understand your technology, but also see its broader potential.

Four major reasons this is important are:

- Differentiation - getting new takes on your technologies draws you out of an echo chamber of sameness and amplifies their possible impact.
- Multiplying your opportunities - all too often ideas fail because communication and engagement is solely focused on your base.
- Providing reinforcement - there's no reason for you to forge the path alone.
- Diversifying your knowledge base - success requires much more than a good idea.
- Market knowledge, business growth, funding, influence, policy and advocacy capabilities… all of these things are critical components.

No matter what its mission, business is people driven. And yet, technology is often created in a vacuum. In other words, the research labs and testing facilities and incubators do not force the technology to interact with or account for the broader forces that drive innovation forward. That means that when the technology leaves the lab, perfected and proven and ready for market, there is often nowhere for it to land. It is like throwing a party before inviting your guests - the chances of your ideal partygoers being available and in the proper mindset are pretty slim if you call them five minutes before you intended them to arrive. Instead, you need to lay the

groundwork, send invitations, know your guests and what they enjoy, and execute accordingly. The same is true of technology transition.

When beginning to build your coalition, it is important to be open minded to ensure that you assemble a diverse network of advocates. Many people assume that there is an archetype of a champion for your cause, but the best ideas often develop from a diversity of perspectives. A variety of opinions, backgrounds, and perspectives forces you to think differently, outside of your comfort zone.

For example: in the healthcare industry, there is a growing trend for multidisciplinary teams to treat patient populations. Aging populations, combined with an increase in chronic diseases like diabetes, cancer, and heart disease mean that physicians often treat patients who have several complex conditions. In a teaming approach, physicians can leverage the expert knowledge of the entire team and obtain the best result for their patients.

By broadening your aperture and appetite for diversity, you can get a much more rounded solution to your challenge.

Additionally, the solution to your problem/best fit for your technology/connection you need to make, etc., may not be immediately obvious. It is very common for a first connection to not be very helpful – at least not in the way you expected. However, someone in that person's network may be useful. Or maybe the conversation exposed you to a new application of your technology. Or maybe you discovered a question or complication that you hadn't thought to address. The point is, each meeting is always worth it. You may even be referred to a chain of people before meeting the contact that puts everything into place.

In the case of social capital, the journey is as important as the destination. The best place to start is to identify your goals and then identify any and all gaps preventing you from achieving those goals. Are you faced with funding challenges? Is there a policy issue preventing you from being successful? Do you lack sufficient technical talent and expertise to significantly advance your technology? All these questions will help you begin to understand the types of people you need to be engaging to successfully transition your technology. Allowing the "what" to help you identify the "who" ensures you are making intentional choices and taking your next steps in a sensible sequence. Many companies make the mistake of jumping straight into the pool of potential customers before addressing their potential partners and advocates. Taking this intermediate step helps you not only build a customer base but makes it easier for the *right* customers to find you, which translates directly into the longevity of your product and brand. It is imperative to recognize that investments in your social capital can be just as important as investments in your venture capital because growth is about much more than sales. It's about the people you are selling to.

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H.S. Dracones is a consulting firm based in Washington, D.C. and Richmond, VA., that specializes in strategies to bridge the gap between government funded technology and the private sector. Through the creation of human centered business solutions, they help create and implement outreach and commercialization efforts for established companies and starts-ups.