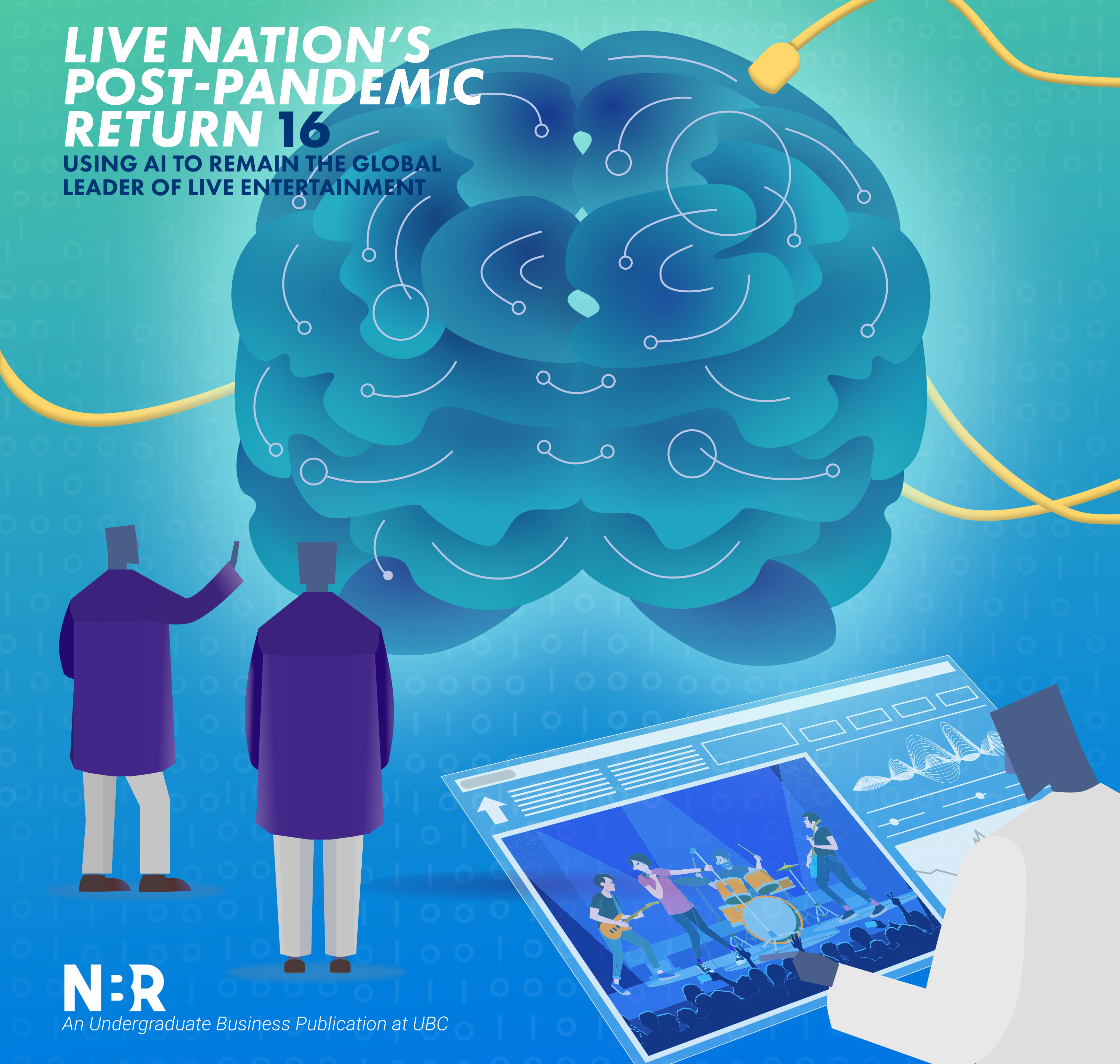
THE NEW BUSINESS REVIEW

SPRING 2021



NBR

An Undergraduate Business Publication at UBC

OUR TEAM

TEAM

Editor-in-Chief	**Saavin Lidder**
Corporate Relations Director	**Afkar Fazil**
Editorial Board	**Ivan Schmelke-Haagenson** **Sabrina Redies** **Sarah Vereschagin** **Vibhuti Wadwha** **Kevin Yang**
Research Team	**Angela Chen** **Medha Gautham** **Cole Hamilton** **Emma Hanna** **Saniya Joshi** **Keira Nguyen** **Diane Shen**
Art Director	**Victor Lee**
Art Team	**Samantha Chiang** **Sophia Funk** **Arina Gerasimova** **Sophia Huang** **Naomi Kim** **Millenia Kitikul** **Kelly Ye** **Anna Zhang** **Irene Zhang**

ABOUT

The New Business Review is an undergraduate business publication managed exclusively by students at the University of British Columbia. It was founded in 2020 with the mission to foster student thought leadership by providing a platform for tomorrow's business leaders to develop and discuss meaningful business insights. NBR publishes content in print and online twice a year; it is produced on the traditional, ancestral, and unceded territory of the Musqueam people. Each article is written specifically for the publication and is the result of months of rigorous collaboration between student writers, members of the Editorial Board, and select faculty members. Combined with the researchers and artists working in all aspects of content production, they form a thriving community of intellectually curious individuals at UBC.

SPECIAL THANKS TO

UBC Sauder Faculty Advisors

James Brander, *Strategy & Economics Division*
James Vercammen, *Strategy and Economics Division*
Karl Aquino, *Marketing & Behavioural Science Division*
Rajesh Vijayaraghavan, *Accounting & Information Systems Division*

Sponsorship & Support

Commerce Undergraduate Society, *Academic Portfolio*
Haaziq Karim, *NBR Advisory Board*

UBC Sauder Alumni Content Advisors

John Kim (BCOM '19), *Boston Consulting Group*
Kyla Lee (JD '11), *Acumen Law Corporation*

CONTENTS

SAAVIN LIDDER
Founder & Editor-in-Chief
The New Business Review

NOTE FROM THE EDITOR-IN-CHIEF

This past March marked an intense year of uncertainty and rapid transformation in nearly every aspect of our lives due to the COVID-19 pandemic. Yet, we have collectively demonstrated the values of resilience, solidarity, and fairness in the face of many national and international challenges. The prevalence and prioritization of such values within public policy and social consciousness goes to show that we might not want to simply return to our pre-Covid normal. Instead, we have an opportunity to rebuild our systems and structures in a way that embodies these critical values. It is a chance to build the world that we want to believe in.

The Covid era has made it clear that we have an obligation to innovate and build the future today. In hindsight, many great innovations were accomplished by digging into seemingly elementary ideas and blindspots. It is only by flipping paradigms — perhaps even simultaneously taking a contrarian approach — and being receptive to ideas that challenge standard assumptions that we can fuel such achievements. This philosophy also serves as a practical playbook; companies who win increasingly do so by embracing a culture of continuously creating new things instead of stewarding old success.

This past semester, in our third issue, the NBR team worked to rethink solutions to several challenges arising from the pandemic. In response to accelerated digitization, we present how Livenation can use AI and machine learning to win in the arena of live entertainment and how banks can reconfigure themselves for the modern retail consumer. The ingenuity of several UBC Alumni leading world class startups in Western Canada and the flourishing strengths of "alternative" startup ecosystems across Canada are highlighted in two articles. Finally, we outline how companies can authentically deploy Equity, Diversity, and Inclusion strategies and how such factors can improve the law school standardized testing market.

Special thanks are given to our UBC Sauder Faculty Advisors, Alumni Content Advisors, and partners such as the Commerce Undergraduate Society for their continued support of NBR. Lastly, I would like to thank you, the reader, for engaging with our content and events. Creating and supporting audacious ideas can be a lonely endeavour, so I hope this edition inspires you to not only challenge the status quo and common assumptions, but to champion new ideas instead of quickly dismissing them. The world would be better off for it.

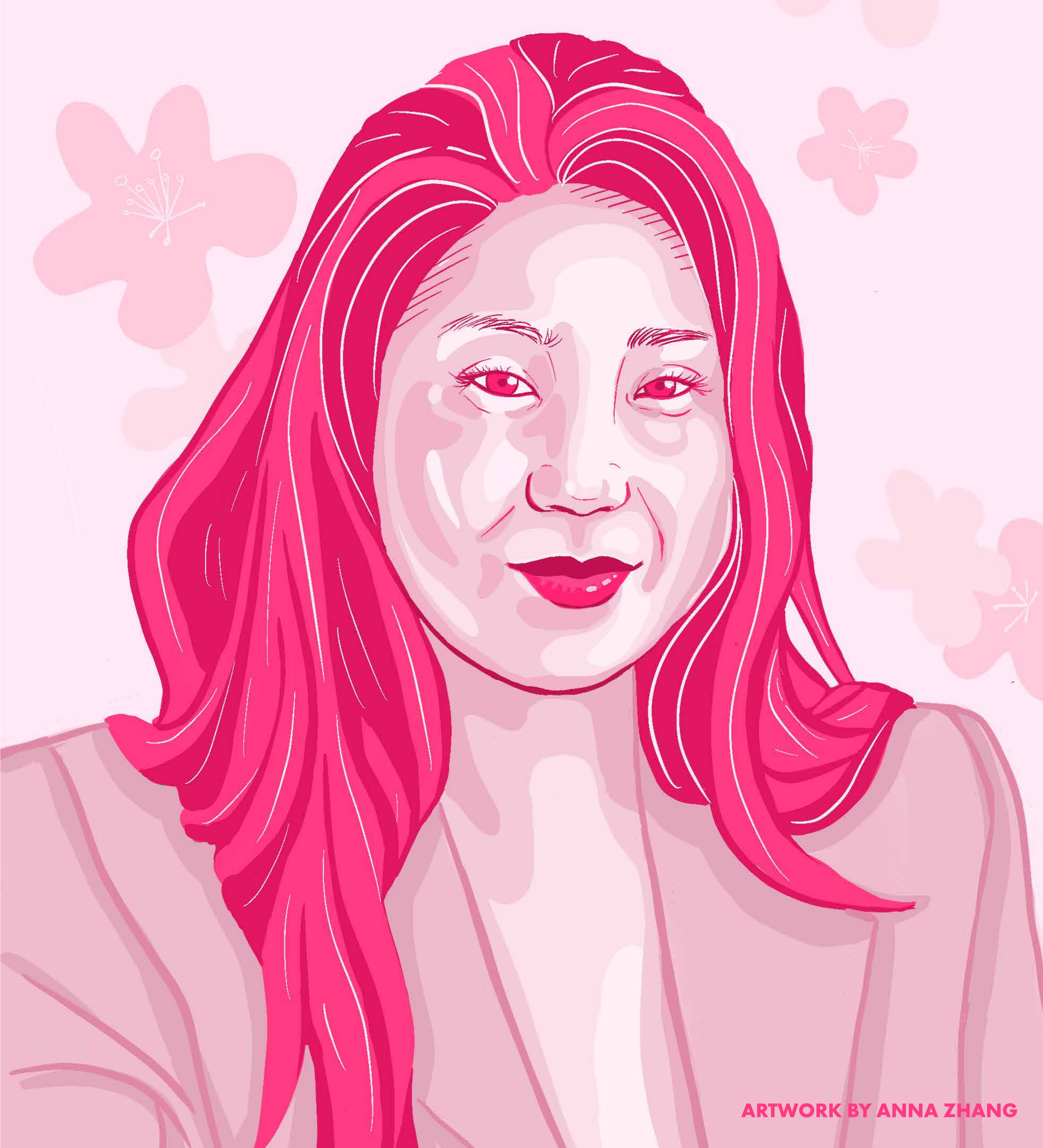
Sincerely,

Saavin Lidder
Founder, Editor-in-Chief

INTERVIEW WITH

SHIZU OKUSA

NBR sits down with the Founder of Apothékary



ARTWORK BY ANNA ZHANG

Upon graduating from UBC Sauder with a Bachelor of Commerce in 2010, Shizu Okusa began her career at Goldman Sachs as a Research Analyst and Head Trader in Bank Loan Distressed Investing. A proud alumnus of the UBC Portfolio Management Foundation, Shizu currently serves on the program's Board. Wanting to expand her experience outside of finance in the U.S., she moved to Maputo, Mozambique, to work as an Investment Advisory Consultant helping entrepreneurs and smallholder farmers raise capital for their projects. Before returning to the U.S. as one of the first associates for the private equity arm of the World Bank, she completed her 500-hour yoga teacher training certification in Bali.

It was while working for the World Bank in Washington D.C. that the idea for Jrink, her first venture, was born. Jrink was the city's first subscription cold-pressed juice and healthy meals business. Seven years later, she had bootstrapped, scaled, and fundraised the business to a multimillion-dollar valuation. She sold Jrink in 2019 and set her sights on her next venture: Apothékary, an online herbal wellness company that offers 100% natural, sustainable, and ethically-sourced alternatives to synthetic drugs and beauty products.

Before we start, we would love to "get to know you" a bit better. Could you give us your backstory? Could you tell us about your journey from being part of the UBC Portfolio Management Foundation to working in finance in different settings and eventually starting your first business?

Sure! My name is Shizu like she-went-to-the-zoo and I was born and raised in Vancouver, British Columbia. While I was at Sauder I was part of the PMF program and I'm currently on the task force that is working to hire a new PMF supervisor. I got so much from the program, including friends, community, my old boss, and a really strong framework that helps me think not only about investing but also how to couple logic with creativity. I was one of only a handful of students in the program that didn't choose the investment banking path directly after graduating. My sister was in investment banking, which helped me realize that I didn't want to work the hours. I would rather wake up early, so I began my first job on the trading floor at Goldman Sachs in New York.

I then worked at the World Bank, but took a break between that and Goldman by spending a year working in Mozambique on a banana plantation, which was really fun. It was sort of a year long break to reassess and figure out who I was as a person, what I wanted to do, what made me happy, what my "eulogy virtues" versus my "resume virtues" were, and how I could create a life that blended the eulogy and resume stuff. In Japanese the word that refers to this is ikigai. Most people choose one or the other, doing the eulogy stuff on the weekends, after hours by volunteering, or by donating. I felt like I was wasting my time doing one or the other when they should be at the same time. I just wanted to do everything at the same time. I want to live life, I want to build, and I want to create. I was deeply curious about the intersection of wellness, spirituality, and business — how does one do well, and do good, sustainably?

Aligning my career with the eulogy stuff is what I was wrestling with during that year of living abroad. I was trying to figure out what my path forward was, or as the Buddhists say, what is my Dharma? This is going to sound morbid, but we're all going to die. It's just a fact, and maybe we don't like talking about it because we don't have a good outlet to talk about it in a healthy way. I think if we talked about death in a more healthy way we would actually be less concerned or less fearful of what our parents think and about all the things that we fail to accomplish in our own lives. Thinking about my death was an exercise that was quite healthy for me in terms of looking at all the things I wanted to do before that. Death as a precursor to living your best life — that would make a great subject line.

So once I returned to the U.S., I worked at the World Bank and shortly after started my first company called Jrink. I ran that for eight years. Ultimately it sold and got acquired in 2019 and then I finished my earn out or the transition period throughout the pandemic, which was really fun. I'm joking - it was not so fun. It was really intense. Luckily none of the valuation, the numbers, or documents had changed, so the payout was all the same. I was able to invest all of the money that I got from Jrink's sale over to Apothékary. A lot of our investors with Jrink also came along with me to Apothékary if and when I wanted to raise capital from certain investors. So now I'm on my second business. It's been about a year and a half and we now have an amazing team of people behind it. I spend most of my time on top of funnel brand awareness and making sure that we have a product roadmap over the next 12 to 24 months.

I'm much more open and comfortable talking about an exit timeline now than with my first company. Talking about exiting used to have a slight feeling of guilt around it. I think I now am much more clear about what kind of entrepreneur I am. I think there are three types of entrepreneurs: the creator, the builder, and the founder. I'm much more of the creator type. I'm good at ending, but I'm not very good at the slow burning or building stage. I just love to create. I love to inspire. I love to get into the market, quickly test and iterate, raise capital and sell. I want to build a great team to do the building part. So I focus most of my skill set on areas that I think I'm good at so that I don't waste people's time and I don't waste my energy. I focus on our team, product, and R&D. I'm already thinking about my third company.

How did your Japanese heritage inspire your latest venture, Apothékary?

Apothékary is a plant-based farmacy offering natural alternatives to synthetic drugs and beauty products. I think Apothékary was always inside of me, probably even before Jrink, mainly because it was an area of my life that I grew up with. Whenever I was sick or even just feeling tired, my very traditional Japanese mother would give me black and oozy drinks that were broths containing old age herbs and mushrooms. I had grown up with all these icky powders, mushrooms, and dried things that didn't taste great and were very strong. At Apothékary, we're trying to provide a more digital and modern experience to the world of signature blends and food science.

While juices made from fruits and vegetables can nourish you, there isn't an area where juices can necessarily help heal you in areas of stress, skin, anxiety, and sleep. These are things we may not see visually but are incredibly important, so Apothékary is more of a natural pharmacy in providing solutions to those ailments and less like a food product. What I find exciting about Apothékary is that it sits at the intersection between food and consumer product goods (CPGs). Food is more of a daily ritual or a daily product that you consume. Comparatively, CPG has much higher velocity and volume because your market size is much bigger. Plus you get the extra bonus of being in the industries of both health care and beauty. From the perspective of a business model, with healthcare you can justify higher margins because you have a level of medicinal research and investment that needs to be done on the education side. On the beauty side, you can again justify higher margins because you're offering an aspirational lifestyle and everyday ritual. From a business standpoint, I think I put a lot of thought and emphasis onto all the things that were wrong with Jrink to make sure that Apothékary could accomplish things differently by sitting at this intersection.

Apothékary and Jrink both have brick-and-mortar locations in Washington, D.C. What has it been like selling your products through digital channels?

Jrink started out digitally and moved into retail afterwards because we realized that the business fundamentals for a drink business warranted a storefront. The main factor was the shelf life of the product and that people don't want to buy food unless they've tried it before.

But when COVID-19 hit, it forced people to buy food without trying it. Apothékary was originally a store before it went digital as well. Even though COVID-19 has accelerated digital adoption I think there's still a lot of opportunity in retail right now. If you're launching a CPG business, it's actually very helpful to know your customer before you launch digitally. This way you have a good sense for the questions that people are asking about your product. What are your best sellers? How are people navigating your store or do they take a product quiz? What is the user experience in person and how do we replicate that online?

What lessons did you carry over from Jrink to Apothékary?

There were three main things from my first business that I carried over to Apothékary. The first one is how to make quicker decisions. I can do this now because I've had the experience doing it at Jrink. I know now not to mull on certain things much longer than I need to or second guess myself, something I did a lot in my first business. Now, I try to decide quicker and not go back. Jeff Bezos would call this one-way door decision making. The second one is how to hire. As a first time founder, you've never been a bookkeeper, operations manager, or store manager so it's hard to know what to look for, but I know now. The third one is I now know how to fire people faster because I have experienced when things don't work out, why they don't work out, and the warning signs well in advance.

So I don't put as much emotion or intensive thinking into some things because as a founder, you just don't have time. Time is literally my everything, and if I'm spending my time and energy mulling on something that I just know deep down is the right choice, it's just time to lock it in. It's important to make decisions respectfully, but also quickly. So those are the main three things that I've learned from the first company.

There are weaknesses that come from a second or third time founder too, and it probably gets worse and worse over time. There are two main problems. The first is that I don't have a lot of patience and the second one is blindspots. That's why it's so important that you have a really great team that is not afraid to call you out, because my blind spots can be really big if I'm moving at the speed that I am and if I don't have a great team. Blind spots can be bad for me personally and the company. So the respectfulness, transparency, and openness to call each other out and say maybe we're moving too fast here, have we considered this, or how about this etc is super valuable. It's also on me to hire the best people who are able to do that for me.

What are two mantras that have helped you stay grounded as you navigate the life of being a busy founder?

The first one would be my knowledge of the first and second arrow. What that means is essentially we have two arrows that we can shoot when we are going through a hard time. The first arrow is shot outwards towards someone sometimes in the form of confrontation. It tends to be when we're stressed, angry, disappointed, or something externally driven has happened. The second arrow usually comes eight hours later. I'm in bed and I really regret what I said to someone. I come to them the next day, guilty and shameful for what I said. But I don't say anything, I just mull on it for myself and let it simmer. So then I feel really shameful for the next week. That's the second arrow. You've shot it at yourself, which is very unproductive because no one else is thinking about it. The other person doesn't know what I'm thinking. They just think I'm a horrible person for shooting the first arrow when a more productive way to shoot that arrow is to probably not shoot it at all. It's better to go back and apologize. Shooting the arrow is irrational and emotionally stressful. Have a conversation instead. It is transparent, constructive, and respectful. This analogy has always been really helpful for me to use whenever I feel shameful or guilty because it helps me recognize what to do to channel that into productive energy instead.

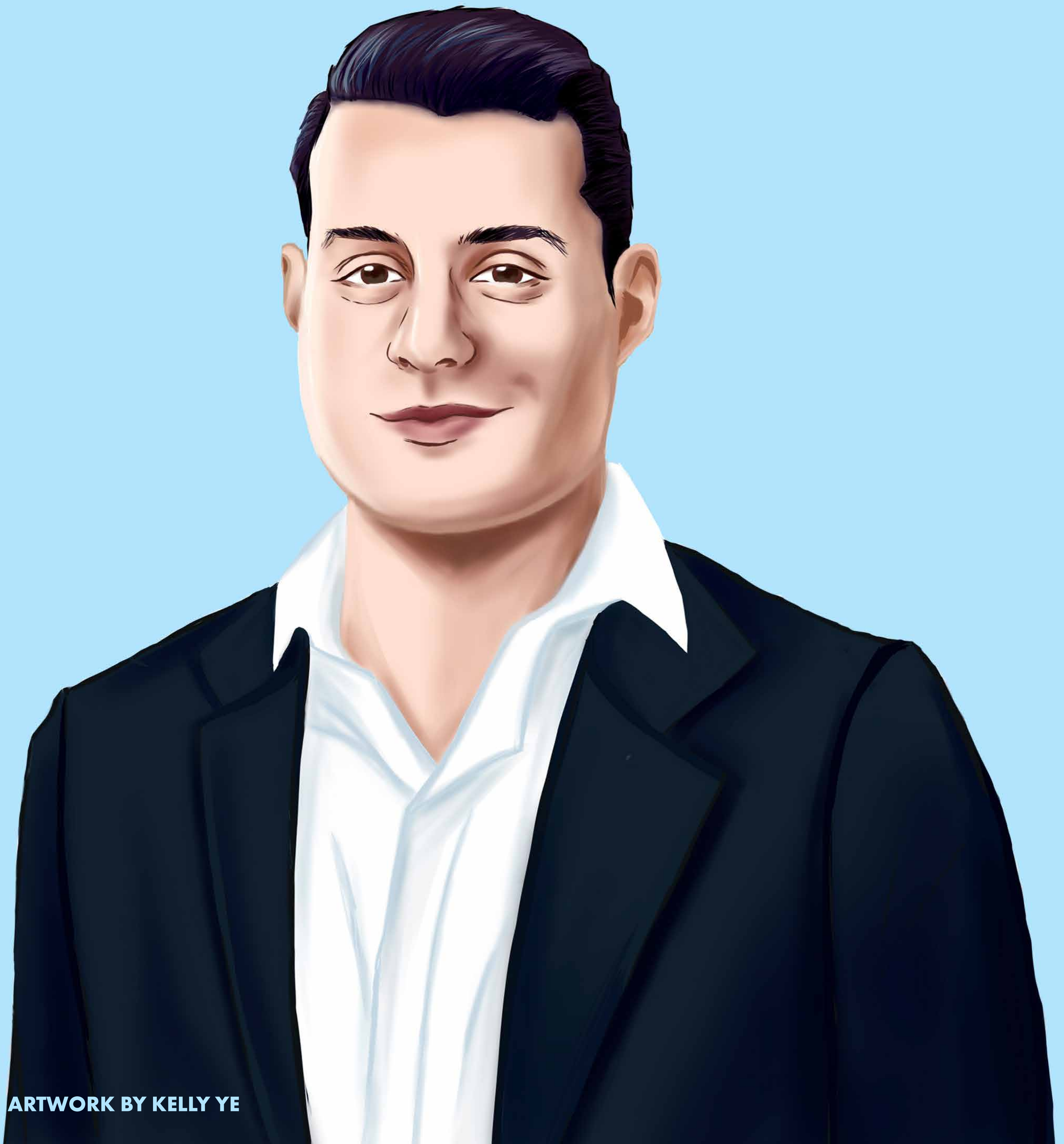
My second favourite "life lesson quote" is that in general, life happens for you, not to you. I recently had a great opportunity to film for Shark Tank. Unfortunately, we did not get to air. I think for the rest of my life, I will probably always see something about Shark Tank and wish it could have worked out. But, I think that whenever you are aiming for something, there are three possible answers. There's a "yes," a "maybe not now but later," and a "next time." We didn't get Shark Tank this time but maybe it will come later or there will be something better in the future. I think we have to operate that way as a founder, otherwise, there are so many moments in any given day or week that you could throw your hands up in frustration in response to and not want to keep going. Things are just too hard to not have this mindset.

That's the thing about being a founder. It exponentially increases your self-awareness as a human being, something you're not necessarily asked to do in a regular job. You have to push yourself with so much on the line (your money, your job, other people's jobs, and your reputation). There's this ongoing pressure that we put on ourselves that makes it easy for the valve to burst one day. So it's incredibly important to use our self awareness. Self-awareness means absolutely nothing if we don't accept it.

INTERVIEW WITH

GEORGE PSIHARIS

NBR sits down with the COO of Clio



ARTWORK BY KELLY YE

George Psiharis graduated from UBC with an MBA in 2009 after previously completing an undergraduate degree there in Political Science and History. Upon graduating, he immediately began his career at Clio, joining the now legendary company in its earliest days. Clio is the leader in cloud-based legal practice management and client intake software. This year, Clio was selected to Fast Company's prestigious list of the Most Innovative Companies for broadening access to justice amidst the COVID-19 pandemic, and was named Third on Elpha's Top 10 Workplaces for Women. Most recently, it announced a new valuation of USD $1.6 billion after raising US $110M in its Series E. This valuation is a historic moment in the growth of legal technology, with Clio becoming the first legal practice management unicorn globally and one of six Canadian unicorns.

George oversaw Business Development, Partnership, and Business Operations before finally becoming Chief Operating Officer, playing an instrumental role throughout Clio's 11 year journey. He had a front-row seat in witnessing the massive technological and cultural changes in the legal industry over the past decade — most of which have only been accelerated by COVID-19. In 2020, George began using the unique perspective he had gained at Clio to serve as an Industry Advisor to an Access to Justice B.C. Working Group on Transforming the Family Justice System.

How did you get involved with Clio?

During my undergraduate years at UBC, I initially thought I wanted to become a lawyer. But after completing my undergrad, I had a change of heart and realized I had a calling for business. I wanted to stay in Vancouver and I was determined to invest in a skill set that would be transferable to a variety of areas. So I decided to do my MBA in a part-time program at UBC Sauder. While I was there, I met Rian Gavreau. We started working together because we had been assigned to the same project group, but we quickly became friends and began working together by choice and connecting outside of coursework.

We were both passionate about startups and starting new enterprises. It got to the point that we had thought up dozens of ideas for new ventures together, most of which were awful, frankly. Looking back I'm glad that we didn't decide to pursue any of them too deeply While we were doing this, Rian began working on a project that ultimately became Clio. The inspiration for Clio came from his time as an IT leader at Gowlings, one of Canada's largest law firms. Rian went on to co-found Clio with his childhood friend and Clio CEO Jack Newton. I stayed in touch throughout this time and got formally involved in Clio shortly thereafter. I was our first go-to-market hire so to speak; this was before we had anyone in sales, marketing, business development or anything, really, so I joined the team when we were a very small and scrappy team.

Now that you have been at Clio and in the legal tech space for so long, what excites you the most about it? What do you find most meaningful about working in legal tech?

I think legal tech is just an incredible space. One of the most exciting things about it is simply the importance of it in our lives, and by working in legal tech we get to support practitioners who drive profound impact in our societiesAccording to the World Justice Project, 77% of legal problems don't receive legal assistance; there's a multitude of factors that contribute to this and we try to tackle as many of those as we can. One particular place we can drive impact is providing technology solutions that make it easier for law firms and the clients they serve to connect, interact and communicate - making it easier from the client's perspective and lessening time spent on non-client facing work for lawyers.

Yet, there's still so much opportunity for transformation outside of that, such as designing a more inclusive and accessible legal system and judicial system. Because of the enormous opportunity and challenge, I've never lost my passion for working in legal tech. Despite being in the space for 10 years, I feel like we're still just scratching the surface in terms of the impact we at Clio can have on our customers (lawyers) and their clients.

I've also become more passionate in the process of connecting with individuals in the legal community. This led me to get curious and inspired about volunteering to support access to justice initiatives. That's how I got involved in an advisory role for Access to Justice B.C. and their Family Justice Collaborative. The goal is to transform the family justice system in B.C. by focusing on achieving family well-being and preventing adverse childhood experiences. I'm honoured to be a part of this initiative alongside my role as COO at Clio.

What role do you think Clio has played in Vancouver and Canada's tech and legal industries?

When Clio was first trying to secure earlier stages of investment, we had many interested investors who were passionate about the business and our mission. However, like many Canadian founded startups years ago, many were insistent that we relocate to a technology hub, with the most popular recommendations being San Francisco. However, we decided to stay in Canada.

Contrary to much of the guidance we were getting at the time, we believed that we could build a large, successful technology company and that we could broaden horizons by recruiting out of all of Western Canada to get technical talent in particular but also many other roles. In our case, this meant recruiting mostly from Alberta and British Columbia among many other places. I hope that in making that decision and finding a way to build, grow, and scale an amazing team in Canada, we inspired others, at least to the point that would create space for others to make the case that they could do it as well. We've been thrilled to see companies that preceded us do the same and many other companies come along afterward. If we served as any kind of inspiration or even a proof point for the latter, that would be really cool to hear, especially within the Vancouver ecosystem.

Why do you think Vancouver is poised to be a Canadian tech hub?

First, we have a great talent pool to recruit from. This group is only growing, especially with Vancouver being an internationally desirable location to live and work. Second, we have access to great support, such as industry groups and government funds or grants.
It's never been as good a time as it is now to build a startup in Vancouver. I think we've also started to see momentum around the ecosystem, where we have fresh but seasoned leaders who've built enterprises and can provide insight

and advice. This group seems to become more and more world class every year.

What are some areas that Vancouver or Canada's innovation economy still need to develop in order to compete against other traditional tech epicenters like the Silicon Valley?

One place where we've seen great progress but I think could afford to see more is within the investment ecosystem, specifically in terms of appetite for risk. At Clio, we've worked with a lot of U.S based investors, not out of a preset preference for doing that, but largely because we tend to see the level of experience and guidance but also tolerance for risk, aggressive investments in growth and with along with both of those factors recognition through competitive valuations. It's an area where there is tons of opportunity to improve within Canada, but it likely comes as the ecosystem matures more so I think it should come along nicely and it already seems to have in some areas.

This year Clio was recognized by Fast Company on their prestigious list of Most Innovative companies for its efforts to increase access to justice during the COVID-19 pandemic. Around the same time, Clio had just updated its mission statement. What does this all mean for Clio going forward?

We were recognized for our commitment to corporate social responsibility and being innovative, but for also being a mission-driven company. So it's fitting that we also recently announced our new mission statement. Our new mission is to transform the legal experience for all. For context, our old one was to "transform the legal experience for good", with a double meaning on the "good" to emphasize that we wanted to transform it for the better and to do so permanently.

We changed our mission statement to reflect that we have an opportunity to make legal more inclusive, for all. It's not just about helping legal practitioners, which is very important, but it's also about making legal services more seamless and accessible to members of the public looking to connect with lawyers. It's up to the legal professionals to do great work, but it's up to us to create the technologies that make it easier and a better experience for legal professionals to do that. In turn, this empowers them to deliver a better experience to their clients.

What's your personal philosophy of success?

It's a tough question to answer, but I'm a huge fan of a growth versus fixed mindset. Carol Dweck writes about how if we can avoid a fixed mindset and are constantly learning, growing and staying curious, regardless of what the challenges are or who the individual is, they can always be at their best. I think that's a big part of success and it's something I prescribe to. I'm also a fan of Simon Sinek's work on the "infinite game". It's a mindset shift to encourage business leaders to not just think about their organization winning at a finite game, but to instead position it to grow and perform infinitely, ultimately building an entity that outlasts individual careers.

What is your advice for students who are thinking about tech entrepreneurship and having a meaningful impact?

I would encourage students to make sure that they have thorough plurality on the horizon. Essentially, possess cross-functional capability. When we go through our academic disciplines, we tend to be in diverse groups. But we can also get a bit siloed into our disciplines, like business, engineering, or computer science. Being cross-functional — meaning you work across different disciplines — is a really unique opportunity. Looking back on my early days at Clio, I got cross functional very early on, which exposed me to so much, making me curious about different areas and ultimately helping me approach problems better. I think that's the name of the game in technology, so I would encourage undergrads interested in the space to consider all the different disciplines to learn about. Especially for business students, connect with folks outside of your discipline because they might help connect you with opportunities that you can bring your business skill set to that you otherwise might not have encountered.

What is the biggest lesson you've learned at Clio?

The biggest learning lesson for me is to stay authentically mission-oriented. At Clio we talk a lot about our first value of customer success always coming first. I do think that it takes intentional effort to be that way, stay committed to those principles and to not let them slip over a longer journey. Doing those things well connects back to the infinite game mindset. Staying committed to your principles and your cultural values is super important.

WESTERN CANADIAN STARTUPS INNOVATING FOR SOCIAL GOOD

Social Impact in Canada

In 2019, Thomson Reuters Foundation and Deutsche Bank's global survey saw Canada named as the best country to grow businesses seeking to tackle social problems. Canada claimed the top spot in three of the survey's six assessment categories: ease of access to investment (debt and or equity), ability for social entrepreneurs to make a living from their work, and for momentum of social entrepreneurship. In Ontario, for example, The Social Venture ConneXion (The SVX), an impact-first platform led by MaRS and the TMX group, connects social enterprises with impact funds and investors. Naturally, with more funding opportunities it becomes easier for socially driven business leaders to make a living. Perhaps most importantly, however, is the momentum fuelled by government support, a highly skilled labour force, and socially conscious talent in post-secondary institutions and research centres.

British Columbia has helped drive momentum from all fronts. It was the first province to champion the idea of social enterprise and government support for it. Further, UBC Sauder's Centre for Social Innovation and Impact Investing and UBC's Social Impact Fund have allowed students and members of the UBC community to take action towards social impact goals. Last semester, NBR established its official blog Pitch Deck to explore Western Canada's startup ecosystem; this semester we hope to highlight the leading social impact players within it.

As of this semester, Pitch Deck features profiles of UBC Alumni leading socially innovative startups based in Vancouver, that like the first batch of individuals interviewed, are similar or related. NBR was grateful to interview: Dr. Zac Hudson, Chief Scientific Officer at NEXE Innovations, Aaron Friedland, CEO and Co-Founder of Simbi, Madison Guy, Founder of GrantMe, and Praveen Varshney, Director at Varshney Capital Corp. Together and on their own, they have helped redefine the role of business in Canada.

NEXE Innovations: Rethinking What's Possible

Dr. Zac Hudson, Chief Scientific Officer at NEXE Innovations

Dr. Zac Hudson is a UBC Professor in Chemistry and Canada Research Chair in Sustainable Chemistry. His research specializes in polymer chemistry, with applications in developing compostable plastics for consumer products and energy-efficient displays for cell phones and television screens. Zac has always been a strong advocate for chemistry's power to make the world more sustainable, whether it's through clean energy, efficient electronics, or renewable bioplastics. That's why he jumped on the opportunity to join NEXE Innovations as its Chief Scientific Officer, spending the last three years developing a fully compostable coffee pod that is compatible with leading coffee machines. The NEXE pod composts completely in as little as 35 days, while single-use coffee pods made from traditional plastic can sit in landfills for hundreds or thousands of years. Every year, 40 billion single-use pods are dumped into landfills. When lined up end to end, this figure would wrap around the earth 11 times.

Zac persisted in developing several prototype pods before finally settling on the final specially engineered components: an outer fibre jacket made from bamboo that both looks and feels like plant fibre, and a bioplastic inner capsule designed to break down into carbon dioxide, water, and organic biomass — leaving no microplastic behind. Multiple iterations were necessary to overcome the challenges of developing a pod suitable for mass manufacture that also met consumer preferences. Coffee drinkers are sensitive to packaging that alters the taste of coffee, and this has been a historical barrier to the adoption of compostable pods. NEXE has launched its in-house coffee label, XOMA Superfoods, and sold it direct-to-consumer, which should help accelerate consumer (and corporate) adoption of the new pods. Hopefully, bioplastic material will dominate the global coffee pod market, which is forecasted to reach USD $29.2 billion by 2025.

Zac's work demonstrates the power of social innovation; when purchasing products, consumers should not have to choose between products that achieve Environmental, Social, and Governance (ESG) goals and products that perform well. The two qualities are no longer mutually exclusive. Already, we are seeing signs that companies that fail to take responsibility for the social impact of their products and place the onus on consumers to be creative in dealing with an unsustainable product are at a competitive disadvantage. Zac encourages aspiring scientists and business students alike to collaborate to reimagine a more sustainable future.

Simbi: Reading for Impact

Aaron Friedland, Founder & CEO at Simbi

Like Zac, Aaron Friedland, Co-Founder of Simbi, found his way into entrepreneurship via an academic background. Aaron worked on his Master's thesis in rural Uganda, examining the positive influence that concurrent reading and listening to an audio narration of the same text had on one's fluency — the same approach that taught Aaron, a student with dyslexia, to read. When Aaron decided to execute on his findings and create a prototype for the technology he was using to run his initial research, Simbi was born.

Simbi is an eReading platform with the mission to cultivate a lifelong passion for reading at a young age. Currently, the platform engages over 130,000 learners across 66 countries through its proprietary technology and global library of books. With Simbi, a student in Vancouver can record their narration of a book that is then played back by a student anywhere in the world to help them learn how to read (or vice versa!). Simbi's process has helped students double their reading fluency in just three months while simultaneously empowering them to contribute to a global community built on improving literacy. Readers can track their fluency progress as they read books out loud, and see the extent of their progress with weekly progress reports detailing the number of individuals across the world who have benefited from their narrations.

Recently, Simbi has entered an exciting phase of growth as the need for engaging online learning platforms has become increasingly prevalent. Last year, Simbi signed an agreement with the United Nations to bring their product to an additional 1.3 million learners in refugee settlements across the world. Both Vancouver's startup ecosystem and global literacy rates are elevated by

Simbi's innovation and purpose-driven mission.

GrantMe: Empowering Students' Financial Futures

Madison Guy, Founder at GrantMe

Similarly, Madison Guy found herself leading an edtech platform informed by her experiences as a student, while still a student at UBC Sauder. After her final season as the Team Captain of the UBC Women's Soccer Team in 2016, she started to build GrantMe: an edtech platform that aims to increase scholarship accessibility for students, ultimately increasing access to education. GrantMe was inspired by her experience of applying to external scholarships; although the scholarship she received to play on the soccer team was substantial, it did not cover rising textbook prices and rent in Vancouver. During the process of applying, she discovered that the average student in Canada graduates with $26,000 in student debt, while $10 million worth of scholarships go unclaimed annually. Despite the abundance of financial aid, a lack of transparency made finding and applying for scholarships a significant investment of time — something that not all students have the luxury to spend.

This motivated her to bridge the gap between the millions of dollars worth of unclaimed scholarships and the hardworking students she knew could benefit from increased clarity and access to them. GrantMe has helped students win over $4 million in scholarships by matching students to scholarship opportunities, organizing applications, and creating application templates. By increasing accessibility to scholarships and coaching students in the application process, GrantMe empowers all students, especially those from low-income families and marginalized groups, to attain higher education. Madison's powerful work has helped equalize access to education in Canada, earning her recognition on B.C. Business' and Forbes' 30 Under 30 lists.

Varshney Capital: Creating and Supporting Innovation

Praveen Varshney, Director at Varshney Capital

When Praveen Varshney read about Madison Guy's story of founding GrantMe in a magazine, it instantly resonated. He recognized the impact of her idea and immediately sent her an email offering to help in any way that he could. This speaks to Praveen's character and philosophy of life. As a Director at Varshney Capital, a leading Merchant Banking and Venture Capital firm in Vancouver, he believes one of his greatest value-adds to the entrepreneurs he supports is his ability to form strong teams of people to build a startup that can accomplish its mission. He does so by leveraging the extensive network he has cultivated over the years by thoughtfully investing in his relationships and genuinely seeking to support others. It has made him one of the most revered and active angel investors in B.C.

Today, Praveen is a proud Advisor of GrantMe because of Madison's strength as a founder and GrantMe's social impact. On Praveen's path from accountant to serial entrepreneur to esteemed angel investor, he developed many important values that have led to his success and that he looks for in founders. At the top of his list is integrity. Acting with integrity, he notes, creates leaders who act according to principle and not simply as a result of what a situation provokes. This is a value that makes entrepreneurs more adaptable and ultimately makes them coachable.
Early into his investing days, Praveen recognized the growing importance of socially driven enter-

prises. Today within Vancouver, few individuals have made as much of a social impact through business or daily life as Praveen and Varshney Capital Corp. In 2000, Varshney played a huge role in Victoria-based Carmanah Technologies becoming the largest solar-powered LED lighting company in Canada. Praveen recounted that this venture was life-changing since it was the first time he had positively affected the planet and given value to his shareholders concurrently. That awakening helped shape the Varshney Capital portfolio; it now holds several social enterprises such as Little Kitchen Academy, a franchise of cooking schools for kids, and NEXE Innovations.

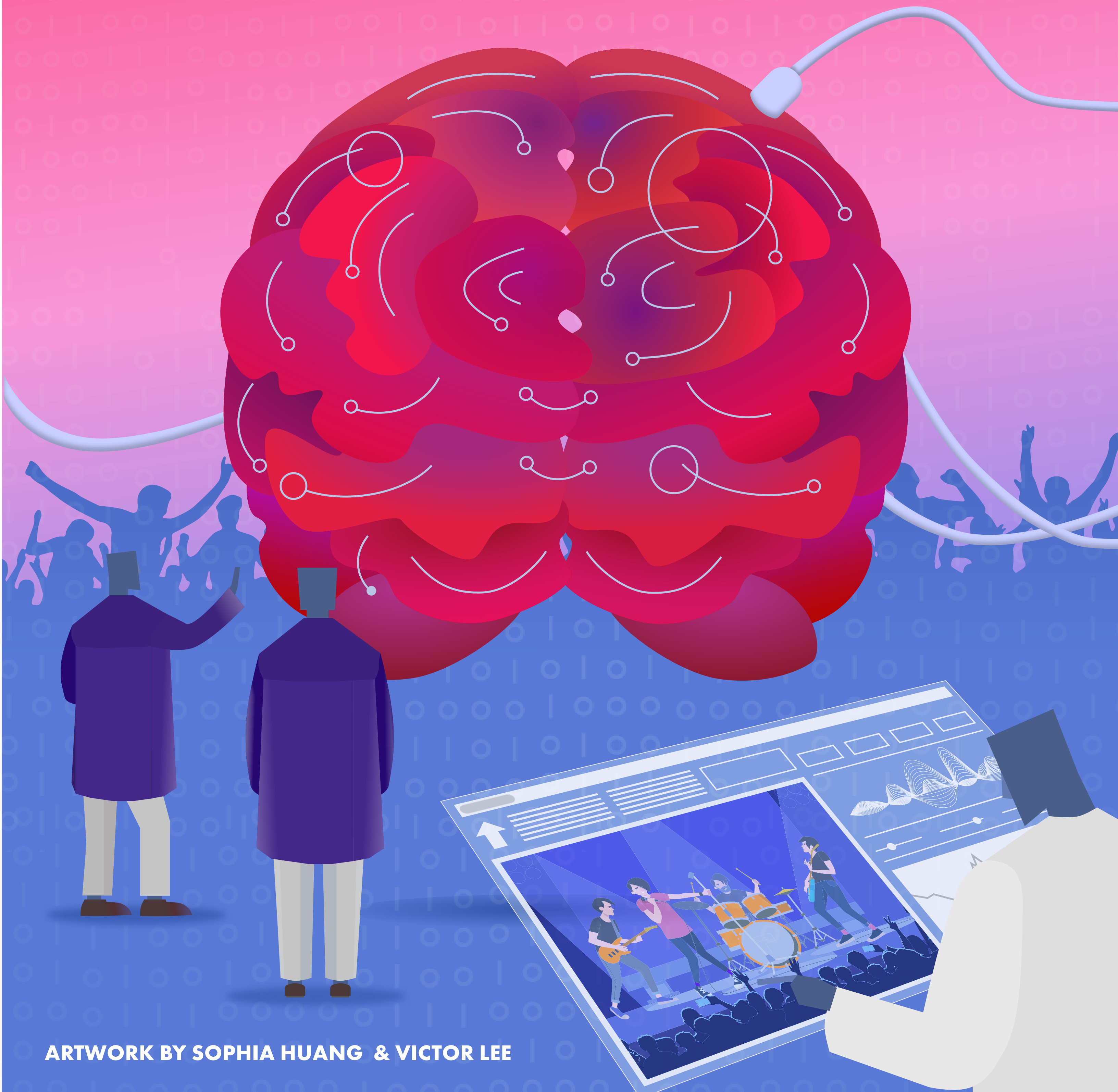
Varshney Capital has built a portfolio with unique breadth: cryptocurrencies, resource exploration, compostable single-serve coffee pods and more. Praveen admitted that he is no expert on each and every business sector. However, his experience of building companies has given him the foresight to invest successfully in unknown industries by leveraging three main pieces of criteria: strong financial control, qualitative factors (such as the founder's vision), and recognizing market timing.

The Evolved Role of Business in Society

Market timing for social enterprises could not be stronger, with 86% of millennials thinking that business success should be attributed to the extent of its service to society at large, not just profit generation. It is clear that Michael Porter and Mark Kramer's ideas of Creating Shared Value' and Stakeholder Capitalism, "the notion that a firm focuses on meeting the needs of all its stakeholders: customers, employees, partners, the community, and society as a whole," will be of increasing importance in our currently polarized global economy. NEXE, Simbi, GrantMe and Varshney Capital have exemplified that success on the local and global stage is derived by keeping these ideas central to a business model or purpose. Further, they have highlighted that this success is driven by demand for social innovation from investors and consumers alike. We hope to see more businesses solve problems by having social impact philosophies truly synonymous with business operations, not simply a project on the sidelines.

SHOWSTOPPER: LIVE NATION'S AI-DRIVEN RETURN TO POST-PANDEMIC NORMALCY

IVAN SCHMELKE-HAAGENSON



ARTWORK BY SOPHIA HUANG & VICTOR LEE

Pre-Pandemic Momentum

2019 represented Live Nation Entertainment's ninth consecutive year of growth. Its core business of concert attendance reached a high of 98 million fans globally, highlighting a 19% increase in operating income. Live Nation, whose vision is "to maximize the live concert experience," has built a global empire that rests on live music and events. It directly manages over 40,000 concerts per year which drive 82% of their revenue and are the core of their flywheel business model. Live Nation's market presence was strengthened by vertical integration, notably through ticketing platform Ticketmaster, an artist management label called Artist Nation, and a growing sponsorship and advertisement presence.

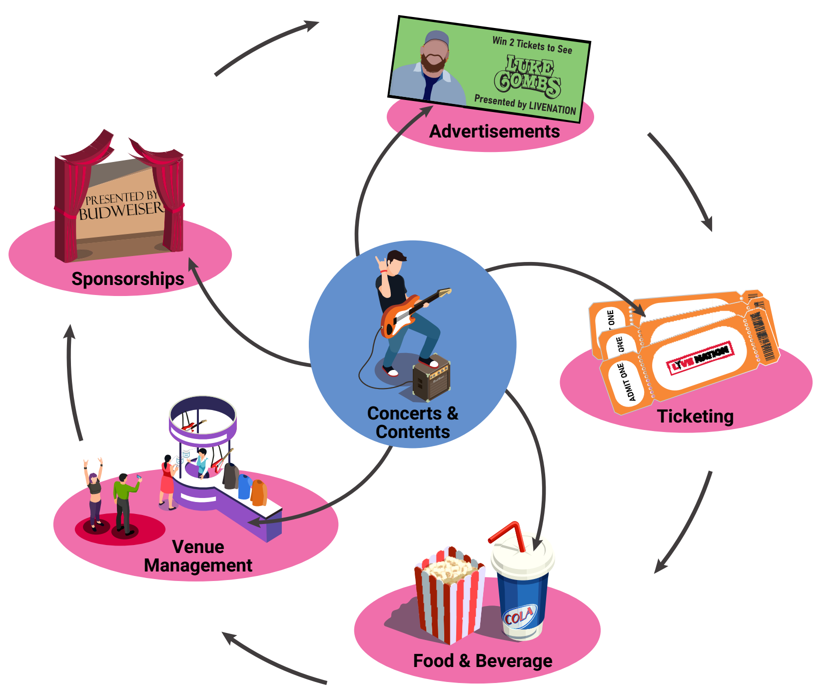
As the company headed into 2020, the signs of continued success were evident as of mid-February: it saw a 10% year-over-year increase in tickets sold and the confirmed number of concerts was up 30%. Its stock price, under the ticker (NYSE: LYV), was trading at an all-time high as it was on its way to bolstering its position as the global leader of entertainment.

Live Nation's Digital Evolution

Being amongst the first industries to close and last to open as a result of COVID-19, Live Nation has worked tirelessly to consolidate resources and maintain strong cash disciplines. It implemented a $600 million cost reduction effort which resulted in furloughing over 20% of staff as it planned for the return of live events.

To ensure the continuance of live events, Live Nation has pivoted towards streaming, underscored by their acquisition of Veeps, a ticketed live stream platform. Noted by CEO Michael Rapino as "a great complement to their core business," live streaming has ensured that fans remain connected and engaged with their favourite artists throughout the pandemic. Live streaming gives Live Nation a unique opportunity to promote concerts that effectively have no capacity limit. In June 2020, a Bangtan Boys (BTS) live stream saw over 756,000 concurrent viewers, allowing Live Nation to instantly access fan insights and interactions more easily. However, monetizing these events has been difficult as consumers have struggled to justify paying for content that was previously available for free.

Live Nation's Flywheel Business Model



Beyond that, the revenue model of streaming distinctly hurts Live Nation. For example, Tim Mcgraw grosses approximately $916,000 per concert when he goes on tour, according to Pollstar. Touring consistently within North America for four months offers fans the opportunity to experience one of 60 unique concerts. Each new region on the tour brings an opportunity for the artist and Live Nation to engage new subsets of fans who are bounded by location. As the tour finishes, Tim Mcgraw grosses over $50 million in total. Live Nation then takes their piece for their respective duties including ticketing, marketing, and production. Comparatively, in the digital realm, Tim Mcgraw grosses approximately $405,000 for a large ticketed live stream. But, fans are no longer geographically restricted and can tune in from anywhere, meaning there is no value in producing 60 different live streams. Thus, Live Nation's revenue generation opportunities diminish in this scenario as the myriad events that need ticketing, marketing and production are superseded.

For the majority of these events, Live Nation has filled this ticketing revenue gap with sponsorship revenue. Within Canada, several Live Nation produced streams and broadcasts now have a major sponsorship presence like Jim Beam presents Live from Inside, Open Mike's Comedy series, and Budweiser Stage at Home. However, in a Covid era world, its core business will never be able to drive the pre-pandemic volume of shows, revenue, or consumer satisfaction as the emotional connection of an artist and their fans are not replaceable in a digital realm. In 2018, Live Nation released a study that showed fans experienced an emotional intensity that was 2.8 times stronger at live concerts than while listening to recorded music.

Together Again: Unfaltering Fan Demand

As months pass without live shows, fans are increasingly anxious to see their favourite artists live. With 86% of fans holding onto their tickets for rescheduled shows instead of opting for a refund and 90% of fans confident in the return of live music, Live Nation will surely have a large opportunity at their feet when the pandemic subsides. These statistics, paired with the fact that live music growth outpaced streamed music before the pandemic, further highlights the raging demand for live entertainment. It is no surprise that Wall Street is once again touting Live Nation for a large return as the company is currently trading at new all-time highs.

Live Nation's New Reality

However, the resolution of COVID-19 does not immediately imply a return to pre-pandemic times for Live Nation. Fan attention will likely be divided between the return of other live events, most notably sports. Sports teams, who are heavily reliant on broadcasting deals as a source of revenue, have not been nearly as affected by missing fans as Live Nation has. Secondly, Live Nation will have opportunistic industry competitors as well. Within North America, Live Nation does hold the dominant market share; however, its largest direct competitor, AEG, still entertains over 100 million guests a year. Similar to Live Nation, AEG will be eyeing the return of large-scale live events and looking to capitalize. Finally, Live Nation will be under financial pressure come event season. At the end of February 2020, Live Nation had $643 million of free cash of which $417 million was debt raised in early January. This capital was projected to hold them until Summer 2021 when live events will supposedly return to some scale. If global mass assembly is delayed because of further hurdles, Live Nation could likely find itself in deeper financial peril. As a result, Live Nation must capture the majority of the re-emerging live event market share when the opportunity comes, alongside optimizing the return on each event they hold.

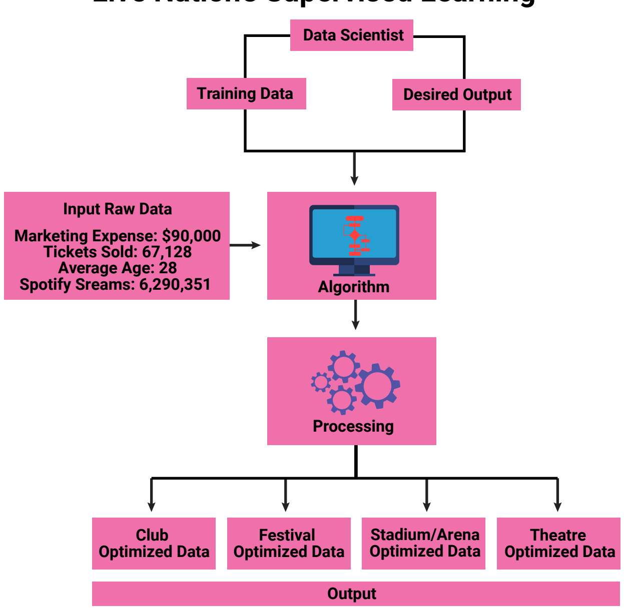
The Show Goes On: Paving a Data-Driven Way Forward

The rise of Artificial Intelligence (AI), and more specifically machine learning, has been seen across numerous disparate industries. Organizations can employ algorithms to mine past data to discover, understand, and quantify powerful—yet inconspicuous—trends with respect to business goals. Once the machine has been trained to understand how a specific combination of variables leads to a certain outcome, they can leverage these insights to optimize their proactive decision-making with data-proven foresight.

Live Nation has promoted approximately 575,000 shows since its inception in 1996. As a result, the company possesses a vast amount of data, with its data collection rate only increasing with the advancement of the digital age. Live Nation is sitting on a mine of data that with the help of machine learning could build a predictive ticketing tool that takes into account the multi-dimensional variables that affect their operations, namely ticket sales. Live Nation's position as the global leader of entertainment naturally offers it an abundance of high-quality training data that would make its model stronger than any replica potentially built by a competitor. In turn, this will further entrench their position as the global leader.

Coming out of the pandemic, this is an effective way that Live Nation can aggressively retake market share and regain scale, while also being more defensively aware of opportunity risk. A deeper understanding of the variables that affect

Live Nation's Supervised Learning



ticket sales like staggering ticket sale releases, the expenses needed for a marketing campaign, or the time a consumer takes between their first click and actual purchase of a ticket could be optimized, empowering them to iterate and reach future strategies.

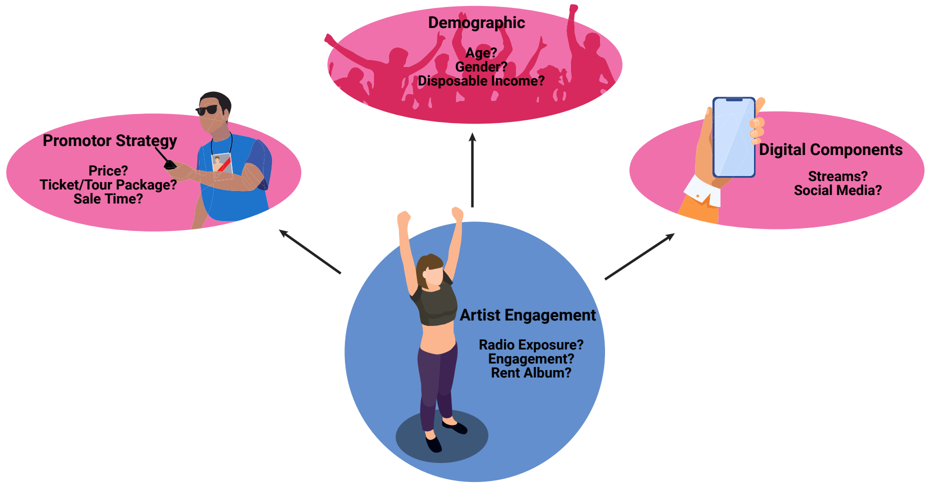
These variables are complex in their own right—they are considerations that Live Nation faces with every show they promote: their chosen promoter strategy, consumer demographics, and digital channels all affect ticket sales. Additionally, the advent of new social media such as Tiktok and the acceleration of the streaming industry with the likes of Apple Music and Spotify has brought forth another nuance to the world of live events: artists now have new outlets to find exposure and advance their careers. These variables are then paired with artist-specific considerations that must be taken into account. For Live Nation, optimizing the relationship between these variables to maximize engagement, accessibility, and return would provide them with more control and a new competitive advantage over the industry.

When constructing the model, data privacy and security concerns are inevitable. Since the model would predominantly use past data that Live Nation already possesses, fears of third party usage are mitigated. The largest issue would likely be accessing the digital data that is proprietary to large technology companies that host streaming platforms like Spotify or social media platforms like TikTok. However, the fact that this tool doesn't granularly target consumers in a one-to-one manner and instead combs this data for one-to-many insights should similarly mitigate concerns.

Fly Me to the Moon: A Cross-Industry Case Study

The concert industry and the airline industry have interesting parallels that further demonstrate AI's potential power for Live Nation. Both industries focus on bringing people together in a confined space with the purchase of tickets, the management of that subsequent experience, and repeating that operation on different scales. Within the airline industry, data scientists

Variables Live Nation Assesses Each Event



leverage AI and machine learning to define destinations, adjust prices for specific markets and manage seat inventory. Live Nation and an artists' decision on where to tour and subsequent ticketing strategy is not dissimilar. The airline industry can offer Live Nation a potential roadmap on how to effectively introduce and integrate AI and machine learning into their work, bolstering not only the feasibility of the endeavour but also providing a wealth of prior expertise to build upon.

Ticket Sales & Beyond

Upon successful execution, Live Nation will be able to better control and harness the changing music industry by effectively managing the entire consumer decision journey. For Live Nation, the most rapidly evolving variables that they must consider are associated with digital platforms. This tool will help them determine how a stream or view translates to a ticket sale, allowing them to book burgeoning artists on new platforms like TikTok more strategically. Ultimately, this empowers Live Nation to fine-tune its deals and regain scale more efficiently.

Additionally, should they identify previously unknown factors that lead to ticket sales, the predictive analytics tool would allow Live Nation to recognize and leverage them accordingly to better promote their event. For example, if they saw that the timing of ticket sales favor a country show was linked to how suburban fans aged 14-18 interacted with one another via Tiktok, Live Nation could better position and target their on-sale times, the channels they used for marketing, and even the pricing of their shows.

Finally, by having a powerful predictive tool to project ticket sales and engagement, Live Nation situates itself in a better position for long-term strategic decision-making. For potential venue acquisitions or festival expansions, this is a huge asset. Since Live Nation will be able to better project where their fans are willing to spend—enabling them to better maximize dollar extraction—they will be able to manifest strategic agility throughout their business.

Let the Good Times Roll

The zeal of concertgoers is fueled by the visceral experience of live events—the performers, the production, and the emotion of the audience all contribute to lasting memories; fans' hunger to experience live events has only deepened throughout the pandemic. If anything, the pandemic has shown us that Live Nation thrives at the intersection of fans, technology and music, but more than anything rests on being live. The impending explosion of live events presents a huge opportunity for Live Nation. Harnessing the power of artificial intelligence to build a predictive, multi-dimensional ticketing tool will enable them to overcome its competition, erase its financial insecurity, and once again become the undisputed global leader of live entertainment.

WHAT EDI MEANS FOR THE NEXT GENERATION OF WORKERS

KY SARGEANT

ARTWORK BY IRENE ZHANG

The Business Case for EDI

Equity, Diversity, and Inclusion (EDI). These terms have become buzzwords in today's workplace, with the business imperative for EDI efforts having been established time and time again. Research has proven that diverse teams perform better, companies with diverse boards see higher share prices, and EDI is one of the top employer requirements from the next generation of the workforce. This has led many organizations to implement new strategies to address these issues internally.

However, some programs like diversity quotas or minority tokenism on boards are virtue signaling. These fail to bring about meaningful change because they fail to address any underlying structural inequality. Further, they can actually make things worse. Several types of diversity focused initiatives have been linked to reductions in employee morale and teamwork, sending EDI managers back to the drawing board. We are witnessing one of the most important cultural shifts in the last decade of business. While most recognize it's happening, few organizations have dedicated the resources necessary to truly understand what EDI is and what specific strategies need to be employed in order to leverage all the positive effects of a more equitable workforce.

I have been fortunate to work on EDI within UBC and professionally as a gender diversity consultant. While I am still a university student with lots to learn within the field, I have seen this play out many times and my position gives me the unique ability to see how the next generation of young people refuse to be invisible. They don't just want to see themselves on a company website, they want to know that their voice is going to be heard once they are inside.

Why Diversity is Not Enough

Although EDI has three components to it, diversity often gets the most spotlight. The following scenario helps illustrate EDI:

You are hosting a dinner for the entire office, a diverse group of people with different dietary restrictions. There are vegetarians, vegans, pescatarians, and a few gluten-free individuals. Everyone shows up and sits down at the table for a slice of your famous pepperoni pizza. This is what diversity without inclusion looks like. When the guests leave, you notice that many people barely touched their food! You decide that all the ungrateful guests who didn't finish their plate won't get invited to an upcoming party. Because their diverse food restrictions failed to be included, these people did not receive fair treatment and their future opportunities were suddenly limited. This is the equity part of the equation.

Hiring individuals who have diverse sets of experiences means nothing if we don't allow those differences to change the way we do business. Ensuring equal treatment to those people and viewing differences as strengths instead of obstacles is integral to the success of these initiatives. However, culture unfortunately cannot change overnight. It's built upon layers of values, goals, and leadership, all wrapped up in years of history. It establishes the norms, attitudes, and behaviours of those within. Yet, it goes far beyond behaviour.

Culture determines how organizations build systems. Hiring, communication, sales, and nearly every process is designed under the context of an existing culture. Certain outcomes are prioritized while eliminating any opportunity for the organization to stray from its definition of success or ideal shape. Historically, the shape of the corporate world has been embodied by caucasian males. For decades we dug square holes in the ground. Now we're suddenly picking up pegs of all different shapes. It's no wonder why they don't seem to fit in.

The Paradox of Individual Behaviour

One of the reasons EDI efforts, particularly inclusion culture efforts, can be so challenging is because of how obvious the solution seems from the outside. Since culture is the culmination of everyone's individual behaviour, then the fastest path to success is to change their behaviour. Consequently, we might believe that as long as we train people to behave in an inclusive way, all our EDI issues will be solved! The paradox is that this is technically true. If everyone instantly changed their behaviour to be radically inclusive, we would see a significant shift in culture. However, when is the last time you managed to get someone to completely change their attitude by telling them everything they are doing wrong? If it was so easy to change another person's mind about something, I might be willing to spend more time at my family reunions.

One of the most common programs intended to build inclusive behaviour is Unconscious Bias Training (UBT). The thesis is that if people are aware of their unconscious biases, they will have the agency to interrupt their thought process and make more equitable decisions. In reality, bias focused training is found to be one of the least effective measures in changing individual behaviour. We tend to significantly overestimate the link between self-awareness and agency in behavioural change. Self-regulation rarely occurs unless the undesired behaviour is 1) explicit rather than implicit, 2) the regulated activity involved is highly cooperative, and 3) the individual has enough time to consider the desired outcome. Most day-to-day work activities fit none of these criteria. With some exceptions, we perform the majority of our daily tasks without engaging any higher level thinking, and it's called unconscious bias for a reason.

Additionally, when an individual is confronted by information that indicates a level of unconscious prejudice higher than anticipated, a common response is for those individuals to withdraw from that group out of fear of being offensive, further limiting opportunity for meaningful prejudice reducing interactions. UBT also fails in changing the behaviour of those who are already aware of their biases, arguably the group most needing intervention. In the worst cases, UBT on its own can lead to negative outcomes. If it is made mandatory it can increase animosity of critics, or it can even provide individuals a scapegoat to eliminate feelings of personal responsibility as they rationalize their prejudiced behaviour as "unconscious".
Even in the most ideal of scenarios, where people involved recognize the need for and have the desire to change, patterns of behaviour can be too deeply woven into the way work is done. Consider this example: Priya has joined a new team at work. She is a single mother. Wanting to be more inclusive, her manager decides to offer her a more flexible work schedule even though it's not part of company policy. This new team has held weekly check-in meetings every Monday morning for years, but Priya often misses these meetings to ensure her child makes it to school, using her flexible schedule to balance childcare.

During a team review, multiple members say they feel Priya is not contributing enough to the team, citing her absence from meetings as a pain point. Nobody on the team is trying to be malicious, but they have an expectation of new members based on their culture. You can already imagine the watercooler conversations happening in the background: "I get that she's raising a kid and all, but she should at least make time for the meeting." On its own, inclusive behaviour from individuals will never be enough to overcome structures that reinforce an "ideal" way to engage at work.

Diversity Initiatives That Are Bound to Fail Without Careful Implementation

Unconscious bias training is far from the only practiced initiative that fails in creating inclusive cultures. Here are two other widely implemented initiatives:

Quota-based Hiring and Affirmative Action
If employees in the company already hold negative stigma towards diversity initiatives, quotas may increase perceived feelings of injustice and can reduce support for EDI. Furthermore, in these types of anti-diversity cultures, people hired on the basis of quotas can harbor feelings of inadequacy, perpetuated by the dominant attitude of those around them as less capable.

Quotas also fail to address any more than surface level discrimination. Hiring a few minorities at the board level, for example, will not instantaneously trickle down into greater representation at all levels.

Volunteer Diversity Councils and ERGs

Employee Resource Groups (ERGs) have provided a convenient place for employers to source individuals keen on making a difference within larger inclusion efforts at the organization. While ERGs can provide significant value in the form of experiential insight, they cannot be leveraged as, or to create, complete solutions. Giving individuals one space to share their experience is not a substitute for wider inclusion efforts. Using ERGs as a central driver of EDI strategy also shows a lack of appreciation for the challenges of the work. EDI work is challenging and time consuming. To expect employees to volunteer time on top of doing their job exemplifies a culture of inequality where people are expected to fight for the right to be treated fairly.

All three practices aren't equivocally bad. However, the way they have been typically executed has certainly not led to the improvements hoped for.

Why Companies Must Still Try

If even the most popular diversity initiatives can make things worse, companies might be reluctant to continue trying. We have already seen the need for diversity, so instead of saying those same things again, I want to speak from personal experience.

Whenever I have worked with a client who starts demanding rigorous cost analyses or financial impact metrics of an EDI initiative, I can already tell the outcome will never match the expectation. It's telling that after spending only a year doing work in this space, every successful project has come out of the same general desire: "How do we make people enjoy working here?"
Lost in all the talk of metrics and financial statements, management fails to remember that people work better when they are happy. If employees are excited to come to work, enjoy interacting with their coworkers, and feel that leadership cares for their needs, they are going to do better work. Years ago it might have been possible to have a cheerful workplace composed completely of one type of person (you can guess what type), but that's not the world we live in anymore. Minority identities make up an ever growing number of the population, women outnumber men in higher education, and awareness of systemic inequality has hit the mainstream of the collective public consciousness. It's not just in your benefit to have an inclusive workplace, it's a necessity if an organization hopes to survive the next generation of work.

How Companies Should Approach EDI

Not that I wouldn't love to help, but if you're hoping to read a list of quick fixes then you may have missed the note that work in EDI is really, really hard. Diversity consultants have to juggle academic literature on human psychology, sociology, employment law, organizational behaviour and more, all while maintaining a focus on the unique desired outcomes of each organization. Fortunately, I know enough at this point to help steer efforts in the right direction.

Recognize There is Plurality to Diversity and Inclusion

There is no single way to be diverse and therefore no single way to be inclusive. You can have a workforce that is diverse on the lines of race, gender identity, ability level, age, language, sexual orientation, family status, and the list goes on. Being inclusive in each one of these domains is going to provide its own unique considerations and challenges. We need to be careful not to assume that our efforts are complete just because we have done work in one area. The unique experience of people in this world is constantly growing. Therefore, our efforts must also be inclusive, alongside the willingness to be challenged on what we believe to be the "ideal" way of doing things. This leads to the next recommendation.

Prepare to Pay for Professionals...Multiple Professionals
Companies are never going to execute effective initiatives if they are not willing to pay for expert experience. While the field of EDI is still in its early stages, the level of expertise that exists already is staggering. Whether you choose to hire an internal EDI manager or bring in consultants, you will quickly find that while many have general experience, there are countless subject matter experts worth listening to. If you are facing challenges in a particular area, or with a particular group, it can be helpful to find someone who has the relevant lived experience. People who live the experience of those you are trying to include will be able to add an element of humanity to your initiatives.

Focus on the Structures That Govern Equity and Prioritize Growth over Fit
No matter who is involved, equity is the baseline in EDI initiatives. It is why we put it first in the acronym. I have already spoken at length about the issues when we only focus on changing workplace behaviours. We need to examine every way that inequitable treatment can occur in our organizations and build in systems to stop them from happening. Why spend hours training selection managers to self regulate for discriminatory behaviour, when you can just blank out names on the resumes? Critical considerations about culture fit are also crucial. Is our culture one that forces people into fixed ways of operating, or one that pushes people to be open and think of things from new perspectives? Can people grow in a way that suits them or only in the way that we want? Ultimately, these three recommendations are all going to be dependent on one final recommendation.

Leaders Need to Believe That it is Worth it
Anyone keeping track of the billable costs for each recommendation is already dreading meeting with the finance team. However, it is a lot harder to repair an airplane mid flight than build it correctly from the beginning. For many organizations, the plane may have been flying for years without a problem, but a storm is coming. Maybe not today, next year, or the year after that, but there will come a point where the talent you need to keep flying just isn't there. If you can't accommodate the needs of a new generation, somebody else will.

People are tired of being treated like just another metric to be analysed in the push to increase profit. This work is about people; who we are and the way we are treated. It is literally about our lives. I have no plans to work in a place that I can't show up as my authentic self, and most of my fellow students feel the same way. We want to be seen, we want to be heard, and we want to be valued for all the ways we are different, not the same. The road ahead is difficult, but the next generation of young people bring with them a passion for change so bright that trust me, it will be worth it.

IT'S NOT FAIR:
WHY THE LSAT SHOULD NOT BE THE ONLY PATH TO LAW SCHOOL ENTRANCE

ALEXANDER PESCITELLI

ARTWORK BY ARINA GERASIMOVA

Industry Overview

Following economic downturns, applications to professional and graduate programs tend to increase dramatically. This is largely due to the economic concept of opportunity cost; the cost of pursuing graduate education decreases since there is less financial gain in immediately getting a job. The economic downturn attributed to COVID-19 has been no exception, with Canadian schools such as Western University and The University of Toronto seeing over 20% increases in applications for their law programs.

The law school application process is inequitable, expensive, and negatively affects minorities, people with disabilities, and dependents. The Law School Admission Council (LSAC) — the non-profit organization that administers the LSAT and related services — charges prices that financially distress people before they have even taken on the inevitable debt that law school requires. LSAC is the only provider of this admission test that every law school in Canada (bar francophone ones) and the majority of law schools in the U.S. require for admission. The test often makes up a large part of an applicant's profile and can determine acceptance outcomes. LSAC holds exclusive control over the supply of this test – the very definition of a monopoly.

In this article, I will be examining the LSAT and three issues that stem from this monopoly because compared to other similar standardized tests and application processes, LSAC and law schools have failed to champion access to the legal field. Diversity and inclusion are critical in law because it impacts the profession's ability to reflect the diversity of the people requiring legal services. Instead, LSAC has created a system that blocks individuals from becoming lawyers before they can even study the law. The three main issues that I will propose a solution to are: the financial impediment to enter law school, the inequity, and how much success on this test determines the futures of young students wanting to pursue law.

The Financial Obstacle

Consider this scenario: you are a university student who has already accrued a bit of student debt, but you aren't ready to enter the workforce. You have wanted to go to law school for years, so you decide to do some research into the costs associated with law school. There are favorable credit terms and some scholarships for law students that make attending law school affordable, so you decide to apply. You learn that it might cost a year to study and thousands of dollars for the LSAT to get into law school. What should you do now?

University students and debt are words heard together far too often. LSAC, the test it administers, and the other services it provides create a financial barrier that discourages many students from even attempting to get into law school. Some of the most notable costs that come with taking this test include the approximate CAD $250 (USD $200) per test fee (most students take the test multiple times), the $100 application fee per school (most apply to approximately 10 schools), and the cost of study materials for the test in general. These study materials include the almost required $100 purchase of previous tests, selecting a test strategy book which costs anywhere from $300 to $1500, or even entering a specialized class which could cost up to $3,000. Of course, these costs are in addition to the opportunity cost of studying extensively for any standardized test.

The expensive application process may contribute to the latent legal market, which refers to the untapped market of people who currently aren't using legal services to resolve legal issues. The Legal Services Corporation calls this the "Justice Gap", since 77% of legal problems don't receive legal help and 86% of civil legal problems faced by low-income individuals receive either inadequate or no legal help at all. The lack of access to justice is caused by multiple factors including the high cost of legal services, which in turn is due to factors like traditional legal fee structuring. It may also be influenced by lawyers needing to charge high prices to pay off law school debt. Although debt incurred while applying to law school may be marginal relative to other factors causing the latent legal market, contributing in any way to decreasing access to justice is a failure on the legal profession's part. Thus, the application process creates inequity before applicants enter law school and can perpetuate it afterwards.

Inequity and Discrimination

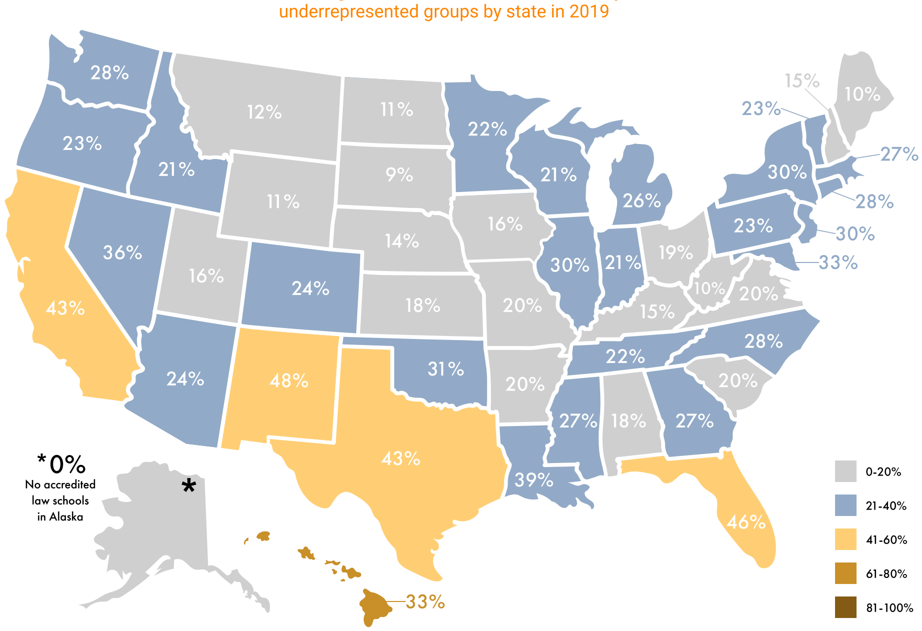
Inequity in the application process arises because the forced dependence on LSAC's expensive services (the LSAT and application processing) largely affects those who are already underrepresented in the legal profession: individuals with disabilities, of low income, and Black, Indigenous and people of colour (BIPOC).

While LSAC does have routes for applicants to seek disability accommodation, these accommodations are unfortunately typically quite difficult to actually acquire. There is a consistent pattern of applicants with disabilities being denied accommodation, as the LSAC looks for a consistent medical history dating back to birth, which has resulted in individuals who clearly fall under the accommodations category to be passed over. One lawsuit in particular, Department of Fair Employment and Housing v. LSAC, saw the judge state the following: "[The council] deprived certain candidates of their automatic right to accommodations previously granted on comparable tests by improperly imposing substantive conditions on the candidate's ability to accept those accommodations, and denied those candidates and others the right to the procedural safeguards established."

The inequity within the law school application process only exacerbates the current inequity issues within the profession. The LSAT itself is something that with enough time, hard work, and resources can be mastered to a certain extent, benefiting those who can afford to take time off from work or school to focus on preparation. This effectively pushes down BIPOC or lower income individuals who may not be able to dedicate so much time towards studying for the test or afford critical resources. This has traditionally been a major barrier for these individuals to enter the legal profession, which ultimately limits the ability of the legal system to meet the diverse needs of the people in its jurisdiction.

RACIAL-ETHNIC MINORITY LAW STUDENTS BY STATE

Percentage of law students from traditionally underrepresented groups by state in 2019



Source: Enjuris, Racial-Ethnic Minority Law Students By State

The LSAT as Predictor of Success

The purpose of the LSAT is to be a filter for people entering law school. The four sections of the test look at three areas of competency LSAC deems relevant to being a lawyer: logical reasoning, logical problem solving, and reading comprehension. According to LSAC, their test is a great predictor of first year performance in law school. However, the most highly regarded law school in Canada, the University of Toronto, states on their website that it has found GPA to be a better predictor of first year law school success than other factors. This debate around whether GPA or LSAT score is superior in predicting law school success is moot, however.

The question here shouldn't focus on law school success, but success as a lawyer. Many lawyers do not find the LSAT to be an objective tool to foresee performance in the legal community. Some lawyers that performed less strongly on the LSAT have had successful careers and are excellent litigators. The LSAT does not measure the nuanced competencies that predict success in the field of law, like the ability to work with people, judgement, and empathy. Regardless, this section leads to the crux of this op-ed: if the LSAT is purely a marker used for admission filtering, why let LSAC dominate the market with the LSAT?

Solutions for a Broken System

There is no one solution that can address all of the issues above, but there are two main strategies that could help solve the market monopoly issue: accepting other standardized tests and using a more holistic admissions process.

Accepting Other Standardized Tests

Except for francophone schools, no law school in Canada accepts applications using a standardized test other than the LSAT. They should accept other similar tests in place of the LSAT because it creates competition in the law school admissions testing marketplace which increases access to opportunity, thereby expanding the pool of qualified candidates. McGill University, for example, has one of the top law programs in Canada, and is among other bilingual and francophone schools that have termed the LSAT as an optional application component, creating greater equality in the application process. They recognize that the LSAT presents an unfair advantage to native English speakers as compared to Francophones. As discussed previously, the inequities of the LSAT range beyond just language accessibility and other schools should consider making the LSAT optional or accept other tests to ensure that applying to law school itself is more accessible.

Tests like the GRE evaluate competencies similar to the LSAT, and utilize a similar scaled, credible, and normally distributed scoring range. Additionally, the GRE is offered more times per year, has more available resources, and has been used for some acceptances at top North American law schools like Yale already. These schools therefore offer a more efficient application process for individuals who already completed multiple degrees that required taking the GRE or a test similar. Further, a study across 21 American universities revealed that the GRE is equivalent to the LSAT in predicting first year law school grades. While introducing other forms of testing can lead to difficulties in equalizing testing difficulties — since some applicants are naturally more inclined to one test over others — this allows for more diversity of background and can be partially addressed if schools create space within their acceptance pool to specifically admit non-LSAT applicants.

Some Canadian law schools already reserve space within their acceptance pool for Indigenous applicants who are evaluated on a different scale, resulting in a lower median LSAT required for admission. Despite entering with lower scores, these Indigenous applicants still succeed in law school and as lawyers. Creating a pool of acceptance spaces for those who took another standardized test, or who did not take a standardized test at all, would likely create a similar outcome to this.

Holistic Interview Admission Process

Law schools, particularly those in Canada, need to implement an interview portion (in-person or virtual) in the application process. Currently, 17 of the top 50 law schools in the United States incorporate interviews as part of their admissions process, and a growing number of schools have been joining this group. Interviews allow admission committees to admit applicants on a holistic basis and diminishes the dependence on the LSAT that currently exists. This would allow for evaluation of other important competencies needed to be a lawyer, as well as enable students to demonstrate themselves in a way that may not be apparent through a standardized test.

While universities implementing and placing a greater emphasis on interviewing applicants would be beneficial to a wider scope of applicants, the main limitation is the willingness of law schools to expend extra resources (time, money, etc.) to make this happen. Nevertheless, many law schools claim to want to let in applicants on more than just their numbers, so this would be one way to do it. However, this might not entirely remove dependency on the LSAT unless all or most candidates are given the opportunity to be interviewed, since most universities that currently interview potential applicants still use LSAT scores to screen potential interviewees.

Author's Experience

I took the LSAT exam this past summer. I studied roughly 250 to 300 hours, taking 40 full length practice tests. A month out from my first test in August, I had to decide whether to immediately spend another $250 CAD to sign up for the October for insurance, or not spend $250 CAD and risk having to wait until November if it didn't go well (this is another issue with LSAC, it should let the signup stay open so people can see their test results before signing up for another test).

I spent the $250, an option many don't have. I ended up writing the October test to achieve my goal test score, improving upon my August test. I was lucky to have the financial support from my parents for study materials, multiple test registrations, and other process items that many don't have the support for. The process favours those in situations like mine. I am not asking LSAC to uplift everyone to the same level, just to simply not push anyone down.

The current standardized testing monopoly in law admissions needs to be changed in order to increase diversity within the legal profession and access to justice. Greater equity can be achieved by limiting LSAC's grasp on law school applicants via a holistic application review process and reserved spots for applicants for which the LSAT is optional or interchangeable with another test.

DAVID VS. GOLIATH: THE BATTLE TO MODERNIZE BANKING IN CANADA

SAAVIN LIDDER AND TARAS BAKER

ARTWORK BY SOPHIA HUANG

The Existing Retail Banking Landscape

For the majority of young Canadians, banking is a set-and-forget issue. They use the same accounts their parents created for them more than a decade ago without considering the financial impact of complacency on their futures. After a lifetime of building stable credit and paying a significant mortgage, older generations typically have been happy to take the path of least resistance and continue to utilize the existing services offered by traditional banks. Whether it is due to comfort, loyalty, or credibility, there are serious implications to overlooking new platforms with different services.

Ratehub Canada estimates that Canadians over 40 years old have held the same account for 18 years on average. They also found that one third of men and nearly half of women use a financial institution simply because family or friends recommended it. For many of these individuals, these timelines serve as a marker for the first and last time they evaluated their banking needs, instead opting to pay for "peace of mind" and support a banking system that is not mutually supporting them.

Canada's five major banks — RBC, TD, BMO, Scotiabank, and CIBC — have made billions of dollars through surreptitious increases in banking fees, net interest margins, and fixed mortgage rates. Banks install every failsafe for a customer looking to switch providers, and thoroughly depend on entrenchment by offering attractive incentives and perks to opening additional brokerage accounts, TFSA's, car insurance, and mortgages. Canadians are bleeding cash through their chequing accounts without realizing it, or even worse, accepting that this is the way banking is done.

Changing Preferences of Younger Generations

The retail banking industry has historically thrived on a potent concoction of three drivers: lack of transparency, accessibility, and failure to provide personal customization for individual financial needs. Unlike their parents, some young Canadians are now growing skeptical of traditional offerings in favor of the modern investing and saving services becoming ubiquitous among their friends. The rise of movements like F.I.R.E. (Financially Independent Retire Early), has encouraged aggressive saving and investing decisions at approximately 50% to 75% of one's income in order to retire years ahead of traditional retirement plans. Consequently, banking services like Neo Financial and Wealthsimple that enable young Canadians to begin maximizing their investing, saving, and spending activities for the future are becoming increasingly popular.

Canadian fintech giant Wealthsimple, for example, was created to allow access to seamless registration, no fee trading, and original investing educational content aimed at everyday first-time investors. While Wealthsimple offers commission and fee-free investment accounts, digital banking service Neo (which is also founded and based in Canada) offers transparent zero-fee savings accounts. Savings options are generally judged by the rates under which the account earns monthly or annual interest, building on the principal initially deposited into the account. By having a low-cost structure with no physical branches or locations, Neo is able to offer high-interest savings accounts at a rate of 1.55%, 31 times higher than traditional bank rates. Further, being fully digital enables Neo to capitalize on recent changes in consumer behaviour; REBEX found that more than a quarter of customers expect to increase their usage of online and mobile channels while visiting brick-and-mortar branches less frequently.

While skeptics often question the credibility of smaller digital banking platforms, Neo is a Canadian Deposit Insurance Corporation (CDIC) member institution (eligible for up to $100,000 in deposit protection) like each of Canada's five major banks and virtually every financial service in Canada. If a company, such as Neo, went bankrupt, consumers' savings would be completely insured and reimbursed automatically. Ultimately, both Neo and Wealthsimple are putting a spotlight on consumer needs in order to democratize access to investment services, investment education, and the benefits that they reap.

As a result, modern digital banking platforms such as these that are free, convenient, and driven by customer experience will soon increasingly siphon fed-up customers and set the new standards for modern banking practices. The rate of adoption of emerging fintech services has undoubtedly been accelerated by the COVID-19 pandemic. Canadians have embraced digital services during this period and many are never going back, as confirmed by Boston Consulting Group's (BCG) Retail Banking Excellence Benchmark (REBEX) which surveyed 17,600 banking customers in 30 countries including Canada. The Pulse Survey found that digital adoption grew by 10% during the lockdown period, bringing the overall base of online banking users to more than 80%. Consumers are becoming increasingly comfortable with the "bank" as an app rather than a building. It is exciting to see that numerous Canadian born startups like Neo and Wealthsimple have helped solidify these trends by dismantling the narrative that personal finance is intimidating or inaccessible.

Financial Innovation in Emerging Economies

While Canadians have begun to embrace newer digital banking services, we have not seen the pace of technology disruption or adoption that emerging markets in other countries have. BitPesa and Movii are industry leaders capturing large customer bases in underbanked countries like Kenya and Columbia respectively. They illustrate what the future of financial services could look like if novel technology was further embraced on the supply and demand side.

BitPesa is a blockchain payments startup and digital foreign exchange that aims to increase the speed of business payments. Blockchain is a distributed ledger technology that creates a record of transactions, independently verified by a consensus of multiple users instead of a central domineering authority. Thus, it removes traditional banks (and the costs associated with them) as middle-persons for payments processing, allowing transactions to occur instantaneously. By decentralizing payments, BitPesa has accelerated the pace of financial inclusion across multiple countries in Africa — where transactions are typically performed exclusively in cash — by empowering customers who do not

Banking in lockdown

>31%

of customers have increased their usage of online banking,

66%

chose it as their preferred channel for daily banking activity during COVID

Changes are likely here to stay

>26%

of customers are planning to use branches less or stop visiting all together post crisis,

31%

would acquire product digitally if branch unavailable

Customer satisfaction

~90%

of customers were satisfied with their online and mobile experience during the crisis,

only **66%**

satisfied with contact center experience

Super-charging digital

~10%

of respondents enrolled into mobile banking for the first time as a result of the crisis,

58%

were already enrolled in mobile

Despite crisis, trust in banks remains strong

~75%

of customers have not changed their trust in their bank,

19%

had more trust since the start of the crisis

Source: BCG, It's Time for Canadian Retail Banks to Fast Forward into the Future have access to or cannot afford traditional services with the ability to make quick transactions.

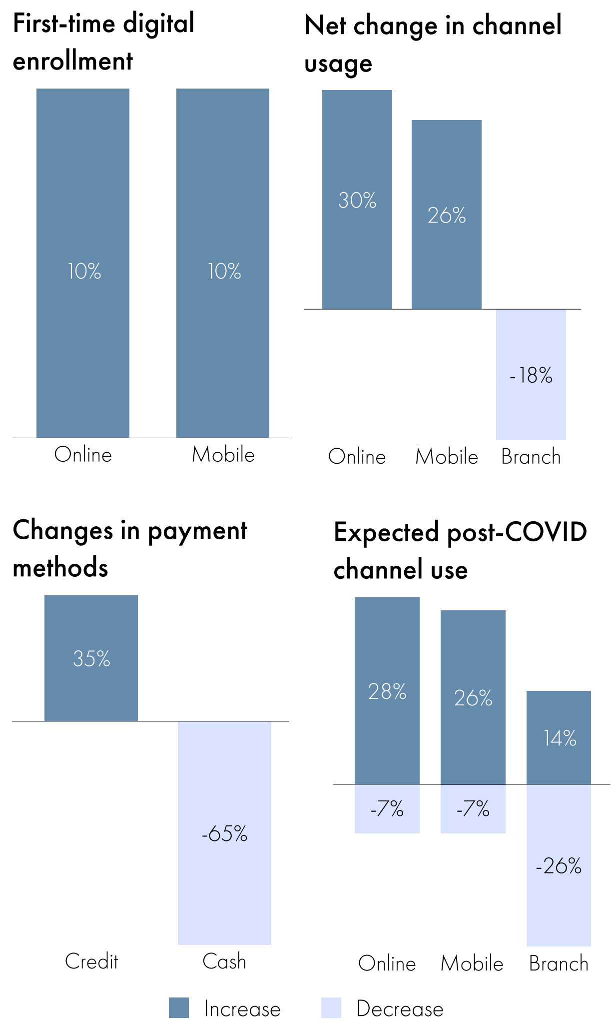
Further, over the past seven years, it has built trust with customers by offering security and convenience at a low cost, especially for those in regions that are remotely populated, experiencing political strife, or are economically unstable. Understandably, banks have not embraced blockchain technology because it renders much of their fee structure and management irrelevant. However, restructuring their revenue models may be exactly what is necessary to create greater value for consumers and to compete in the future.

Similarly, Columbian startup Movii launched in 2019 to provide no fee checking accounts and debit cards solely through digital channels to millions of underbanked citizens (people who previously never had access to bank accounts). Movii is one of many companies that have recently realized that identifying niche segments that are often ignored and then creating value for them can unlock huge upside. It is much easier to enter, monopolize, and subsequently grow an untapped small market versus a more saturated large market.

This has important implications for Canadian banks, which have traditionally geared financial products towards older individuals and men because they are typically viewed as the head of households. However, we have already seen that younger Canadians are becoming more interested in their personal finances. Further, Canadian women currently control $2.2 trillion of assets and that could double to nearly $4 trillion (or more if real estate is included) by 2028. There is an opportunity to better serve these specific segments that cannot be overlooked.

Challenges and Opportunities for Canadian Banks

The rapid scaling and adoption of innovative digital banking platforms in emerging markets will not necessarily be experienced in Canada



Source: BCG, It's Time for Canadian Retail Banks to Fast Forward into the Future

for several reasons. First, fintech scaleups face many regulations in Canada but more importantly, Canada's five major banks remain monstrous incumbents in terms of market share and control. Trust is an important factor when it comes to consumer adoption of new digital banking services, and the banks have entrenched their position in offering peace of mind; REBEX found that 75% of consumers have not changed their trust in their bank since the pandemic and 19% had more trust since the start of the crisis.

Additionally, some would argue that innovation is stifled because the big banks have little incentive to change their revenue models when the vast majority of Canadians still rely heavily on their services. However, many banking executives are acutely aware that a digital transformation is on the horizon. Either a bank will disrupt themselves and reimagine their operations, or other banks, startups, and established tech giants will disrupt and snag some market share. Truly, the opportunity to better serve consumers is so obvious that tech giants like Amazon, Facebook, and Google are rumoured to have their eyes set on acting like banks. Walmart, for example, announced in early 2021 that it is building a business line of unique and affordable financial products. Any disruptor will likely compete by commoditizing financial services to offer lower costs to consumers, shaving banks' margins. Thus, digital transformation will be inevitably necessary to compete in the future, it is simply a matter of who takes advantage of the immense opportunity first.

The new playbook for success for Canadian banks consists of the following three strategies: make digital services accessible and personalized, use Artificial Intelligence (AI) for digital advisory services, and deliver integrated services throughout the entire customer journey. Most banks have begun to work on executing these strategies — RBC, for example, has already launched an AI-based electronic trading platform — which imply reconceptualizing how a bank works. A bank could use multiple apps to tailor financial tips and offers based on a customer's interests and needs (and permission to access data).

For example, all three strategies could be deployed simultaneously via an AI-powered housing platform where a customer undergoing remodelling of their home can view financing options for the project and information on sustainability incentives for installing solar panels. The app might help find an optimal time to sell the renovated home based on the market value and interest rates. It could then become the customer's mortgage provider, offering advice on purchasing a new home based on the price ranges and neighbourhoods that fit the customer's income, needs, and lifestyle. Tapping into existing customer insights can help banks reposition themselves as financial allies while they still have insights that disruptors like Google or smaller firms don't possess.

The Bright Future for Canadian Banking

Unsurprisingly, we will have to wait five to seven years to see versions of these strategies come to life and witness the forthcoming seismic shift in retail banking. Nonetheless, the Covid era pushed more consumers to adopt digital banking services, especially those of smaller players. As a result, this enabled consumer-centric Canadian fintech startups with more affordable services to make headway, producing a credible threat of chiseling banks' monopolistic market share. This forced banks to push the fast forward button into the future. It is unclear who might come out as the winner in this arena given the sheer size, resources, and potential momentum of incumbents and looming threat of rapid market entry of global tech firms like Google.

What is certain, however, is that digitally savvy, uncomplacent consumers led to the renewed urgency for digital transformation in banking in the first place. Consumers should continue to educate themselves about the different services available, fee structures, and personal finance. This empowers them to choose services that serve them faster, cheaper, and more intimately, consequently further catalyzing innovation that liberates them in achieving their financial goals.

CANADA'S BEST-KEPT ENTREPRENEURIAL SECRET: 'ALTERNATIVE' STARTUP ECOSYSTEMS MODERNIZE BANKING IN CANADA

ANNA GREWAL

ARTWORK BY NAOMI KIM

Rural communities hold the unofficial title of being the backbone of the Canadian economy—boasting a superior per capita number of Small & Medium Enterprises (SMEs) compared to the national average. More surprisingly, Canada's top entrepreneurial city is Whitehorse, Yukon, with a population of only 42,000. The unintuitive yet undeniable entrepreneurial success of rural regions is much more fitting of another name entirely: 'alternative' startup ecosystems. How is it possible that these alternative ecosystems can outperform sprawling urban cities—which generally provide greater access to capital, resources, and customers?

When put in the context of an entrepreneur's individual journey, this question is answered by the myriad and distinct ways alternative startup ecosystems appeal to aspiring entrepreneurs. There is something to be gained in examining Canada's three most notable alternative regions—and perhaps these insights might reveal what entrepreneurs truly value most.

The Northwest: Promising Markets

The territories offer a strong example of how important the right market is for the success of a start-up. To create a successful business, one needs the ingenuity to discover and hone in on their niche while understanding the surrounding environment and competition. Accomplishing this in a fast-paced densely populated city can be a difficult task. In rural regions such as Whitehorse, underserved markets coupled with an unsaturated business landscape make establishing a successful business far more accessible. The key is to identify what the community is missing and how one can fill the gap; rural communities often face similar conditions, creating cohesive community needs. One notable entrepreneur who has thrived in an alternative startup ecosystem is Raman Grewal, owner and operator of Whitehorse Subaru and Kia and Rent-A-Wreck.

Upon moving to Yukon, Raman was determined to establish a stable venture that would provide for his family. After pinpointing which auto businesses were missing in Yukon, he settled on a Subaru car dealership. At the time, Subaru was the only company that offered smaller all-wheel drive vehicles. With the extreme winter weather conditions Yukon faces, access to reasonable all-wheel drive vehicles was a big selling point for those on a budget or with few cargo requirements. Raman was motivated to continually grow the business to avoid stagnation, so he researched other car brands that he could incorporate in his dealership to better serve the full range of his niche, namely very low-budget car-seekers. He settled on Kia after discovering how affordable the cars were. He recognized that while the target market of both car brands were similar, they would mutually add value through a line extension rather than cannibalizing car sales. Moreover, Raman offered car rental services for tourists, generating additional cash flows from used vehicles that would otherwise sit on the lot—settling on Rent-A-Wreck as his partner of choice.

Raman's achievements are a testament to the possibilities the promising markets of the Northwest region offer. Diligent and methodical analysis of the market allows the entrepreneur to offer community-focused products that overcome the gaps that perpetuate underserved industries. Raman's approach also underlines the less-common entrepreneurial approach of starting small. Often, aspiring entrepreneurs utilize a large-to-small model, seeking to engage in massive markets with hefty competitors. Raman thrived in part by following the inverse path—he successfully asserted control over a specific category within the all-wheel drive vehicle industry, then moved to further perfect his catalogue upon initial concrete progress. Resourceful entrepreneurs with a passion for growing markets will very likely thrive in the promising markets of the Northwest region.

Atlantic Canada: Broadening Talent Pools

While the Atlantic's rural areas offer similar advantages in finding an ideal market, it also highlights an area where there is strong talent and population growth. This is attributable to a large university presence, favourable immigration policies, and growing job opportunities. Since 2011, the tech-driven region has garnered over $1 billion in investments with around 100 companies founded every year, creating more than 6000 direct jobs. Additionally, there have been major tech acquisitions made by industry giants such as Salesforce, IBM, or Nasdaq—all of which have kept the headquarters of their newly acquired firms in Atlantic Canada, and helped to develop the ecosystem by means such as investing in local universities. For a tech-driven economy such as the Atlantic, Newfoundland provides an excellent local talent pool with the second-highest percentage in Canada of STEM graduates that are between 24 and 34 years of age. Nova Scotia also possesses the most graduates per capita in Canada from physical science, engineering, applied science, and mathematics. A major aspect of a new business is undoubtedly recruiting skilled and knowledgeable workers who will act as assets to the business. Located in Dartmouth, Nova Scotia, SimplyCast is an example of a company that has leveraged the human capital that the Atlantic has to offer to propel their business.

SimplyCast is a marketing automation software that gathers customer data and enables businesses to deliver personally-targeted campaigns. When SimplyCast was first created, the founders were told that the talent and money needed to become successful were not found in Nova Scotia. However, SimplyCast was determined to work alongside neighboring universities to create scholarships and co-op opportunities. Recently, SimplyCast set a goal to hire up to 100 students to help them gain experience and receive mentorship. This was made possible by the credits offered by the Nova Scotia provincial government, resulting in one of the lowest operating expenses for digital services in North America. These credits include a digital media tax credit which comprises labour remuneration and marketing costs. Additionally, the rebate program allowed the company to have a payroll allowance lasting from 2010-2015, enabling them to save up to $1,008,000. SimplyCast was also able to acquire investors from family, friends, and individuals around Nova Scotia to grow the venture, later securing a global stance by gaining international resellers. This ongoing support from the community and the government created a welcoming and safe space for SimplyCast to grow and expand, now working with Dalhousie University, the Nova Scotia Department of Labour and Advanced Education, and the Information and Communication Technology Council.

The Atlantic provides a blueprint of success for other rural areas as a highly collaborative ecosystem between companies, universities, government, and investors. The stakeholders work to ensure the human capital, social and financial resources are available to propel new companies forward. With workers seeking lower cost of living and higher quality of life in coastal towns, the talent pool in particular has only increased in this region. For startups looking to set roots in a resource-rich ecosystem with fewer competitors to rival than in urban areas, Atlantic Canada is an excellent choice.

The Prairies: Fueling Innovation

The Prairie provinces of Alberta, Manitoba, and Saskatchewan have long been the frontier of Canadian entrepreneurship and socio-political movements. Through necessity, generations of Prairie entrepreneurs have developed a forward-thinking culture. Given the need for economic diversification in the region, various government initiatives working with nonprofits have created numerous programs offering funding and mentorship. Saskatchewan-based nonprofit Co.Labs has incubated over 122 tech startups, creating over 300 jobs, and their Co.Lead program offers new founders seminars, office hours, and coworking opportunities with experienced local founders. Likewise, Manitoba Technology Accelerator has supported investments totaling $280 million, creating 3000+ new jobs, while also connecting new founders with their networks of experienced local C-suite executives and industry experts. In the Prairies' economic centre of Alberta, female entrepreneurs thrive, with notable Calgary natives Arlene Dickinson and Manjit Minhas taking their business success to the show Dragon's Den. The province leads in the percentage of female tech startup founders nationwide, with 30% of the province's tech startups founded or co-founded by women. Referencing the female 51% of Canada's population, The 51, a national investment platform to encourage women to find access to capital, was founded in Calgary. With recent initiatives such as an additional $3.18 million in top-up funding for Women Entrepreneurship Strategy Ecosystem Fund recipients in the Prairies, the area provides both the funding and mentorship needed for success.

Similarly, Accelerate Fund is an organization that provides an alternative financing source to start-ups all across Alberta by using capital from the Alberta Enterprise Corporation, working alongside the Alberta Government. By focusing on funding early-stage technology companies that have not yet reached the venture capital funding stage, the fund incentives innovation and diversification. Capitalizing on the local tech entrepreneur community, the fund also offers support from A100, a nonprofit organization supporting a wide range of Alberta accelerators and organizations with mentorship and personal support. One business in particular that has benefited from this program is mcThings, located in the small town of Cochrane. mcThings is a tech company that provides businesses with access to products that solve "Industrial Internet of Things" problems in an easily manageable, affordable, and scalable way. This includes multi-sensor devices and switches, sensor upgrades, and long range network devices. mcThings was given Accelerate Fund II which is an "early stage co-investment fund". This means that Accelerate Fund co-invests alongside angel investors during financing rounds – typically investing about half a million dollars. The angel investors range from angel groups, super-angels, and individual angel investors to family funds. With the support from Accelerate Fund, companies like mcThings have gone on to grow, now in the later stages of venture capital funding. For prospective entrepreneurs seeking support, the opportunities in the Prairies will enable them to gain momentum in their journey.

The Challenge

Entrepreneurial success is granted to those who demonstrate tenacity and resourcefulness. Make no mistake—despite the crucial advantages these 'alternative' startup ecosystems offer, they are far from a free ride. The onus remains on the entrepreneur: those that seize their destinies and overcome any barriers in their way. That is why their stories are celebrated.

The unique regional downsides to rural locations are numerous. In the Northwest, supply chains are lengthy, expensive, and complex, making thoughtful inventory management paramount. With respect to the auto industry in particular, dealerships located in urban cities collaborate with each other to fulfill specific customer demands in what is known as a 'dealer trade'—in B.C., a Surrey Subaru might trade cars with a Richmond Subaru to satisfy a customer inquiry for a specific make or model. This is not an option for Whitehorse Subaru and Kia. In Atlantic Canada, the demographic makeup is rapidly aging, with escalating healthcare demands and a decreasing tax base creating financial strain for working age-groups. It is currently unclear if this effect will outweigh the strong talent pipeline and immigration policies the Maritimes offer. And in the Prairies, the oil crash that left Alberta's economy 8.3% smaller in 2020 has had resounding effects on businesses, big and small. The Prairies' uneven demographic and economic transition also leaves the future uncertain for start-up owners: for instance, Manitoba's southwest rural communities are both aging and declining in population. The implications of demography—coupled with an accelerating shift from agriculture to wholesale, retail, and manufacturing—carry huge weight for those entrepreneurs that must navigate such murky waters.

The challenges have been loosely defined. How can we manage inventory to maximize value to our customers and avoid passing on freight fees? How can we leverage a strong talent pool to attract (and bring home) the best human capital? And how can we lead the Prairies out of such uncertain times with brilliant, innovative, and competitive offerings? These questions are not unanswerable; indeed, it is in the entrepreneur's job description to overcome them. Not only that, but they have done it before—with the numerous unexpected challenges of COVID-19, entrepreneurs are more prepared than ever to conquer a post-pandemic digital world.

Conclusion

The 'alternative' startup ecosystems discussed earlier do not only represent what rural Canada offers to the commercial world. They each illuminate crucial entrepreneurial catalysts and geo-specific attributes which unlock huge startup potential: from ideal competitive landscapes and strong local talent pipelines, to supportive and accessible startup finance. These alternative regions challenge the traditional association between mega-cities and entrepreneurial dominance—evidently, success stories from rural Canada demonstrate the more-than-competitive status of these regions. With careful stewardship and savvy management, aspiring entrepreneurs can look to alternative ecosystems as an ideal location to set their roots, provide for their communities, and shape the future.

NEWBUSINESSREVIEW.CA

NBR

Front and back cover art by Sophia Huang and Victor Lee