

Case Study: Indiegogo: Driving Strategy through Vision

Grace N Gatungo

Beulah Heights University

Abstract

Merriam-Webster dictionary defines vision as the power of see-insight or power of imagination. Visionary leaders pose this power and are charismatic to influence the follower. Visionary leaders transforming their followers to improve their lives by imitating the leaders' and inspiring a goal. A strategic visionary leader identifies the needs for change, creates an image to guide the transformation through inspiration, and executes the difference with the commitment of the followers. A case study of Indiegogo group, three co-founders had a strategic vision to create a way for people to appropriate funds through the traditional financing institutions. This paper aims to critique Indiegogo group strategic visionary leadership including the implementation, maintenance, and impact on the stakeholders.

Keywords: Vision, research, implement, maintain, impact, stakeholders

Case Study: Strategic Visionary Leadership

Olson and Simerson (2015) case study on Indiegogo visionary leadership introduce the steps to create a change in money industry (p. 118). This paper reviews the Indiegogo implementing, maintaining, and impacting change in the stakeholders. Three co-founders of the company Indiegogo in an interview disclosed their vision to democratize the traditional money loaning system. They created a funding method that removed obstacles and helps people to access funds to fulfill their ideas away from banks and other loaning institutions (p. 122).

Ho₁: Null hypothesis Traditional finances industry open access to funding to the qualified people.

Ha₂: Alternative hypothesis democratized funding open access to funds to anyone with the idea.

The literature review explored the government law and regulation placed in money industry as part of the research and due diligence. The “Securities Act of 1933 as well as various banking law” explain the regulations related to money operation in the financing institutions (p. 120). Hard complications blocked the way to implement co-founder vision. The researchers reviewed the “YouTube” and eBay operations. The research helped them to explore “alternative models, including donations” (p. 120).

The three questions asked

1. What would “motivate someone to give if they no longer gaining equity participation and associated benefits of the mutual funds they’d originally focused on?” (p. 120).
2. “How do we create a platform where anybody can fund anything?” (p. 120).
3. “How cool would it be if people could directly decide whether or not you could get the money?” (p. 121).

The answer to the three questions:

1. The researchers formulated the reasons outside benefit that would influence a person to donate fund for anything. People may care for the cause and in return gain perks such as the product like

service, gain experience, the reputation like their name in the credits. People may want to participate in something bigger than themselves (p. 121).

2. The founders decided to make the method of giving funds a reality

3. The researchers approached the venture capitalists, and the deal was not favorable. They made a case study and used the results to raise money in their terms (p. 122).

Methodology

Method-The three Indiegogo founders met at a dinner and conversed and fanned their initial idea to “open a market-place for funding without any traditional gatekeepers” (p. 120). Researched for the requirements to create such a market-place. They recruited stakeholders to join them that provide them with support, resources, and funding to get started (p. 121). They invested the seed funds raised in one thing, film and put their effort to it (p. 121).

To implement the vision, the founders focused on their idea and limited funds investment in a vertical business with the film. Later they expanded by adding other participants, the artist, and collaborated with MTV (p. 122). They joined Obama’s Startup America on a crowdfunding initiative, a “wider audience of entrepreneurs” (p. 122). They kept the initial idea of starting small, and take the iterative approach to their target audience (pp. 122-1223).

Maintaining

The company grew into a big organization called Indiegogo. To maintain the vision or goal, the three founders reorganized themselves along the expertise and used the philosophy of the eyes, hands, and heart, each taking a role relevant to one’s ability and interest. The new position to each one reduced off pressure and encouraged them to specialize in one area (p.123). The new role created titles for the three co-founders’ titles as Chief Executive Officer, Chief Technology Officer, and Chief Operative Officer, aligning with the eyes, hands, and heart (p. 123). Also, their roles and the wider team continued to evolve, and they decided to make changes to the “organization’s structure every six and nine months over the following three years” (p. 123).

The focus was on bringing in the right people and more on vision, the three co-founders did trade-offs and choices which involved increasing delegation and the same time continued to maintain ownership and direct control for assembling the right team and managing company's vision. The cofounders formulated a set of values code what to do for the hired people to follow. The set values' code helped to maintain authenticity, collaboration, and empowerment within the organization (p.125).

Impacting change

The four values-fearlessness, authenticity, collaboration and empowerment reinforced the vision such that company growth and more people involved in decision making kept the overall goal at the center of everything the organization did (p.125). The CEO held the balance position as a whole overseer of everything happening in the organization without being a dictator. Allowing the participation make decisions while maintaining the focus on the goal and initial vision (p.125). The largeness of Indiegogo enables the company to do things that could not do as a small entity (p.127). The company continues growing and strategically keep on recruiting fresh insight that will drive the organization forward, one founder observes (p.126).

Conclusion

Indiegogo stay focused on what would drive future success. The company "define its vision in the long term as interim milestones bring their unique requirements" (p. 125). Indiegogo, "largest crowdfunding platform, with more than 300,000 campaign launched as late as 2014" (p. 125). To keep the company moving forward, co-founders focused on the initial vision. To maintain the organization, people with the passion of the ideas or goal of the company continued recruiting. The number of people that had joined in by 2014 indicates the Indiegogo significant impact to people.

References

Olson, A. K. & Simerson, B. K. (2015). *Leading with strategic thinking: Four ways effective leaders gain insight, drive change, and get results*. Hoboken, New Jersey. Wiley.