Phillip Leslie's ProOnGo mobile software business is a testament to the power of the student.

He started it while a graduate business student at the University of Chicago. Then he moved it to the Illinois Institute of Technology, tapping into the rich pool of software engineering students. It's been on the upswing since.

"The students who work for us walk three minutes from the classroom to our office," Leslie said. "We cast them into a role that gives them exposure to what they're studying."

While universities have different strengths, each offers resources and student talent that can save small businesses big bucks in labor.

Students need experience, and small businesses need fresh ideas and inexpensive, energetic talent. Pooling the two needs can be a winning combination, said Stefanie Lenway, dean of University of Illinois at Chicago's College of Business Administration.

"It's a good deal for the companies, but the students are getting a great experience," said Lenway, who is leaving UIC this summer to become dean of Michigan State University's Broad College of Business. Lenway said she has expanded practical opportunities for students during her tenure at UIC, including programs at the multidisciplinary Innovation Center.

At IIT, the Interprofessional Projects Program, which is required for undergraduates, brings together students from several disciplines for a common purpose. Graduate students often are put to work at companies based in IIT's University Technology Park, said Nik Rokop, managing director of the IIT-Knapp Entrepreneurship Center.

"We have pretty big resources here," he said. "Several companies have been built on student labor."

ProOnGo has saved a few hundred thousand dollars on research and development since the company's launch in early 2008 by tapping graduate technology students, Leslie said. The savings has sped development of ProOnGo Expense, which allows smart-phone users to input business expenses by snapping pictures of their receipts, then sending them to Microsoft Excel or QuickBooks online.
While some technology startups look offshore for inexpensive talent, Leslie was confident he could find what he needed at University Technology Park.

"Going into a university environment, building a product means you're going to find hoards of intensely motivated people that are just starting their careers and are so hungry to get practical experience," he said. "You turn that energy into real progress for your startup."

The work arrangements can lead to job offers for the students after graduation, said Steven Rogers, professor of entrepreneurship at Northwestern University's Kellogg School of Management and director of the Levy Institute for Entrepreneurial Practice.

"I get in front of entrepreneurs to teach them to reach out to their local university and graduate business school students to get free help," he said.

Doug Cook, president and owner of Feldco, hired Brad Morehead, who worked on an expansion plan for the company as part of a class at Kellogg, as his chief financial officer. The team of four students honed in on five growth strategies. Based on the students' work, Cook chose to grow the company geographically, and Feldco has expanded to Rockford, Peoria, Springfield and Champaign in Illinois; Milwaukee and Madison in Wisconsin; and Indianapolis, Cook said.

"I could have gotten that from a consultant, but I would have paid tens of thousands of dollars for it," said Cook, a Kellogg alumnus.

Hands-on projects are a large part of DePaul University assistant professor Patrick Murphy's capstone undergraduate course on entrepreneurship strategy, which matches teams of students with area businesses in need of objective research and new ideas.

"Entrepreneurs are so wound up in their businesses, they tend to lose perspective," he said.

At Aromatic Synsation, an aromatherapy store in Chicago's Woodlawn neighborhood, owner Makali Robinson tasked Murphy's students to come up with ways to build the business. The students recommended making the aromatherapy products more prominent in the store's window displays and encouraged Robinson to approach area salons and spas about selling his products in their shops.

Jefferson Park-based Delightful Pastries expanded to Old Town and to the Chicago French Market downtown, two areas that students earmarked as expansion possibilities several years ago, said Dobra Bielinski, owner of the bakery.

"Not in a million years would I have had time" to do the research on neighborhood demographics and rent, she said. The students also helped define Bielinski's target audience as "educated people who care what they put in their mouth," she said.

While most student projects are low cost or pro bono, at UIC’s Innovation Center major corporations pay about $125,000 a year to buy the intellectual property rights to students’ work and offset the cost of special interdisciplinary programming, said Al Page, professor of marketing. This year, about 30 students in business, industrial design and engineering worked with Dell to develop five product concepts and came up with the name "Looking Glass," which the computer-maker plans to use on a forthcoming hand-held consumer product.
For companies large or small, Page said, tapping student talent is "a good way to get fresh perspective and out-of-the-box thinking from people who are not indoctrinated with the company or industry norms."

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