

Back to Purpose IMPACT & LEARNING REPORT 2021



MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT HĪKINA WHAKATUTUKI



The Methodist Church of New Zealand Te Hāhi Weteriana o Aotearoa



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Executive Summary

This Impact and Learning Report is an internal evaluation of the **Back to Purpose** programme by Impact Hub Waikato. Back to Purpose is a 10-week entrepreneurship programme designed for aspiring entrepreneurs and early-stage impact businesses in New Zealand. It is based on the findings of surveys completed by the programme participants, as well as lessons learned by the programme management team.

Back to Purpose took place **3 times** in **2021**: twice in Hamilton and once in Auckland. In terms of the programme's intended outcomes and objectives, we can conclude that the first year of the Back to Purpose programme has been a success, especially considering the ongoing impact of the Covid-19 pandemic.

All participants highly rated the overall programme and its key pillars of support, with the individual coaching support and capacity building workshops being of particular value. **38 people from the North Island** successfully completed the Back to Purpose programme in 2021 and **95%** will continue working on their business ideas.

There was an overall positive shift in the capabilities and understanding of key business dimensions across the board. The most significant increase in business skills and confidence was observed in the fields of **Business Modelling, Customer Segments and Target Market and Financial and Legal Understanding.**

For future iterations of the programme, we would endeavour to fine-tune our recruitment process and showcase the positive results and testimonials from this year to encourage a higher number of applications, to hold more workshops in-person (as circumstances allow), and to provide more targeted individual support.

- Ella Stuart, Paul Kerssens, and Emma Sinclair

Programme Co-Directors





2021 was quite the year. As its impact was felt across the globe, Covid-19 came with its own set of challenges for Impact Hub Waikato and the participants of the Back to Purpose Programme.

Back to Purpose was designed from the start to be a hybrid programme, with a blend of in-person and online workshops. While all of the in-person events of Cohort 1 were able to go ahead as planned, those of Cohort 2 and 3 had to be moved partially or even completely online. Everyone displayed amazing resilience, agility and continued enthusiasm despite the last minute changes and numerous Zoom sessions. Looking back, the participants were able to make great progress and maintained extraordinary high levels of motivation despite the lingering effects of the pandemic.

With Back to Purpose, **we set out to connect, enable and inspire a new wave of changemakers** and help create great examples of impact businesses in Aotearoa - those who were ready to challenge the status quo and use business as a force for good. We believe that we succeeded at this and are very proud of the programme outcomes. 2021 being the first year of the programme, we have also learned a lot in terms of programme efficacy and delivery.



Programme

Intention & Design

The Back to Purpose entrepreneurship programme is designed to give entrepreneurs and early-stage impact businesses the tools they need to ideate and create and/or optimise their own business.

It was created in response to the **Ministry of Business, Innovation and Employment's** call to action as part of the COVID-19 Workers and Workplace Assistance Fund in 2020-2021. Another intention of the programme was to give people who had lost their jobs or were struggling with their business as a result of Covid-19 the opportunity to upskill and connect with the innovative Kiwi startup and entrepreneurship scene.

Back to Purpose is the third major programme that Impact Hub Waikato has delivered since its foundation in April 2019, following the Open Challenge Accelerator and the Generation Impact Fellowship in 2020. As with all of Impact Hub's entrepreneurial support programmes, with Back to Purpose we aim to create success stories to showcase alternative ways of doing business with broader, meaningful outcomes for people, prosperity and the planet.

The 10-week programme was designed to fit the individual needs of the participants as much as possible, most of whom had never started a business before, and was built on 3 main pillars of support:

- Capacity building workshops were offered in a hybrid series of inperson and online sessions to meet the broader needs of the cohort and to build their know-how according to the different themes of the programme:
 - Module 1Impact Entrepreneurship and Design ThinkingModule 2Impact Management and MeasurementModule 3Business ModellingModule 4Business Validation
 - Module 5 Market Strategy
 - Module 6 Lean Marketing and Growth Hacking
 - Module 7 Sales Mindset
 - Module 8 Pitching
 - Module 9 Financial and Legal Foundations
 - Module 10 Pitch Night

- 2) **Individual support** was offered in multiple forms: business coaching, mindset coaching and business validation coaching.
- 3) **Peer-2-peer support and networking opportunities** were stimulated in particular by means of the in-person workshops and the end of programme pitch nights.



Some of the key intended **outcomes** for the participants were:

- An increased understanding of the **impact business model** (finding the sweet spot between profit and not-for-profit and managing the trade-offs between financial and impact variables);
- A **clear and succinct business pitch** (delivered at the end of the programme in front of a live audience);
- A **clear roadmap for their next steps,** to ensure they can create impact in the long term;
- Increased confidence in their own abilities and motivation to pursue their entrepreneurial journey;
- Enabling them to become successful entrepreneurs / teams who can **look** after their own well-being;
- **Increased networking opportunities** to enable the participants to connect with potential customers, collaborate with local business partners, hire future talent and connect with investors and potential access to capital.

The Participants



Cohort 1 at the Impact Hub coworking space, Hamilton.

We were able to compile a shortlist of 48 enrollments for the Back to Purpose programme. After our selection and some ventures withdrawing their enrollment due to difficulties caused by Covid-19, we assembled 3 cohorts of 10, 11 and 17 participants. We were pleased to note that, although we expected to receive a higher number of applications, **the quality of the applications was very high and it was clear from their responses that there was a big appetite for the impact-driven focus of the programme.**

The range of business ideas was quite varied and all aligned with the impact focus of the programme. The participants were not interested in pursuing 'business as usual', they wanted to find a sweet spot between making a profit / creating a self-sustaining venture and having a positive impact on people and/or the planet - using their business ideas as a vehicle for change.

Examples of business ideas

- Ecommerce and Low Tech

- Online platforms selling fair trade goods, supporting local artisans in Kenya, Chile and the Pacific

- Mobile application to reduce call out time for first responders e.g. St John's ambulance

- Education and Empowerment

- Trauma counselling and mediation for Pasifika families
- Advocacy training and confidence-building for disabled youth
- Diversity and inclusion workshops for corporates
- Education centre for young children living in poverty
- Messy play and STEM initiatives for school children
- Environment
 - Zero waste event hire
 - Zero waste muesli bars
 - Regional e-bike and bike upcycling initiatives
 - Organic and circular skincare products
 - Carpooling initiatives
 - Sustainable construction consultancy
 - Grow your own seedling kits
- Health and Wellbeing
 - Yoga and meditation initiatives
 - Career and life coaching
 - Holistic health hub
- Other
 - Sand art and painting workshops
 - Elderly home transitions
 - Digital marketing for impact businesses



Cohort 3 during one of many online Zoom sessions.

Evaluation Method

This report is based on the findings of 3 online surveys and verbal feedback from the participants. At the start of the programme, an intake diagnostics form was administered to each cohort so that they could self-assess themselves on key business dimensions and set respective goals for the programme. At the end of the 10-weeks, a participant survey was circulated.

The programme evaluation is intended to measure three elements:

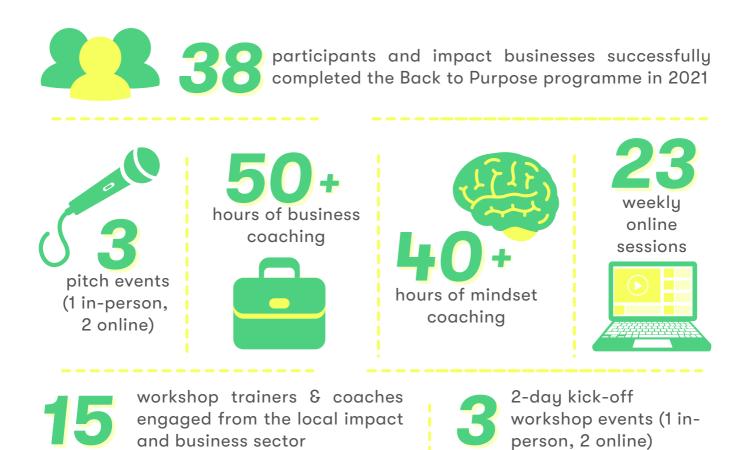
- 1) Overall evaluation and feedback on the programme
- 2) Shift in business dimensions and skills
- 3) Direct and expected Impact Measurement

Directly increased business skills:	Increased entrepreneur confidence:
 Business Ideation and Prototyping Business Modelling Customer and Target Market Impact Modelling and Measurement Operations and Logistics Marketing Sales Financial and Legal Understanding Team and Building Partnerships 	 General Confidence Motivation Clarity and Direction Goal-Setting Advocating the Vision Self-Awareness Resilience in the face of uncertainty Asking for help when needed Networking Collaborating with others Testing Assumptions Openness to learning / making mistakes Stress-Management and Wellbeing



Direct Output

After 3 rounds of the 10-week entrepreneurship programme in 2021, we've created a connected and supportive group of impact entrepreneurs that are much more confident and equipped to pursue their entrepreneurial journeys.



The participants rated the programme highly and found its different pillars of support to be very useful. The **individual business coaching, mindset coaching and business validation support** as well as the capacity building workshops and programme related materials were the most valued elements of the programme, as shown below (scores out of 100):

- 94 Overall Programme
 89 Capacity Building Workshops
 94 Business Coaching
 95 Mindset Coaching
 92 Business Validation Support
- 84 Cohort Collaboration
- 88 Programme Materials
- 82 Network and Business Opportunities



Cohort 2 at the Design Factory, Wintec, Hamilton.

We are also happy to report that **90%** of all participants would recommend the programme to another entrepreneur, **95%** will continue working on their business ideas and **84%** are clear about their next steps and how to take them.



Besides measuring the direct output of the programme, we have also tried to capture the mid to long term effects the programme would have on the individual entrepreneurs and their impact businesses.

At the start and the end of the programme we conducted an assessment on their capabilities and skills across key business dimensions relevant to the stage of their business. **There was an overall positive shift across the board.** The most significant increase in business skills and confidence across all cohorts was observed in the fields of **Business Modelling, Customer Segments and Target Market and Financial and Legal Understanding.**

Cohort 1 in Hamilton

reported a **51% increase** in understanding their customer and target market; a **45% increase** in financial and legal understanding and a 34% increase in their understanding of impact modelling and measurement. In terms of confidence in themselves and their business ideas, the group conveyed a **50% increase** in knowing their next steps and how to take them.

Cohort 2 in Hamilton

reported a **41% increase** in their understanding of impact modelling and measurement, a **34% increase** in understanding their customer and target market, a **29% increase** in their confidence with building a team and partnerships and a **21% increase** in their confidence with ideation and prototyping.

Cohort 3 in Auckland

reported a **76% increase** in financial and legal Understanding, a **56% increase** in their confidence in marketing, a **36% increase** in operations and logistics, a **34% increase** in confidence with building a team and partnerships and a **31% increase** in both sales and business modelling.

In relation to the actual effect on their understanding and capability of **starting an impact business,** the overall subjective response has been that the programme **has positively impacted the way they see and plan to do business in future.**

This sentiment can be best articulated in the following responses:



"Back to Purpose was a course that aligned perfectly with my vision of creating a more impactful and meaningful business. As an entrepreneur, I wanted to make sure my business was doing both good for individuals and society as a whole, and this course more than met those requirements".

- Anna Petchell, Founder of APetchell Coaching



"I found the Back to Purpose programme to be exactly what I needed to give my business idea shape. It was a really valuable learning experience that I would recommend to anyone who is interested in shaping a better world. B2P also helped me look at my existing marketing consultancy with fresh eyes. The possibilities are exciting!"

- Kim Cable, Founder of MarketHub



"The Back to Purpose Programme is the best thing that has happened to my business so far. I have especially embraced the idea of impact and gained more confidence to tell people about the impact they are making with the products I sell. I am currently rebranding and I look forward to applying the lessons I have learned from the workshops. Thank you Impact Hub, Ella, Paul, and all the other wonderful facilitators".

- Esther Gathambo, Founder of Sawubona

In terms of desired **post-programme support** from Impact Hub, the participants indicated an interest in the following:

- Mentoring
- Accountability and occasional follow-ups
- Potential B2B collaborations with Impact Hub
- Connections with other entrepreneurs
- Networking opportunities



Naomi Pocock, Founder of STEM Curiosity

Naomi Pocock from Hamilton took her impact business idea 'STEM Curiosity' through the Back to Purpose programme June-August 2021 as a member of Cohort 2. She came to us looking for a place to focus, network and come up with new marketing ideas for her budding business idea.

STEM stands for Science, Technology, Engineering and Maths, and STEM Curiosity is a charitable business that takes a child-led, play-based perspective. They want children in schools to inquire, explore and become innovators, rather than passive consumers, in these subjects.



According to Naomi, participating in the Back to Purpose programme helped her to prepare and refine her offering for the New Zealand market. The three elements of the programme that Naomi valued the most were: **business validation, marketing support and support with her business pitch.**

In late 2021, STEM Curiosity won a Sport Waikato subsidy to take **STEM-play activities to 10,000 children across the Waikato** in 2022. Naomi is now hiring Play Specialists to take sensory and loose-parts play into primary schools in the Waikato.

Rob Wadmore, Founder of Anyone Can Pedal

Rob Wadmore from Auckland took his existing business 'Anyone Can Pedal' through the Back to Purpose programme October-December 2021 as a member of Cohort 3. Rob came to us looking for mentoring, the opportunity to work with peers to whom he could stay accountable and wanting to head into 2022 with an implementable Business Plan.

Anyone Can Pedal is an impact enterprise helping people of all ages and abilities to fall in love with biking, to buy pre-loved or recycled bicycles or learn how to look after and maintain their favourite bicycle themselves. Rob organises pop up studios across Auckland and Northland to improve access to affordable, recycled bicycles, to teach people to repair their own bikes or connect them with a bike mechanic for more complex jobs.



The three elements of the programme that Rob valued the most were: understanding where his idea fits in terms of the Sustainable Development Goals (SDGs) and finding the sweet spot between profit and not-for-profit, having his idea validated and becoming clearer on his goals and how to communicate them.

Key Findings & Improvements

Overall, we can conclude that the programme has been a success, especially considering the circumstances we had to deal with. The existing frameworks and generic content from the global Impact Hub network, as well as the knowledge and experience gleaned from running the Open Challenge Accelerator in 2020, have been of great value. At the same time, we also recognise the necessity of adapting to the New Zealand context, as well as the importance of having the local networks of support to accelerate the future growth of these budding impact businesses.

Programme Analysis Recruitment Kick-off Programme Pitch & Exit

During the recruitment phase, we recognised the novelty of the programme and of Impact Hub itself in New Zealand. Although Impact Hub is a recognized global player and ecosystem builder in the field of impact entrepreneurship, we were just starting to establish our reputation locally. As a result, we did not have an existing lead funnel of potential programme participants when the project was launched in early 2021 and **the number of applications received was lower than forecast.**

Another perceived contributor to the low number of applications was the impact of the ongoing Covid-19 pandemic and changing lockdown levels on people's appetite for starting their own business and their risk-tolerance in general. At the same time, this was only a perceived risk, and none of our successful candidates expressed this concern. Nonetheless, we plan to proactively address this 'fear' in our marketing and communication with potential candidates of future programmes.

In 2022 and beyond, we will proactively build our lead funnel via our membership offers and regular community events throughout the year. We will also leverage the incredibly positive feedback and participant testimonials to reach new programme candidates.



Leading up to the start of the programme, short-listed participants filled out a self-assessment survey and had a 15-20 minute call with one of our team members to assess their needs and gauge if any necessary tweaks to the programme needed to be made. This worked well in terms of predicting potential challenges and starting to build trust between the participants and the Impact Hub team.

Due to the Auckland lockdown in late 2021, the kick-off workshops of Cohort 3 were forced online. While this enabled us to start on schedule, it was not the ideal start for such a cohort-based programme. After having had the kick-off workshops for Cohorts 1 and 2 face-to-face, we observed that having in-person contact with the cohort as soon as possible is important to encourage peer-to-peer learning, networking and the sense of community. For future cohorts, we would continue to hold both the kick-off workshops and pitch night in-person and host the remaining weekly workshops online. There would also be scope to include an in-person coworking session/social get-together in the middle of the programme.

Overall, the topics we covered in the kick-off workshops - Impact Business, Entrepreneurial Mindset and Design Thinking - worked well and helped set the tone and mindset for the rest of the programme. **We will keep this approach and further emphasise the Design Thinking methodology for them to learn and use as a technique in their own venture.**



Workshops

Overall, the capacity workshops were well received. Most of the workshops really hit home and added a lot of value (due to a combination of the topic and facilitator e.g. business modelling, impact management and business validation), while others were somewhat harder to make relevant to all the participants as they differed in venture stage, sector and/or approach (for example, marketing and sales).

In terms of feedback, the participants prefer to have a balance of online and in-person workshops (lockdown levels permitting). Another piece of feedback we received from Cohort 3 was a perceived lack of diversity amongst the workshop trainers (who were predominantly male in this particular iteration). For future cohorts, we would recommend the same 10 modules spread across 10 weeks and to be mindful of engaging workshop trainers and coaches that are not only highly skilled but also reflect the diversity of the cohort and the Impact Hub team.

Individual support

While the cohort-based workshops were very much appreciated and very suitable for capability development in certain areas, the individual business coaching, mindset coaching and business validation support created great value for all participants and was overall appreciated the most. In future, we would continue to offer the same level of individual support and even consider adding an extra individual coaching hour per participant e.g. to be used for pitch practice or to help clarify their business model.

Peer-2-peer support

Peer-2-peer support is something that we endeavour to stimulate in all of our cohort-based programmes, in-person events being the most effective method to this end. At the same time, we realise that community and the sense of mutual accountability has to grow organically in the course of time, depends on the personal matches and can only be stimulated so much. As can be read from the surveys, the cohort would have appreciated more in-person interaction with the group, although this was severely hampered by the ongoing Covid-19 restrictions for Cohorts 2-3. For the next cohort, we will endeavour to host in-person sessions as often as possible and encourage participants to work together on their key deliverables e.g. their Impact Lean Canvas and Pitch Deck.



The final module of each cohort was the pitch night, where the group pitched their impact ventures to a live audience, made connections with potential customers, team members and leads, and were further prepared by Impact Hub for their next steps after completing the programme.

The pitch nights were successful and enjoyed by all, especially in the case of Cohort 1, which was able to take place in-person at The Meteor Theatre in Hamilton. The participants were well prepared and delivered quality pitches. We had approximately 50 people in (virtual) attendance at each event. The participants could then follow up on promising connections made that night.

In future, we would like to become more strategic with who is invited to the pitch nights, e.g. by making sure that at least 1-3 relevant business/community leads from the each of the participants' areas of interest are present, and encouraging more people to attend to expand their reach (70-100 total would be ideal for this stage).



Final Words

Overall, we believe that we can be very satisfied and proud of the Back to Purpose programme. We are very grateful to our supporters, partners and trainers that enabled us to run the programme and support these amazing early-stage impact enterprises. A special thanks goes to **the Ministry of Business, Innovation and Employment,** and specifically for the Auckland cohort to **Social Enterprise Auckland** and **Methodist Mission Auckland,** who believed in the concept and the call to connect, enable and inspire a new wave of changemakers in Aotearoa.

With the experience of the first year of Back to Purpose, we have gained more real-life examples of the work that we do and the impact we make. We are confident that with these results we will be able to fulfil our ambition of broadening the geographic scope of Back to Purpose and take steps towards having the programme co-funded by the private sector and strengthen and establish new partnerships in the enablement and delivery of the programme.

With all the findings and improvements identified above, we are now finetuning the structure and content of the programme in order to increase its relevance, effectiveness and to enable us to run it more efficiently.

We believe that having the local focus as we did with 2 cohorts running in Hamilton and 1 in Auckland was important to build local connections and reputation. In future, we believe that having 1 cohort in each of Impact Hub's regional locations (Auckland and the Waikato) per year would be ideal. This would allow us to build relationships with more local entrepreneurs and provide crucial support in the vulnerable early stages of starting a business and develop a pipeline of high potential impact businesses.

We are already looking forward to supporting and developing more successful impact businesses and delivering more **IMPACT** in Aotearoa!

Thank You

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