



*OPEN CHALLENGE
ACCELERATOR*

***IMPACT AND
LEARNING REPORT***



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EXECUTIVE SUMMARY

This Impact and Learning Report is an internal evaluation of the 2020 Open Challenge Accelerator by Impact Hub Waikato, an 8-month programme designed for early growth-stage impact businesses in New Zealand. It is based on the findings of both two online surveys and in-depth interviews with the participants.

In terms of the programme's intended outcomes and objectives, **we can conclude that the first programme of the Open Challenge Accelerator has been a success**, especially considering the external impact of the Covid-19 pandemic.

All participants highly rated the overall programme and its key pillars of support, with the 1-2-1 support and connections made in the programme being of particular value to the group. They all expect to move into rapid growth in the coming year and at least **2 ventures are actively moving into their first capital round**.

The overall positive shift in capabilities and understanding of key business dimensions identified as relevant to their growth was measured at **+70%**. The most significant increase in business skills and confidence were in the fields of Financial Planning and developing an Investment Case.

In terms of programme design and delivery, existing frameworks and content from the global Impact Hub network have been of great value, however we recognize the necessity of adapting to the New Zealand context and having local networks of support. The co-design approach of the programme was incredibly successful, as were the physical workshops and targeted 1-2-1 support from the programme directors, mentors and service providers.

For the next programme, we would endeavour to fine-tune our selection process, hold more workshops in-person (as circumstances allow), provide more target 1-2-1 support over cohort-based workshops and implement a structured development plan for each participating venture to follow throughout the programme.

- PAUL KERSENS & ELLA STUART



INTRODUCTION

2020 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 Open Challenge Accelerator.

The programme kicked off online right in the middle of the first lockdown in New Zealand, starting with a fantastic cohort of 8 promising impact businesses. Everyone displayed amazing adaptability, agility and continued enthusiasm despite all the last minute changes and long Zoom sessions. Looking back, all the participants were able to make great progress and even experienced significant business growth despite the pandemic.

Along the way, we experienced the impact that the Covid-19 crisis and life events in general had on the participants and their whānau. Early in the programme, AIO clothing felt forced to stop their business and stepped out of the programme as a result. The group dealt with some serious hardships in 2020, including battling mild-depression, job losses and death and suicide in the family. At the same time, throughout the 8 months of the programme strong connections were forged between the participants and the Impact Hub team. According to the participants, these relationships were invaluable in terms of being able to cope with the year's events and external challenges.

With the Open Challenge Accelerator, we set out to support the creation of great examples of impact businesses prepared to rapidly grow their impact and commercial traction. We believe that we succeeded at this and are very proud of the programme outcomes. This being the first cycle of the programme, we have also learned a lot in terms of programme efficacy and delivery. At the same time, we are also proud of and grateful for the human connections and relationships that we've helped build: relationships that will continue to support these businesses in the long term, well beyond the Open Challenge Accelerator.



PROGRAMME

PURPOSE AND DESIGN:

The Open Challenge Accelerator is a programme designed for early growth-stage impact businesses. Based upon formats from Impact Hub's global network and adapted to the New Zealand context, it was the first major programme that Impact Hub Waikato has delivered. With this programme, we aim to create success stories to showcase alternative ways of doing business with broader, meaningful outcomes for people, prosperity and the planet.

The programme was designed to fit the individual needs of the participants as much as possible and was built on three main pillars of support:



CAPACITY BUILDING WORKSHOPS:

Co-designed with the cohort, we offered a series of physical and virtual workshops to fit the needs of the participants and build their capacity and know-how according to the different stages and themes of the programme.



1-2-1 SUPPORT:

Individual support was offered in multiple forms: mentoring by an experienced business person, two projects with a professional service provider, mindset coaching and venture management.



PEER-2-PEER SUPPORT:

We stimulated and actively encouraged the participants to work together and foster relationships.

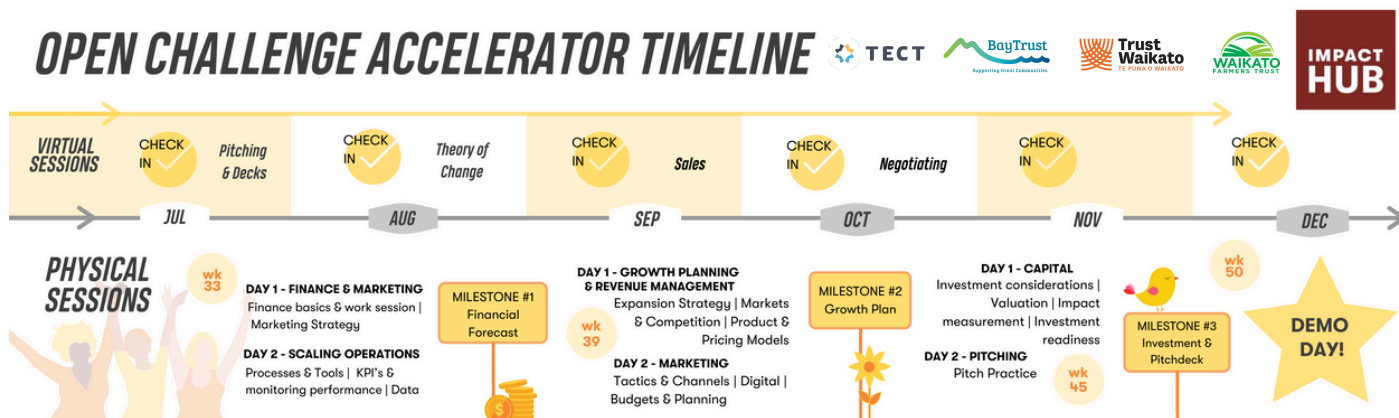


Image: Overview of the sessions after the kick-off and co-design phase.

The intended outcomes of the programme were:



A **well-defined growth strategy** and the skills to expand commercially and market their products/service at scale.



A **clear roadmap for operational scalability** and **financial sustainability** to ensure they can create impact in the long term.



Understanding of the **dual purpose business model** and managing the trade-offs between financial and impact variables.



A clear understanding of **capital needs**, how to raise **potential investment** and how to become **investment ready**.



Enabling individual participants to become successful entrepreneurs / teams who can **look after their own well-being**.



Connecting them both nationally and internationally to find and access the right support.

THE COHORT:

Through the Changemaker nomination campaign, a roadshow of workshops and active scouting, we were able to compile a shortlist of 20 enrollments for the Accelerator. After our selection and some ventures withdrawing their enrollment due to Covid-19, we assembled a cohort of 8 ventures.

- APD Support
- AIO Clothing
- Brainy Picture People
- Riposte Analytics
- Safe Surfer
- Salt of the Earth Packaging
- Taku Wairua
- Vigour & Vitality



**Taku
Wairua**

by THE WATERBOY



EVALUATION METHODOLOGY

This report is based on the findings of both two online surveys and in-depth interviews with the participants. At the start of the programme, an intake diagnostics form was administered and discussed with the participants so that they could self-assess themselves on 10 business dimensions and set respective goals for the programme. At the end of the 8-month programme, a participant survey was circulated. Interviews were actively held and feedback was regularly requested throughout the programme.

The programme evaluation was intended to measure three elements:

1. Overall evaluation and feedback on the programme;
2. Shift in business dimensions of the intake diagnostics and skills;
3. Direct and expected Impact Measurement.

In 6 months' time we will approach the participants again to evaluate their progress and the mid to long term impact of the programme.

DIRECTLY INCREASED BUSINESS SKILLS:



Growth planning and strategy



Pitching and presentation skills



Financial planning



Marketing and sales



Organisational and operational development



Fundraising



Digital marketing and branding



Networking



Impact modelling

INCREASED ENTREPRENEUR CONFIDENCE:



General confidence



Moving business onto the next stage



Ambition



Personal (and team) wellbeing



Creativity



Ease of building relationships



Direction



Openness to others



Decision-making



Empathy



Raising external funding

LONG-TERM OUTCOMES FOR VENTURES:

Increased business skills and confidence are expected to lead to improved business performance, which will be measured at the baseline, endline, 6 months after the programme has ended, and ideally annually for 2 years post-programme in relation to the following indicators:

- Venture stage growth
- Revenue & profitability
- Funding secured
- Total customers
- Total beneficiaries (if different)

RESULTS

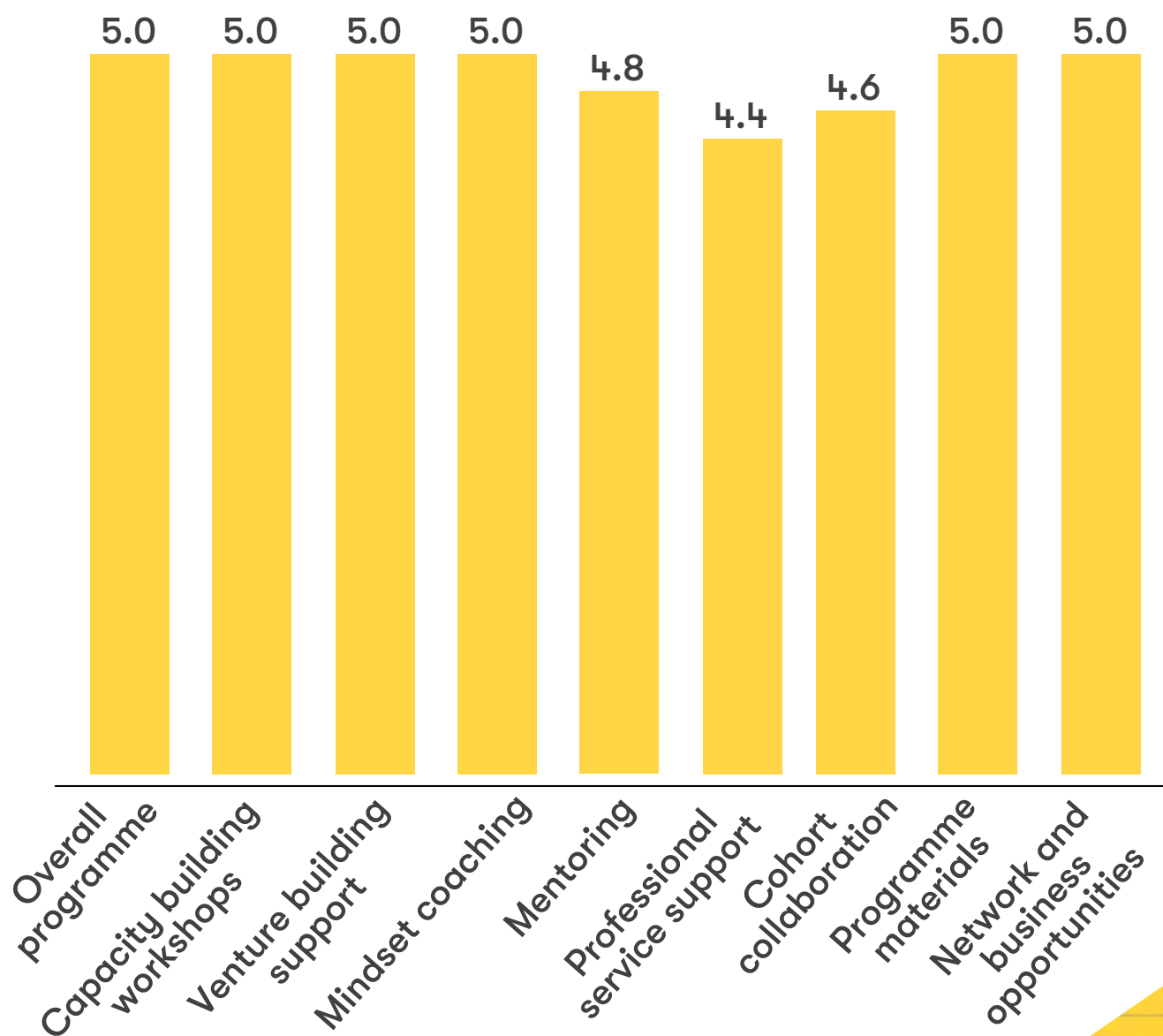
After the 8-month programme, we've created a connected and supportive group of impact entrepreneurs that are much more confident and capable of achieving their dual purpose missions!

Direct Output:

7	Participating ventures	1	Pitch event
15	Individuals	7	Full days of physical workshops
10	Virtual workshops	12	Professional support projects
20+	Hours of mindset coaching	30+	Hours of mentor support
110+	Hours of venture management		



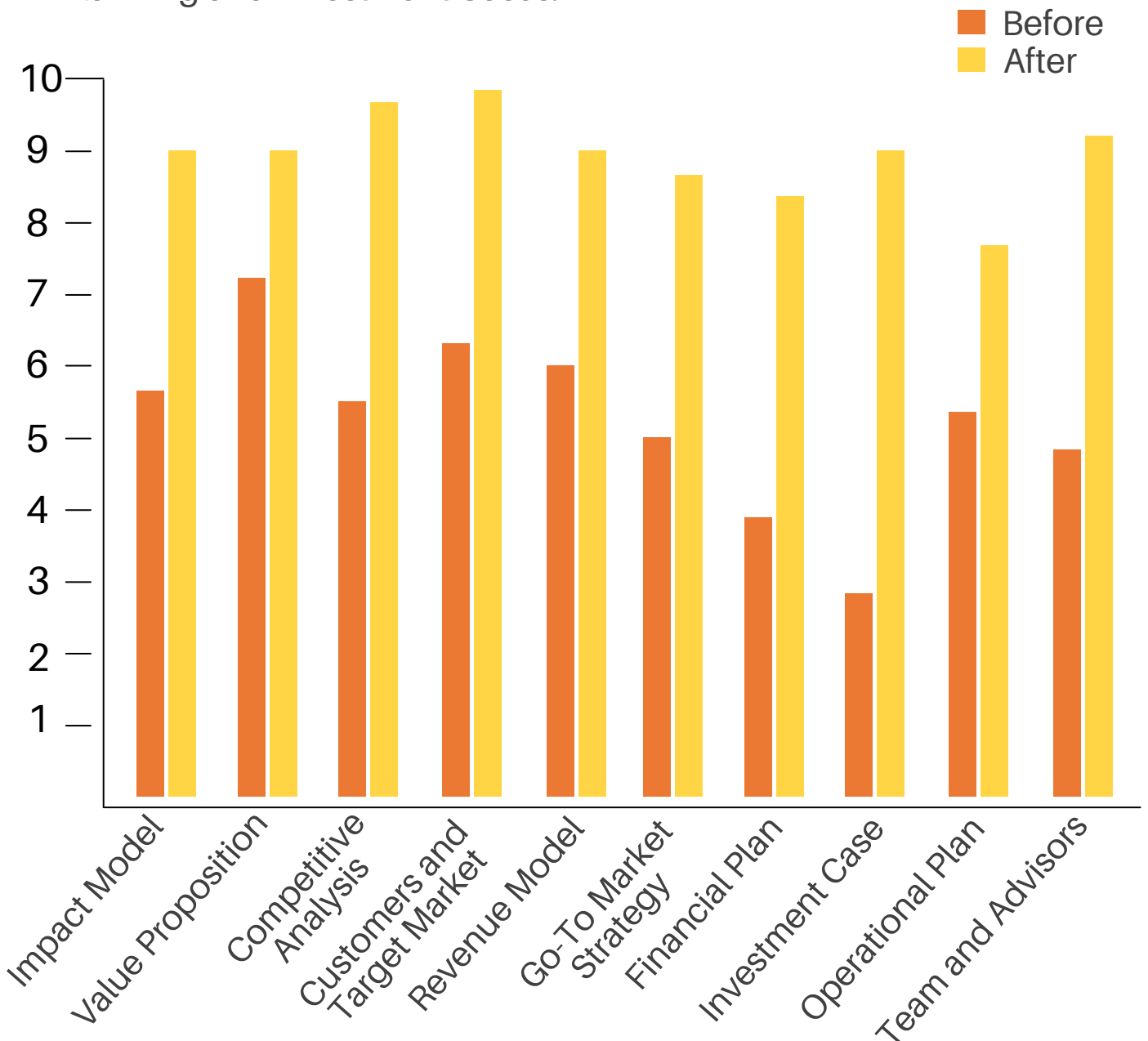
The participants have rated the programme and its different elements as very useful and were very satisfied with it. Community and relationships coming out of this experience, the sincere interest and dedication to help the participants and the quality of the different support elements were the most valued factors of the programme by the participants, as shown below. 0 being the lowest score and 5 being the highest possible score.



OUTCOMES:

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 10 business dimensions relevant to the stage of their business. The increase in the capabilities on these dimensions created over the 8 month period of the programme should create a long-lasting effect on how they operate their business. **The overall positive shift in capabilities and understanding of these business dimensions for the cohort is +70%**, with the largest increases in Financial Planning and Investment Cases.



In relation to the actual effect on their business, the overall subjective response has been that the programme has positively impacted their business results. This is in terms of optimizing their business/impact model, their value proposition, their marketing and sales approach and their financial management but also in regards to actual business traction and growth in terms of new customers or projects. The contribution of the Open Challenge Accelerator to this progress can be best articulated in the following responses to that particular question:

“

Yes of course. I have been able to learn more about my business during the last 8 months than I have since the beginning. I feel investment ready and at the start of the course I was still a bit unsure about this.

Hayden Booker
Founder of Vigour & Vitality



“

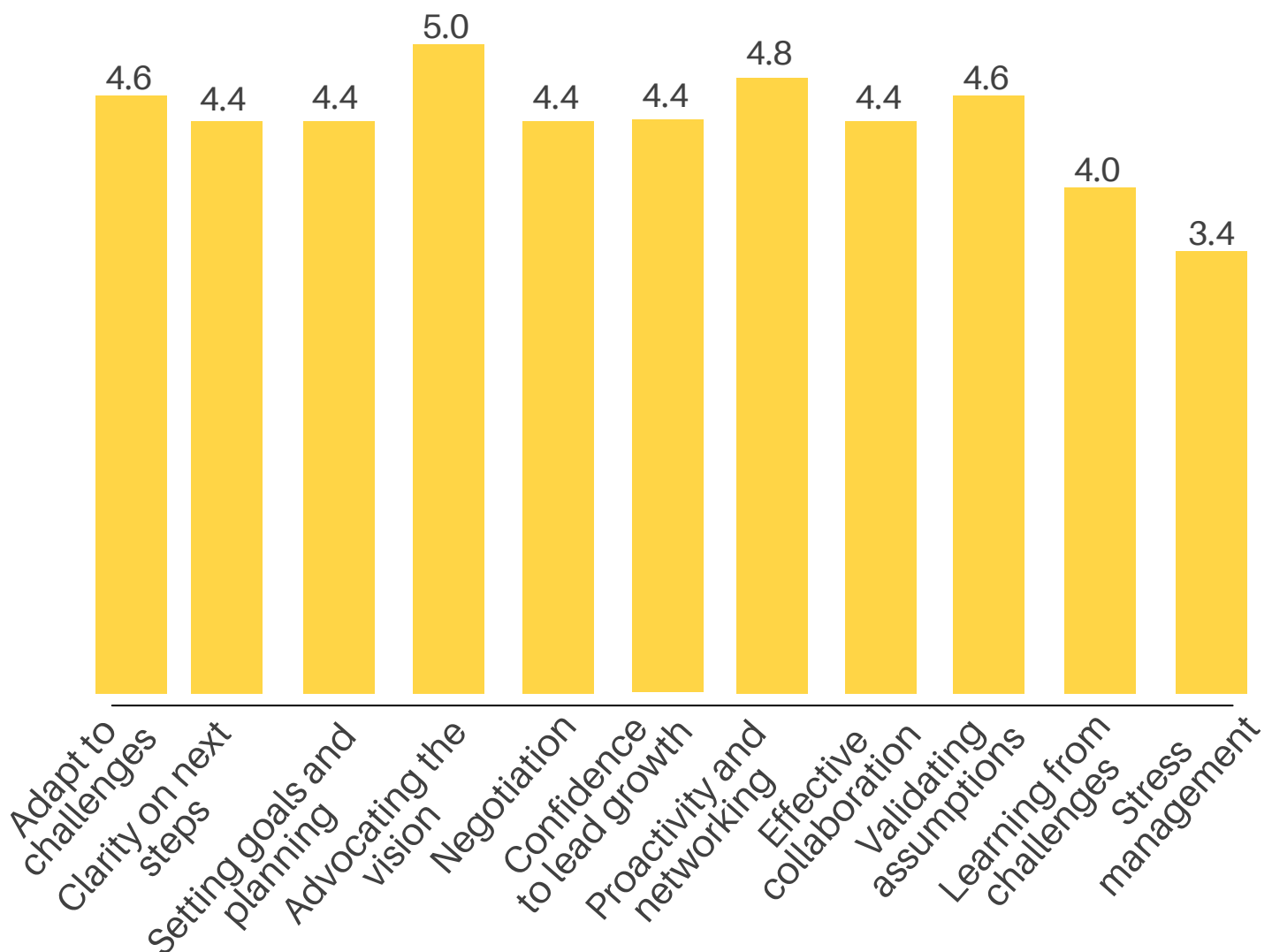
The programme has been instrumental in helping me to understand much more deeply what is actually involved in growing a business to become viable and sustainable. I think that it has helped me to see what needs to happen and what a successful business looks like in a realistic way. In this sense it has been a reality check and it has helped me to face the decisions that need to be made.

Kelly Gyde
Founder of Brainy Picture People



All participants expect to move into rapid growth in the coming year: accelerating their impact, increasing revenue significantly and growing their teams and organizations alongside it. In terms of becoming investment ready or raising capital, 2 ventures are currently actively moving into a capital round, three are planning to start this towards the end of the year, one has decided to grow organically and one isn't sure about this yet.

Throughout the programme we also placed strong emphasis on developing leadership skills in order to boost their level of confidence and the ability to manage their own (and teams) wellbeing during the turbulent stages of business growth.



In terms of post-programme support from Impact Hub, participants listed desired further support and advice in the following areas:

- Investment, Capital and Commercial Deals
- Business Plan, Operational Scaling and Financial Forecasting
- Marketing Strategy
- 1:1 Support from Programme Directors
- Community Building

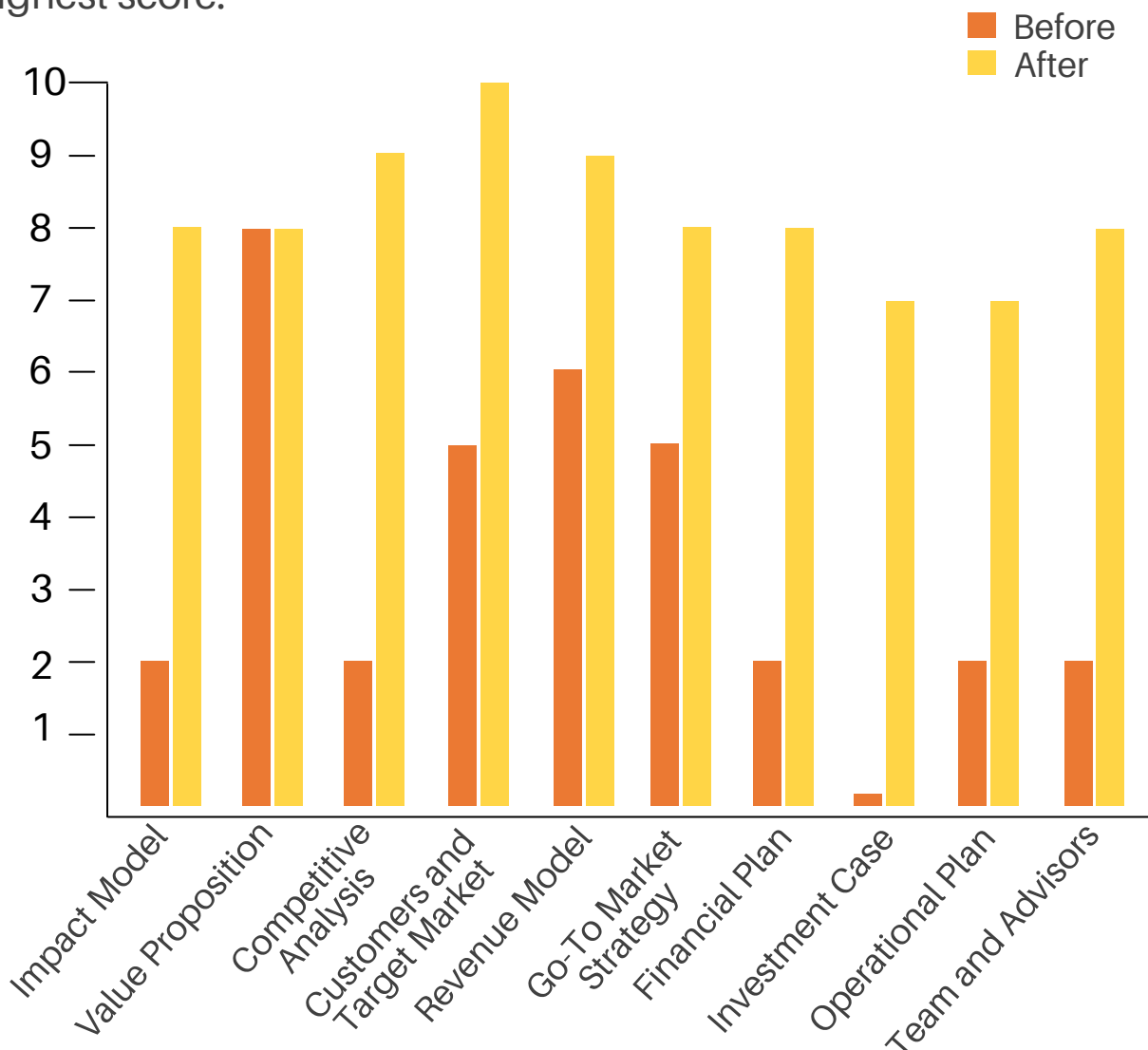
CASE STUDY: RIPOSTE ANALYTICS



Riposte Analytics track real-time youth wellbeing and gather feedback without sending another survey. The Riposte app encourages a daily habit of reflection and sharing highs and lows. Co-designed with youth, Riposte finds the balance of being engaging but not addictive, and social but safe. Aggregated and anonymous wellbeing data and feedback is delivered via an interactive dashboard.

Participating in the Open Challenge Accelerator helped the Riposte team to be 'more targeted and strategic' when it comes to the way they view and plan the future of their business. The three elements of the Open Challenge Accelerator that the Riposte team valued the most were: access to networks, building relationships with others and the mentoring with their own business mentor.

Riposte is now working on multiple (trial) projects to collect data and prove the model before they prepare for a capital raise towards the end of 2021. According to their own evaluation, Riposte experienced a significant increase in their capability and confidence in the following business dimensions. 10 being the highest score.



“

I really valued the level of interest and extra assistance by Paul and Ella within our social enterprise and using their skills to help out with whatever is needed. The workshops were all not to be missed because of the extremely high calibre of workshop presenters.

It was also great to have people really helping with giving feedback and refining your pitch, so that you have an Investment ready pitch whenever you need it.

The mentoring really challenged the way Safe Surfer looks at Impact Investment and the way the company is structured financially for the best impact vs financial growth.

Rory Birkbeck
Founder of Safe Surfer



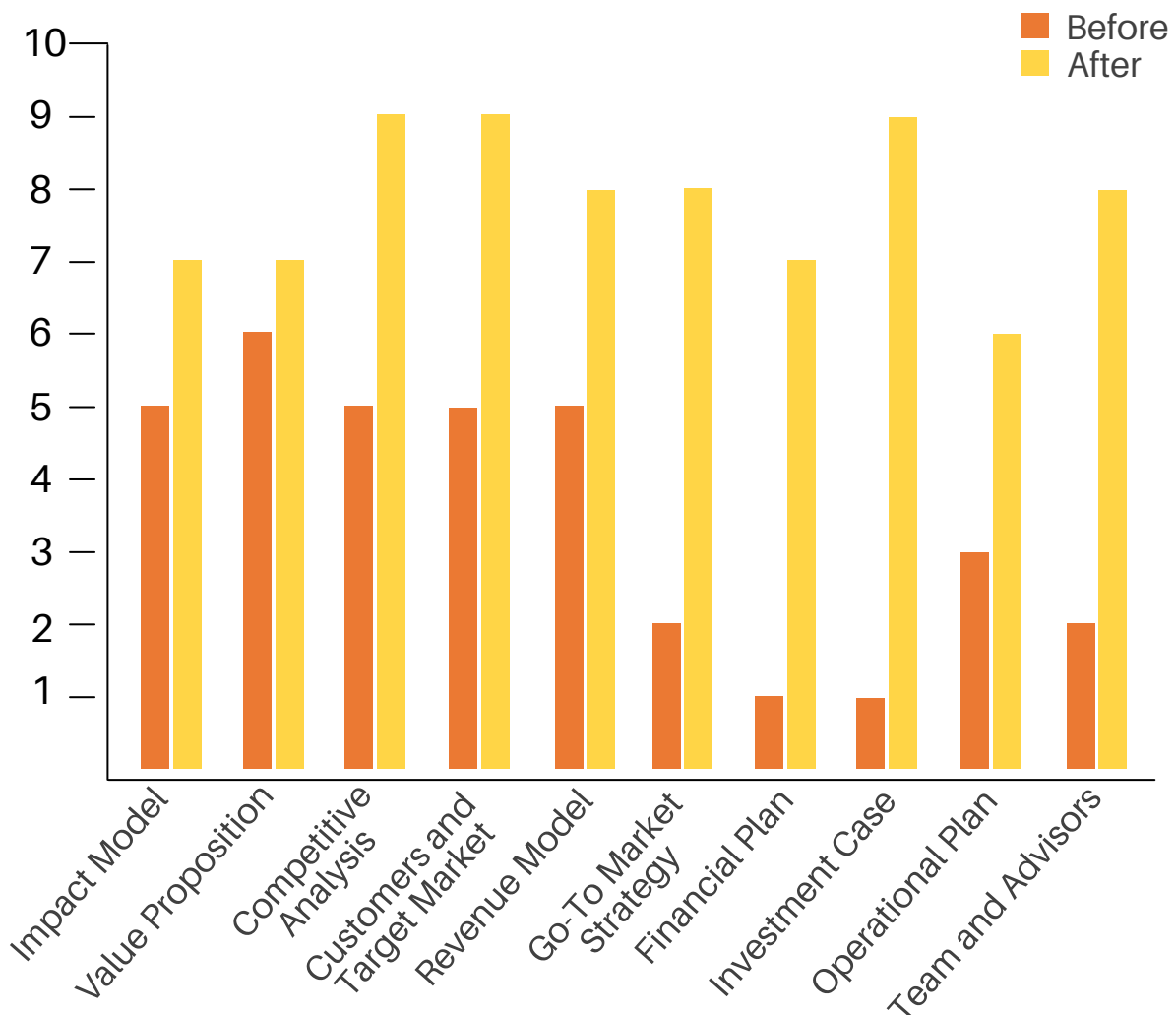
CASE STUDY: BRAINY PICTURE PEOPLE



Brainy Picture People provide a new easy way to do literacy for students who need help with reading and spelling. Different children learn in different ways and their programme provides a new way to learn, including a pictorial alphabet, that suits many students who are currently failing at school. Wanting all kids to do well at school, Brainy Picture People remove barriers to literacy, so that children can read and write with ease.

Participating in the Open Challenge Accelerator was instrumental in helping Brainy Picture People founder Kelly Gyde to understand 'what is actually involved in growing a business to become viable and sustainable'. The elements of the Open Challenge Accelerator that Kelly valued the most were: One-to-one support of the programme directors and mentors, as well as the connection with other startup teams and experts.

Brainy Picture People are now in motion for their first capital raise to develop an online Minimum Viable Product (MVP), in order to reach more children and schools and hence scale their impact. Brainy Picture People experienced a significant increase in their capability and confidence in the following business dimensions. 10 being the highest score.



KEY FINDINGS

Overall we can conclude that the programme has been a success, especially considering the circumstances we had to deal with. The value of existing frameworks and generic content from the global network has been of great value, however we also recognize the necessity of adapting to the New Zealand context and having the local networks of support that truly accelerate the ventures.

In terms of the intended programme outcomes mentioned at the start of this report:

Well defined growth strategy	Growth, in its many aspects, has been discussed and worked on extensively. All participants have worked on building their own growth plan.
Clear roadmap for operational scalability and financial sustainability	Both topics have been touched upon and multiple deep dives and 1-2-1 support have been provided on financial planning and self-sustainability. All participants have developed a long-term financial forecast. The workshop and assistance on finance were scored highly by all participants.
Understanding of and the trade-offs of the dual purpose model	Most ventures probably came in with a slightly too idealistic approach and we've helped throughout the programme to optimize the balance between financial and impact results.
Understanding of capital needs and how to become investment ready	A topic of high interest and very little understanding at the start of the programme. A lot of attention has been put into this and overall the group's understanding has increased significantly with concrete plans for capital raises or the deliberate choice not to.
Able to look after their own (team's) well-being	Through the mindset coaching, a few workshops on related topics and the mentoring it has been under constant attention. It will however remain an area of focus for most.
Nationally and internationally connected	A lot of connections have been made for either support, partnerships or potential business leads. All have had a national focus as the international domain was "on hold" with Covid. With two or three ventures there are still pending opportunities.

We have also learned ourselves from this first programme and see multiple ways in which we can improve the programme to be more effective and efficient towards the cohort 2021.

PROGRAMME ANALYSIS

Recruitment

Kick-off

Programme

Pitch/exit

In the recruitment phase we realized the novelty of the programme and of Impact Hub itself. Although Impact Hub is a recognized global player and ecosystem builder in impact entrepreneurship, we hadn't yet built up a reputation locally and didn't have an existing lead funnel of potential programme participants. This resulted in time-consuming proactive scouting. The roadshow workshops we did to promote the programme were very successful and a lot of enrollments resulted from that. **This year, we will build up our lead funnel throughout the year, with our early stage programmes and from our membership. We will also repeat the roadshow workshops.**

Through the scouting, the workshops and our marketing we succeeded in finding and enrolling a good number of eligible impact enterprises in or moving into their early-growth stage. However, we didn't have the luxury position of choosing the best suited participants, especially because quite a few enrollments pulled out when we moved into lockdown. **For the next cohort, we will improve our selection process with a bit more in-depth research into the potential participants, their commitment and the current state and performance of their business.**





Leading up to the start of the programme, we had all participants fill out a self assessment and had an interview as an intake diagnostic to assess their needs and create the best programme offering. Although the snapshot worked well for its purpose, we realized that it would work better if we followed up with a concrete action plan with goals and milestones for the duration of the programme. **For the next cohort, we will extend the intake diagnostics and implement a development plan and have the participants commit to those goals and milestones.**

Due to lockdown, we were forced to spread the kick-off workshops over multiple Zoom sessions. It enabled us to start with the programme but wasn't great for the start of such a cohort-based programme. After having the first in-person two day workshop 7 weeks into the programme, **we learned that having in-person contact with the cohort and with the participants individually is important for a smooth and committed start.**

Overall, the topics we covered in the several kick-off workshops worked well and helped to set the mindset and stage for the programme. The co-design session on developing the cohort-based part of the programme was very successful and resulted in a bespoke programme that was purely based on their needs. **We will keep this co-design approach and further emphasize the "agile" methodology for them to learn and use as a technique in their own venture.**





Workshops

Overall, the workshops were well received and the topics covered came from their own co-designed needs. We had a mix of 2-day physical workshops every 6/7 weeks and virtual zoom workshops in between which seemed to work well. **However, in the next programme we might decide to focus mainly on in-person workshops with shorter intervals and just a few Zoom workshops.**

Some of the workshops really hit home and added a lot of value (combination of topic and facilitator; topics were finance, capital, theory of change etc) others were harder to make relevant for all the participants as they differed in venture stage, sector and/or approach (like marketing and sales). **For the next cohort, we would make a trade-off between having those generically applicable workshops and reserving other topics for individual sessions to make it more relevant and valuable for each venture.**

Individual support

Although the cohort-based workshops were very much appreciated, very suitable for capability development in certain areas and for building relationships, we have seen and realized that the individual support made a large impact. The venture management, coaching, mentoring and professional service support have created great value for all ventures and was overall appreciated most. **For ventures of this stage, we would include more individual support at the cost of some of the workshops to create a better and more relevant balance.**

Peer-2-peer support

The third and final element of support we encouraged was the peer-2-peer support. We acknowledge that this has to grow organically in the course of the programme, depends on the personal matches and can only be stimulated so much. However, we have tried to encourage it and pro-actively connected them where complementary skills and needs seem to be a good match. The importance of in-person meetings and working together on assignments are key to establishing those connections and building confidence in further collaborations.

We have observed multiple ventures helping each other and collaborations evolve over the 8 months of the programme. **For the next cohort we will continue with the subtle stimulations as we did with this cohort.** As can be read from the survey, the cohort valued these relationships highly.



The final phase of the programme was the pitch night in December, where the cohort pitched their impact ventures to an audience, made connections with potential investors/funders/leads, and were further prepared by Impact Hub for their next steps after completing the programme.

The pitch night itself was very successful. The ventures were well prepared and delivered quality pitches. We had approximately 60 people in attendance with a good mixture of potential investors/funders, potential partners/leads, members of the community and their friends and family. The participants could then follow up on promising connections made that night as well as those made via Impact Hub during the programme.

We discussed and worked on a few final topics with all participating ventures in the months after the programme to help them on their way with their specific goals. For some ventures the mentoring is also continuing.

Besides the above findings and learnings, **one of the main challenges we experienced was the commitment and availability of the participants.** Although we were all very open to support and the group keen to participate as much as they could, the participants also had businesses to run during a very difficult and uncertain time. Our approach here was to show flexibility and not to be too strict with deadlines, deliverables and attendance. However, in the evaluation we actually got the feedback that they would have preferred to more structure and accountability to this end. **For the next cohort, we will add a more structured and planned approach in regards to their own development plan, the deliverables required and emphasize the importance of their commitment and personal responsibility early in the process.**



FINAL WORDS

Overall, we believe that we can be satisfied and proud of this first programme. We are very grateful to all our supporters and partners that enabled us to run the programme and support these amazing impact enterprises. **A special thanks goes to Bay Trust, TECT, Trust Waikato and Waikato's Farmers Trust who believed in our concept and our call to form a coalition of the willing to create a proof of concept.**

With the experience of the first Open Challenge Accelerator we have already gained more credibility and 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 fulfill our ambition of broadening the geographic scope and having the programme co-funded by the private sector.

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

For 2021, we aim to start the second cohort mid year with a cohort of approximately 10 ventures. We are already looking forward to supporting and developing more successful impact business and generating more IMPACT in Aotearoa!





Imprint:

Impact Hub Waikato
waikato@impacthub.net
236 Anglesea Street
Hamilton
New Zealand

Contributors:
Paul Kerssens
Ella Stuart
Chantelle Cobby

www.impacthubwaikato.co.nz



THANK YOU

