



Women
Entrepreneurship
for Africa

WE4A

Women Entrepreneurship for Africa Acceleration and Growth Programme Component

*“Capitalising on the full potential
of women entrepreneurs for
employment creation”*

Learning and opportunity brief

2023



Image by: Clemence Eliah

Implemented by:



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Table of Contents

Introduction	5
The State of Women-Led SGBs in Sub-Saharan Africa	6
Key Gender Gaps in the African Entrepreneurial Ecosystem	7
The Women Entrepreneurship for Africa Project Overview	8
Component 3 Methodology: Acceleration and Growth	10
Profiles of the SGBs supported	11
Achievements and Impact	12
Acceleration programme	12
Growth programme	13
Outcomes	14
Key Insights for programme Implementation	15
Sourcing of women-led businesses from the TEF alumni network	16
• <i>Selection Criteria</i>	16
• <i>Limited Sourcing</i>	16
• <i>Leveraging Investor pipelines</i>	16
Programme content and delivery frequency	17
• <i>Intensity and frequency</i>	17
• <i>Limited Digital Literacy</i>	18
• <i>Content customization</i>	18
Pedagogy and delivery	19
• <i>Virtual delivery</i>	19
• <i>Mentorship & peer-to-peer network</i>	19
• <i>Experimentation method</i>	20
• <i>Engagement platforms</i>	20
Engagement of the investment ecosystem	21
• <i>Investor engagement</i>	21
• <i>Providing relevant information for investors</i>	21
Opportunities for future growth	24

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The EU

The European Union is an economic and political union of 27 European countries. It is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. It acts globally to promote sustainable development of societies, environment and economies, so that everyone can benefit.



OACPS

The Organisation of African, Caribbean and Pacific States (OACPS), which became an international organisation in April 2020, was originally the ACP Group, established by the Georgetown Agreement in 1975. The OACPS comprises 79 African, Caribbean and Pacific States. The main objectives of the OACPS are focused on the sustainable development of its Members and their progressive integration into the world economy, with the ultimate aim of reducing and eventually eradicating poverty, coordinating the activities of the Organisation in the framework of the implementation of the Partnership Agreement with the European Union, the consolidation of unity and solidarity among Members of the OACPS, the promotion of multilateralism, the establishment and consolidation of peace, security and stability in free and democratic societies, and the empowerment of youth and women.



BMZ

Within the German government, the Federal Ministry for Economic Cooperation and Development (BMZ) is responsible for Germany's development policy. The 2030 Agenda for Sustainable Development forms the international framework for Germany's development policy. A special focus for the BMZ is creating better opportunities around the topics of food security, sustainable economic development and climate action. For the implementation of its projects, the BMZ relies on the following organisations among others: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), KfW Group, and Engagement Global – Service for Development Initiatives.



GIZ

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is a global service provider in the field of international cooperation for sustainable development and international education work, with 25.422 employees. GIZ has over 50 years of experience in a wide variety of areas, including economic development and employment, energy and the environment, and peace and security. Our business volume is around 3.3 billion euros. As a public-benefit federal enterprise, GIZ supports the German Government – in particular the Federal Ministry for Economic Cooperation and Development (BMZ) – and many public and private sector clients in around 120 countries in achieving their objectives in international cooperation. With this aim, GIZ works together with its partners to develop effective solutions that offer people better prospects and sustainably improve their living conditions.



TEF

The Tony Elumelu Foundation is the leading philanthropy empowering a new generation of African entrepreneurs, driving poverty eradication, catalysing job creation across all 54 African countries, and increasing women economic empowerment. Since the launch of the TEF Entrepreneurship Programme in 2015, the Foundation has trained over 1.5 million young Africans on its digital hub, TEFConnect, and disbursed nearly USD\$100 million in direct funding to 18,000 African women and men, who have collectively created over 400,000 direct and indirect jobs. The Foundation's mission is rooted in Africapitalism, which positions the private sector, and most importantly entrepreneurs, as the catalyst for the social and economic development of the African continent.



SAFEEM

SAFEEM (Seedstars Association For Entrepreneurship in Emerging Markets) -is a Swiss-based non-profit organization on a mission to support entrepreneurs in emerging markets through technology and entrepreneurship. Since 2014, SAFEEM has operated in partnership with Seedstars, a global investment holding with a similar goal, in an effort to maximize impact through creating entrepreneurial programs in the Global South. The organization has an Equivalency Determination (ED) certificate from NGOsource, proving its to a Certified Public Charity. SAFEEM has previously collaborated with various organizations such as UN Environment (UNEP), European Union, Visa Foundation, European Commission, and more to fuel economic growth and create jobs in emerging markets.



Image by: M.A.D Specialist

Introduction

In a commitment to learning and enhancement, this report delves into *Component 3, which was comprised of the Acceleration and Growth tracks of the Women Entrepreneurship for Africa (WE4A) programme*. The report encapsulates a thorough review of the programme's multifaceted execution, shedding light on achievements, challenges, and areas for improvement. Throughout this brief, we identify prospective opportunities to integrate these enhancements into future phases of WE4A, as well as other programmes targeting women-led small and growing businesses (SGBs) in Africa.

Our overarching goal is not just to understand the programme in retrospect but to **draw actionable insights that could foster more effective and inclusive entrepreneurship support for African women in future endeavours.** By turning reflection into action, we aim to contribute to the broader mission of empowering women-led SGBs and advancing economic growth in Sub-Saharan Africa.

The State of **Women-Led SGBs** in Sub-Saharan Africa

The entrepreneurial ecosystem in Sub-Saharan Africa offers a compelling mix of opportunity, innovation, and resilience. **A significant portion of this vibrancy originates from women-led small and growing businesses (SGBs).** These enterprises make substantial contributions to economic development, poverty reduction, and social transformation.

However, their potential often remains unrealized due to an array of systemic, societal, and market-based constraints. Women-led SGBs, in many instances, remain small-scale and informal, predominantly operating in lower-value-added sectors. This phenomenon is a byproduct of a complex matrix of barriers that disproportionately affect women entrepreneurs. **These barriers include: >>**

Image by: M.A.D Specialist



Key Gender Gaps in the African Entrepreneurial Ecosystem



Access to Finance:

Women-led SGBs face multiple hurdles in accessing finance. African women across business value chains face an estimated financing gap of \$42 billion (African Development Bank, 2020). Despite their significant representation among African entrepreneurs, women-led SGBs receive less than 5% of all small business loans (Mastercard, 2022). Traditional financial institutions often perceive them as high-risk, primarily due to their lack of collateral. This financing gap is evident in the venture capital distribution: in Q1 2020, SGBs led by women only raised 3.2% of the total venture capital available, a decrease from 5.7% in Q1 2019 (Briter Bridges, 2020).

Knowledge and Skill Gaps:

Women entrepreneurs often lack access to necessary business knowledge, entrepreneurial skills, and networks required for business growth. This gap is further amplified by lower literacy levels among women due to unequal educational opportunities (World Bank, 2019).

Digital Divide:

The digital age presents promising opportunities for business expansion and innovation. However, women entrepreneurs often trail in digital uptake due to limited access to digital tools, inadequate training, and prevailing cultural stereotypes (GSMA, 2020).

Policy and Regulatory Constraints:

Despite improvements in implementing gender-responsive policies across many African countries, enforcement remains patchy. Cultural norms prescribing women's roles often hinder their ability to start and grow businesses (African Union, 2021).

Estimated
financing gap:



\$42 billion

Women obtained

Less than 5%

of all small business loans

Venture capital distribution decrease

5.7%

Q1 - 2019

↓ 3.2%

Q1 - 2020

Despite these challenges, it's important to note the potential of women-led businesses. When women business owners pitch their ideas to investors for early-stage capital, they receive significantly less, yet businesses founded by women ultimately deliver higher revenue—more than twice as much per dollar invested—than those founded by men (Boston Consulting Group, 2018). Furthermore, women are known to re-invest up to 90% of their earnings back into their families and communities, compared to 35% for men (UN Women, 2020). This tendency positions women as crucial pillars of African society, with a vast potential to create employment for themselves and others. Thus, supporting more women-led entrepreneurs in Africa is not just a moral imperative but an essential economic imperative as well. ■

The Women Entrepreneurship for Africa Programme Overview

The Women Entrepreneurship for Africa (WE4A) programme is an ambitious pan-African endeavour, underpinned by the collective vision and support of several international organisations including the European Union (EU), the Organisation of African, Caribbean and Pacific States (OACPS), and the German Federal Ministry for Economic Cooperation and Development (BMZ). Execution on the ground was driven by a synergistic collaboration among the Tony Elumelu Foundation (TEF), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, and the Seedstars Association for Entrepreneurship in Emerging Markets (SAFEEM).

This initiative was designed to address the challenges faced by women entrepreneurs in Sub-Saharan Africa, specifically access to finance and business knowledge. In doing so, **WE4A's aim was to enhance the economic inclusion and empowerment of women entrepreneurs**, driving job creation through boosted business capacities and improved access to finance.

In addition to these immediate goals, WE4A holds a greater vision for the ripple effects of its intervention. By enabling women-led businesses to integrate into local, regional, and international value chains, it is the hope that the programme will create a lasting impact on gender equality and economic growth in the region, echoing the importance of policy and regulatory adjustments and digital inclusivity. In essence,

WE4A is not only a programme but a blueprint for a more equitable and prosperous entrepreneurial landscape in Sub-Saharan Africa.

Although the lasting impact of the programme is yet to be fully assessed, WE4A did make strides towards closing the existing gender gap in the labour markets. Women entrepreneurs that went through the programme created over 6,000 new jobs, nearly 4,600 of them held by women and 2,700 by youth. WE4A also served as a nexus between African women entrepreneurs and business associations, financial institutions and local service providers. This is evidenced by the almost 2,200 enterprises that improved their business capacities and 455 enterprises that gained access to second-stage financing.

“The programme's aim was to create a lasting impact on gender equality and economic growth in the region.”

Elizabeth Jones
Programme Manager
of WE4A Component 3



Image by: M.A.D Specialist

The programme activities were divided into three components:

COMPONENT 1 THE INITIATOR

2,420 women entrepreneurs from across Sub-Saharan Africa were enrolled in the Tony Elumelu Foundation (TEF) Entrepreneurship programme, which included online training, mentoring and networking opportunities as well as a seed capital grant of \$5,000.

COMPONENT 2 THE ENABLER

Component 2 supported African women entrepreneurs from the TEF alumni network with tailored technical assistance and linkages to ecosystem players. Using the established structures of the GIZ programme “Employment and Skills for Development” (E4D), it allowed for flexibility in order to respond to the needs of the entrepreneurs while drawing on established structures, local expertise and partner networks. Main areas for technical assistance included capacity development, access to markets and access to finance.

COMPONENT 3 THE ACCELERATOR

Implemented by SAFEEM (Seedstars Association for Entrepreneurship in Emerging Markets), 99 women alumni from the TEF network went through a personalized Acceleration Programme that was paired with 2nd stage financing of €10,000. The 30 companies with most potential for high growth completed a follow-on Growth Programme and received follow-on financial support of up to €50,000 paid as a non-repayable grant.

This report zooms in on our experience and insights from implementing the Acceleration and Growth Programmes as SAFEEM.

Component 3 Methodology:

Acceleration and Growth programmes Led by SAFEEM

SAFEEM was responsible for implementing the Acceleration and Growth programmes of the WE4A programme designed to bolster the efforts of women entrepreneurs.

The virtual Acceleration programme was **designed to ignite the business potential of 99 women entrepreneurs from the TEF alumni network.** This innovative programme provided €10,000 in grant funding, along with three months of technical assistance. The programme design incorporated a personalised approach with:

A gender-sensitive curriculum taking into account variances in digital literacy, connectivity, and bandwidth.

Individual enterprise assessments conducted during the onboarding phase to understand each entrepreneur's unique circumstances, challenges, and needs.

Light due diligence through SAFEEM's investment readiness score, offering deeper insights into each entrepreneur's business details, customer base, and financials.

Utilising the state of business, the women entrepreneurs were grouped into Entrepreneurs in Residence (EiR) Clusters based on the stage and sector of each entrepreneur. The expert EiRs leading these clusters offered coaching and guidance, helping participants to grow their businesses and contribute to employment creation in their communities. This support was supplemented with 1on1 mentorship and capacity building sessions.

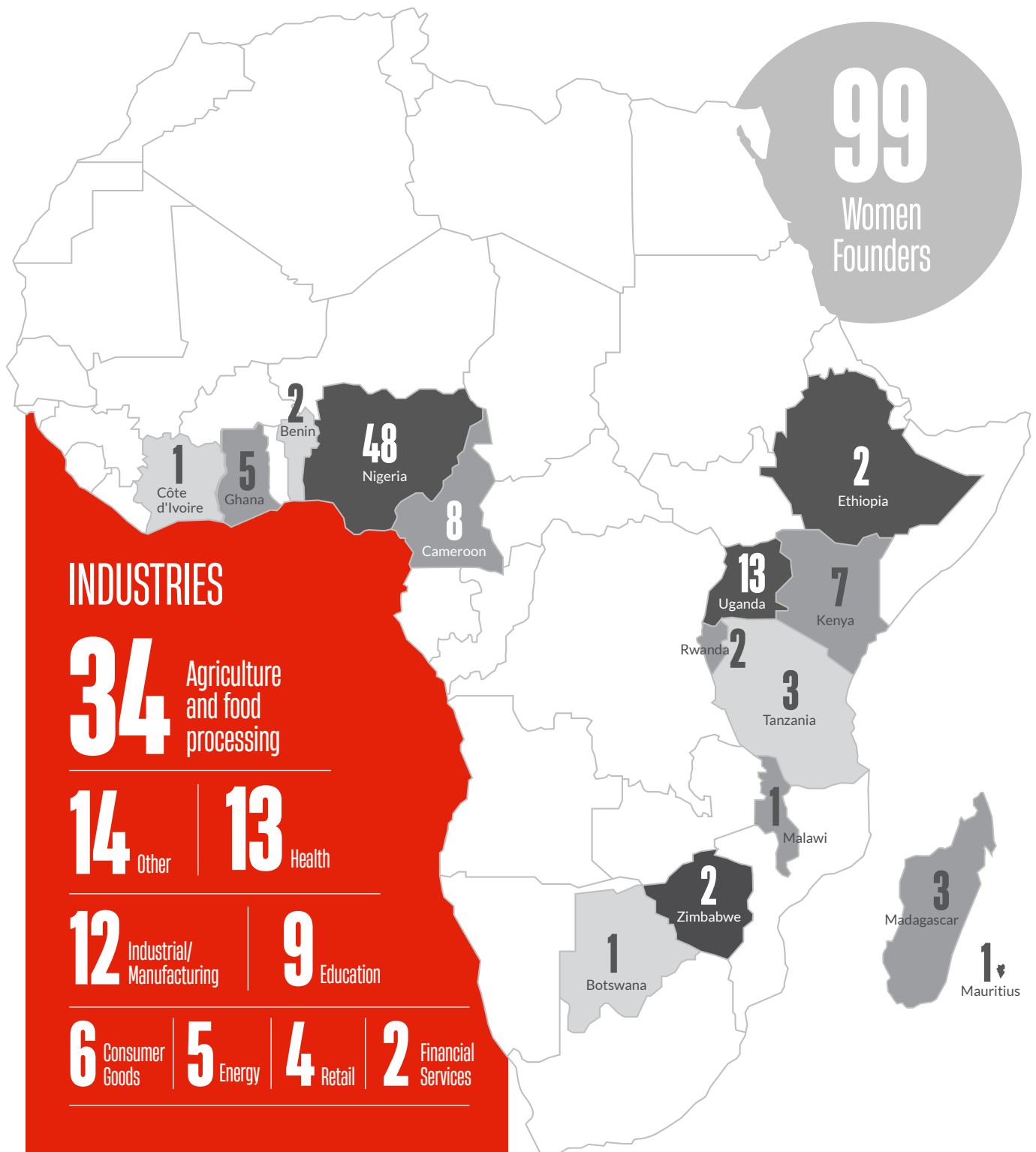
Thirty of the most promising SGBs were then selected to take part in the Growth programme. This programme built on the design of the Acceleration, but focused more on execution through **experimentation methodology** during an additional three months of support, enabling these SGBs to scale their operations and achieve sustainable growth. It was accompanied by further grant funding of up to €50,000. By participating in the Growth programme, entrepreneurs gained access to invaluable resources, such

as investment readiness training, personalised support, local ecosystem integration, and networking opportunities with local, regional, and international investors.

By enhancing business capacities, creating collaboration opportunities, facilitating access to formal financial services, and integrating women-led SGBs into local and regional value chains, **the WE4A programme successfully created a lasting impact on the lives of women entrepreneurs** and their communities in Sub-Saharan Africa.

Profiles of the SGBs supported

Component 3 reached a diverse array of 99 seed-stage SGBs from 15 countries covering many industries.



Achievements and **Impact**

Acceleration programme

The Acceleration programme demonstrated marked accomplishments, beginning with the successful sourcing and screening process in 2021, wherein 99 SGBs were selected.

From January to April 2022, a wealth of developmental resources was offered, including:



The programme was met with strong approval by participating SGBs, earning an exceptional Net Promoter Score of 86.7. **The content was also highly rated at 9.5 out of 10**, attesting to the programme's quality.

A substantial investment into the future of these SGBs was made, providing each with a grant of €10,000. **This totalled €990,000 in disbursements across the programme**, empowering SGBs with crucial financial support.

With SAFEEM's assistance, the majority of the SGBs reported significant growth in their key performance metrics. **An impressive 91% noted an increase in their key performance indicators (KPIs), 95% reported growth in their one metric that matters (OMTM), and 96% saw an improvement in their North Star metrics.**



Image by: M.A.D Specialist

Growth programme

Following the success of the Acceleration programme, the Growth programme was launched in May 2022, culminating in a demo day in November 2022. This phase of the initiative offered selected SGBs a more action-driven approach that coupled experimentation for growth with capacity-building, peer-to-peer collaboration, 1on1 mentorship, and networking events.

This programme also achieved high approval ratings, with an “excellent” **Net Promoter Score of 93.3** and a **content rating of 9.6 out of 10**, indicating the sustained quality and effectiveness of the SAFEEM initiative.

Each SMB was granted up to €50,000 based on their planned expenditure, with an average of €32,000 disbursed per SMB, totalling €960,000 in disbursements. With this financial boost, all SGBs reported positive growth in their KPIs, OMTM, and North Star Metrics.

Net Promoter

Score of 93.3

and a content

rating of

9.6 out of 10

Demo Day

WE4A Demo Day
November 7th // 2022
Lagos, Nigeria

The WE4A Demo Day was organised to gather the founders that participated in the Growth programme to celebrate their achievements, connecting the entrepreneurs with relevant investors and providing a space for roundtable discussions. **There were over 100 people in attendance, 34 of which were investors that participated in discussions with the women founders and open discussions in gaps in financing for SGBs.**



Acceleration and Growth Programme Outcomes

The participants were encouraged to develop experiments based on the concepts presented to enhance their growth, and during the Acceleration programme they had cumulatively conducted 301 experiments, or approximately 3 experiments per enterprise, illustrating that the programme is influencing them to try new things and behaviours. This practice was further encouraged and expanded upon during the Growth programme, where each SMB utilised a control tower and tracked between 8 and 9 experiments each, amounting to 256 experiments in total.

The tangible impact of these programmes is readily apparent in their outcomes. **The initiative led to job creation, with 57% of SGBs expanding their staff, resulting in 306 additional jobs.** This also translated to an increase in the employment of women and youth by 102 and 193 respectively.

Furthermore, the programme **preserved 964 jobs within the supported businesses, out of which 68% were held by women and 29% by youth.** This reaffirms the programme's commitment to empowering women and supporting the youth in the entrepreneurial landscape.

In terms of business capacities, **over 98% of SGBs were enhanced.** Around **68% of the SGBs reported a monthly average revenue increase** of at least 10%, amounting to \$569,685 across the supported SGBs, and nearly **99% gained new access to value chains.** Close to **89% reached a sector-specific standard,** while **57% experienced an increase in staff numbers.**

Moreover, **21% of participants managed to secure second-stage financing, raising a total of \$7,241,885.** This feat was achieved despite the majority of the SGBs being early-stage businesses, validating the effectiveness of SAFEEM's programme design and assistance in advancing these businesses.

Overall, the WE4A initiative has made significant strides in promoting women entrepreneurship in Africa, fostering job creation, boosting enterprise capacities, and elevating business standards. It is a testament to the potential and promise that women entrepreneurs hold for the continent's development and prosperity. ■

Job creation

57% » **306**
Staff expansion Additional jobs

Employment Increase



964
Preserved jobs

Women	68%
Youth	29%

Business capacities



98%
SGBs enhanced



68%
Revenue increase



89%
reached a
sector-specific
standard



99%
gained new
access to
value chains

21% Of the participants secured second-stage financing, totalling
»
\$7,241,885



Image by: Clemence Eliah

Key Insights for programme Implementation

In the following section, we distil lessons learnt from our team, participating SGBs, and investors. These insights, centred around sourcing, content, delivery, and investor engagement, serve as a valuable compass, **guiding our future initiatives to better support women entrepreneurs. >>**

Sourcing of women-led businesses from the TEF alumni network

Selection Criteria

There was some variation in the definition of the selection criteria amongst the implementation partners, which was detected only after sourcing had begun. This resulted in multiple screening rounds. **Future programmes should undergo a co-creation process where all partners align on the type of beneficiary to target and subsequently adopt a streamlined selection process, wherein the criteria are clearly defined and mutually agreed upon prior to the launch of the sourcing campaign.**

Sourcing Channels

A high number of applications were received from early-stage SGBs with a large portion having incorporation in Nigeria (~50%). This was a result of sourcing from a singular pipeline of SGBs. Although great companies were accepted, amendments to some of the programme's initial targets and curriculum were required. **To increase reach and diversity, open sourcing could be utilised across multiple channels to attract a broader spectrum of top entrepreneurs from across the continent.**

Industry Agnosticism and Local Cohorts

Another challenge encountered was the struggle to provide industry-specific support due to the wide geographical spread and diverse industries represented by the participating startups. Recognising this, **the programme should explore the establishment of local cohorts that enhance access to the local value chain and foster strategic partnerships.** Additionally, to facilitate growth and expansion, **ecosystem events and peer-to-peer connections should be encouraged across sectors,** enabling startups to leverage cross-sector knowledge and opportunities for collaboration.

Leveraging Investor pipelines

Investors highlighted that there were often promising SGBs that approached them directly, but they were not quite ready for equity investment. **By involving financial institutions at an earlier stage and throughout the programme, we can understand the milestones that entrepreneurs should meet in order to become investible, and thus (1) assist SGBs in enhancing their operations, (2) and also broaden the pool of investable SGBs for investors.**

“
A lot of investment firms have demo days and have entrepreneurs applying for investment, but some of them don't make it because they are not aligned to our sector focus or are not quite ready for investment, and we can pass that pipeline on so they can receive support.
”

Kaleo Maoka,

Empress Fund, Investor

Programme content and delivery frequency

Here we explore feedback from entrepreneurs and mentors on the content and pacing within the programme, **looking at the unique needs of early-stage SGBs**, the implications of sometimes limited digital literacy, with the aim to tailor our future approach more effectively to support our entrepreneurs' varied learning journeys.

Intensity and frequency

During the Acceleration programme, many of our participating SGBs were encountering foundational business concepts for the first time. While this learning process was indeed transformative, it also presented a steep learning curve that led to slower growth and some challenges in data collection. The introduction of new concepts each week, coupled with additional peer-to-peer sessions and one-on-one mentorships, led to some participants feeling overwhelmed.

We incorporated the feedback into the design of our Growth programme, organising the programme in two-week sprints where fresh concepts were presented every fortnight, each tied to specific deliverables. The slower pace of the Growth programme more closely aligned with the participants' business stage, allowing an expanded time frame for assimilation of content and application of the learned concepts. It also catered to the entrepreneurs' need to juggle their priorities.

By extending the duration of future Acceleration programmes and providing support more tailored to business stage and industry, we aim to enhance the preparedness of entrepreneurs, further enabling them to grasp and apply crucial business concepts.

Image by: Clemence Eliah



Princess Adeyinka Tekenah

Founder of Happy Coffee

Nigeria

“
The first three months were really intensive. I felt that **the classes were well situated in terms of the subject matter**, and these points were key for my business, but the amount of classes we had to do was a bit hectic in the amount of time we had.
”

Limited Digital Literacy

As a fully virtual programme, some entrepreneurs struggled with the online modality and digital tools. When working with earlier stage SGBs, **general entrepreneurial skills and digital tool training should be provided prior to the launch of the programme to reduce the frustration and enable the entrepreneurs to feel more comfortable and confident** as they move into learning more in-depth business and digitisation skills.

Content customization

Entrepreneurs noted that the addition of practical examples was needed during the acceleration phase, leading to a request for more diverse examples and customization based on the type of business (e.g., product-based businesses) as well as industry and geography. **In the future, creating separate tracks based on business stage and/or industry should be explored in order to increase practical relevancy for the SGBs.**



Wezi Mzumara

Founder of Kwanza Coca, Malawi

“ Unlike the accelerator programme was nice as we were able to juggle with the busy work days. ”



Pedagogy and delivery

Here we examine the facets of pedagogy and delivery within the Acceleration and Growth programmes, **focusing on the challenges and opportunities related to virtual delivery, mentorship, and tools.**

Virtual delivery

While online programmes provide a huge benefit in terms of expanding reach, some entrepreneurs faced connectivity issues, particularly in rural areas. **Future programmes should provide connectivity solutions for participants without stable internet access.**

Virtual programme delivery can also be very cost-effective for multi-country programmes and provide huge flexibility in terms of timing of sessions or ability to watch recorded sessions; an important flexibility perk for women entrepreneurs. However, **including more physical sessions and opportunities for roundtable discussions with ecosystem stakeholders like investors and policy makers creates an opportunity for better needs assessment as well as a possibility for strategic connections.**



Image by: M.A.D Specialist

“ I continue to engage with my Mentor- I loved this part of the programme. He is still my adviser. He is helping me plan to go to Europe to meet with some local manufacturers.”

”
Jessica Rakotoa
Founder of Solely,
Madagascar

Mentorship & peer-to-peer network

The 1on1 mentorship was highlighted as being a key success driver during both acceleration and growth phases of the programme. Through an extensive match-making process and key check-in points to make sure the relationship was developing well, **1on1 mentorship should be utilised in future programmes as it is a key piece of seeing exponential exponential growth. For future programming it would be interesting to include successful entrepreneurs from the programme in the mentorship pool, to provide relatable advice and shared experiences.**

To supplement these connections, we also created very specific peer-to-peer matches based on business stage and sector, some of which resulted in collaborations. **These peer-to-peer matches created opportunities for entrepreneurs to use each other as a resource and ally, creating cross-sharing of knowledge and networking opportunities; a practice that should be carried out in future editions.**

A Few Collaborations that Came Out of the WE4A Acceleration and Growth Programmes

- **Nyayo Moms Sokos** is providing Redbutton, ZAAF Collection and The Lioness Africa with advisory and market linkage services to enter the Kenyan market.
- **Kwanza Cocoa and Loom Chocolate** did a bonbon making workshop and tasting at the Loom Chocolate facilities in Nigeria following the Growth Programme Demo Day.
- **Kwanza Cocoa and Happy Coffee** collaborated to make a limited edition 60% Espresso Chocolate Bar that was released in Malawi and Nigeria (the countries of the SGBs respectively) for the holiday season.
- **Loom Chocolate** also collaborated on making a coffee chocolate bar with **Happy Coffee** in Nigeria.
- **Innovate Labs**, from Ghana, is working with **Plumbee Wholefoods**, in Kenya, to develop a design for a solar dryer for one of their snack products.
- **Innovate Labs** is also in discussions with **Dial A Pad** to do a welding training course, in Kenya, for the fabricators of their pad vending machine.
- **ZAAF and Redbutton** are working on a collaboration between their fashion brands to sell in ZAAF stores in the United States.
- **FarmerTribe** is working with **Farmio Limited** to install locally fabricated greenhouses as we look into exporting fresh vegetables into the EU market.

Experimentation methodology

Integrating experimentation within the programme proved to be a critical factor for tangible business development. Entrepreneurs found the Growth programme to help them achieve business objectives with a hands-on approach that included less workshops and focused on 2 week experiment sprints that delved deeply into the intricacies of their operations. The combination of practical training on growth analytics, the Objectives and Key Results (OKR) approach, and growth experiments, supplemented by expert coaching, equipped the participants with actionable strategies for scalable, sustainable growth.

For future iterations of WE4A, **an experimentation approach should be utilised in order to encourage active learning and increased investment readiness. Additionally, more focus should be placed on helping the SGBs develop an impact measurement framework for their business.**

Overall, the synergistic blend of theoretical education and practical application bolstered data-driven decision making, facilitated business model validation, and fostered sustainable growth and impact measurement.

Engagement platforms

The initial design of the programme was built around the use of a one-stop platform for community building, hosting a content library, and progress tracking. However, as the programme was already utilising new tools and concepts, the addition of one more place to check for information created confusion instead of cohesion. The SGBs expressed a preference for using tools already embedded within their daily operations - like WhatsApp and Slack. This again **highlights the need for training around digital tools prior to the programme start, but also the necessity to utilise a minimum amount of platforms to provide information.**

Engagement of the investment ecosystem

Lastly we scrutinise the topic of investor engagement, delving into the unique challenges faced by early-stage SGBs, the importance of hands-on support, and the need for readily accessible investment-related information, **with the goal to foster a more robust connection between SGBs and potential investors.**

Investor engagement

The early-stage nature of the participating SGBs presented challenges in aligning with many investors' criteria, affecting their potential to secure follow-on funding. Although our tracer study revealed that **21% of participants have managed to secure second-stage financing following the programme, raising a total of \$7,241,885**, there is still potential to increase this further.

For future phases and programmes, investors and financial institutions should be incorporated at the onset of the programme, allowing the program to serve as a vehicle to create a more robust pipeline of SGBs that fit specific investment criteria.

Equity investments are not the right target for all

97% of the funds raised by SGBs post-programme have been from non-equity sources, primarily grants. This demonstrates that while the early-stage nature of the SGBs might be limiting in terms of traditional investor criteria, there is substantial potential for alternative sources of capital. This trend reflects a broader shift in the funding landscape, with SGBs increasingly turning to grants and other non-equity funding as viable financing options.

Future editions of WE4A should **focus more on financial education, providing guidance on accessing alternative sources of capital as well as working towards company valuation**, both of which can help women founders navigate the challenges associated with early-stage investment and ensure more resilient financial growth.

Additionally, **there is a clear opportunity to incorporate blended financing mechanisms deliberately into the programme's funding strategy. Options include, additional grants, loans, revenue based financing, impact-linked financing. etc.** ■

21%

of participants have managed to secure second-stage financing

97%

of funds raised post-programme were from non-equity sources



Images by: M.A.D Specialist



Images by: M.A.D Specialist

Opportunities for **future** **growth**



Image by: Clemence Eliah

As SAFEEM aims to scale-up the learnings we had from running the Acceleration and Growth tracks of the WE4A Programme, we consider several potential areas for future growth and enhancement. From further tailoring our content to meet the specific needs of our participating entrepreneurs to the incorporation of alternative funding mechanisms, there are numerous opportunities to improve and expand our impact. This section explores these potential growth avenues, drawing from the insights and opportunities discussed above.

that these learnings can serve other entrepreneurial support organizations, governments, development institutions, etc., so that we may all continue refining our approach to better serve our women entrepreneurs and bolster their success, thereby contributing to the positive social and economic ripple effect created across the African continent. >>

Expanding the sphere of influence

Adopting a sourcing strategy that is aligned with investment criteria, and taking into consideration the various stage and sector of SGBs could result in better chances of providing access to finance for the selected SGBs. Furthermore, the reach of the sourcing pipelines should be extended as much as possible in order to capture entrepreneurs from diverse geographical and economic backgrounds. This expansion should be cognizant to include SGBs with impact focused business models that have the potential to generate collaboration across the value chain, thus increasing the positive ripple effect on their beneficiaries.

Tailoring programme phases to SGB stage and sector

Given the unique challenges faced by SGBs at different stages in their business growth, the programme could design specific interventions to better cater to their needs. These might include stage and sector specific cohorts, longer programme timelines, additional support in financial literacy, creating investor-ready pitch decks, and utilising a milestones based approach that allows women founders to incorporate fundamental business concepts, relevant to their stage and sector, directly into their operations in a learn by doing approach.

Building stronger investor relationships and engaging alternative capital providers

Proactively engaging with investors and forming strategic partnerships from the early stages in the programme can help in creating a more robust pipeline of SGBs that better fit investment criteria. Understanding what investors are looking for from the onset creates the opportunity for the programme to serve as a support mechanism, helping women entrepreneurs achieve specific objectives that make them more investible at programme end. Additionally, considering partnerships with alternative capital providers, such as impact investors, venture philanthropists, development finance institutions, and crowdfunding platforms, can expand the range of funding options available to SGBs.

Adding blended finance instruments to the programme

When discussing fundraising SGBs and ESOs alike often focus on venture capital investment. However, it is important to note that for many SGBs there is a mismatch in their stage and VC investment criteria. There is an opportunity, however, to provide access to the right type of financing focusing on matching the SGB with options that are right for them. Programmes should directly include blended financing instruments such as additional grants, loans, revenue based financing, impact-linked financing, and venture debt. Providing guidance and direct support on accessing these alternative sources of capital can open up new avenues for funding and accelerate the growth of SGBs even post-programme.

Enhancing digital literacy

Enhancing digital literacy: Prior to the start of the acceleration phase, leveraging an online learning platform, such as the one developed by the Seedstars Academy for the DigiFemmes program in Ivory Coast, can provide participants with preliminary digital literacy and soft skills training. By such a platform, participants can access self-paced online modules that cover essential digital skills, business fundamentals, and other relevant topics. This approach ensures that participants enter the acceleration programme with a solid foundation in digital literacy, and provides women founders with the necessary knowledge and capabilities for success in the programme and beyond.

Embracing hybrid delivery models

Considering the challenges of fully virtual delivery, the programme might explore hybrid models that combine the flexibility of online sessions with the benefits of in-person meetings and networking events. To make these more cost-effective, regional or country specific in-person events between key players like entrepreneurs, governments, and investors in the form of working sessions between entrepreneurs as well as ecosystem networking events and roundtable discussions should be considered.

Strengthening mentorship, peer connections and strategic partnerships

Peer-to-peer connections proved to be one of the most beneficial parts of both the acceleration and growth programmes, producing 8+ business collaborations amongst the women founders. This was successful due to peer matches based on business industry and stage; a practice which should be implemented in future programmes. To further accelerate the growth of the entrepreneurs and provide an avenue to relieve some of the stress of running a small and growing business, strategic partnerships should be facilitated. This could include access to consulting services such as marketing or financial support, introductions to potential partners within the SGB's sector/value chain, or perhaps introductions to relevant ecosystem enablers.



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