



# Table of contents

1



*Introduction*

2



*Methods*

3



*Findings*

4



*Recommendations*

# Introduction

- *Purpose of the evaluation*

# Purpose of the evaluation

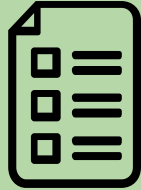
The purpose of this external evaluation to **understand the contribution** of CEED towards key outcomes, and **unpack recommendations for improvement**. More specifically, the evaluation aims to:

- Provide an assessment of the program's implementation and performance to date
- Unpack CEED's contribution to key entrepreneurial outcomes
- Identify factors that positively and negatively influenced results
- Provide an assessment of the program's efficiency and utilization of resources
- Unpacks the program's model and the effectiveness thereof
- Provide recommendations to inform CEED's strategy and model going forward

# Methods

- *Data and document review*
- *In-depth interviews*
- *Focus group discussions with entrepreneurs*
- *Online Survey*

# Methods



## Data and document review

Program documentation  
External literature



## VfM analysis

Financial and operational data  
Enterprise revenue and employment data

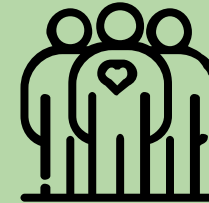
## Online survey

434 responses  
81% average response rate



## Key informant interviews

5 global staff  
14 center staff



## Focus group discussions

66 FGD Participants  
20 Women  
36 Men  
10 face to face FGDs  
7 virtual FGDs/interviews

# Findings

- *CEED programming*
- *CEED entrepreneurs*
- *CEED global and centers*

# CEED programming

- *Program model*



# Program model

The CEED program model has undergone changes to reflect learnings on entrepreneur needs in training for business growth.

## Top Class Training Program

- Aimed to support young growth stage entrepreneurs
- Included peer groups where members shared experiences
- Teachings were bundled together with progression through four stages



**Trigger for change**

Members had different learning needs and some companies took longer than a year to move from one growth stage to the next. This needed to be reflected in the program model.

## CEED Grow

- Developed to meet the differing needs of CEED members, based on their business growth cycle, to promote growth of their enterprises
- CEED Go to Market was developed for start-ups, CEED Grow for growth level companies, and CEED Pro for professionalizing and establishing structures for scaling
- Entrepreneurs with targets to reach international markets were also supported to build structures to support exporting



**Trigger for change**

CEED developed a deeper understanding of how entrepreneurs learn, based on their specific phase in the business growth cycle.

## CEED 4-in-1 program

- Based on deeper understanding of how entrepreneurs learn
- The 4-in-1 approach combines peer-to-peer learning, CEED programs, Individual service, and CEED Club
- A focus on understanding entrepreneurs' needs and their growth level based on Adizes cycle promotes peer learning through sharing of entrepreneur experiences.

# Program model

The evolution of CEED's program model incorporated learnings on how entrepreneurs learn, grow, and what is required for each growth stage.

- Some older members appreciated the older model due to its structured nature and graduation model
- Most entrepreneurs value the 4-in-1 approach since it provides more opportunities to learn from fellow members using practical examples
- Centers are transitioning to implement the 4-in-1 model to provide programs to entrepreneurs in grouped according to the Adizes corporate life cycle, to allow greater fluidity and agency in topics addressed within the peer groups, based on their identified needs

# CEED Entrepreneurs

- *CEED's service offering to entrepreneurs*
- *Intermediate outcomes*
- *Longer term outcomes*

# CEED's service offering to entrepreneurs

CEED centers have rolled out programs differently, depending on the contexts and needs of entrepreneurs. CEED members place high value in the program because:



- CEED provides an avenue to meet and network with like-minded individuals and provides a community of people on a similar path



- Once an entrepreneur's business growth stage is diagnosed based on Adizes corporate life cycle, they are placed in peer groups which are a rich source of information on how fellow entrepreneurs have overcome similar challenges during their growth process



- Entrepreneurs have been able to tap into the networks to explore opportunities to work together and build their businesses

# CEED's service offering to entrepreneurs

CEED members place high value in the program because:



- CEED members value the professional, technical and soft skills they are able to build through CEED which are valuable in the running of their businesses and for growth and expansion



- Center staff have extensive experience in the entrepreneurial ecosystem, or are/have been entrepreneurs themselves and have in-depth understanding of the needs of, and challenges experienced by, local entrepreneurs



- The value of CEED is reflected in its excellent Net Promoter Score (NPS) of 61.\* NPS is a measure of customer satisfaction and hence an important indicator of a CEED's value to its members

\*Any NPS score above 0 is good and above 50 is considered 'excellent' by global standards.

# CEED's service offering to entrepreneurs

However, the following detract from the value of CEED and need strengthening in order to meet the entrepreneurs' needs:



- Limited differentiation of the service offering to members - this is needed to ensure that the topics taught remain relevant to their business growth stage. New model will address some challenges related to this



- Speed networking has left some entrepreneurs unsatisfied as there wasn't enough time to create meaningful connections and remember all attendees. Additionally, some entrepreneurs have used the sessions for aggressive marketing and pitches



- Limited international connections, including regional and international B2B meetings. Managing expectations of entrepreneurs with regards to international connections is important for promoting member satisfaction

# CEED's service offering to entrepreneurs

However, the following detract from the value of CEED:



- Mentorship, although beneficial, needs deeper thought of the matching process and management of expectations on maintenance of the mentor-mentee relationship by the program



- CEED centers do not play a big enough role in helping entrepreneurs access external financing. Although entrepreneurs are aware that CEED cannot offer direct financial support, many entrepreneurs cited that lack of finance is a key factor to promoting their business growth. Therefore there is room for CEED to distinguish its value offering through the advisory it provides for financial service.



- CEED operates in saturated markets where often the value proposition is not well defined or marketed to demonstrate the difference between CEED's offering and other programs.

# Contribution to **intermediate** outcomes



Based on the TOC, the key outcomes of interest for the evaluation are:

- SMEs have strong leadership and are professionally managed
- SMEs operate with improved business processes, are more efficient and are run with greater professionalism
- SMEs have strong management teams and have structures in place that support autonomous operations and independence from the founder
- SMEs have greater access to financing to scale operations
- SMEs overcome barriers to business growth



# Contribution to intermediate outcomes



- **SMEs have strong leadership and are professionally managed**
  - CEED plays a substantive role in growing and developing leaders which helps build the confidence of leaders to better manage their enterprises and teams and implement accountability mechanisms in this regard



- **SMEs operate with improved business processes, are more efficient and are run with greater professionalism**
  - CEED centers help entrepreneurs set up business processes through a combination of supporting them build to essential structures that they currently do not have and through strengthening already existing structures
  - Entrepreneurs would have taken much longer or utilized more resources to achieve efficient business processes without CEED's support.

# Contribution to intermediate outcomes

- **SMEs have strong management teams and have structures in place that support autonomous operations and independence from the founder**



- CEED enterprises have trained middle managers in specialized programs like finance and marketing, and in building up their confidence to manage more daily enterprise operations
- CEED entrepreneurs also invested in training employees to improve their productivity and professionalism

- **SMEs have greater access to financing to scale operations**



- Although only 33% of survey respondents applied for financing, 85% of the applicants were successful. CEED centers provide training for entrepreneurs to know when best and what type of finance to access

- **SMEs overcome barriers to business growth**



- Through peer-to-peer and CEED B2B events, business connections and mentorship, CEED members have been able to create valuable connections which guide and support entrepreneurs in overcoming business barriers.

# Contribution to longer term outcomes



Key long term outcomes of interest for CEED are:

- Changes in revenue
- Job creation; and,
- Giving back to the entrepreneurial community

# Contribution to longer-term outcomes

## CEED's contribution to revenue growth

- 61% of SMEs reported revenue growth in 2019
- CEED centers have played a role in helping entrepreneurs develop new products and access new markets e.g. Morocco and Tunisia's Go to Market programs
- Training on sales and marketing have contributed to the members understanding markets better to develop and/or package products to increase revenues
- Some entrepreneurs have also accessed markets outside their countries and exported products leading to revenues growth.



# Contribution to longer-term outcomes

## CEED's contribution to job creation

- CEED's contribution towards job creation is a more complex and requires a nuanced analysis, as job creation is a subsequent result of enterprise growth, economic conditions, and an improved entrepreneurial ecosystem.



- 46% of CEED companies experienced an increase in their employee headcount
- CEED's role in increasing the number of jobs created within enterprises requires a nuanced analysis that also considers the fact that 44% enterprises were able to maintain their employees, and those that shrunk did so to promote the long term health of the business given existing internal and external circumstances
- Through supporting training of middle managers and encouraging members to train their employees, CEED programs have played a role in contributing towards the quality of the jobs created

# Contribution to longer-term outcomes

## CEED members giving back



- While giving back is relatively ad-hoc, CEED members do contribute towards the entrepreneur ecosystem via mentorship contributions, and promoting entrepreneurialism
- Where members are giving back to the ecosystem and the CEED community, this is not tracked and reported upon adequately to create a solid contribution story
- Apart from the older centers, newer CEED centers are yet to create set avenues to promote giving back within the CEED community.
- However, entrepreneurs generally embrace the value of giving back and have been involved in informal mentorship of young entrepreneurs, investing through business angel clubs, and giving talks in business forums.

# CEED Global and Centers

- *Efficiency and economy*
- *Gender Inclusion*
- *M&E*
- *Sustainability*

# Efficiency and Economy: VfM



**9.35**

**Overall program ratio for  
revenue increase per dollar  
invested**



**USD 21 626 897.50**

**CEED's training contribution  
to revenue change in USD**



**USD 10 193.89**

**Dollars invested per job  
created**



# Efficiency and Economy

## Membership Fees

- 70% of the center activities and operational costs in the centers under the evaluation are funded by grant funding
- The decision to charge membership fees at the launch of a center depends on the type of resources available to the center and the local context of a center
- The fee for service model contributes to the sustainability of CEED centers and demands that the centers provide high quality products and services, while creating a sense of ownership and commitment from the entrepreneurial community.

## Staff Capacity

- Most center representatives expressed that they do not have the sufficient financial and human resources to implement all of CEED activities
- CEED Tunisia and Slovenia having the highest staff to entrepreneur served ratio of one staff to 109 and 104 entrepreneurs respectively
- CEED is working to improve staff capacity in centers by hiring new staff, and expanding the centers through the chapter lead model.

# Gender inclusion



While gender is a key strategic area for CEED, CEED centers need to **intentionally** work to achieve gender equity within its centers or among its entrepreneurs



CEED centers are operating on the basis of equality of opportunity, meaning that everyone has an **equal opportunity** to apply and be selected, regardless of their gender.



While female entrepreneurs indicated that they do not expect programs or in-take strategies to target females, the result of this is that challenges uniquely faced by female entrepreneurs are not necessarily addressed through the CEED approach

# Monitoring and Evaluation



There is a lack of consistency across CEED centers in creating **structured feedback loops** that allow entrepreneurs to demonstrate their needs to CEED in real-time



M&E practices vary across the centers and is dependent on learning needs or donor funding. Additionally, member **databases vary** across centers in terms of their level of detail. This will be addressed by the implementation of Salesforce overhaul being currently undertaken



CEED is undertaking an Salesforce M&E overhaul which will address key issues in the current M&E systems. Part of the overhaul is the incorporation of results from the annual survey into the management processes of CEED centers to inform the programming

# Sustainability

## **Factors that contribute to the sustainability of CEED centers include:**

- CEED centers have highly qualified staff with relevant experience and knowledge of local contexts
- CEED programs are recognized from multiple sources including word of mouth and social media
- CEED invests heavily in understanding local contexts prior to the establishment of a new office
- Membership fees are charged according to prevailing local ability to pay which builds a case for becoming a CEED member
- The four-in-one program model has admissions on a rolling basis which promotes the financial sustainability of the centers

# Sustainability

## Risks to sustainability:

- Although there is no one-size-fits-all solution to achieving sustainability of a center's operations and that financial sustainability, there is a need to diversify center income sources to reduce longer term risks to sustainability
- Lack of a program offering for older members presents a risk to the sustainability of the relevance of CEED programs. The creation of programs for older members however depends on the country contexts, and center capacity to manage programs for entrepreneurs in different stages of corporate growth
- Most markets are saturated by free entrepreneur services offered by donors, which creates a pricing challenge for CEED centers in such contexts
- To promote sustainability, CEED needs to define and package its service offering to demonstrate impact and difference from other programs, especially in saturated donor markets.

# Recommendations

- *Value to members*
- *Gender equity*
- *Financial sustainability*
- *M&E*

# Increasing member value

- There is a need for CEED global to define the value proposition of the four-in-one model to entrepreneurs, including the expected trajectory of the program and what entrepreneurs can expect from the model.
- CEED centers should amplify the process of matching entrepreneurs based on the Adizes corporate life cycle for peer-to-peer groups. Mentorship relationships should also take into account the stage of the business, industry and, where possible, contextual similarities.
- CEED centers should research the need, and work on developing a value proposition that is tailored to the older members that encourages them to remain part of the network.
- CEED should leverage the penetration of internet and mobile connectivity, which will allow entrepreneurs to access virtual events. Such events can have a lower registration fee which will contribute to CEED's revenue but allow for more entrepreneurs to participate at a regional and international level.
- The chapter model presents opportunities for tailoring CEED's services. CEED global should work with CEED Tanzania to understand when the chapter model is relevant and how best to scale this model.

# Achieving gender equity

- CEED global should consider instituting a program-wide understanding of what constitutes gender equity and CEED's approach towards this. This will help to ensure that there is consistency in centers' considerations around, and approaches to, gender equality.
- CEED centers should consider engaging with their existing female entrepreneurs to understand the challenges that are specific to female entrepreneurs and what CEED can do differently to equip them with the skills needed to address these challenges.
- CEED centers should maintain their approach of seeking out similar partnerships in the entrepreneurial ecosystem which enable them to work with women and on addressing the challenges that female entrepreneurs experience.
- CEED centers should also consider leveraging the already existing literature on the state of female entrepreneurs and best practices, from the wider entrepreneurial community.



# Achieving center financial sustainability

- CEED global should maintain its approach of including financial sustainability considerations in the initial phase of establishing a country center.
- Once the center is established, the CEED center staff, with CEED global's guidance, should develop a funding plan that explores diversified funding sources.
- The membership model with the four-in-one program supports the financial sustainability of centers, specifically because admission is on rolling basis and is not fixed to timed intakes. This model should be considered across centers, taking into account the country context and entrepreneur ecosystem.
- CEED global should consider ways to reduce staff work overload at the center-level to maintain the quality of program provided.

# Strengthening M&E

- To ensure that there is consistency in measurement of progress and outcomes across the centers, CEED global should prioritize key indicators of interest and provide clear guidance to the centers on how to measure these.
- The above should be accompanied by a training session that guides centers on the definition of the indicator, the frequency with which it should be measured and the method of collecting data on the indicator. This should include indicators that measure both intermediate and longer-term results.
- CEED Global should conduct a short series of case studies on an annual basis. These will not only serve to assess CEED's contribution to outcomes of interest, but will also form valuable marketing material that can be shared more broadly to showcase the value of CEED to potential members.
- Once the CEED centers and CEED global have a valuable repository of data and learnings, this should be shared with the broader ecosystem to support improvements and growth at the ecosystem-level.

# Strengthening M&E

- It is important that CEED global institutionalize Salesforce at the center-level to ensure that there is ownership at the center-level, and centers are trained on the importance of having this standardized approach, how to capture information into the database, how to maintain the databases and how to securely store the information.
- The definition of a member, as well as what constitutes an event for example, needs to be articulated by CEED global and shared across centers. This should be articulated by CEED global and shared across centers to ensure that there is consistency in the membership databases.
- CEED's theory of change is a strategic tool that should be shared with centers to articulate the program's objectives, logic and causal mechanisms.
- CEED should consistently implement formalized mechanisms for entrepreneurs to feedback their experiences, suggestions or recommendations across the centers. Similarly centers should define the feedback loop for this information.
- Lastly, as CEED continues to grow and expand, CEED centers should give consideration to employing M&E staff responsible for maintaining the centers' M&E systems and requirements.