Global Accelerator Learning Initiative
The Global Accelerator Learning Initiative (GALI) is a collaboration between ANDE and Emory University designed to explore – and answer - key questions about enterprise acceleration including:

- Do acceleration programs contribute to revenue growth?
- Do they help companies attract investment?
- Do they work as well for developing-world impact entrepreneurs as they do for developed-world tech entrepreneurs?
Entrepreneurship Database Program

Consistent Application Questions

= 10 entrepreneurs
10 entrepreneurs

6 mo

12 mo

18 mo

24 mo
What’s Working in Startup Acceleration
Insights from Fifteen Village Capital Programs

March 2016
## Village Capital Accelerator Programs

### THE BASIC VILLAGE CAPITAL MODEL

1. **DETERMINE**
   - The location and sector of program and recruit organizational partners

2. **RECRUIT**
   - Fifteen entrepreneurs with unique solutions to major problems

3. **WORK**
   - To refine business models through:
     - Customer interaction
     - Hypothesis testing
     - Mentor value-add
     - Investor engagement

4. **ASSESS**
   - One another at the end of the program; entrepreneurs that are top-ranked by their peers receive seed capital

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*Source: What’s Working in Startup Acceleration?*
## Overall, Village Capital Programs Do Accelerate

### FIFTEEN VILLAGE CAPITAL PROGRAMS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Rejected Entrepreneurs Average</th>
<th>Participating Entrepreneurs Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-Year Revenue Growth</td>
<td>$7,934</td>
<td>$11,329</td>
</tr>
<tr>
<td>1-Year Employee Growth</td>
<td>0.95 employees</td>
<td>1.36 employees</td>
</tr>
<tr>
<td>1-Year Investment Growth</td>
<td>$6,274</td>
<td>$54,236</td>
</tr>
<tr>
<td>Equity</td>
<td>$2,570</td>
<td>$24,588</td>
</tr>
<tr>
<td>Debt</td>
<td>$2,357</td>
<td>$16,410</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>$1,347</td>
<td>$13,238</td>
</tr>
<tr>
<td>Sample Size</td>
<td>427</td>
<td>138</td>
</tr>
</tbody>
</table>

Statistically significant difference at the p<.05 level: ✔ YES ☓ NO

Most obvious short-term impact is on investment – effects across the board

Source: *What’s Working in Startup Acceleration?*
### Program Performance Contrasts

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>APPLICATION YEAR</th>
<th>COUNTRY TYPE</th>
<th>TECH-FOCUSED</th>
<th>1-YEAR REVENUE GROWTH DIFFERENCE</th>
<th>1-YEAR EMPLOYEE GROWTH DIFFERENCE</th>
<th>1-YEAR INVESTMENT GROWTH DIFFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture &amp; Cleantech: Louisville</td>
<td>2013</td>
<td>Developed</td>
<td>Some what</td>
<td>$73,882</td>
<td>1.09</td>
<td>$84,528</td>
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<tr>
<td>FinTech Mexico</td>
<td>2014</td>
<td>Developing</td>
<td>Yes</td>
<td>$108,777</td>
<td>1.42</td>
<td>$21,398</td>
</tr>
<tr>
<td>Energy: Boulder &amp; Houston (US)</td>
<td>2014</td>
<td>Developed</td>
<td>No</td>
<td>$18,109</td>
<td>0.81</td>
<td>$141,888</td>
</tr>
<tr>
<td>EdTech: DC &amp; Chicago (US)</td>
<td>2014</td>
<td>Developed</td>
<td>Yes</td>
<td>$114,667</td>
<td>3.28</td>
<td>$97,478</td>
</tr>
<tr>
<td>Impact: Nairobi</td>
<td>2013</td>
<td>Developing</td>
<td>No</td>
<td>$21,812</td>
<td>-0.46</td>
<td>$10,941</td>
</tr>
<tr>
<td>Health IT: Houston &amp; Salt Lake City (US)</td>
<td>2014</td>
<td>Developed</td>
<td>Yes</td>
<td>-$343,658</td>
<td>-2.88</td>
<td>$55,689</td>
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<tr>
<td>Kenya: Innovations for Agriculture</td>
<td>2014</td>
<td>Developing</td>
<td>Yes</td>
<td>-$169,249</td>
<td>0.30</td>
<td>$23,128</td>
</tr>
<tr>
<td>Last Mile: Ahmedabad</td>
<td>2014</td>
<td>Developing</td>
<td>No</td>
<td>-$4,700</td>
<td>-2.27</td>
<td>$21,626</td>
</tr>
</tbody>
</table>
Expert Input Generates Predictions

Brainstormed to generate 133 predictions

- Partner quality affects performance
- Time spent on program activities lowers performance
- Quality of applicant pool improves performance
- More advanced companies benefit more from acceleration
- Networking among cohort members improves performance
- Emphasis on financial acumen improves performance
- Mentor quality improves performance

General

Pipeline Development

Selection

Program Design (curriculum, mentorship, investment)
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Constructed a typology and identified the most promising predictions

Partner quality affects performance
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Mentor quality improves performance

General
Pipeline Development
Selection
Program Design (curriculum, mentorship, investment)
Interviews with program stakeholders

- Interviews with stakeholders from each of the eight programs:
  - Entrepreneurs (10)
  - Mentors (8)
  - Informed Others (8)
Interview questions

• Networking among Cohort Members
  - Can you tell me three words that best describe how the members of your cohort interacted and got along?
  - Now, can you provide one specific example for each of these adjectives?

• Mentor Quality
  - Can you tell me three words that best describe the mentors (as a whole) that the entrepreneurs in your cohort worked with?
  - Now, can you provide one specific example for each of these adjectives?
Networking among Cohort Members

• **High-performing programs:** Entrepreneurs were described as collegial and supportive with emphasis on shared action and opportunity.
  - Most common adjectives were “collaborative”, “productive”, and “sincere”.

• **Low-performing programs:** Entrepreneurs were described as innovative and creative.
  - Most common adjectives were “innovative”, “passionate”, and “knowledgeable”.

Aspen Network of Development Entrepreneurs
Mentor Quality

- Few differences between high and low-performing programs.
  - Adjectives were mostly positive, with terms such as “experienced”, “engaged”, and “helpful” common among many programs.
  - There was slightly greater emphasis on expertise in high-performing programs and diversity in low-performing programs.

- In the end, the sample was too unbalanced to make any conclusive statements.
Challenges faced

• **How many observations are enough to observe trends/make comparisons?**
  - Unequal number of interviews from high/low-performing programs for the mentor quality prediction.
  - Each group of stakeholders from each program represented?

• **How to group adjectives?**
  - Positive versus negative adjectives?
  - Synonyms?

• **Logistical challenges:**
  - How many interviewed were cohort “winners”?
  - Experience was not “fresh” for some.
Takeaways

• Determine ahead of time what a “critical mass” is for using qualitative questions to draw conclusions.

(OR)

• Be more transparent in interviews and dive deeper into the stakeholder experience.

• Understand how the sample is comprised.

• Start with the end in mind when developing interview questions.
Thank you!