ANDE at 10 Years: Impact and Influence on the SGB Sector
This report demonstrates ANDE’s impact on the SGB sector over the past 10 years.

Commissioned by the Aspen Network of Development Entrepreneurs (ANDE) as part of a strategic planning process at the organization’s decennial, this report outlines the progression of the Small and Growing Business (SGB) sector over the past ten years, and assesses the degree to which ANDE has influenced and impacted the sector’s evolution. This report was prepared by Monitor Deloitte, with ANDE’s support, as a third-party view of ANDE’s role within the SGB sector. In addition to highlighting areas where ANDE has excelled, this report also shares opportunities for where ANDE can positively expand or enhance its influence. It should be noted that while ANDE’s member organizations have impacted the SGB sector over the past 10 years, the primary focus of this report is on ANDE’s impact as an organization.

In developing this report, the project team conducted interviews with more than 30 practitioners and thought leaders from across more than 25 organizations active in the SGB sector. The types of organizations interviewed included donor agencies, foundations, capacity development providers, academic institutions, and investors, and involved both ANDE members and non-members. To develop the report, additional data was collected from the 2018 Impact Survey and used to assess ANDE’s impact over the past 10 years, according to its members. The project team also supplemented interview findings with insights pulled from the growing body of literature in the SGB sector and leveraged Monitor Deloitte’s own experience working with organizations within the sector.

As described, the objective of this report is to explore and observe the extent to which ANDE’s activities and efforts have influenced and impacted the SGB sector over the past 10 years. However, such long-term outcomes are influenced by a multitude of factors exogenous to ANDE and beyond the realm of ANDE activities in the short-term. As such, the project team endeavored to apply analytical rigor to its data gathering methods and strove to develop a comprehensive view of ANDE’s role within the SGB sector. This was done with the intent to create an accurate reflection of ANDE’s impact, and also to present a viable and implementable snapshot of how other organizations may best learn from and apply ANDE’s approaches to advancing the sector.

About this Report

Defining Key Terms

What are Small and Growing Businesses?

Small and Growing Businesses (SGBs) are defined by ANDE as commercially viable businesses with five to 250 employees that have significant potential, and ambition, for growth. Typically, SGBs seek growth capital from $20,000 to $2 million.1

How do SGBs differ from other terms and concepts?

The term SGB intersects with a number of other common terms in the field. SGBs are different from the broader group of micro, small, and medium size enterprises (MSMEs) because these are businesses that are aspiring to, and are often on, the path to scale. Unlike many medium sized businesses, they may also lack the financial or knowledge resources required for growth. SGBs are also distinct from social enterprises, although there are many socially-minded SGBs that aim to directly improve the lives of the poor.2

Why are SGBs important?

Supporting SGBs offer emerging markets a path to sustainable growth that is driven by local firms generating economic activity rather than handouts from the global community. Moreover, many SGBs produce positive social and environmental returns for their communities in addition to economic impact by focusing on specific local development needs.2
Executive Summary

ANDE has influenced the SGB sector by playing the role of Field Builder, Convener, and Educator.

The SGB sector has matured over the past 10 years, in part due to a growing interest in the value of entrepreneurship and SMEs globally. Not only have the number of players interested in the sector increased, but the type of players has, too. Large corporations and investors are joining more traditional development players. New tools are emerging, as well: innovative financing mechanisms are opening up new channels for capital. The global rise of accelerators and incubators implies a growing promise of opportunity far beyond Silicon Valley. Many of the persistent challenges facing SGBs still exist, but progress is being made.

Over the past 10 years, ANDE has witnessed its own tremendous growth and change as an organization. The growth of its network from 34 members in 2008 to more than 290 members in 2019 demonstrates how ANDE’s reach, and correspondingly, its sphere of influence has grown significantly over the past decade. ANDE members, and some non-members, increasingly look to ANDE as a unifying voice and expert in this growing field.

Looking retrospectively across this growth, Monitor Deloitte found that ANDE has carried out its Theory of Change in the SGB sector by playing three key roles:

1. As a Field Builder – defining and strengthening the sector with advocacy for key issues and ideas
2. As a Convener – building a network and accelerating connections
3. As an Educator – producing and disseminating knowledge and research

These roles are reflective of the many approaches ANDE has taken to influence the sector and are indicative of the organization’s most distinguishing qualities. These roles also represent ways in which ANDE has grown to carry out its mission over time. Conceived as an organization to help define and foster an emerging sector, ANDE has actively contributed to building and influencing the SGB field since its inception. In its first years, the organization was focused on growing its membership and providing services to them. As it has grown, ANDE has played an increasingly important role in generating new insights about the SGB sector and advocating for greater support of the sector.

In this report, Monitor Deloitte details the conclusion of this impact assessment: ANDE has had a strong and positive effect on the SGB sector over the past 10 years. Included in this report, Monitor Deloitte also shares perspectives on ways ANDE can expand its capabilities as a Field Builder, Convener, and Educator as it pursues its ambitious but pressing vision for the SGB sector.
Methodology of the Report

A description of the methodology used to create this report is provided below.

The Framework for this Report

ANDE’s Theory of Change (ToC) provides a structure to guide the impact assessment process. As part of this process, the project team designed a framework to investigate the ways in which ANDE has impacted the SGB sector over its first 10 years of operation.

The methodology behind this framework was designed to analyze ANDE’s outputs against the SGB sector’s mid- and near-term outcomes over the past decade and highlight areas where ANDE’s contributions have caused, or substantially contributed to, sector-wide outcomes. To do this, the project team formulated and refined a set of guiding questions each tied to specific components within ANDE’s ToC. Key indicators were selected, measured, and refined throughout the assessment process to guide the findings of this report. While this report aims to quantify the degree of impact by ANDE where possible, the project team looked to ANDE members for evidence of impact, as well. As such, commentary within this report on opportunities for where ANDE can improve or expand its influence were provided directly by ANDE’s members or allies from within the sector, and are informed by Monitor Deloitte’s own interpretation and analysis, as well.

Approach to Data

The process described above applied a mix of qualitative and quantitative methods to triangulate information from different data sources in order to enhance the validity, robustness, and applicability of evidence-based findings. Data was gathered to 1) describe the evolution of SGB sector over the past 10 years and 2) draw connections between ANDE’s activities and changes in the sector.

Interviews of ANDE members and non-members were used to gather anecdotal evidence of changes within the sector, as well as ANDE’s influence. A set of questions were designed and included in ANDE’s 2018 Impact Survey to capture the opinions of ANDE’s broad base of members. Historical survey response data from prior years’ Member Surveys, Impact Surveys, and evaluations were also analyzed to glean additional insight into change over time. Open desktop research of relevant publications (ANDE-produced and third-party) was used to complement these findings.

A Theory of Change is a logical explanation of how and why an organization's activities lead to a desired change in a particular context. ANDE’s Theory of Change (above) provided the building blocks for the framework that was used to investigate ANDE’s activities in relation to its desired outcomes.

Limitations of the Report

The objective of this assessment was to explore and observe the extent to which ANDE’s activities and efforts have influenced the SGB sector. It is important to note however, that such long-term outcomes are influenced by a multitude of factors exogenous to ANDE and beyond the realm of ANDE activities in the short-term. As such, this report aims to focus on the extent of ANDE’s contributions to, and potential for continued progress toward, its intended outcomes to support the SGB sector.
When ANDE was founded, it identified four key obstacles to the growth of SGBs: access to capital, access to markets, access to talent, and the enabling environment. Over the past 10 years, the SGB sector has evolved tremendously, introducing new players, solutions, and challenges in each of these areas.

### Access to Capital
Financial innovation and changing investor sentiment has increased the amount and type of capital available to SGBs over the past 10 years. One member from Yunus Social Business noted how “the variety of funds has increased; funders have become more flexible.”

In the past 10 years, over 450 investment vehicles have launched that invest in emerging market SGBs (an estimated $11 billion in committed capital).4 Though emerging market SGBs still experience a $930 million funding gap, SGBs are increasingly using concepts like the SDGs and IRIS to address obstacles such as lack of investor knowledge, perceived risk, and financial/impact return requirements.5

### Access to Markets
Partnerships between SGBs and big business are emerging at increasing rates.1 Out of ANDE members alone, 63 percent said they engaged with corporations to support SGBs in 2017.7 An ANDE member from Impact Hub shared that “there was zero interest in start-ups in emerging markets 12 years ago; now it is super vibrant.” New initiatives connecting SGBs to the private sector, including major donor programs, have also increased access.2 Though progress is promising, 14% of ANDE members still cite this issue as one of the most significant challenges facing SGBs, suggesting the persistence of barriers to market entry for the sector.2

### Access to Talent
Over the past 10 years, there has been a steady increase in the number of intermediaries supporting SGBs; however, talent continues to be cited as a critical determinant of growth for SGBs. A recent EMPEA report emphasized how “management talent is a binding constraint to the scale-up of entrepreneurial enterprises.”9 As critical an issue as access to capital, one ANDE member from Open Capital described her experience working with organizations that have the “potential to change the world but who can’t access the capital or talent needed to drive growth.”

### Enabling Environment
Though unique regional contexts primarily determine business climates, it has become easier for small and medium-size enterprises to do business in 63% of global economies.5 One ANDE member from GroFin described “much more interest from the government to develop SGBs and SMEs.” This public sector involvement may prove influential given increased nationalism and as commercial banks deal with “regulators and rating agencies that are raising the bar such that involvement in emerging markets is getting more expensive.”8

According to the 2018 Member Survey:

- 90% of survey respondents believe the SGB sector attracts more investors (number of investors) today than it did 10 years ago.
- 47% say ANDE’s contribution to this trend was significant.

According to the 2018 Impact Survey:

- 88% of survey respondents believe the SGB sector attracts more investment (amount of funding) today than it did 10 years ago.
- 44% say ANDE’s contribution to this trend was significant.

Other includes: Macroeconomic Environment (8%), Infrastructure (8%), Access to Information (7%) and Corruption (4%); N=343

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N=343
Over the past 10 years, ANDE has grown from a small organization to one that has attracted stakeholders from across the development ecosystem. Its diverse membership base has positioned ANDE at the intersection of different stakeholder interests, industries, and local/global issues. As membership has grown, ANDE has also worked to broaden its reach through its Regional Chapters, enabling it to better understand local contexts around the world.

Over time, the scope of ANDE’s research has grown to compliment its wide membership base. ANDE has served as a research aggregator – compiling and sharing critical research with its members – but also as a researcher itself. ANDE-produced publications are one example of where the organization has endeavored to highlight and address research gaps within the sector. In addition to its contributions in research, ANDE has disbursed more than $6 million to the SGB sector through the ANDE Catalyst Fund and the Argidius-ANDE Finance and Talent Challenge Funds.

“There’s a coalescing of the field, from SMEs being SMEs, to how you better work with and interact with them. There’s an identity forming around it...ANDE has brought coherence to the field, to how you deal with this sector in an evidence-based way.”
- Thomson Reuters Foundation

“ANDE is unique because it is multifaceted. It has gotten more high touch and closer to the ground.”
- Rianta Capital

“What’s powerful about ANDE? The diversity of its members.”
- Ford Foundation
Over the past 10 years, ANDE has played three primary roles in order to realize its Theory of Change.

ANDE’s Impact on the SGB Sector

In 2009, ANDE was founded as a global network for organizations that propel entrepreneurship in emerging markets.

Key to ANDE’s mission is the belief that by strengthening intermediaries, SGBs can overcome persistent challenges including access to capital, access to talent, access to markets, and enabling environments. As one member stated, “ANDE realized from the get-go that they supported growing businesses by supporting the folks who could help them grow.”

As such, ANDE has endeavored to strengthen the operations of its members – members who, in turn, strengthen SGBs themselves. As part of its Theory of Change, ANDE endeavors to carry out the following:

• Improve the effectiveness of existing practitioners
• Expand the scope and size of the sector players
• Increase capital supporting intermediaries and SGBs
• Improve the integration of intermediary services and programs

This report finds that ANDE has carried out these objectives by taking on three key roles in the sector. Since its launch, ANDE has acted as a **Field Builder**, influencing the development of the SGB sector by advocating for critical approaches and focus areas. As a **Convener**, ANDE brings together its diverse membership base within the field to facilitate the sharing of information and good practices. As an **Educator**, ANDE serves as both an independent researcher and disseminator of knowledge.
ANDE’s Influence in the SGB Sector

ANDE’s Role as a Field Builder

What does it mean to be a Field Builder?
Field Builders focus on “coordinating the efforts of multiple organizations and individuals around a common goal and creating the conditions necessary for them to succeed.”

ANDE as a Field Builder
An early believer in the value of investing in SGBs to fuel economic development, ANDE built a movement and created a new field made up of diverse stakeholders with the shared goal of supporting SGBs. Over the past 10 years, ANDE has led the global SGB agenda by influencing member organizations, peer institutions, and national governments to support SGBs—both directly and indirectly—with the aim of creating jobs and economic opportunity to lift communities out of poverty. ANDE has actively influenced the sector by advocating for specific approaches, including an emphasis on the role of talent and the use of ecosystem-based approaches within the SGB sector, adding further nuance to the dialogue around what SGBs need to be successful.

2009 – PUTTING SGBs ON THE MAP
“Catalysts define the vision, or mission, in a way that’s bold enough for stakeholders to rally around, yet specific enough to make a measurable difference.” Prior to ANDE, the SGB sector was not a differentiated focal point within international development conversations. As one member from Omidyar Network described, “ANDE defined the SGB sector. It put SGBs on the map and played a key role in helping development organizations understand that the needs and potential impact of SGBs.” Since 2009, ANDE has continued to advocate for SGBs. See http://www.whysgbs.org/

2015 – TALENT FOCUS
Recognizing the critical and unmet challenge of recruiting and retaining talent to SGBs, ANDE launched the Argidius-ANDE Talent Challenge (AATC) as the first major global effort aimed at talent in the SGB sector.

2017-2018 – ECOSYSTEM MAPPING
ANDE began providing resources to support its belief that entrepreneurship programs are most effective if they embrace an ecosystem approach in their design and implementation. Acting on this belief, ANDE has developed 19 Ecosystem Snapshots to map out resources available to SGBs in a given geography.

A Field Builder in Action

€2M Disbursed to support five organizations as a result of the Argidius-ANDE Talent Competition

$6.1M Total allocated as part of Catalyst and Challenge Fund funding

19 Ecosystem Snapshots that map out financial and non-financial support available for SGBs in a specific city or country

Dozens Of articles or blogs each year that highlight the SGB sector as a distinct segment
ANDE’s Influence in the SGB Sector

ANDE’s Impact as a Field Builder

Through a decade of shaping the conversation around SGBs, ANDE has provided a common language for investors, capacity development providers, foundations, research institutions and academics, and other relevant players that support SGBs. Further, ANDE continues to rally sector players to focus on the talent challenge and understand resources from an ecosystem perspective.

As one example of an ecosystem-based tool, the Uganda Entrepreneurial Ecosystem Initiative (UEEI) assesses entrepreneurial ecosystems in Kampala and Gulu to design a multi-stakeholder, multi-year, and multi-million EUR initiative to bolster both ecosystems. This includes a detailed mapping and analysis of incubators, accelerators, the impact investment space, as well as all others involved in identifying, training, connecting, sustaining, funding, enabling, and celebrating SGBs.

The Argidius - ANDE Talent Challenge (AATC)

For SGBs in most emerging market countries, it is extremely difficult to attract middle and senior level managers who are skilled enough to guide high-growth firms. To promote successful talent engagement strategies, ANDE and the Argidius Foundation launched the Argidius-ANDE Talent Challenge in 2015. The challenge sought to identify highly promising solutions to human capital constraints, provide funding to experiment with these models, and ultimately scale the best ideas.

Five organizations were selected to develop solutions with €2 million in support, which each of the winners contributed to the sector.

Since the AATC, the SGB sector has seen an increase in the number of intermediary organizations that address talent as a focus area.

One winner, Village Capital, authored open-source curriculum on recruitment.

“ANDE’s impact has helped build the ecosystem and strengthen institutions in very fragile places.”

– Ford Foundation

“I regularly refer to ANDE’s ecosystem maps in my work.”

– Mastercard Foundation

“‘The ecosystem concept’ utilizes what has worked in developed economies then adapted to developing markets.”

– OPIC

Make the Case for SGBs as an Advocate

- “There’s a challenge for the SGB sector to better articulate the value of SGBs. ANDE can help with this through advocacy and research.” – Argidius Foundation

- “Advocacy should look like asking donors to put more funding toward entrepreneurship, not defining how entrepreneurship should be done.” – Open Capital Advisors

Develop More Ecosystem Resources

- “We are looking to improve market economies and the lives of very poor people but unless we analyze and understand the ecosystem, it is unlikely our strategies will be effective.” – Small Foundation
ANDE’s Role as a Convener

What does it mean to be a Convener?

“An organization that brings people together, either virtually or in-person, to drive a collective effort that serves a specific shared purpose through conferences, gatherings, summits, or fora.”¹

ANDE as a Convener

Over the past 10 years, ANDE has emerged as a trusted network for a diverse set of organizations connected by a shared vision. Through its network, ANDE has united these sector players into a cohesive community of practice. The impact of these connections have been both tangible (e.g. new initiatives, increased funding) and intangible (e.g. increased learning, awareness).

The majority of members interviewed cited ANDE’s convening power as one of its greatest strengths. By bringing together a diverse set of sector players, within the United States and internationally, ANDE’s convening activities have strengthened integration between sector players and strengthened the effectiveness of existing practitioners.

“ANDE’s core strength is making sure the right people are in the room. Over the last 10 years, the proactivity that ANDE has taken to find folks who are able to work with SGBs is unparalleled.”  
- Open Capital Advisors

A Convener in Action

290+

ANDE Members around the world
(34 at launch in 2009)

42%

of ANDE Members are based in emerging markets
(6% at launch in 2009)

8

Regional Chapters across emerging markets

3

Major convenings each year to share opportunities and confront challenges facing the sector
(Annual Conference, Metrics Conference, London Meeting)

“Travel upstream to the headwaters of any great social change effort, and you’ll probably discover that convenings played a major role.”²

Member Presence, by region (# members)

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Note: Members can operate in more than one region

¹ Current definition of Member Type was introduced in 2016

"Travel upstream to the headwaters of any great social change effort, and you’ll probably discover that convenings played a major role."²

- Open Capital Advisors
ANDE’s Influence in the SGB Sector

**ANDE’s Impact as a Convener**

“Once you are a member and in the community, ANDE’s influence feels strong: it is a vibrant and personable network where it is easy to make strong professional connections.” – Small Foundation

In its role as a Convener, ANDE has helped foster meaningful connections between its members. 82% of members surveyed said they were introduced to another organization last year through ANDE. In interviews, some members identified a key impact of ANDE’s as the efficiencies ANDE has introduced into the sector with the network it has created. One investor shared, “it takes time to build a network. ANDE accelerates that for us.” ANDE’s convening power further bridges the sector across global and local issues by creating engagement opportunities through its Regional Chapters (see Case Study on page 12).

“ANDE is good at creating a culture of friendly engagement. There is a sense of goodwill and a common purpose to align around.” – Argidius Foundation

**Where ANDE Members See Opportunity**

**Provide compelling evidence to expand the sector and inform existing players**

“How do we get to the point where we are advocating [for SGBs] with a level of clarity – with supporting examples and data? That’s how we can bring more people into the space.” – Lemelson Foundation

“ANDE provides a focal point for sharing best practices and knowledge in the sector...ANDE gave the field a compelling case around gender lens investing and around workforce development, which our company has embraced and acted on.” – Property Point

**Bring new voices to the network**

“If we want to get significant amounts of fresh capital in, we need to talk to people who don’t agree with us – the critics who don’t believe in the role of SGBs.” – Yunus Social Business

“Have a network of academics and researchers committed to working on SGB topics and build those networks in order to add more credibility and deeper questioning for ANDE members that is rigorous.” – University of Oregon

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**ANDE Annual Conference**

Each year, ANDE’s Annual Conference is the largest gathering of members from around the globe. Intended to be highly interactive and practically focused, members say it is unlike other large conferences within the sector that are often more narrowly focused or too largely attended.

Growing from 109 attendees in 2009 to 293 attendees in 2019, ANDE members continue to take advantage of this opportunity to make connections with others in the sector, share new findings, and discuss and explore critical opportunities for action. In the 2018 Impact Survey, 22 ANDE members stated that they are actively partnering with another organization on a joint project because of their participation with ANDE; many of these connections are formed at events such as the Annual Conference. The event has also received consistently high satisfaction rates and positive commentary from attendees. One member from Mastercard Foundation acknowledged its value: “The market is giving us some lessons learned on what is enabling growth and the more that we get to speak to each other, the more we can adapt to changes.”

The evidence above suggests that the opportunities ANDE has cultivated for practitioners to convene has positively influenced the SGB sector overall.
ANDE’s Influence in the SGB Sector

Case Study

ANDE’s Regional Chapters

CONVENING A NETWORK OF NETWORKS TO DELIVER VALUE

Via its chapters, ANDE has created access to a regional perspective on priorities for the SGB sector, a platform for its local and global members to connect and learn, and a mechanism for building regional capacity.

“Launch of West Africa Chapter as providing a “soft landing” for new arrivals to the region, due in part to the knowledge and connections it offers. Another member shared that, “in West Africa, ANDE showed to our local stakeholders that when we join together, we are stronger.” As Ashesi University highlighted how its “new partnership with MIT D-Lab was as a result of ANDE introduction through Olatunji of the West Africa Chapter.”

Launched in 2012, one member described the West Africa Chapter as providing a “soft landing” for new arrivals to the region, due in part to the knowledge and connections it offers. Another member shared that, “in West Africa, ANDE showed to the local stakeholders that when we join together, we are stronger.” As Ashesi University highlighted how its “new partnership with MIT D-Lab was as a result of ANDE introduction through Olatunji of the West Africa Chapter.”

Over the past decade, ANDE’s Regional Chapters have served a vital role for ANDE as an organization and for its members. These Chapters have contributed value-generating services and research in their respective regions. Growing from two chapters in 2009 to eight chapters around the world today, this model has expanded ANDE’s global reach and impact as both a Convener and Educator.

This case study highlights the impact of some of ANDE’s Regional Chapters.

“ANDE’s oldest chapter, the Brazil Chapter has made key contributions to the broader challenge of data and metrics within the South American SGB sector, most notably by leading the Brazil Metrics Learning Lab. The Chapter has also contributed in-depth research on the impact investing landscape in Latin America and Brazil.”

- EDC Pan Atlantic University

“Launched in 2012, one member described the West Africa Chapter as providing a “soft landing” for new arrivals to the region, due in part to the knowledge and connections it offers. Another member shared that, “in West Africa, ANDE showed to our local stakeholders that when we join together, we are stronger.” As Ashesi University highlighted how its “new partnership with MIT D-Lab was as a result of ANDE introduction through Olatunji of the West Africa Chapter.”

In 2016, the East Africa Chapter hosted the SGB Career Series at local universities in Nairobi. These information sessions educate students on the sector and inform the next wave of SGB talent. The Chapter has brought key tools and resources to East Africa: a legal toolkit for enterprises in Kenya, the Uganda Entrepreneurial Ecosystem Initiative, and International Non-Governmental Organization networking events, among others.

“The level of practical tools and knowledge has increased through ANDE because of the regional chapter model.”

- ANDE Member

“The Central America and Mexico Chapter Learning Labs have contributed critical research and platforms that explore pressing topics in the region, including opportunities and challenges for women-led SGBs, smallholder farmer financing in Mexico, and SGBs in relation to corporate value chains.

“The ANDE Steering Committee in each chapter is the engine of the SGB sector [in the region].”

- EDC Pan Atlantic University

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“The level of practical tools and knowledge has increased through ANDE because of the regional chapter model.”

- ANDE Member
ANDE’s Influence in the SGB Sector

ANDE’s Role as an Educator

What does it mean to be an Educator?
An organization that leads or facilitates learning opportunities, often by producing and disseminating research or operating learning initiatives or workshops.

ANDE as an Educator

In its role as Educator, ANDE has made significant contributions to the sector by developing evidence-based research and resources that have allowed SGB sector organizations to make more informed decisions. According to a recent survey, 63% of members indicate that ANDE-produced research has impacted their priorities and practices. Every month thousands of viewers, members and non-members, access ANDE-produced research to inform decision-making. Among the most frequently visited reports are those related to the Global Accelerator Learning Initiative (GALI), an ANDE-supported initiative at Emory University (see Case Study on page 15).

ANDE’s delivery of training and educational platforms at both global and regional levels has similarly influenced the effectiveness of its members by introducing new research and approaches. One ANDE member shared that “all [my] contacts use [ANDE’s] training manuals.” Another member at MBC Africa stated that “we send many of our executives to [ANDE’s] trainings.”

ANDE-produced research has informed my organization’s priorities or practices

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% of Respondents

Source: ANDE 2018 Impact Survey

An Educator in Action

- ANDE’s reports received nearly 34,000 downloads in 2017
- Distributes a monthly newsletter to approximately 20,000 readers to provide a comprehensive update on sector events, funding opportunities, and news
- Offers nine Global Learning Labs to its members on topics ranging from gender inclusion and sustainable agribusiness to corporate partnerships and SGB finance
- Hosts an Investment Manager Training Course that has been delivered in Mexico, Brazil, Kenya, India, South Africa, and the United States
- Maintains additional educational and social platforms, including a Notes from the Network blog and monthly Sector Update Calls
ANDE’s Influence in the SGB Sector

ANDE’s Impact as an Educator

There is a strong linkage between ANDE’s convening ability and its role as an Educator. The ability to bring together a diverse set of sector stakeholders provides ANDE a unique platform through which to solicit information and, importantly, disseminate new findings or approaches. In its role as an impartial educator, ANDE delivers educational material to players throughout the SGB sector. This platform also allows ANDE to reach diverse audiences within the SGB sector – educating member organizations about key research and potential funding opportunities, and educating prospective funders and investors about the value and impact of the SGB sector.

ANDE’s focus on research is integral to its Theory of Change as it...

• Directly informs member organizations’ strategic decisions
• Leverages a broad community of practice to produce and disseminate leading research and analysis
• Applies rigor and objectivity to its own research and encourages similar practice throughout the sector

“We have differentiated between SGBs and micro, small and MSEs because of our learning about SGBs through the ANDE network.”

– Small Foundation

ANDE-produced research such as the annual State of the SGB Sector and Research Agenda report provide current, data-rich research and analysis and identify research needs from across ANDE and the broader SGB sector.

ANDE’s Research Culture

• More than 90% of members stated that organizations in the SGB sector make more decisions based on data than 10 years ago, with nearly half of these members stating that ANDE significantly contributed to this change.

“ANDE has helped promote learning by doing. Its capacity to quickly react to sector needs – and increasingly anticipate them – has been very valuable to its members.” – Investisseurs & Partenaires

“[ANDE is] a good coordinator and acts as a channel through which [we] can disseminate information to change practice and funding of that practice.” – Argidius Foundation

Where ANDE Members See Opportunity

Moving Beyond a Repository of Rich Research and Toward Coordinated Action

“There is a relationship between advocacy and learning – get that data into the hands of decision-makers.”

“The website is a static repository...it could be more of a social network...to allow for thinking on high level efficiencies that can emerge from the vast body of experience that is the ANDE membership.”

Reaching Wider Audiences with Information Most In-Need

“We would use research grounded in] comparative analysis across countries or regions, the informal sector, successful exits in emerging markets, evidence of social and commercial returns within the SGB sector.”

[We] engaged broadly, but largely as a participant – there is room for us to leverage ANDE a bit more.”

Where ANDE Members See Opportunity

More than 90% of members stated that organizations in the SGB sector make more decisions based on data than 10 years ago, with nearly half of these members stating that ANDE significantly contributed to this change.

<table>
<thead>
<tr>
<th>Compared to 10 years ago, organizations in the SGB sector make more decisions based on evidence and data*</th>
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<tbody>
<tr>
<td>Significantly Fewer</td>
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<td>Significant 46</td>
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* ANDE 2018 Impact Survey N=125

State of the Sector

ANDE at 10 Years | April 2019
Case Study

ANDE’s Influence in the SGB Sector

Accelerators have developed with little understanding of their impact on the SGB sector or their effectiveness in solving SGB-sector problems. Before ANDE’s collaboration with Emory University, and the resulting GALI initiative, there was no concerted, organized effort to collate and analyze accelerator data for dissemination.

To address this gap, ANDE partnered with Emory University to launch GALI, to explore and answer key questions about enterprise acceleration. ANDE, through its support of GALI, collects raw data from around the world from entrepreneurs and accelerators and develops reports and country-specific insights on accelerator effectiveness. As part of this initiative, ANDE also opens up this unique dataset to academic institutions and others for research purposes.

GALI’s value stems from its data-driven approach. ANDE initially performed several years of sector research to compile a comprehensive understanding of the accelerators and stakeholders operating throughout the world before beginning its raw data collection. This rigorous process provided GALI a greater breadth and quality of data than other entities operating in the accelerator landscape, making GALI the premier reference for accelerator effectiveness data.

GALI is producing industry-leading research and analysis and is a reference of choice on accelerator effectiveness...

Since the project has started, GALI has had at least 38 research citations, at least 80 media mentions, over 20,000 report downloads, and over 100,000 website views.

Pre-Accelerators: Unlocking & Funding The Billion-Dollar Idea

More Investment Support for Diverse Founding Teams

“GALI’s dataset is unique because we look at early stage entrepreneurs and we have data on ventures and entrepreneurs.”

– University of Oregon

Q: Was there a possibility that GALI could have found a home somewhere else?

A: “Short answer...absolutely not”

– Emory University

Results

…ANDE is widely credited with facilitating the launch of GALI and sustaining its existence...

…ANDE’s core educational message is informing programmatic decisions made across the SGB sector...

Accelerators are using GALI data to inform and strengthen their operations:

“We understood better that the bulk of the applicants to our program were in early stage, so we decided to create a new program to attend their needs and increase the number of ventures that survive the first year of operations.”

“The reports help us figure out who we can better target for future cohorts.”

Based on GALI data, Incutex in Argentina placed more emphasis on encouraging women-led ventures to apply for its program.

Funders cite GALI as a tool to help assess potential support to accelerators:

“The insights from GALI inform our due diligence for taking on new partners, and developing those we currently work with.”

“We use the GALI reports to make decisions about how we fund accelerators.”

Learn more about GALI at: https://www.galidata.org/
Conclusion
ANDE’s Role in the Future State of the SGB Sector

ANDE’s first 10 years have been marked by evolution. ANDE’s progression has mirrored that of the SGB sector over the past decade, with each adapting to new roles, confronting changing sector demands, and developing in directions that support the advancement of SGB growth and impact across the world. ANDE’s impact during this period has been significant. 89% of members surveyed stated that they believed that the SGB sector’s impact on economic and social development has increased in this timeframe; of those respondents, more than 40% of those members believe ANDE played a significant role in affecting that result.

This contribution has come in the form of three primary roles that ANDE has played: (1) Field Builder, (2) Convener, and (3) Educator. Since its beginning, ANDE has acted as a Field Builder; the organization has advocated for the SGB sector and dedicated its resources to equipping its member organizations with new methods to strengthen their effectiveness. As a Convener, ANDE has united disparate players around the shared goal of an SGB sector that builds the wealth of developing nations. As an Educator, ANDE has helped put knowledge and tools into the hands of its members and the public.

The roles ANDE has played over the past 10 years may not be the roles the organization plays over the next 10. As new challenges and opportunities present themselves and influence the SGB sector, ANDE will need to implement new strategies to expand its influence, adapt to unforeseen demands from the sector, and develop additional methods for utilizing the roles it currently occupies. Only a continued evolution will ensure that ANDE can sustain and maximize its impact over the long-term.
Sources

Slide 2: About this Report
2 Source: Growth and Opportunity: The Landscape of Organizations that Support Small and Growing Businesses in the Developing World

Slide 5: Evolution of the SGB Sector
1 Source: World Bank Total Entrepreneurial Activity Worldwide
2 Source: 2018 ANDE Membership Survey
3 Source: Accelerating Entrepreneurs: Insights from USAID's Support of Intermediaries, USAID 2018
4 Source: State Of The Small & Growing Business Sector – 2017 Impact Report
5 Source: Omidyar Network: There’s More Than One Missing Middle: Segmenting small and growing businesses by their financing needs
6 Source: Key Drivers for Success and Challenges for the Development of an Entrepreneurial Ecosystem
7 Source: Doing Business 2018: Reforming to Create Jobs, World Bank Group
8 Source: Interview with Mildred Callear at OPIC

Slide 8: ANDE’s Role as a Field Builder
1 Source: The Strong Field Framework: A Guide and Toolkit for Funders and Nonprofits Committed to Large-Scale Impact
2 Source: How Field Catalysts Galvanize Social Change

Slide 10: ANDE's Role as a Convener
1 Source: https://conveners.org/conveners/
2 Source: SSIR - Coming Together with Purpose
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