The Hub Specialisation Playbook

A guide for African innovation support organisations

With lessons from the GIZ Make-IT in Africa Hubs GoGreentech (HUGG) program

Make-IT in Africa: Hub Specialisation Playbook

About this toolkit

The Hub Specialisation Playbook, conceptualised and driven by GIZ's Make-IT in Africa initiative, aims to grow nascent sectors like greentech by equipping innovation hubs to specialise their programs for entrepreneurs, funders, and stakeholders who are committed to turning sector-specific solutions into successful businesses. The playbook is available for any organisation to use to support the development of a sector within their local ecosystems, and this toolkit aims to provide support for planning and executing a specialisation strategy.

Open use of this toolkit and program framework

Who we are

About GIZ and Make-IT in Africa

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH implements this project on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). GIZ is a federal enterprise with worldwide operations. We support the German government in the field of international cooperation for sustainable development. We are also engaged in international education activities around the globe. Through our work, we assist people and societies in shaping their own future and improving living conditions.

Make-IT in Africa believes in the catalytic power of African innovation and digital technologies for green and inclusive development. In close collaboration with digital visionaries such as startups, innovation enablers, and political partners, we empower African innovation ecosystems. Together, we aim to strengthen an environment in which the full potential of African digital innovation can unfold. www.make-it.africa/

About Viridian

This toolkit was developed by Viridian, on behalf of GIZ Make-IT in Africa. Viridian is an impact agency that designs and delivers programs for early-stage entrepreneurs, investors, and entrepreneur-support organisations across Africa's entrepreneurial ecosystem. Our programs act as a catalyst for these key economic actors, ultimately growing shared prosperity across sub-Saharan Africa. www.viridian.africa

About IRESEN

IRESEN was created in 2011, under the initiative of the Moroccan Ministry of Energy, Mines and Sustainable Development and key actors in the public and private Moroccan energy sector. IRESEN is an applied research specialist in renewable energies and energy efficiency; facilitating and coordinating the setting up of adapted R&D infrastructure, developing projects, leveraging resources, enabling innovation, improving outreach, scaling up impact and aligning national interests. IRESEN was instrumental in the design and delivery of the MakeIT in Africa Hubs GoGreentech (HUGG) program, which formed the basis of this toolkit. www.iresen.org

Contributors of the Case Studies
We would like to thank the following organisations for contributing to the Greentech in Africa case studies that you will find throughout the playbook.

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Introduction

Success factors

What do you need to know about specialisation?

We're here to answer all your questions.
This playbook covers the **ten success factors** to consider in your specialisation strategy.

Click on a box to go to a success factor chapter

How do we understand relevant stakeholders and verify the need for specialisation?

How do we design a sector-relevant program with meaningful outcomes?

How do we assess our own specialisation readiness and assets to become first movers?

How do we create and manage a pool of experts to improve our specialisation offering?

How do we make the strategic decision to specialise, then turn this to implementation?

How do we develop networks to ensure a pipeline of quality startups in our chosen sector?

How should we upskill our team to deliver specialised programs?

How should we adapt our indicators and reporting when specialising?

How do we adjust our messaging and activities to attract ongoing funding?

How do we ensure startups continue to thrive post program?

These questions correspond to the ten success factors of specialisation explored in each section of this toolkit.
Over time, you should give all of these elements attention to ensure that your specialisation focus is strong and sustainable.

How to
use this guide

There are two ways to use this guide:

1. Start at the beginning and work your way through all ten success factors.

2. Start with the question that most interests you and explore its related success factor. Each success factor chapter is connected to other relevant success factor chapters; the links in the chapters can help you "join the dots".

In each success factor chapter, you will notice the following sections:

- **Why this matters:** We start with a brief explanation about why this success factor is important in your specialisation journey.

- **Key considerations:** Then we provide a list of some of the fundamental things you will need to tackle to achieve this success factor, along with ideas about how to do it.

- **Greentech in Africa:** Here is an example of how an African hub like yours is successfully addressing this success factor.

- **Tips:** Is there anything important about this success factor that hasn't already been mentioned? Here are some more tips!

- **Tool:** Each success factor includes one or two templates that you can use with your team to brainstorm new ideas, shape your strategy, or gather data. The tool section includes tips on when and how to use each template.

- **Additional resources:** We can't cover everything in detail in a playbook like this, so we recommend further readings and tools related to the success factor.

Selecting a sector

Before you start your strategic process, you may be wondering how to find a focus out of all the sector options out there. How do you pick the best sector for your hub to work on, using this playbook?

Here is a quick tool that can help you evaluate which sector makes sense for your hub to specialise in. You will go into each of these considerations in more detail in the playbook, but use gut feel to determine a score to pick a sector to begin with.

Sector selection tool
(1 = weak and 5 = strong)

Key consideration	Sector 1:					Sector 2:				
Depth of your hub's understanding of the sector	1	2	3	4	5	1	2	3	4	5
Sector champion to drive the process within your team	1	2	3	4	5	1	2	3	4	5
Level of relationships within the sector and with key stakeholders	1	2	3	4	5	1	2	3	4	5
Understanding of what kind of support entrepreneurs in this sector need	1	2	3	4	5	1	2	3	4	5
Ability to attract and recruit entrepreneurs in this sector	1	2	3	4	5	1	2	3	4	5
There is a gap or need in the local ecosystem for a specialised program in this sector	1	2	3	4	5	1	2	3	4	5

Funders and grantmakers are deploying increasing amounts of capital to this sector	1	2	3	4	5	1	2	3	4	5
There is strength of political will and legislation to support this sector	1	2	3	4	5	1	2	3	4	5
Ability to source and secure mentors and experts in the sector	1	2	3	4	5	1	2	3	4	5
Understanding of the market forces and value chains within sector	1	2	3	4	5	1	2	3	4	5
TOTAL (out of 50)										

How to use the rubric

1. Name two promising sectors that you would like to compare in the first line, for example, greentech and edtech.

2. Go through each of the key considerations and ask yourself how you would score your hub or ISO on each factor with 1 = very low or very weak, and 5 = very high or very strong.

3. Once you have scored each key consideration for a sector, add up all the scores to get a score out of 50.

4. The sector with the highest score is the one you should focus on first, as your understanding of the sector, stakeholders and market factors is stronger than that in the other.

Navigating this toolkit

Click on a box to go to a success factor chapter

Introduction

Why specialise?

Over the past decade, there has been a boom in innovation hubs in Africa offering incubation, acceleration, co-working, and co-creation services. At last count, there were at least 618 active innovation support organisations (ISOs) contributing to growing ecosystems in key markets such as South Africa, Kenya, Nigeria, Ghana, and Egypt, but also in emerging ones in Tunisia, Morocco, Côte d'Ivoire, Cameroon, Tanzania, and Zimbabwe. As these ecosystems and their support infrastructure mature and diversify, the question is: what next?

As more organisations provide generalised entrepreneurial support in a given city or country, experienced, professionalised ISOs can consider applying their venture-building skills to niche industries or sectors identified as high-growth areas in their region. A continued focus on achieving efficiencies and scale through technology opens up opportunities in targeted areas such as fintech, edtech, and smart cities. At the same time, an increased interest in planet-friendly solutions is driving regions to differentiate themselves in place-based sectors like the blue and green economies. We're increasingly seeing the emergence of regional centres of excellence, which create the skills and inspiration for entrepreneurs who are dedicated to that sector and ready to design specialised solutions, rather than start from scratch in a generic incubator. Meanwhile, municipalities, corporates, and funders offer incentives and resources to established organisations, like yours, that can run specialised programs that turn these ideas into successful businesses. But in contexts where sectors are nascent and stakeholder networks are few, by choosing to focus on specialisation, your hub can play a critical role in changing the funding landscape towards sector-specific solutions, rather than generic startup support.

This playbook presents a concise list of success factors for you to consider when specialising.

Are you ready to specialise?

The ESO Abaca is an adaptation of Village Capital's well-known benchmarking framework for entrepreneurs. A 10-minute assessment across eight categories creates an objective snapshot of your hub's level of professionalisation compared to industry standards and suggests areas where you can improve your services to entrepreneurs.

Do the assessment and get your report here: https://eso.abaca.app/entrepreneurs/

Village Capital consulted foundations and grantmakers in the development of the framework, so it also functions to help you understand the types of funding you can access.

As your hub professionalises and grows, you will probably explore multiple revenue streams to drive its sustainability. Specialisation, if done well, is one of the models that gives your organisation the strongest competitive advantage.

CHOOSE A BUSINESS MODEL
(these can be combined)

CHOOSE A SPECIALISATION SECTOR
(see page 8 for a handy tool)

Grant-based

Network-based

Consultancy

Agritech

Bluetech

We will use HUGG as a case study throughout this playbook.

Professionalised hub

Specialised

Greentech — **Hubs Go Greentech**

Smart cities

This is you!

Broker-based

Edtech

Venture studio
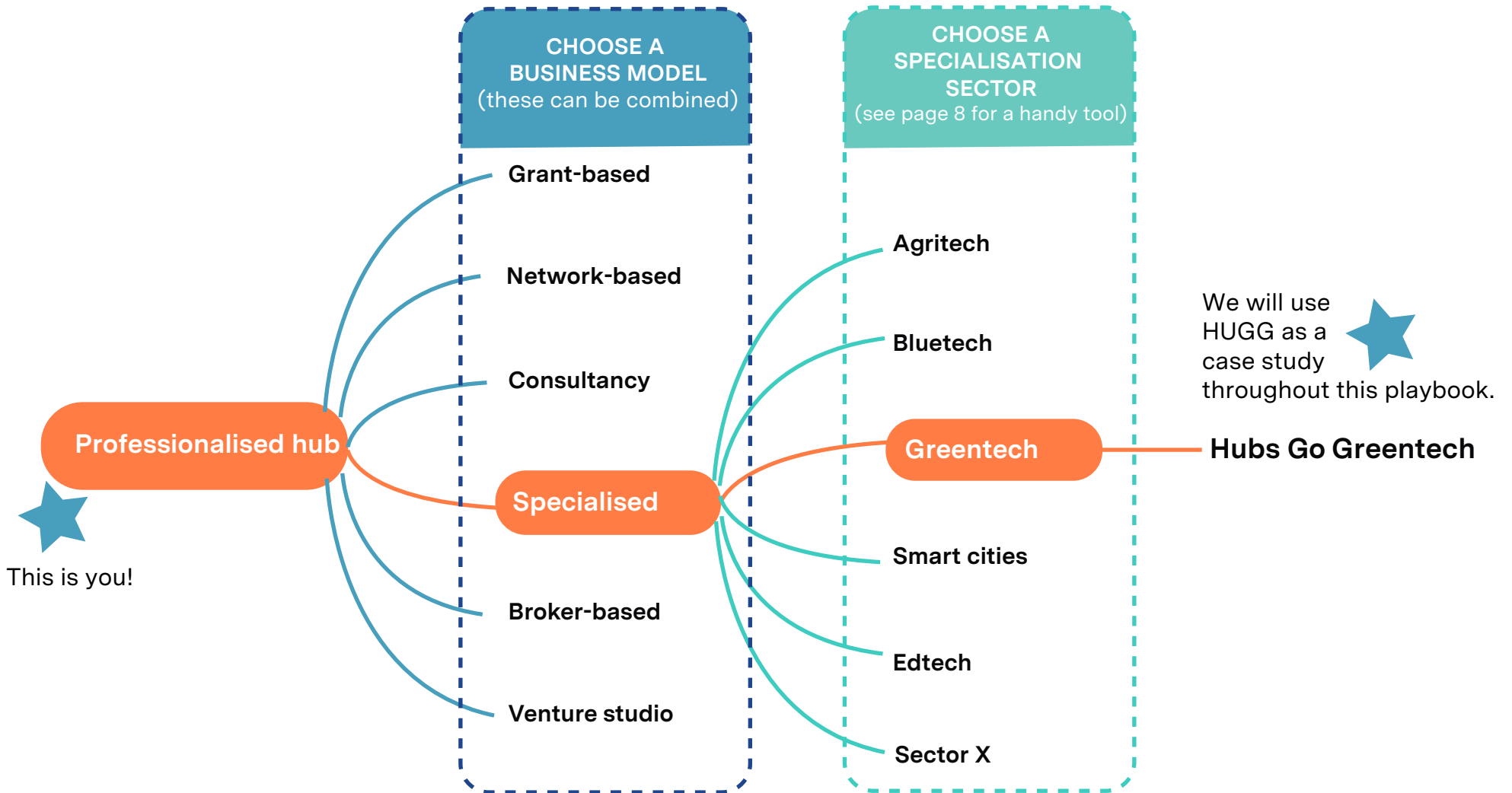
Sector X

Specialisation myths

"Staking our claim in a sector needs to be big and fast."

Specialisation can start slowly. In very small ecosystems, it WILL start slowly. Your specialisation strategy doesn't happen overnight, but is an intentional choice to build up assets that will differentiate your organisation in future. In the beginning, you will undoubtedly find yourself balancing opportunistic behaviour to cover running costs and strategic choices on the programs you implement, and whether they are in line with your envisioned positioning. Over time, there should be less of the first and more of the latter.

"Niching means I'll miss out on opportunities."

And generalising means you will miss out on opportunities, because you're too thinly spread and you haven't built up experience or expertise in a particular sector. Once you start really looking into a promising niche, sector-specific opportunities will appear… or you will create them!

"There is not enough deal flow when you're specialised."

Well, you won't know until you ask – how many greentech businesses are not applying to your programme because it looks too generalised to be of value? Run one greentech programme – there will be enough businesses to do so – and watch more startups come out of the woodwork for the next one! On the other end, investors typically have clear sector mandates and inboxes full of irrelevant pitches. Your hub can create huge value by curating a list of companies that meet the investors' brief. Voila! Deal flow.

"Specialisation means building an expensive new technical team."

Entrepreneurial training and support is still your organisation's core strength. Your hub also has thought leadership experience, networking and stakeholder engagement skills, and convening power: these will need to be dialled up, and that's how you will attract technical and market-based partners, mentors, and champions to your initiative (without having to hire them).
Your existing team had better be excited about the sector, though!

Why a greentech focus?

2023 was a year in which the wider world seemed to find a consensus on the reality of climate change. We experienced the hottest global month on record in July. The International Energy Agency reported that investment into green energy solutions would oustrip those into oil for the first time.

Our unique context in Africa may allow us to leapfrog into greentech – like we did with mobile money – for example, with distributed solar solutions, nature-based data-monitored carbon sequestration, and circular-economy agricultural value chains. There is a global demand for solutions and a real opportunity for Africans to realise both environmental and social benefits by designing, adopting, and scaling greentech.

Hubs can play a role in accelerating greentech innovation: this was the inspiration for GIZ Make-IT in Africa's Hubs GoGreentech initiative.

What does 'green' mean?

The green economy includes environmentally sustainable approaches to a broad basket of key sectors: energy, waste, water, mobility/transport, agriculture and forestry, and conservation.

Of course, many of these sectors are interconnected and often, greentech organisations can cut across multiple domains, depending on the technologies, business models, or approaches that they adopt. Hubs therefore have many avenues that they can explore if they choose to specialise in the greentech space.

About HUGG

Make-IT in Africa's Hubs GoGreentech (HUGG) is a one-year capacity building program for selected hubs to transition into the greentech space. Twelve West African hubs attended a tailor-designed one-week bootcamp in Dakar, Senegal in March 2023, which was followed-up by masterclasses, mentorship, and other activities and resources over the year, which supported the hubs' personalised strategy for sustainability.

The aim of HUGG is to make these organisations the go-to places for greentech startups in their country. The hubs have been organised into a specialised Greentech community that is collaborative, interconnected, and mission-oriented.
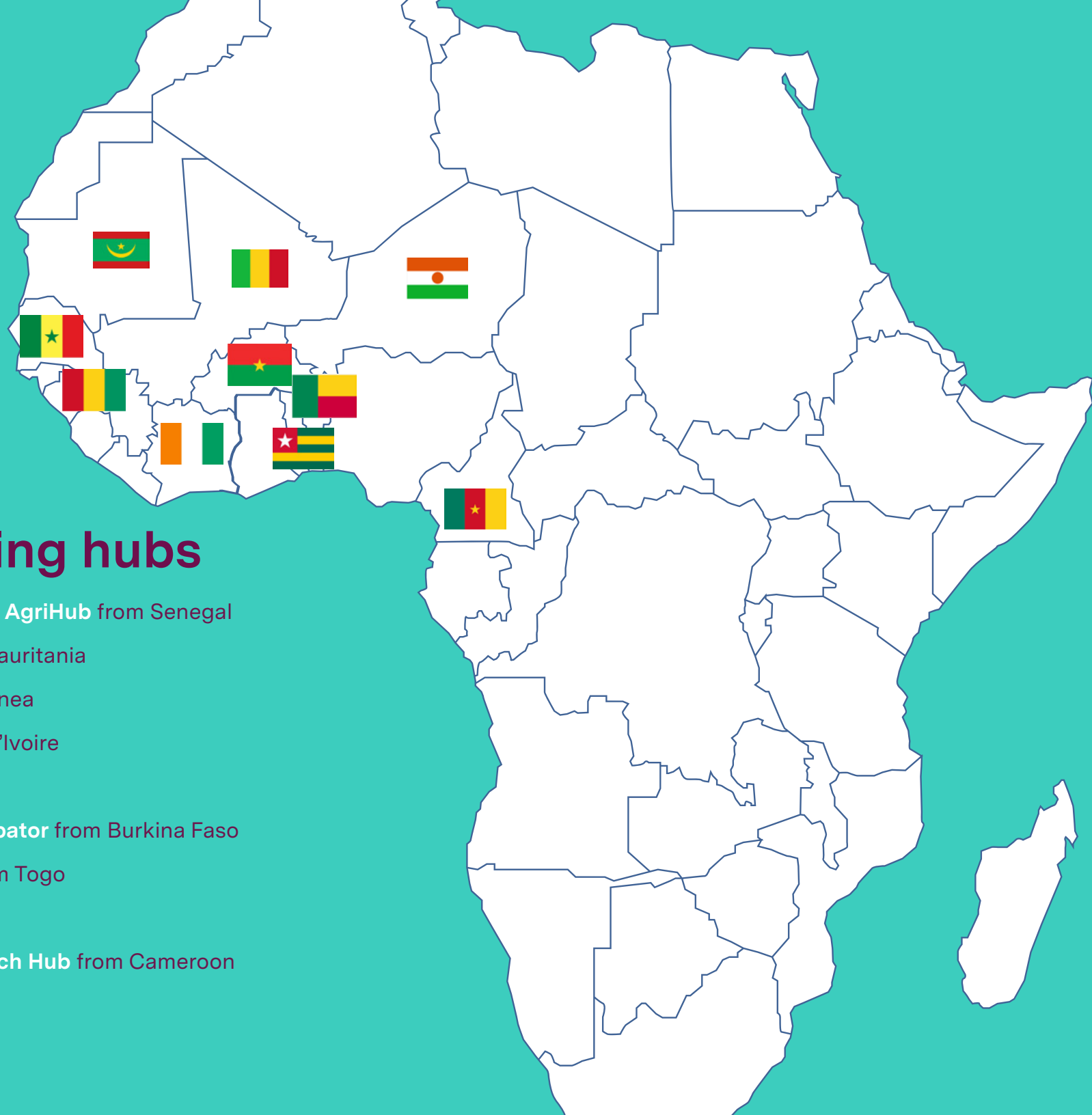
Participating hubs

- **CTIC Dakar and Yeesal AgriHub** from Senegal

- **Hadina RIMTIC** from Mauritania

- **Jatropha Hub** from Guinea

- **Incub'Ivoir** from Côte d'Ivoire

- **DoniLab** from Mali

- **Burkina Business Incubator** from Burkina Faso

- **Energy Generation** from Togo

- **Seme City** from Benin

- **ActivSpaces and Zixtech Hub** from Cameroon

- **CIPMEN** from Niger

Understanding need and market demand
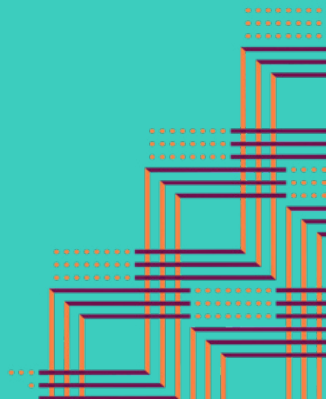
Why this matters

The decision to specialise your innovation program for a particular sector can have enormous advantages for your hub and your local ecosystem. Specialisation can unlock new sources of funding, facilitate stronger partnerships with the public and private sectors, fast-track emerging technologies, and help hubs and entrepreneurs add more value to the economy in the long run.

But specialisation needs to be informed by the needs and demands of your local market. What are the most pressing challenges in the local and regional context? Which policies and regulations will shape the future innovation needs of big businesses? What specialised knowledge and skill sets are emerging from entrepreneurs, institutions, and ecosystems on the ground?

Taking the time to understand your local context carefully will lay the necessary foundation for designing an effective specialisation strategy (see Success Factor 3). In order for your hub to add the most value, it needs to answer an urgent call in a particular sector with the right resources and capacities. Mapping your external ecosystem to identify the major needs and market demands will help you see which existing assets you can leverage (see Success Factor 2) and what knowledge gaps you need to fill within your hub (see Success Factor 4).

Key considerations

It may be tempting to rush into sector selection – to get tunnel vision with a sector that you find particularly exciting or attractive. Or, you might do the opposite: include too many sectors in your portfolio and fail to specialise your program meaningfully. However, do invest ample time in charting the full scope of your innovation ecosystem, and involve your whole team – as well as external stakeholders – in the process.

Here are some of the key areas that your ecosystem analysis should focus on.

The importance of looking outside

The benefits of examining your broader ecosystem include:

- gaining a deeper understanding of local needs

- identifying critical gap sectors

- assessing the best opportunities for your specialisation program

- gaining a better understanding of your hub's mission and how you want to play a specialised role in the ecosystem.

You want to make sure you thoroughly understand the different sectors available before you begin to focus.

Here are some ideas on how to do it

Attend local industry gatherings

Go to meetings, consortiums, and conferences – to identify and meet key players in your ecosystem.

Don't forget about international organisations

Global think tanks, research centres, funders, policy groups, and institutions are often interested in providing support in the form of data or advice (sometimes more than funds) to local hubs, so it is worthwhile to find contacts and reach out to these bodies (for example, UN affiliates, World Bank, IFC, etc.).

Do your research

There may have been similar sector-focused projects or hubs in the past which were or were not successful. Look online or chat to industry experts and ecosystem stakeholders to learn more about these initiatives and why they failed or succeeded.

How to follow trends, and understanding when a trend becomes an opportunity

The benefits of following industry trends include:

- confirming when a sector is reaching critical mass within the ecosystem.

- designing your program to align with the readiness within the sector.

- finding potential partners for your program.

Here are some ideas on how to do it

Look across sectors.

Engage with stakeholders from different fields, disciplines, and professions to paint a broad picture of the ecosystem (use the **ecosystem map template** at the end of this chapter one as a tool for this exercise).

Think regionally

Look to hubs in other parts of the region to gauge if they are focussing on similar challenges, sectors, or solutions. This may be an indication of concept viability within certain sectors and the future scale potential for your startups.

Think globally

Look to benchmarks in the international market to determine whether players in your ecosystem can be competitive.

Who is paying? And why?

The benefits of researching funders in the sector are not just about finding resources for your program, but understanding strategic shifts within the sector. Grants, seed funding, or venture capital for specific types of solutions or businesses may indicate a new policy direction or a growing need for businesses and customers in a particular country, market, or sector. For instance, a telecommunications incumbent may be interested in funding an accelerator for renewables start-ups because they want to solve the issue of future energy costs or infrastructural degradation.

However, understanding the motivations of a funder – the "why?" – may open the door to other green sectors that can add value for funders, like the circular economy for waste management needs.

So it's important not only to identify current funding options and their sources, but to probe the underlying needs to understand the real opportunities for specialisation. When in doubt, follow the money.

Here are some ideas on how to do it

Scan official communications

Go through communications corporates or government groups for signals of changes in brand positioning, new policies, or strategic changes. Find this by subscribing to official newsletters and local news outlets, and following key players on social media channels.

Use Google alerts

Use key terms ("for example greentech, Nigeria") to monitor the sector and get the latest news from your ecosystem.

Look at annual funding reports

Funding reports help you to see where investors are focusing and which sectors are emerging and attracting more funding.

Greentech in Africa case study

A thorough ecosystem analysis isn't just about identifying market needs and gauging demand. It's also an important step for understanding practical implications for your specialisation strategy. Zixtech HUB in Cameroon started its greentech specialisation journey in 2020, and quickly began observing some new challenges with supporting greentech startups – particularly regarding products versus service solutions. They realised that product-based startups were more challenging to design programs for because they required far more resources and infrastructure, such as access to fabrication labs and guidance for managing regulation. It's a challenge Zixtech is still trying to figure out as they work to grow local and regional interest in the green economy.

Hubs will not be able to internalise all their program needs; you will need to partner with others to connect entrepreneurs with the right tools for their business. If your hub is new to specialisation and/or focused on a nascent sector, try to shape your program focus around the connections and resources you already have in the ecosystem (for example, focus on service solutions that require less external coordination), while building new connections with the people and organisations that can support a more ambitious program goal.

Pro tool: Ecosystem map
Zixtech HUB can use an ecosystem map to brainstorm organisations that they could partner with to offer more competitive services to product-based greentech startups.

Go to the ecosystem map tool

Tips on case study

To be systematic in your ecosystem assessment, start with the obvious stakeholders who are shaping, engaging with, or studying the needs of the market: government, private sector incumbents, investors, universities and research centres, non-profit organisations and community groups, and entrepreneurs.

Which data points do you have from these different stakeholders? Which sector or solution type do they indicate? Once you have exhausted your data compilation, look for trends and insights. Are clusters emerging around certain sectors? Do you have stronger relationships with players in some sectors compared with others?

Additional resources

Podcasts

Zero: The Climate Race by Bloomberg is a weekly podcast that demystifies big ideas, interviews exciting startups, and reports on climatetech trends and predictions. There is likely to be at least one great podcast that will give you big-picture context plus real-world examples for any sector you decide to specialise in.

Ecosystem mapping guide

The *Strengthening Entrepreneurial Ecosystems* guide from the GIZ contains an excellent guide to different forms of ecosystem mapping and how to apply your insights to develop your ecosystem.
Find it here: https://www.giz.de/en/downloads/giz2021-en-entrepreneurial-ecosystems-guide.pdf

Ecosystem mapping at various levels:

The Founders' Institute *Startup Ecosystem Canvas* is an exercise you can run in your program that focuses specifically on resources entrepreneurs can draw on.
Find it here: https://fi.co/canvas_template

SF1 Template 1: Ecosystem map

Understanding who is in your ecosystem

Make-IT
in Africa
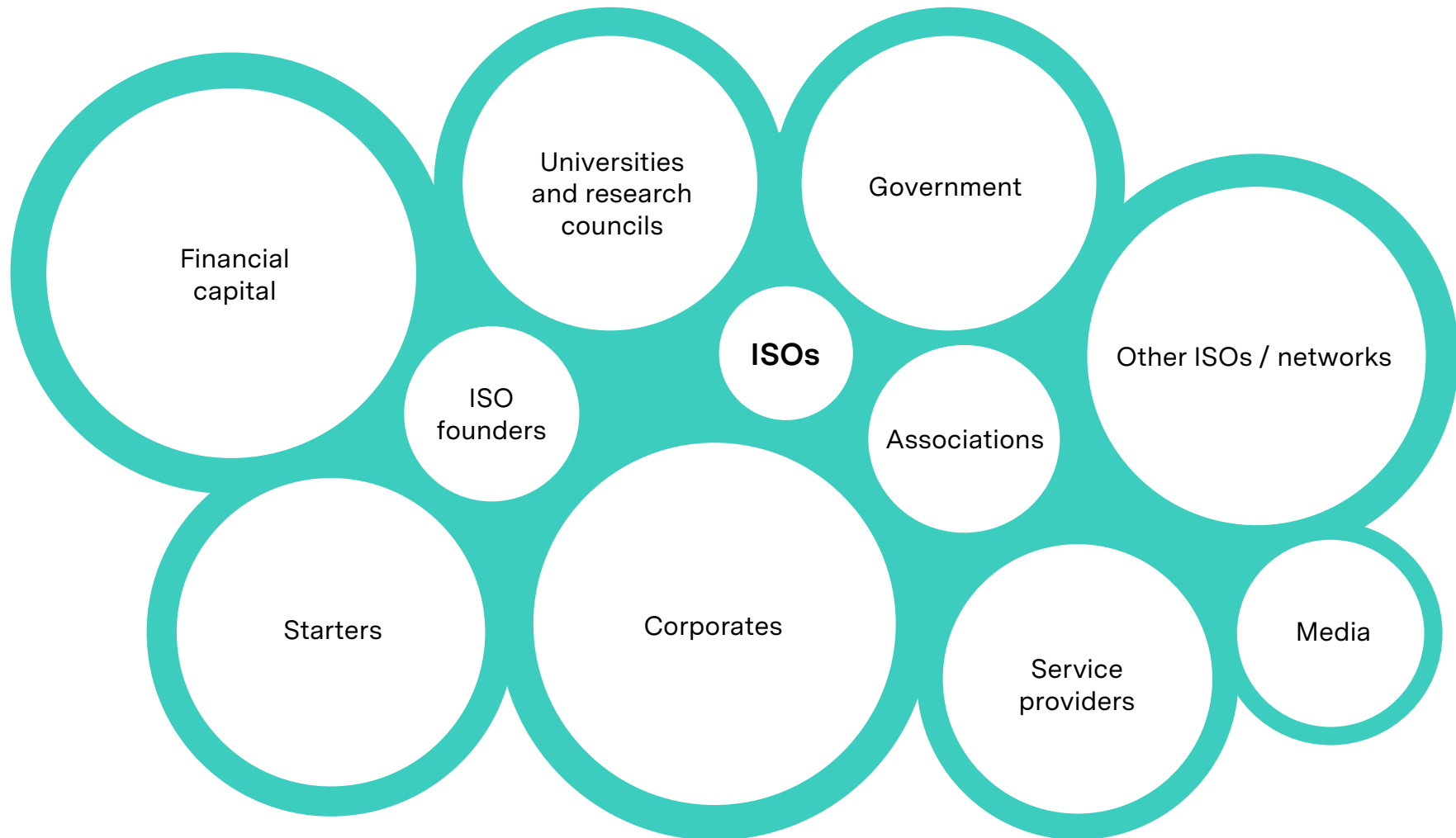
WHAT it is

An ecosystem map is used to identify all the organisations, people, and institutions in a particular system in order to understand the shape and behaviour of the system, identify critical resources and opportunities, and uncover problem areas or gaps. There are many different types of ecosystem maps for different purposes. For this specialisation exercise, we recommend a stakeholder map for each sector you are exploring that will allow you to sketch out all the actors across the different domains of your ecosystem (for example, public sector, industry, startups, academia, etc.). This will help you identify gaps or areas of underdevelopment in a particular sector, and compare the opportunities in different sectors.

WHEN to use it

Although ecosystem maps can be useful for hubs to achieve a number of different innovation goals, they serve a particular pur-pose on the specialisation journey. Use them at the very beginning of your process to pinpoint critical market needs and identify all possible sectors that intersect with these needs so that you know which specialisations are available to your hub. WIth a fully populated map for each potential specialisation sector, you can more objectively identify and assess opportunities.

HOW to use it

■ Clearly define the boundaries of the ecosystem you want to map from the start so that all participants are analysing the same space and generating meaningful insights (for example, decide on geographic boundaries, temporal boundaries, the sector, and the levels to include – people, organisations, fields, etc.)

■ Create a different map for each sector that you want to explore

■ Assess each map according to key criteria or elements that are important to your hub and your values, such as:

>> What is the depth of opportunity in this sector?

>> What is missing in this sector (for example, funding, government support, local expertise, incumbent industry)? Is this gap an opportunity or a threat for specialisation?

>> Where do our strengths align with this sector? Would we be filling gaps or building on existing strengths in this sector?

>> What kind of program would we need to offer if we were to specialise in this sector (in other words, ideation, incubation, or acceleration)? Would that align with our strategic goals and interests?

Tips on tool

Make this a group activity, involving a diverse team in the exercise to ensure that you get a fuller picture of the ecosystem that is based on multiple perspectives and connections.

Take your time. This will not be a quick workshop exercise; you may need to consult external players to better understand certain corners of the system, or do additional research. Give your team the time to do their homework so that your map is accurate.

You may also want to create a database or spread-sheet of key contacts at each organisation within your ecosystem as these will change over time and you may also need to update your ecosystem map annually as the sector grows and key stakeholders change.

SUCCESS FACTOR

Leveraging your strengths and expertise
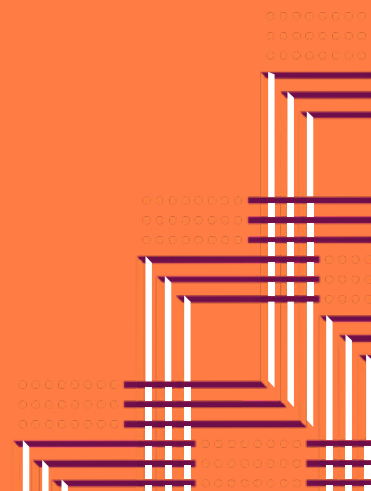
Why this matters

By becoming a specialised hub, you will be offering a new value proposition to startups and partners – one that tells stakeholders and entrepreneurs that you possess the specialised knowledge, skills, and resources to help grow and innovate in the sector. Your sector selection should be based on the strengths, expertise, and resources your hub already has, as well as the strengths you strategically want to develop. You need to focus on a sector in which your team can realistically build its knowledge base (see how to do this in **Success Factor 4**), gain a foothold with key industry players (as laid out in **Success Factor 5** and **Sucess Factor 7**), and develop a robust sector-specific program (which is explained into detail in **Success Factor 6**).

Your successful specialisation will be based on internal qualities, such as your core values and mission, current products or services, leaders and employees, systems and processes, and connections within the ecosystem. Understanding your own competitive advantage – and what you already have to offer within your innovation ecosystem – will help you decide which external opportunities and sectorsto pursue for specialisation. External opportunities are discussed at length in **Success Factor 1**.

Key considerations

Examining your hub's strengths and expertise can tell you many – possibly surprising – things about your specialisation strategy. You may uncover promising internal advantages that you were not previously aware of, you may realise that your team is moving faster than the sector and will need to adjust program plans accordingly, or you may find that you are more interested in growing your team or partnering with experts to meet an opportunity in a particular sector, than building on what you already have. In any case, you cannot make critical decisions about your specialisation strategy without knowing what you have to offer.

> **Here are some of the key areas that your internal introspection should focus on.**

The importance of looking outside

The benefits of doing a thorough internal survey of your hub include articulating and assessing your mission as an innovation hub, and increasing alignment within your team. You want to make sure that everyone in your team is on the same page about what your hub is and where it is going before you embark on the change journey.

Here are some ideas on how to do it

Start a big conversation

You might be a small, tight-knit team, but different members might be holding insights and knowledge about the hub that you have never noticed before. Ask your team to think deeply about how they understand the mission, what they think your hub is good at, and where they would like to see it go. Hold workshops, town halls, or focus groups where everyone can share and discuss their differing views. You may also want to include a number of entrepreneurs in this process, and ask them what they think is your most valuable offering or competitive advantage.

People in focus

Individual strengths and motivations may be driving your hub in particular ways. Ask your team to introspect on their own goals and values, so that you can see how those align (or don't align) with the hub's current mission.

Identifying opportunities and growth areas

The benefits of assessing your strengths and weaknesses include:

- understanding your team's competitive advantage within the ecosystem

- deciding which strengths you can leverage in a particular sector

- identifying which sectors are realistic opportunities, given your particular team

- highlighting the weaknesses you need to address before specialising.

Whether you need to upskill your team, develop certain processes, or bring in new people to become a specialised hub, you want to figure that out now.

Here are some ideas on how to do it

Analyse your strengths and weaknesses

A simple SWOT analysis or a deeper VRIO analysis (see the **template** provided in the Tools section) is a tried and true exercise for figuring out how your hub's qualities interact with the external environment.

Get a second opinion

You may have one view of your strengths and the value you add to partners, but we all have blind spots. Ask your partners – funders, collaborators, entrepreneurs, or mentors who have worked with you – why they choose to work with you and what they think is the greatest value that you offer.

Using partnerships to fill gaps and add complementarity

The benefits of assessing your strengths and weaknesses include:

- accessing specialised skill sets from experts who are only available on a part-time or volunteer basis

- upskilling your team through exposure to external expertise

- maintaining a small team and keeping costs down

- strengthening relationships within your ecosystem.

Your team does not need to be able to do it all, and sometimes it is actually better to bring in experienced experts to fill in the gaps

Here are some ideas on how to do it

Frontend and backend

You may already be used to sourcing members of your external network to mentor entrepreneurs or give technical talks on your programs. But you can also bring in external consultants to help on the backend with program development or design.

Call on designers, researchers, or communications experts to help you develop systems or materials, and leverage them to upskill your team and build your own capacity.

Go online

You are not limited to experts in your local ecosystem, which may not even exist if the sector is nascent. In fact, mentorship, coaching, or technical advisory are some of the few areas in which virtual collaboration is not only possible but practical. And you may find that partners are much more willing to volunteer if they can do so from their home or office. Reach out to people and organisations in the wider African or international network.

Greentech in Africa case study

Bankole Oloruntoba is the CEO for Nigeria Climate Innovation Centre (NCIC), a Lagos-based incubation hub formed by the World Bank in partnership with the Nigerian government. With nearly two decades of experience in the innovation and entrepreneur support sector, he feels strongly that hubs need to practise what they preach to entrepreneurs: running efficient, high-performing organisations that can deliver to their customers (funders and partners). "We are selling our expertise in making something out of nothing," he says. And he finds that specialisation in the green economy deepens the value proposition that hubs can offer partners in terms of navigating the technical aspects of the sector – if they can deliver. For instance, prospective partners will often approach the NCIC in search of support for a particular impact, sustainability, or CSR goal, and Bankole and his team are able to present alternative opportunities that better align the partner's goals with the resources and strengths within both the NCIC and the wider ecosystem.

Although hubs will partner with external experts to support technical programming, as the NCIC does, they still need to cultivate strong internal competencies for running their own business and adding value to partners. This means possessing solid entrepreneurship fundamentals, having coaching skills or sourcing good coaches, having strong sales skills to attract funders, finding the right partners to supplement their resources and offerings, and having knowledge of core green – economy dynamics.

Pro tool: VRIO analysis
NCIC can use the VRIO analysis grid to better understand how to build on its strengths – such as design, delivery, and contextual experience – as it deepens its commitment to the greentech space and as more competitors enter the market.
Go to the VRIO analysis grid

Tips on case study

When you survey your hub's strengths, think about the nouns, verbs, and adjectives of the team:

Nouns: Who are the people and what are the things in your hub that have allowed you to excel? This could include internal expertise, seed or grant funding, your alumni, past achievements or successes, connections with funders and decision-makers, the size of your network, or your track record.

Verbs: What do you do to help entrepreneurs and other stakeholders in the ecosystem, and how do you do it? This could include your program design, mentoring and other business support services, marketing and communications, the research you conduct, or ancillary activities like networking events.

Adjectives: Which qualities do your partners and collaborators find attractive? Your hub may be knowledgeable in a particular functional area (finance, leadership, or marketing), systematic and good with data analysis, well connected in the regional or global ecosystem, good at communicating, collaborative and easy to work with, creative and good with problem-solving, or dynamic and adaptable.

These are all things that matter to entrepreneurs, funders, investors, decision-makers, and partners – but some will be more important than others. Once you know your strengths, you can focus on the people who value them.

Remember that your strengths, and ultimately your competitive advantage in the market, can be made up of multiple factors, but you also can't be all things to everyone, and that's what specialisation is all about.

Additional resources

Book

The Unfair Advantage: How you already have what it takes to succeed by Ash Ali and Hassan Kubba takes an unconventional approach to pushing you to identify what is unique about you and your organisation (and how to fill in the gaps to win at business!).

SWOT analysis

Many organisations will have performed a Strength-Weakness-Opportunity-Threat (SWOT) analysis at a strategy session (and it's a pre-requisite for the VRIO grid we describe in the Tools section). If you need a refresh and how to run your SWOT exercise, this article can help: https://www.liveplan.com/blog/what-is-a-swot-analysis-and-how-to-do-it-right-with-examples/

SF2 Template 1: VRIO analysis grid

Understanding how your hub can differentiate

Make-IT in Africa

	V	R	I	O
	VALUE	**RARITY**	**IMITABILITY**	**ORGANISATION**
Internal aspect Catagories (select 3–4 strengths from your SWOT analysis)	**Is it an asset that can deliver value to your customers or beneficiaries?**	**Is it hard to find in the market?**	**Is it hard to imitate or copy?**	**Do we have the capacity to support or make use of this resource?**
Strength / resource 1:	Yes / No	Yes / No	Yes / No	Yes / No
Strength / resource 2:	Yes / No	Yes / No	Yes / No	Yes / No
Strength / resource 3:	Yes / No	Yes / No	Yes / No	Yes / No
Strength / resource 4:	Yes / No	Yes / No	Yes / No	Yes / No

BEST STRENGTH (COMPETITIVE ADVANTAGE)	If YES, then ask: "is it also rare?" If NO, then it's a competitive disadvantage, as no one values it and you therefore cannot charge for it.	If YES, then ask: "is it also hard to imitate?" If NO, then it's a hygiene factor or competitive parity, as everyone offers the same thing.	If YES, then ask: "do we have the organisational capacity to support it?" If NO, then it is a temporary competitive advantage, as others will soon produce the same thing.	If YES = success! This is your sustained competitive advantage. If NO, then it is an unused competitive advantage, as your hub is not set up to exploit it.

WHAT it is

A Value-Rarity-Imitability-Organisation (VRIO) analysis is a tool that builds on a Strength-Weakness-Opportunity-Threat (SWOT) analysis to examine the real potential of your internal strengths. It helps measure your hub's strengths against competitors within the sector and determine which of these strengths has the highest potential for your hub's competitive advantage. Ideally you have at least one organisational strength that ticks all four of these boxes, otherwise you have no long-term competitive advantage (although that strength could still be useful in the short term).

WHEN to use it

Use a VRIO analysis at the start of your specialisation journey when you are trying to understand how the internal dynamics of your hub interact with the external ecosystem, and how those could fit (or not fit) into a particular sector. A VRIO analysis is a great tool to understand what your competitive advantages are and whether they are relevant to the market. It can also indicate how long your competitive advantage will last (temporary or sustained), and identify opportunities that you are not capitalising on (because your organisation is not set up to exploit it).

HOW to use it

- Since this is an internal analysis, involve the whole team. Get a whiteboard or a projector where you can populate a slide in real time as a group.

- First, conduct a simple SWOT analysis to list your hub's strengths. Most likely, your strengths will fall into some core categories (such as products or services, operations, people, reputation, partnerships, key resources, etc.). When you are done, file these strengths or resources – one per row – into the left column of the VRIO analysis grid.

- Taking them one at a time, evaluate your strengths along the VRIO criteria (described briefly in the grid*).

- Review your evaluation and scout for the strengths that are valuable, rare, not imitable, and which you are organised to act on: the ones where you have answered YES in every column. These are your greatest strengths and will form the basis of the competitive advantage that you should play to in your specialisation strategy.

- Lastly, work through the other strengths that you evaluated and see if there is a way that you could turn a NO into a YES: for example; find a partner, develop a new resource, create an exclusive business relationship, set up a system or free up capacity to execute on an opportunity. These can form part of your strategy to strengthen your competitive advantage.

   * Find more information on the VRIO framework and how to use it on YouTube: https://www.youtube.com/watch?v=RMIbCp-cpSt8 and website: https://strategicmanagementinsight.com/tools/vrio/

Upskilling your internal team and understanding the sector

Why this matters

Once you have an understanding of all the sectors in your ecosystem as discussed in **Success Factor 1**, the strengths of your hub, (**Success Factor 2** helps you determine these) and the specialisation opportunities that exist between those elements, it's time to develop a strategy for focusing your hub on a particular sector.

Your strategy should answer meta questions related to funding your programs (see **Success Factor 5** for details), building a pipeline for sector development (as discussed in **Success Factor 8**), and measuring the program's success (there is more on this in **Success Factor 9**). It will also lay the groundwork for micro questions related to designing an attractive program and building relationships in the network, which you will get to grips with in **Success Factor 6** and **Success Factor 7**, respectively.

But not so fast: a strategy is only as good as its implementation. You need to make sure that your hub is properly equipped with the right people, resources, and processes (see **Success Factor 2**), to take action, learn as you go, and reach your goals.

Key considerations

Strategy represents the "how" of your hub's mission in the innovation ecosystem.

"Strategy (from Greek stratēgia, "art of troop leader; office of general, command, generalship") is a general plan to achieve one or more long-term or overall goals under conditions of uncertainty." – Wikipedia

If your new mission is to provide sector-specific support, you need a specialisation strategy that acts as a roadmap to link your hub activities and resources to your long-term goals, and gives an overview of the timeframe, targets, and inputs required. Once you have your strategic roadmap in hand, you can come up with an implementation plan that specifies how your hub will practically reach your destination with the right tools, resources, and timelines. Your overall strategic roadmap will probably stay the same over several years, but since you will be operating "under conditions of uncertainty", you will need to revisit the details of your implementation plan regularly (see the Tools section for a **strategic project plan template**).

Here are some of the key areas that your strategy design process should focus on.

The importance of strategy for hubs

The benefits of a strategy include ensuring that your hub will be able to identify the resources and take the right actions to reach its goals. By clearly setting out your goals, and the associated activities, from the beginning, you are creating a roadmap for your hub's specialisation journey. Other benefits of creating a strategy include increasing team alignment and motivation, promoting internal learning, enhancing your hub's sense of purpose, and setting measurable objectives.

Here are some ideas on how to do it

Select the right sector for your hub

Your ecosystem mapping and internal assessment helped you evaluate the best opportunities for your hub. But watch out for blind spots! Your hub's positioning in the ecosystem and the particular background of your team may lead you to overestimate some opportunities, and overlook others. Make sure you think critically to identify actual trends that your hub can pursue, and not just one-offs, before you select a sector to put at the centre of your strategy.

Follow a methodology

Using a systematic approach will help you organise your thoughts around the key components of a strategy: your hub's core mission and values, your competitive advantage, your ultimate vision, your top strategic goals in a particular time frame, the key metrics for these goals, and how you will go about achieving your goals. See the Tools section for a helpful **strategy design template**.

Turning strategy into an implementation plan

The benefits devising a detailed implementation plan include:

- selecting the practical activities and approaches for your team to specialise the hub.

- identifying critical gaps in your team or process that you cannot work around.

- making sure that you can get the external funding and resources to enact your strategy.

Here are some ideas on how to do it

Think about revenue streams

How you go about reaching your strategic goals will depend, in large part, on your hub's business model and funding sources. You may be grant-based, networked-based with membership fees, service-based with programs and consulting services, broker-based and paid by startups with seed funding or success fees, or a venture studio that is funded by successful startups built from scratch. You may lean toward one model, but your specialisation implementation plan should incorporate multiple revenue streams to cover both operational and program costs.

Use your competitive advantage

How can you leverage your existing strengths and resources – people, knowledge, tools, and systems – to execute this plan?

Think like a startup

When you are developing an implementation plan, you need to be frugal as you may not have secured all the resources and funding you need for your program. How could you develop your own kind of "MVP" (Minimal Viable Program) with the resources that you have or by designing a "light" version initially before you secure funding and expand the offering?

Be SMART

When designing your deliverables or KPIs in your implementation plan, make sure these are SMART (Specific, Measureable, Achievable, Relevant, and Time bound). If your deliverables aren't SMART, you may need to redefine them or break them down into smaller deliverables or KPIs.

Strategic process, planning, and challenges

The benefits of having a systematic approach to implementing your strategy include:

- gathering information about the sector and your team

- identifying and troubleshooting challenges

- building a learning mindset on your team.

You need to anticipate that specialisation will be an iterative process and that you will likely need to adapt your plan as you learn more, and as things change.

Here are some ideas on how to do it

Adopt a "think, plan, act, learn" process

Choose the systems, tools, and methods that you and your team can use to brainstorm your objectives, plan the actions to achieve these, then take action, and check or assess your actions and their effectiveness on a regular basis. Make sure that you capture your learnings through the assessment, and adjust your actions or plan accordingly so that you can still achieve your strategic objectives.

Plan your review process

Before you start implementing your strategy, plan your review processes (monthly, quarterly, biannually). Decide as a team how the review process will be structured and when this will happen, and put it in everyone's diaries or calendars.

Track your progress towards your KPIs

In between your review sessions, ensure your team has clear KPI or objectives to achieve before the next review process. Ask for regular updates on how they are tracking towards these objectives and have a way for them to flag any bottlenecks early on so that implementation is not delayed.

Greentech in Africa case study

After hosting and attending the HUGG Bootcamp in February 2023, **CTIC Dakar –** Senegal's first incubator – adopted the one-page strategic plan (OPSP) as their primary organising tool for annual strategic planning. Every year, they assemble their entire team to compile the hub's objectives based on the needs and challenges they see within the ecosystem. A project supervisor is responsible for continually monitoring the hub's performance with respect to the objectives and indicators laid out in the OPSP and holding the team accountable to their goals. They review the plan every six months to assess progress, and adjust their activities accordingly. The key indicators they draw on to gauge progress and program success are participant satisfaction, skills obtained by participants, and ability to operate independently post-program.

CTIC'S objectives for 2023 include supporting more digital innovation startups and entrepreneurs in the green sector. Given the importance of agriculture in Senegal's economy, with 70% employed in the sector, they are focusing on agritech solutions. Key steps that they have taken toward this objective include hosting workshops that link farms and others in the traditional sector with tech entrepreneurs to discuss their biggest problems and possible solutions.

Pro tool: One-page project plan
The CTIC Dakar team has developed a one-page strategy, which they will regularly revisit. A one-page project plan can supplement this by ensuring that each of their strategic initiatives complements and contributes to the overall strategy.
Go to the one-page project plan.

Tips on case study

Sometimes you might not be able to influence or shape your hub strategy, as it may be set by a government department or board of directors. It may just include a strategic objective which you need to implement.Whether or not you are picking your own strategic objectives, you will need an implementation or project plan. Using a strategy methodology, like the "one-page project plan", is invaluable as both a process and an outcome. A succinct, visualised plan will give your team a simple, comprehensive picture that they can continually reference as they track their own progress, and come back to at your regular review sessions to assess the hub's activity. And the process of co-creating the plan as a team will ensure that everyone buys into the objectives and approach. See the Tools section for more on how to use a "one-page project plan".

As you are implementing your plan, you need to ask yourself, "What are the biggest assumptions we need to test?" and "What are the biggest risks we need to overcome?" If you have something to test, you need to design this into your process and you may need to gather evidence to prove or disprove your assumption. If you are going to overcome a risk, you may need to identify this during your plan, think about how you will mitigate this risk, and decide whether it is big enough to stop you proceeding.

Additional resources

Implementation plan tool

The "Strategy Execution Canvas" from the Institute for Strategy Execution is a great tool for turning your strategy into an implementation plan.
Find it here: https://jeroen-de-flander. com The_Institute_for_Strategy_Exection%E2%80%93Strategy_Execution_Canvas. pdf

Organising tools

If your hub needs a broader set of structures and processes to organise itself before taking on a strategy like this, the Scaling Up platform provides a host of helpful tools, guidelines, and resources. The outputs of these exercises can be consolidated in their popular tool, the Scaling Up One-page Strategic Plan (OPSP), which functions as an "at a glance" reference for more experienced strategists.
Find it here: https://scalingup.com/

SF3 Template 1: One-page project plan

Turning your strategy into deliverables

Project title:		Project objective:		
Lead:	Phase 1: Timeline:	Phase 2: Timeline:	Phase 3: Timeline:	Phase 4: Timeline:
Core team:	Priorities / Activities ● ● ● ●	Priorities / Activities ● ● ● ●	Priorities / Activities ● ● ● ●	Priorities / Activities ● ● ● ●
Key partners:	Resources required ● ● ● ●	Resources required ● ● ● ●	Resources required ● ● ● ●	Resources required ● ● ● ●
Key parametres:	KPIs / Deliverables ● ● Risk / Test!	KPIs / Deliverables ● ● Risk / Test!	KPIs / Deliverables ● ● Risk / Test!	KPIs / Deliverables ● ● Risk / Test!

WHAT it is

The one-page project plan is a tool for you to use to view your entire project and the high-level phases, timelines, activities, required resources, deliverables or outcomes, and risks (or assumptions) to test, all on one page.

WHEN to use it

Once you have decided on a key project that would encapsulate and drive forward your specialisation strategy – for example, an open innovation program – you should construct a project plan. You may want to use multiple project plans if your strategy includes more than one strategic project to be implemented.

HOW to use it

- The project lead should discuss and design the project plan in conjunction with the core team that will be executing this implementation plan.

- When writing your project objective, be SMART (Specific, Measureable, Achievable, Relevant, and Time bound) and also envision what a successful outcome will be.

- Key parameters are important constraints or factors that you should take into account, such as a timeline, delivery format, focus area, or other strategic priority (such as 50% women participation, for example), which may impact your plan.

- When thinking about the timeline and major phases of the project, you may want to pick one or the other to govern your progress: either three-month intervals or key deliverables which will mark the end of a phase or milestone. You could add in more phases if needed. Include one or two points at which you will review your progress against KPIs (for example, mid-way).

- An example of the activities, resources, and deliverables for a given phase might be:
  >> Activities: Ecosystem mapping, trend analysis, stakeholder and entrepreneur engagement
  >> External resources: One-on-one time with key stakeholders
  >> Deliverables: Ecosystem map, stakeholder and entrepreneur interviews, trend analysis presentation

- Think about the biggest risk or assumption that you need to test during each phase, and if you don't overcome this, whether it would be worthwhile continuing with the project plan or whether you need to revisit your strategy. For example, a big risk is that there is no market demand or need. So if key stakeholders are not interested in spending one-on-one time with you, you may need to re-evaluate your approach.

Tips on tool

As an approach, you may consider working backwards from your overall project objective to see which deliverables or KPIs you would need to achieve in order to consider the project a success.

Upskilling your internal team and understanding the sector

Why this matters

An essential part of a successfully specialised hub is a well-prepared team. Most likely, your team has plenty of experience running innovation programs, and all the skills that come with collaborating with entrepreneurs, funders, and stakeholders. But now that you are focusing on a particular sector, they will need to hone the right subject matter knowledge to navigate it. Your team members do not need to be specialists in their own right. Of course, your program will draw in sector-specific expertise from external fields (see how to do this in **Success Factor 7**), as well as support from funders and other ecosystem partners which is detailed in **Success Factor 5**.

But if you want to have meaningful conversations with these stakeholders, your team will need a solid understanding of the language, dynamics, and challenges within the sector.

Upskilling your team with sector-specific knowledge will also be key for:

- designing appropriate, specialised program content (this is covered in **Success Factor 6**)

- building networks with the right industry stakeholders (read more in **Success Factor 7**)

- selecting the right metrics of success for your program and startups (see how to achieve this in (see **Success Factor 9**).

- developing the sector over the long term (find those details in **Success Factor 10**).

Ultimately, having a team that deeply understands its sector will make your hub a more attractive partner for the best startups, funders, and partners in the public and private sector

Key considerations

Your hub may be plugged into a strong network of subject matter experts, industry professionals, and specialists in your chosen sector. But your team must still have a command of the sector fundamentals and keep its finger on the pulse of sector trends. This means you may need to upskill your team and adopt new processes for understanding the sector.

Here are some of the key areas that your upskilling should focus on.

Sector-specific learning

The benefits of gaining some sector-related expertise include:

- enhancing your ability to communicate with sector stakeholders

- equipping your team to stay up-to-date with changing industry trends

- helping you to identify high-quality entrepreneurs and solutions in the sector

- designing a high-quality program for entrepreneurs.

Your hub needs to find a pathway to internalizing some level of sector expertise on the team.

Here are some ideas on how to do it

Mass open online courses (MOOCs)

Use MOOCs to gain some necessary background about the basics of your sector: its history, how it works, and the global state of the industry. These learning tools have the benefits of being quite easily accessible and often free.

Like and subscribe

Subscribe to industry publications or outlets that produce insights that may be relevant to your sector. Encourage your team to regularly source and digest podcasts, videos, articles, and reports. Watch these together, or hold regular

"learning coffees" where everyone shares their new learnings with the team.

Design thinking / responsive design skills

The benefits of using design thinking methodologies to upskill:

- pushing creativity for problem-solving and product design

- increasing communications skills (explaining AND listening)

- enhancing the quality of your specialised program content for entrepreneurs

Approaches that guide you to think divergently, with the goal of converging on a solution, will help both your processes and outputs.

Here are some ideas on how to do it

Run in-house brainstorming workshops

Get your team to grips with, and excited about, the opportunities in new sectors by applying design thinking exercises internally – this doubles as self-skilling in an important innovation methodology.

Facilitate hackathons

Running an ideation event with students and potential entrepreneurs in a sector is a great way for your team to build their transferable design thinking skills, while learning more about the nitty-gritty of a new industry from the participants.

Knowledge transfer from experts

The benefits of looking outside your team to upskill include:

- gaining access to highly specialised expertise that you cannot reasonably develop internally

- acquiring skills or knowledge that you did not know you needed

- signalling to stakeholders that you are serious about adding value in the sector

- building relationships with experts you can partner with on future programs.

As a hub, you will always need to collaborate with outside experts, including on your team development.

Here are some ideas on how to do it

Join local and global industry events

Whether it's a conference, a webinar, a general body meeting, or a panel discussion, get in the room – real or virtual – of events hosted by industry bodies, large corporations, government departments, or academic institutions. Here, you can gather the most pressing issue on the minds of people who spend the most time in the sector.

Ask the experts

For niche topics or context-specific information, invite experts from (local, regional, or international) academic institutions, think tanks, or consulting firms to conduct workshops or lectures with your team. You can even do double-duty and turn this into a networking event for your ecosystem, opening it up to entrepreneurs and other partners.

Greentech in Africa case study

Since Zixtech HUB in Cameroon began began their greentech specialisation journey with a focus on agritech in 2020, they have invested heavily in group learning – and in doing so, they have found ways of working with other hubs to amplify their innovation learnings. Toward this end, they formed the Pan-African Agritech Consortium (PAAC) in partnership with AfriLabs in 2022. As part of this network, Zixtech led the launch of their first pan-African accelerator for six agritechs from Botswana, Ghana, Kenya, and Malawi in 2023. They also attend and participate in various workshops, conferences, and training sessions – such as the HUGG bootcamp – to upskill in the areas of their strategic objectives. But as they have found, hubs need to apply the group learning mindset to their own team. "Whatever events you attend and research you get, you need to make sure the entire team gets exposure so that everyone stays up to speed," says Paul Mbua, Zixtech founder and CEO.

For example, Paul attended the HUGG bootcamp in 2023 with one other member of the Zixtech team. When they returned to Cameroon, they embarked on a process of transferring the content and curriculum to the rest of the team. Paul found that the process of teaching the HUGG content – in particular, the internal strengths assessment and strategy development process – to their team, and eventually using it as part of a co-creation process, enhanced the outcomes of the training for their hub and increased the skills of the team.

Pro tool: Competencies and skills map
Zixtech HUB has been building a knowledge-sharing culture in the organisation and as their specialisation strategy matures, so will the learning needs of the team. By mapping the team's current and desired skill sets, Zixtech HUB will be able to match individuals with appropriate training and development opportunities to advance their strategy.

Tips on case study

Although professional development can be an exciting process for many, it can also feel like extra work, or a step beyond the core duties of your team. You need to make sure that your team is motivated to upskill and learn about your sector, because they see this specialised knowledge as part of their new core responsibilities.

Do this by incentivising progress with an array of mechanisms. Allocating work time to courses and setting KPIs for completing courses or attending workshops are some baseline steps. Your team also ne eds to feel that their efforts are worthwhile, and not just a box to check. Create account-ability and demonstrate the meaningfulness of their learning with a process for applying their learning to the hub. For instance, you could ask them to give a short presentation of their learning and its usefulness to your specialisation.

Or you could hold regular workshops where all members have to discuss key topics that they have been learning about, and produce a set of action items for the hub.

Additional resources

Industry communications

Sign up for newsletters, podcasts, or other communications from industry bodies in selected sectors, or check in on their websites regularly. Also remember to follow organisations or communities on social media channels, or set up alerts on your preferred search engine. For instance, the Green Economy Professionals in Africa is a LinkedIn group that might connect you with useful ideas and contacts –
Find it here:

https://www.linkedin.com/groups/12104268/

Research and insights

Organisations like GreenCape, which act as "connectors" in an ecosystem, produce a great deal of actionable research, insights, and case studies to help others in their sector learn more about how to make progress in green sectors. Their market intelligence reports are freely available –
Find them here:

https://greencape.co.za/market-intelligence/

Additional resources

Network membership

Become a member of the local, regional, and international industry bodies and networks for your sector. For instance, Greencape joined the International Cleantech Network, which shares their strategic focus on building organisational clusters around sustainable technology and has 17 member organisations (clusters) across the world.

Find it here: https://internationalcleantechnetwork.com/

Team workshopping

Stanford University's Playbook for Strategic Foresight catalogues 15 accessible exercises that you can run with your team "for modelling, designing, and leading your [organisation's] next radical innovation".

Find it here:

http://web.stanford.edu/group/archaeolog/cgi-bin/archaeolog/wp-content/uploads/2020/05/Playbook-for-Strategic-Foresight-and-Innovation-US-Stanford.pdf

SF4 Template 1: Competencies and skills map

Strengths and gaps in your team

WHAT it is

A competency and skills map helps you to get a full inventory of all the skills, knowledge, and ways of thinking that make your team effective at achieving its mission. It can show you a more granular view of your internal strengths, but more importantly in terms of your weaknesses, the areas on which to focus your upskilling energy and resources, and the areas in which you should import support or expertise. Seeing the competencies of the hub as a whole may also indicate how you will go about upskilling your team.

WHEN to use it

Use a competency map once you have decided which sector your hub will focus on, and you have started designing your strategy. Knowing which competencies you have, and which you will need to acquire, will figure into your specialisation implementation plan.

HOW to use it

- Start with the core specialisation goal of the hub, which should be informed by the objectives you laid down in your one-page strategic plan (see **Success Factor 3**).

- Generate a list of categories for types of skills or competencies that are needed to support the goal (for example: organisational, expertise, relational, communications, technical skills, etc.).

- For each category, start identifying the different skills and competencies you have internally that might support your goal. Make sure these are very specific and unique (try not to duplicate).

- Generate definitions for each item so that it's clear what you mean by it. Check out some online competency libraries for examples of the kinds of qualities you might list, like this one:
  https://www.competencylibrary.com/

- Now start mapping the relationships between these skills and your hub. Ask some questions:

  >> Which people have these skills or competencies?

  >> Are there external people or groups we rely on for these skills or competencies?

>> Are there any categories for which we don't have skills or competencies? Or are any key skills or competencies missing for our mission?

>> In which skill or competency areas do you want to upskill?

>> What is the best way for us to fill in any gaps?

Tips on tool

Don't go overboard with your inventory – you want about 20 skills and competencies in total to play with and focus on.

SUCCESS FACTOR

Securing funding and partners for specialisation

Why this matters

Your hub is probably no stranger to the ins and outs of fundraising for innovation programs and possibly for some of your startups. But specialisation will shift the funding landscape for your hub – new doors will open, while others may close. This is an opportunity to team up with new partners and discover new champions for entrepreneurs in your ecosystem and for the sector. But pitching to a new set of stakeholders in a particular sector means you need to speak their language. Going into these engagements, you will need a solid understanding of sector dynamics (learn more about these dynamics in **Success Factor 1** & **Success Factor 4**) and a strong sense of the value you can add to the sector. You can read more about adding value to your sector in **Success Factor 2**).

Success Factor 7 explains the process of finding and interacting with new funders and partners as a way to build your network in the sector. Remember: you are investing for future. Even if your new friends aren't prepared to fund a program now, they might prove important supporters in the years to come.

Key considerations

As an innovation hub, your main value proposition for entrepreneurs and partners alike is your ability to connect different members of the ecosystem for successful innovation. Your relationships with decision makers, experts, funders, and innovators are essential to reaching this goal, and will become even more critical once you specialise in a particular sector, where your pool of viable collaborators will become narrower.

Here are some of the key areas that you should focus on.

The importance of value propositions

The benefits of of revisiting and communicating your hub's value propositions for the sector include:

- differentiating yourself from other, more generic, hubs

- tapping into niches within the sector where you can excel

- attracting new team members or collaborators who can support your mission

- attracting the best entrepreneurs in the ecosystem.

You may need to re-evaluate the value proposition you have previously offered as a generic innovation hub, and re-shape it to meet the needs of the sector.

Here are some ideas on how to do it

Revisit your previous analysis

You've already done the legwork of mapping the sector and examining your internal strengths and competencies. Try to make the connections between your greatest strengths and the sector's needs to generate specialised value propositions for specific stakeholders

Decide which kind of funding you need

Your choice of funder, based on your program and hub needs (costs, budget cycles, overheads, etc.), will show you which value propositions you need to emphasise and develop. Depending on your hub model, you may pursue government grants or contracts, venture capital, development finance, high-net-worth individuals or entrepreneurs (angel investors), private sector or corporate sponsors, philanthropic and NGO funds, impact investment, or a combination of these.

Each type of funder has a different set of requirements, so think about the type of funder who has funded your hub or programs in the past, and see if there are similar types of funders in your new chosen sector.

Ask your current funders for introductions

Funders have their own networks and often have a good idea of which other funders would be interested in specific sectors or programs. If you have run a successful program with a funder, they often will be more than happy to recommend who else in the funding community you should approach or which grants will be announced soon.

Practising advocacy

The benefits of focusing on advocacy for the sector include growing the sector and increasing the opportunities for your hub to intervene, and building your profile and reputation with key decision makers long before you ask them for support.

Here are some ideas on how to do it

Create a local forum

For a sector that is underdeveloped in your area. Invite members from all the standard institutions – government, private sector, non-profit organisations – to join the forum with a set of clear, but malleable goals that serve their interests.

Join international forums

Especially if your local sector is nascent, you can represent the local sector on the international stage. This will help you translate global trends to your local context, so that your partners will align with the existing industry – and also give your future stakeholders a voice further down the line.

Finding champions

The benefits of finding individual champions for your specialised programming include:

- strengthening the commitment of an organisation to funding or supporting your hub

- simplifying the planning and organising process with a trusted human contact

- creating a pipeline for continued support and cooperation in future.

You want to generate a handful of champions that you trust, respect, and can work well with to run with the value proposition you are pitching to their organisation.

Here are some ideas on how to do it

Start with people in your existing network

who know your track record and can vouch for your competencies as a hub. You want to leverage your experience and reputation as much as possible,

and individuals who have been on the journey with you are best positioned to testify to these things.

Connect with potential champions

Your ideal champion is someone who understands your vision because they share your values and goals for the sector as an innovation hub. Champions will often emerge on their own if your messaging around the program and its objectives is clear and unambiguous.

Start early

You need to nurture relationships with potential champions before you approach them to support your program. This means your hub needs to be continually seeding connections with people in the sector and maintaining engagement, even if you don't have an ask. In fact, you may even start by looking for ways to support others on their projects before asking them to support yours.

Practising good governance

The benefits of practising good governance within your hub include securing more and better funding for your programs and startups because you can demonstrate your organisation, competence, and track record with responsibly and efficiently running programs.

Here are some ideas on how to do it

Get your house in order

Are your financial systems strong and transparent? Would you pass an audit? Do you have the required financial and statutory information to apply for grants or tenders?

Make sure you are compliant

Do you have good data management and protection policies and practices in place? For example, if you're getting European funding, it is very important to comply with GDPR.

Mind possible conflicts of interest

If your organisation comprises different legal entities (for example, a for-profit and a not-for-profit entity) is there an arm's-length set-up between them? Do you have a strong and active board?

Formalise all contracts and transactions

Do you have contracts not only with your employees, but all your suppliers, etc.? Are these up to date?

Reference projects and referees

Do you have a list of past successful projects that you could use as examples of your work? Do you have up-to-date reference letters or contact details from your key clients?

Greentech in Africa case study

When it comes to finding sponsors and funders, hubs sometimes need to see the opportunities to advance their sector of choice with unlikely players. In the greentech space, this is not as tricky as it may sound because of the interconnectedness of green sectors, as the NCIC has found. In September 2023, the NCIC launched the Innovation Makers Challenge in partnership with the Telecommunication and Technology Sustainability Working Group (TTSWG). Like many organisations and partners that approach NCIC, the TTSWG was interested in finding startups in a particular sector – in this case, renewable energy.

This may or may not be aligned with your hub's goals or focus area. But hubs have the power to guide the conversation and draw on their expertise in the broader greentech space to open potential partners up to other opportunities. In this case, NCIC helped the TTSWG to see the benefits and value of solutions in the circular economy, which was emerging strongly in Nigeria's national agenda for sustainable development, international funding opportunities, and NCIC's recent programming. By taking the lead in conversations with potential partners, hubs can inspire confidence and secure support for programs that will meaningfully advance their strategy, rather than just provide a service for sponsors in need of a CSR partner.

Pro tool: Funding and investor database
NCIC has been smart about advocating with funders to co-design solutions, so that the hub can start building up a portfolio of relevant projects. Moving forward, NCIC can start to target funders that are already aligned with their objectives by creating and actively using a database of suitable grant-makers and investors. Go to the funding and investor database.

Tips on case study

If you are looking to form deep partnerships – which is what specialisation requires – it will not happen overnight. You may need to nurture relationships and connections for years before actually collaborating with certain groups.

Remember, as a specialised hub, you want to have a bird's eye view of the sector and be the one to "join the dots", rather than a specialist yourself. Some ways you might cultivate partnerships
for this purpose include:

- getting academics to share their research that they are unable to commercialise

- getting municipalities to share their five-year plans that they want to see realised

- getting more established entrepreneurs to promote their businesses that they want to attract more customers or funding to.

Then, focus on the opportunities that a funder – and all the other actors mentioned above – would be interested in growing.

Additional resources

Funding notice boards

Keep track of notice boards for different types of funding in your sector. For instance, Devex, has a great notice board for funding across sectors and regions. **Find it here:** https://www.devex.com/funding

Sales strategies

The article, "What is value creation in B2B sales?" provides a useful collection of different sales guides that will help you figure out how to communicate with potential partners and funders. "Your contacts and clients should feel as if they are sitting across from a highly paid consultant."
Find it here: https://www.thesalesblog.com/blog/what-is-value-creation-in-b2b-sales

Partner co-creation process

Chapter 2 of GIZ's Open Innovation Program Toolkit contains a "Partner Development Canvas" template that hubs can use for communicating, establishing expectations, and co-designing the program with their partners.
Find it here: https://www.make-it.africa/news/open-innovation-program-toolkit

Finding champions

The "Champion Checklist" from The Good Practices is a helpful guide for reaching out to potential champions for your program. **Find it here:** https://www.ncfp.org/wp-content/uploads/2018/11/Pretty-Good-Tool_Champion-Check-list-pretty-good-tools-for-collaboration-strategy-and-partnership.pdf

SF5 Template 1: Funding and investor database
Tracking who potential funders are

Make-IT in Africa

Funding database

	Website	Key contact	Position	Email address	Contact number	Type of funds	Region
e.g. GreenTec Capital	https://greentec-capital.com/	Erik Yong	CEO	XXX	XXX	Venture Capital Fund	Sub-Saharan Africa

Spreadsheet continues on the next page

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in Africa

Sector focus	Investment stage	Key funding requirement	Mandate or investment strategy	Investment activity	Notes
Agriculture Sustainability Resources Digitisation	None	Startup or early VC	- Operate in Sub-Saharan Africa - Focus on impact and Sustainable Development Goals (SDGs) - Early stage companies with proof of concept - Scalability potential - Management team - Profitability potential - Long-term commitment and strategy	Provide support to entrepreneurs operating in Africa who are positioned to grow their businesses and need additional capacity expertise, technology and funding in order to extend their impact and add value.	Portfolio https://greentec-capital.com/portfol 10/

WHAT it is

The GIZ funding and investor database template is a spread-sheet that allows you to build a comprehensive list of the organisations and institutions that are disbursing funding in your sector, ecosystem, or the innovation hub space. You can easily create your own funding database and adapt the information you capture to suit your needs.

WHEN to use it

Your hub should continually update the database as it learns more about its sector, makes connections with new part-ners, and runs programs. You also need to create an internal process for regularly checking in with funders to track new funding opportunities and application deadlines.

Tips on tool

- Source funders by perusing the "partners/sponsors" section of the website or annual report of organisations like yours.

- Refer to the database regularly (at minimum, at your quarterly strategy review) so that you don't miss opportunities or let leads go cold.

- Set up alerts on Google or your preferred search engine, or assign someone the task of checking funding notice boards or sites, so that you don't miss opportunities or scramble to write a proposal at the last minute.

Sector-specific design and content development

Why this matters

Once you have narrowed your focus to a particular sector and secured some partners – and hopefully a funder (find more information about this in **Success Factor 5**) – it's time to get down to the brass tacks of program design. Although the core of your program will probably look very similar to a generic innovation program for entrepreneurs, specialised hubs must incorporate substantive sector-specific content. You want to design an incubator or accelerator that will attract the best recruits and set them up for growth in the sector. This means creating courses on sector-related skills and knowledge, bringing in external specialists to advise entrepreneurs, and creating opportunities for them to interact with potential clients, advisors, and partners in the sector, which is covered in **Success Factor 7**).

Your program design will largely be determined by your specialisation strategy – your goals, activities, and resources (for more on this, see **Success Factor 3**). Equally, the content will be shaped by the participants you plan to recruit – in terms of their needs, solutions, maturity level, and goals, which is discussed in details in **Success Factor 8**.

Key considerations

The hallmark of a sector-specific innovation program – the thing that will attract entrepreneurs and keep them engaged – is specialised content and support services or resources that will accelerate the entrepreneur's journey to meaningfully contribute to their sector. This will require a bit more thought for your team to design content that strikes the balance between being highly technical and specific to the sector, and practical enough for entrepreneurs to apply it on their own projects.

Here are some of the key areas that your specialised content development should focus on.

Mode of delivery

The benefits of exploring and incorporating different modes of delivery on your program include:

- creating an engaging program that will encourage retention for entrepreneurs

- reaching more entrepreneurs through a variety of tools and platforms

- involving more stakeholders in the presentation of your program for enhanced learning and networking.

You want to design a program that includes a variety of learning materials, platforms, and ways to learn.

Here are some ideas on how to do it

Decide on the kind of program to host

Depending on the maturity of your chosen sectors and the pool of entrepreneurs in your ecosystem, your program might focus on ideation, incubation, or acceleration. Each of these will have vastly different shapes in terms of length, level of engagement, content, and resource requirements. See the Additional resources section for a helpful "Collaboration Ecosystem Diagnostic Tool".

Align pedagogy with the needs of entrepreneurs

You can conduct a persona profile (see **SF6 Template 2**) of the entrepreneurs in your target sector to identify their desires, challenges, circumstances, and resources. This inventory will help you select learning tools and content that will benefit them most and increase their participation.

Mapping content to outcomes

The benefits of mapping the outcomes of your program content include:

- ensuring that your program design supports the objectives from your strategic plan

- checking that your pedagogy is appropriate for achieving the desired outcome

- articulating the clear benefits that entrepreneurs will gain from participating

- establishing metrics that can be used to gauge success later on.

Here are some ideas on how to do it

Back up your content choices

Don't just include content because you have included it in the past; make sure your content supports the desired specialisation outcomes. There should be a reason for all of the content and pedagogies you use and you should be able to articulate that reason – both to funders and entrepreneur participants.

What are your outcomes?

A theory of change (see **Success Factor 9**) will help you map out your outcomes for the program based on the dynamics in your ecosystem and sector. But consider the practical implications of these outcomes for your program content. For instance, if you want to grow entrepreneur confidence, mentorship will be important. If you want to turn technicians into business people, you will need more in-depth training on business modelling. Or, if you want to create market opportunities for sound solutions, networking opportunities might be more important.

The importance of context and use cases

The benefits of adapting your content to include context and use cases include:

- creating a program that will add the most value for entrepreneurs and attract the right applicants

- making your hub more attractive to industry insiders who value your dynamism

- giving your hub more opportunities to engage in the sector by designing more programs for different purposes.

Here are some ideas on how to do it

Zoom out

At a minimum, your program needs to give entrepreneurs the bird's eye view of the value chain they will be tapping into and help them understand the mechanics. You can draw on the market research you conducted as part of **Success Factor 1** and **Success Factor 5** to help with this.

Don't overdo the theory

Entrepreneurs are doers and they need content they can put into practice. Make sure you include many worksheets, case studies, and practical examples from comparable ecosystems that will be relevant to their businesses. For instance, mobility case studies from India can be applied in Africa.

Technical expertise

The benefits of including technical content in your program include:

- preparing entrepreneurs to understand the interests and values of the industry

- enhancing the product development process (design,manufacture, and scale-up)

- helping startups to benchmark their solutions to industry norms

- understanding which impact metrics matter for the sector.

Here are some ideas on how to do it

Recruit individual specialists to work one-on-one with entrepreneurs

Depending on your program design, you may need to find different specialists who can address the particular technical needs and questions of each startup or entrepreneur.

Pick a few topics that you want guest experts to share

Select sector-specific skills, knowledge areas, or data that would be best presented to your cohort by external experts. This can be a webinar, workshop, or short course that all entrepreneurs can attend. Make sure that the experts understand the level or stage of the entrepreneurs in your program, so that the sessions are relevant.

Greentech in Africa case study

One of Zixtech HUB's strategic objectives for 2023 was to support 20 agritech start-ups in Cameroon with a specialised program by the end of that year. To this end, they developed the Future of Agritech Accelerator, with funding and support from UNDP Accelerator. They designed the program as a two-month accelerator, incorporating green-specific courses content led by external experts, mentorship, and masterclasses on core entrepreneurship topics such as finance, all offered through a blended learning format with online and offline features. Zixtech considers its competitive advantages to be its network and relationships – both with regional and international development groups, and the broader African innovation eco-system – and its experience with offering traditional entrepreneur support. Their agritech specialisation is a relatively new development, which is why they relied on collaboration with a broad set of external partners to source the specialised content for the program. They drew on existing open-source greentech materials from groups like the WTO, ILO, ITC, and GIZ, and then worked to adapt the content for their local context and sector. For this process, they partnered with local experts from their Ministry of Agriculture, other agritech projects in Cameroon, and academic institutions to gather research and information on the practical aspects of local development of agritech solutions that could be integrated into the courses.

Pro tool: Entrepreneur persona
At the end of this chapter is a sample greentech curriculum (**SF6 Template 1**) for inspiration – but any specialised program needs to be designed or adapted with a specific end user in mind. In the Zixtech HUB case study, the hub was targeting entrepreneurs in the agriculture space, who would have backgrounds, constraints, and objectives that are very different from business owners in other sectors. Completing an entrepreneur persona profile supports the design of a more effective program for these end-users.
Go to the entrepreneur persona profile.

Tips on case study

Two elements that are quite important to your entrepreneurs are marketing and sales, and intellectual property and regulation issues. These topics will look different in different sectors, so you will need to adapt these modules to be most relevant to your ecosystem, sector, and participant group.

Your marketing content should include "growth hacking", which focuses on rapid prototyping and A/B testing to develop a scalable, user-centred solution within a short period of time. Then, learning how to persuade customers to adopt your solution and navigate a long, complex sales process is another journey. See the Additional resources section for more on these. Protecting or not infringing on intellectual property is particularly important for tech developers, so look for specialist lawyers who can present a masterclass pro bono or for lead generation.

Additional resources

Ecosystem assessment

Chapter 2 of GIZ's Open Innovation Program Toolkit contains a "Collaboration Ecosystem Diagnostic Tool" that allows you to assess the maturity of both the partners and entrepreneurs in your ecosystem, so that you can design your program accordingly. **Find it here:** https://www.make-it.africa/news/open-innovation-program-toolkit

Growth hacking

The Growth Hacking Playbook from Hubspot provides a set of tools, templates, and guides for this useful marketing approach. **Find it here:** https://blog.hubspot.com/sales/growth-hacking-websites

Sales process

Mastering the Art of the Complex Sale by Jeff Thull is a comprehensive guide to navigating complex sales processes in the ever-changing business landscape

Green business model canvas

Flourishing Business has an "Interactive Guide" for using a business canvas that has been adapted for green ventures. **Find it here:** https://flourishingbusiness.org/download-interactive-guide/

Environmental impact framework

Future-Fit Business offers a framework for understanding environmental impacts using indicators that are linked to SDGs. **Find it here:** https://futurefitbusiness.org/benchmark/

Gender considerations

Chapter 2 of GIZ's Accelerating Women Entrepreneurs handbook covers gender-aware curriculum design. **Find it here:** https://www.giz.de/de/downloads/giz2022-0011en-accelerating-women-entrepreneurs-handbook.pdf

SF6 Template 1: IRESEN's green curriculum

Designing a specialised curriculum

Make-IT
in Africa

WHAT it is

The Green Curriculum from IRESEN is a good example of the specialised content
an innovation hub might develop and present for a sector-specific program.

	Module / Theme	Why this content is critical
1.	**Understanding greentech innovations and opportunities in the green economy**	- Introduces entrepreneurs to successful green business and technologies, and builds excitement about possible opportunities. - Unpacks global trends in the green economy and explores how these might be relevant or adapted to your local context. - Provides an overview of key concepts and terms, such as Sustainable Development Goals, planetary boundaries, carbon emissions, just transition, etc.
2.	**Green value chains and markets**	- Entrepreneurs need to understand where their business will contribute and/or compete in the existing market. - Sales advice adapted to the industry profile can be helpful here. - An introduction to the circular economy can help greentech entrepreneurs understand how to be more efficient while reducing negative environmental impacts.
3.	**Green product development**	- Green entrepreneurs need to take care that their products are developed in as "clean" a way as possible. - Specialised skills or manufacturing capabilities may be required: these need to be mapped. - Frugal innovation: Understand how to develop low-input, low-cost products for wider adoption and social benefits.
4.	**Green business models**	- The typical business model canvas needs to be approached with a green lens: elements like inputs, compliance and channels to market may be significantly different to traditional business models
5.	**Impact measurement for green businesses**	- Green businesses need to measure the difference they are making on specific social and environmental indicators, on top of their financial performance - Green business should understand and articulate the SDGs that they are contributing to, as well as how to design and capture impact data. - Green energy businesses (such as solar or biomass) will need specialised training in calculating carbon emissions, while conservation and agriculture businesses will need to measure carbon sequestration. - Optional: Systems thinking for green businesses can help entrepreneurs understand potential negative impacts; something they might be questioned about as the sector mature.

6.	**Legal: intellectual property, regulation and compliance**	- Good intellectual property management increases business investability, and reduces legal and reputational risk. - Green businesses may be subject to niche regulations or be able to access specialised incentives. - Good governance and compliance is important to have in place for businesses hoping to scale: contracting, data protection and board management could all be topics covered here.
7.	**Funding options for greentech businesses or green SMEs**	- Helps green entrepreneurs understand what types of financing are relevant for their businesses: there may be specialised products. - There are many grants available for green businesses – source and share these. - If equity investment is an option, entrepreneurs should prepare for due diligence.

WHEN to use it

This green curriculum outline should be used as an inspiration during the hubs' bespoke design phase.

HOW to use it?

The topics included in this outline should be layered on top of or incorporated into any foundational business topics that you typically use to train your entrepreneurs in (for example: leadership, financial management, etc.).

Tips on tool

- This is a *content* outline. The way this content is developed or presented (that is, by means of workshops, online course work, case studies, through a mentor or guest speaker, site visits, etc.) may vary, depending on your goals, resources, and the needs of your entrepreneurs.

- Conducting a persona profile for your participants (see **SF6 template 2**) is an important step in the curriculum development exercise, as the curriculum should align with the sophistication of your entrepreneur, as well as the specific "green" area they are focussing on.

- Make sure the content is relevant to the stage of business you are targeting, and adapted to your local context or subsector. Make it practical and use as many examples as possible.

SF6 Template 2: Persona profile

Understanding the needs of entrepreneurs

Make-IT
in Africa

Entrepreneur persona

Describe which entrepreneur to target
by describing typical profiles

Name of persona

FACTS ABOUT ENTREPRENEUR PERSONA

Age:

Gender:

Education:

Position:

Industry:

Location:

**ENTREPRENEUR
PERSONA: THINKING**

Ideas
Assumptions
Opinions

**ENTREPRENEUR
PERSONA: FEELING**

Concerns
Interests
Preferences

**ENTREPRENEUR
PERSONA: DOING**

Responsibilities
Projects
Activities

**ENTREPRENEUR
PERSONA: GOING**

Direction
Changes
Opportunities

ENTREPRENEUR'S PERSONA CURRENT SITUATION

CHALLENGES	NEEDS	CIRCUMSTANCES	ENVIRONMENT	RESOURCES	OTHER

WHAT it is

A persona profile is an exercise that guides you to understand the needs, desires, values, and goals of the people who will be using your product or service. This user analysis will help you to shape your value proposition and your actual product to align with their needs.

WHEN to use it

You can use persona profiles as a preparation exercise before engaging any partner or stakeholder. It's a useful tool for shaping your discussion and presentation to speak to the concerns and desires of the people you are trying to engage. In this particular instance, use the entrepreneur persona when you are starting to plan your program content as a design exercise.

HOW to use it

- Identify a specific person who represents the type of entrepreneur you want to have as a participant in your program. There may be multiple types of people you want to include; if so, compile a persona profile for each one.

- Using the persona profile template, start by populating personal facts: the characteristics and descriptions that help you understand this individual (such as, their age, professional background, level of education, etc.).

- Next, place yourself in the person's shoes to draw out what they are thinking, feeling, doing, or where they are going in terms of their work in the sector.

- Finally, explore the external situation surrounding the entrepreneur: challenges, needs, circumstances, environment, and resources.

- Using this profile, ask yourself questions about what they will need in a specialised innovation program, for instance:

  >> What does this person need to know about the sector? Or what are their knowledge and skills gaps?

  >> What are they most excited by in this sector?

  >> How will they practically engage with the program, i.e. Can they meet in person? Are there barriers to virtual engagement? Do they have preferences?

Tips on tool

- Use one persona template per persona and think of "real examples" where possible.

- Give each persona a name.

- Sense check your personas with entrepreneurs to gain greater insights.
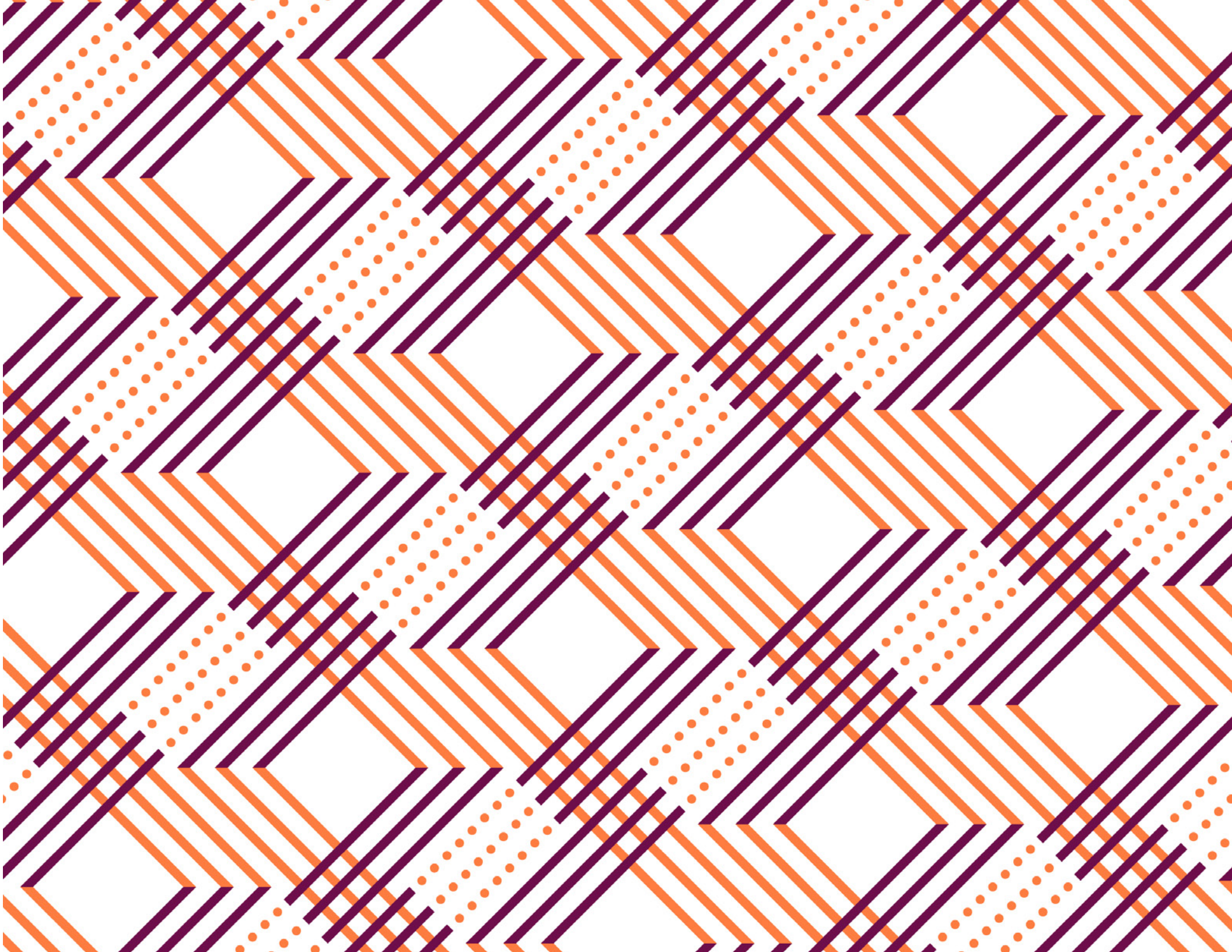
SUCCESS FACTOR

Building sector and mentor networks

Why this matters

As you enter into a sector, it's important that you can add value. You need to understand the value chain and key trends in your chosen sector, how this plays out in the local ecosystem, and your place in it as seen in Success Factor 1. Sectors such a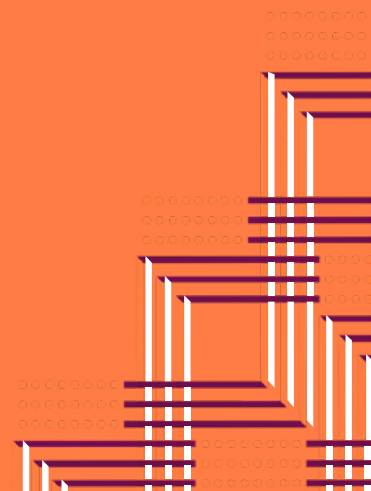s Smart Cities, green energy, or the blue economy are emerging and evolving rapidly, so you are likely to be learning from the people currently working in the space. This was highlighted in Success Factor 4. You won't have – or probably be able to afford – all the technical expertise you'll need to deliver a truly transformative program in your specialisation sector, so you need a network you can draw on to complement the skills and knowledge of your hub team.

In addition, stakeholders will expect you to know who the main players are in your specialisation sector. Entrepreneurs will want you to connect them with the market or potential customers, your expert pool will want to be in the company of respected peers, and your funders will want you to tap into pipelines for the sustainability of your hub and startups.

Looking to the future, engaging sincerely and meaningfully with people and organisations in your chosen sector will build goodwill and get everyone rooting for your success. They will volunteer time, sing your praises, send you the latest resources to read, help you source great startups, as you saw in Success Factor 8, and perhaps fund your next program. In short, a curated network is a huge asset to your specialisation strategy.

Key considerations

It is easy to let networking fall by the wayside when deep in execution mode, but it's something that needs to be tended constantly. Network building should be a core part of a senior person's role, but everyone in the hub can be empowered to play their part – and it could be a good way for your team to increase their sector knowledge. Revise this in Success Factor 4.

You might have more connections than you realise. Use the crowd clover template (SF7 template 1) to brainstorm different categories of people who you know and the unique and unusual ways in which they might help your networking.

Here are some of the key areas that you should focus on.

Becoming a sector advocate or simply participating in sector initiatives

The benefits of participating in sector initiatives include widening your network, building goodwill and exposure to continuous learning opportunities that you can apply in your programs.

Here are some ideas on how to do it

Conduct and/or contribute to sector research

Contributed by leveraging what you have learnt in your program. Don't neglect to share your reports, case studies and white papers on social media and to your direct mailing lists.

Speak at industry conferences

Don't just wait to be asked, put yourself forward with a compelling topic as soon as you see a new event advertised. You don't necessarily need to be the expert right away, but you could start off by facilitating a discussion with industry experts.

Join advisory boards, think tanks, policy talkshops, and other exclusive groups

This will likely be voluntary, but will keep you sharp and connected.

Creating and managing mentorship and expert pools

The benefits of a large and varied expert pool in your chosen specialisation area include better value propositions to startups and partners, and a higher likelihood of achieving great program outcomes. If these mentors and experts have a great experience with your programs, they will also become champions of your hub in the sector.

Here are some ideas on how to do it

Consistently and actively recruit mentors

Nearly two-thirds of African hubs have fewer than 20 people in their mentor pool, according to recent AfriLabs research. If you have too few experts or mentors, they may view their involvement with you as a burden because mentorship can be very time consuming, leading to high drop-off rates which negatively impact your programs. One way to widen your mentor pool is for your existing mentors to nominate a new mentor to join your program or invite new members of your network to join your mentor pool.

Emphasise the benefits

Value propositions to experts and mentors can range from leadership development for younger experts to "paying it forward" for older mentors (or even alumni) from your hub who are a bit further along in their entrepreneurial journey. Craft a pitch that makes them excited to get involved.

Monitor your mentorship process

Ask entrepreneurs to rate the sessions they had with the mentor or expert, and vice versa. Then, reward or acknowledge your program's top mentors and reevaluate the usefulness of poor mentors. In addition, monitoring entrepreneurs will allow you to reward good behaviour (for example, being on time, being prepared for the session, etc.) or address poor behaviour which could impact your relationship with the expert.

Reward your mentors

Not all your mentors will want or need to be paid (as long as you keep the time demands on them reasonable). But you should be able to *offer* to pay them, so make sure you budget for that.

Put an SLA, or at very least, a code of conduct, in place with your mentors

This will ensure that they understand what is expected of them (and you mitigate against reputational risk).

Recognise your mentors' contributions on LinkedIn

so that they can share with their own networks. Send them information on the outcomes of your program so that they can feel part of your success.

Developing funding relationships

The benefits of building networks in the finance and grantmaking sectors are obvious. This applies not only to your own business development, but to a pipeline of funders that might finance your startups, thereby improving your program's offering.

Here are some ideas on how to do it.

Pay attention to your network

Also note which industry bodies those in your network belong to, which notice boards they check, and which conferences they attend (see **Success Factor 5** for more on funding strategies).

Do the same, even if it costs money to subscribe

Be patient

While your initial interaction with a new funder may be via a formal TOR, once your first project is successful, additional opportunities may emerge more organically. However, the sales cycles are long, making them ultimately relationship-based. Prepare to be collaborative, communicative, and patient as you work with the funder to develop your chosen sector.

Keep funders personally updated about your hub's good news and impact

Make them proud to be associated with you and excited to stay on the journey together. Whether you send a regular monthly update or ad hoc emails, they'll be happy to share your wins!

Greentech in Africa case study

IRESEN tapped into its green energy network to create an expert pool for the HUGG sustainability track discussed in (as discussed in **Success Factor 6**). All the experts had experience in both hub management and supporting impact ventures in the green economy. Each of the three experts was assigned four hubs. After an initial in-depth kick-off meeting – where key topics for development were identified – the mentor met with their hubs once a month, keeping them accountable to their specialisation strategic plan and acting as a sounding board on any challenges they were facing.

Pro tool: Crowd clover
IRESEN has built its network organically over a long time, to the point where they know instinctively who they can reach out to for what they need – whether it is expertise, new ideas, or an introduction to someone important. A way to understand and document the network for your organisation quickly is to do a crowd clover exercise. **Go to the crowd clover**.

Tips on case study

LinkedIn, as a work-talk-only social networking site, is very useful for researching thought leaders and active players in a specific sector. Make sure to follow, like, and comment on their posts to build a pattern of interest in the space.

You can also use it to position yourself and your hub when specialising with attractive visual branding that communicates your focus area, and original posts that show your own thoughtful commentary about the sector. Source new, relevant connections among other people commenting on posts.

With a well-curated LinkedIn presence, you will also find that it becomes easier to recruit talented people with experience in your specialisation area (as you will remember from **Success Factor 4**).

Additional resources

Mentorship

Launch League, a South African hub network, offers a collection of resources, including mentor briefing and SLA templates, a "Make the Most of your Mentor" guidebook for entrepreneurs, and a suggested reporting framework.

Find it here: https://launchleague.co.za/toolkits-resources/collections/mentorship/

Funder relationships

The book *Mastering the Complex Sale* by Jeff Thull is a classic in the B2B sales space; it gives clear guidance on the modern art of co-creating solutions with your customer by following the four Ds: Discover, Diagnose, Design and Deliver. Along the way, you will build a meaningful, mutually beneficial relationship with them.

Mapping what your network can do

If you'd like to see an example of how to use the crowd clover (described in the templates section that follows) this walk-through even uses an entrepreneurial development example to show you! YouTube video: .

Find it here: https://www.youtube.com/watch?v=n-syPACa28HE

SF7 Template 1: Crowd clover

Understanding what your network can do

WHAT it is

The crowd clover exercise helps you analyse different networks that will support your product or service, and the interplay between these networks. Each leaf of the clover represents a different network or group of individuals or stakeholders.

Catalysts	People who provoke new insights and possibilities
Connectors	People who grow your idea or effort by providing access to other partners, workers, funders, resources, etc.
Enablers	People who help you realise your idea through action by prodding you to proceed
Promoters	People who broadcast and circulate your idea (and you) with other networks

By mapping the different networks according to their function, the strengths and weaknesses of each category can become more apparent, and ways of collaborating between networks can become clearer.

WHEN to use it

Crowd clovers should be used when you are looking to begin your specialisation strategy – after you have conducted a broader ecosystem mapping activity to identify all the stakeholders in the sector ,as describe in **Success Factor 1**. It will help you plan who you can leverage in your networks, and identify areas in which you need to do more targeted networking.

WHEN to use it

Draw a large four-leafed clover shape on a big piece of project paper or white board. Then brainstorm – alone or as a team – all the people and organisations you can think of in each of the categories, writing their names in the corresponding "leaf". After you and/or your team have completed an initial clover, it is useful to reflect on what was brought up. Some prompting questions for team discussion could be:

- Which quadrant was easy to complete?

- Which quadrant was the most difficult to complete? Do we have a plan for expanding our network there?

- Which of these network players do you have professional relationships with and which are just people you know?

- Then ask: Which quadrant has the largest number of formal versus informal relationships? How might we formalise informal relationships?

- How might we map other network dimensions, such as contact frequency?

Connectors

Catalysts

Enablers

Promoters

Me
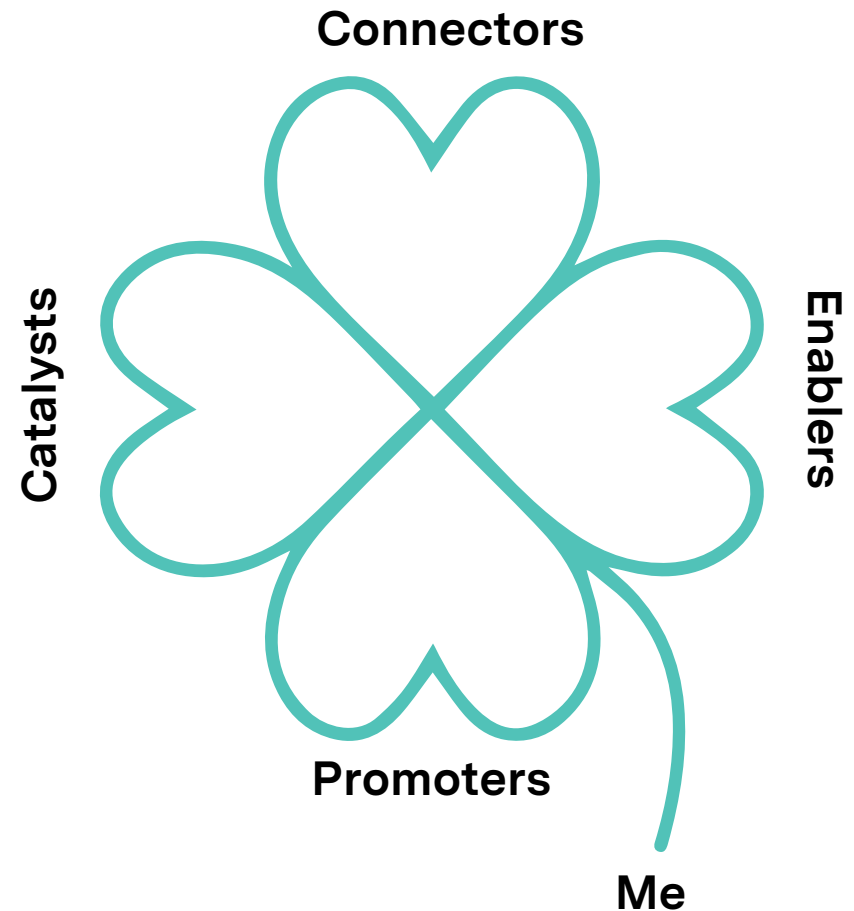
Tips on tool

- When thinking about your network actors, include all types of relationships from the public or private sectors, from family, friends, coworkers, mentors, as well as online and digital connections.

- When writing about an organisation, try to include the name of a key contact at that organisation, too.

- Overlap your quadrants as needed (a person may fall into more than one category).

- When drawing insights from the exercise, think about the possible actions you can take. For example, if your network feels small, you could ask your peers to introduce you to more people that they feel embody a particular network area.
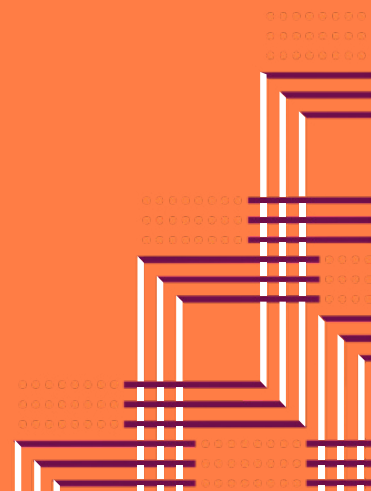
Credit: Adapted from Playbook for Strategic Foresight and Innovation by Antti-Jussi Tahvanainen, Tamara Carleton and William R. Cockayne.

SUCCESS FACTOR

Recruiting quality participants

Why this matters

By definition, specialisation narrows the field of entrepreneurs, startups, and small businesses that might work with your hub. You have chosen to go deeper with your support so that you can meaningfully grow a specific sector for your ecosystem, which means you have to set a higher bar for recruits. This makes finding quality participants all the more critical for your program. You need recruits who are focused on the sector and have a solid grasp of the industry and market. But this does not mean your participants have to come in the same packaging. Your cohort can include teams led by technical experts alongside teams led by green-passionate entrepreneurial types. The important thing is that their goals and capabilities are well matched with the outcomes of your program, which will vary depending on whether you are running a program for seeding new ventures (hackathons), idea-stage ventures (incubators), growth-ready startups (accelerators), growing businesses (investment readiness), or established businesses (market access).

Internally, you need processes and people who are capable of finding and selecting the right participants for the program. Your team needs to have a grasp of enough sector fundamentals to reach promising participants (as discussed in **Success Factor 4**, and you will need to bring in external experts from your network who have the technical knowledge to assess the applicants. This was **Success Factor 7**.

Key considerations

Your recruitment and selection process needs to help you reach a smaller pool of more specialised entrepreneurs, attract entrepreneurs who are committed to your sector and value your program, and allow you to evaluate their solutions and potential as a founding team properly.

Here are some of the key areas that your recruiting should focus on.

The importance of developing a pipeline

The benefits of building a pipeline for entrepreneur recruits include:

- ensuring that you will have a continual flow of entrepreneurs into your hub

- boosting your reputation as a specialised hub

- creating avenues for collaborating with and learning from the institutions that produce entrepreneurs

- building a network of successful alumni who can give back to the hub as they grow.

Here are some ideas on how to do it

Develop channels with upstream stakeholders

NGOs, research centres, and academic institutions are producing people with specialised skill sets who are prepared and interested in applying their knowledge – as the entrepreneurs of tomorrow. Tap into their network of graduates and alumni for promising potential recruits.

Invest in a well-organised, supportive alumni network

Entrepreneurs respect other entrepreneurs, and happy alumni are great ambassadors. Provide ways for them to give you leads on exciting new entrepreneurs they've met.

Create linkages with other hubs

Other hubs or entrepreneurial programs could also be a great pipeline, especially if they are offering general programs or programs for businesses that are at earlier stages than the ones you are targeting.

Hold information events and educate your potential market

With new sectors, entrepreneurs might not even be aware that they are operating in your sector or how broad the definition of your sector is. Use webinars, information sessions, FAQs (frequently asked questions), practical examples, and suitable imagery to attract the right kind of entrepreneur.

Sector-specific sourcing considerations

The benefits of adopting different recruitment strategies for different sectors include finding entrepreneurs with the best fit for your program and building pipelines in multiple corners of the sector.

Here are some ideas on how to do it

Pick the right talent pool for the sector

Some tech sectors are better served by people with long track records within the incumbent sector (for example, agritech), while others are better supported by people focused on developing new technologies from scratch (for example, renewables). Or perhaps you want your program to have participants from different spaces. Your strategy and the legwork you did to understand your sector's value chain will help you decide where to focus your sourcing energy.

Source from multiple pools

There are many good reasons you might recruit people from different disciplinary pools. For instance, an early-stage venture program might try to recruit both technologist and business-oriented entrepreneurs to build solutions together. Or a program aimed at improving energy efficiency might need solutions that are both technical and behavioural, and therefore come from different nodes in the ecosystem (for example, an NGO and a university).

Give yourself time and resources

With sector-specific programs, you will need more time and resources to source and evaluate suitable candidates. You might also need to increase your recruitment budget to include paid adverts on social media or other key channels, sponsored posts in industry newsletters or platforms, or announcements at key industry events or networking functions.

Inclusivity considerations

The benefits of ensuring a strong or equal representation of women (or other marginalised groups) in your program include:

- more relevant experiences in the cohort

- more diversity in ideas and approaches to problem solving

- the opportunity to shape or transform industries to be more inclusive.

It is tempting to take advantage of the additional funding opportunities available for programs that focus on inclusivity (particularly gender), but your target entrepreneurs will quickly discern any lack of integrity in your offering, so make sure you are intentional about how you make your program inclusive.

Here are some ideas on how to do it

Design an inclusive program

Are any of your facilitators women or people with disabilities? Have you included case studies of entrepreneurs with similar life experiences? Take into account constraints that might not usually be considered in entrepreneurial programs: Could you schedule a mid-afternoon break for parents to do a school run? Does your venue have wheelchair access? Have you enabled closed captioning or other learning aids for participants in your virtual program? (See the GIZ Accelerating Women Entrepreneurs handbook in the Additional resources section.)

Representation matters

Research into job applications shows that women (unlike men) will not apply for a position unless they feel that they meet every criterion in the job specification. Your marketing materials should include images of women, even if it's not a women-specific program: this sends the message that women are welcome and encouraged to apply.

Invest more time

If you are recruiting from an under-represented group in a sector, it is going to take more time and energy to find enough applicants – but they are out there and it will be worth it!

Informed selection

The benefits of having an informed selection process on a specialised program include:

- curating a cohort that is more diverse with its solutions and approaches

- enhancing the chances of success within each cohort

- creating stronger ties to sector stakeholders during the evaluation process

- upskilling your team in their sector-specific knowledge.

You want an application and selection process that is more customised and specific than what you would use for a generic innovation program.

Here are some ideas on how to do it

Take a methodological approach

Using a selection rubric (see **SF8 Template 1**) will ensure that you evaluate applicants across all the most important criteria, and that you do so objectively – without bias for factors that may not be as important for success.

Make sure you also budget for an expert's time in terms of evaluation, as this can take a while.

Don't forget about the market

In specialised programs, especially in greentech, there is a tendency to focus on the technology and the solution itself, while forgetting about the user experience and market potential. Make sure you ask participants to share their planning around the customer, users, and marketing of the product. This also includes the industrial costs of production if they are able to reach a market.

Next steps

The benefits of continuing the relationship with your entrepreneurs include:

- increasing their chances of scaling successfully

- contributing to sector development

- strengthening your network of active innovators in the sector.

Here are some ideas on how to do it

Keep supporting your alumni

Once entrepreneurs have finished your program, are there other services or resources you can link them up with? This is often a tricky one in reality, but it might simply be a matter of connecting them with parts of the ecosystem you already know well, or introducing them to new ecosystems, programs, or opportunities (such as awards, grants, etc.).

Platform your alumni

Profiling the entrepreneurs in your programs as often as possible on your website, at conferences, in reports, at networking events, etc. can help others find them to offer further opportunities.

Include alumni in new programs

By inviting entrepreneurs to participate in your future programs as live case studies, presenters, or mentors, you may be connecting them to new resources and partners, and enhancing their profile. Alumni are also a great resource to use in your recruitment process, especially if you hold information sessions where they can talk about the benefits of your program.

Greentech in Africa case study

Zixtech HUB's Future Agritech Accelerator, sponsored by the UNDP Accelerator, was their first specialised program aimed at early-stage startups. Given the immense momentum behind agricultural innovation in their region, sourcing agritech ventures was not the issue. It was finding agritech entrepreneurs with viable solutions, as they knew from their first attempts at green programs. "We realised that many greentechs were just copying models that they saw elsewhere without addressing the local issue," says hub CEO Paul Mbua. Hubs don't need entrepreneurs to reinvent the wheel, but they do want to make sure their recruits are backed by market research and a solid understanding of the problem and the sector. Paul and his team have addressed this issue on their agritech accelerator design in a few ways.

They adjusted the minimum criteria to include established startups with a minimum viable product. They launched the application through the UNDP, and worked with them to include judges with at least five years' experience in the sector. Finally, their program design includes a market-research period for startups to get customer feedback to determine if they need to pivot before pressing forward with their solution.

Pro tool: Selection rubric
Deciding on your program's criteria, and making sure the whole team is assessing applicants by the same standards, cannot be left to chance. This is where designing and using a selection rubric will help.
Go to the selection rubric.

Tips on case study

Of course you want to have an open mind about your applicants in the spirit of welcoming teams with different approaches, backgrounds, viewpoints, and ways of thinking. You aren't looking to get a cohort of teams that all have the exact same compositions or dynamics. But there are some characteristics or behaviours in entrepreneur teams that will not be successful on your program. Your application and selection process should be designed to help you pick up on red flags. Possible deal-breakers may include:

- founder teams that either have only technical experts or have no technical experts

- teams that are unable to commit to the time requirements of the program

- teams that have participated in many programs over many years with no clear progress

- solutions that have been clearly retrofitted to align with the program requirements, but do not sufficiently meet the sector's needs

- solutions where the numbers do not add up on the technical specifications according to a subject-matter expert

- solutions that are not user-centred (designed with practical market needs and behaviour in mind)

- teams that have not performed any market assessment, benchmarking, or industrial cost analysis for their product or service to show the scale-up potential.

Additional resources

Recruitment guide

Chapter 3 of GIZ's Open Innovation Program Toolkit contains a detailed guide for recruiting and selecting startups, including tips, templates, structures, and processes. **Find it here:** https://www.make-it.africa/news/open-innovation-program-toolkit

Gender considerations

GIZ's Accelerating Women Entrepreneurs handbook has some helpful strategies for supporting women-led projects.

Find it here: https://www.giz.de/de/downloads/giz2022-0011en-accelerating-women-entrepreneurs-handbook.pdf

SF8 Template 1: Selection rubric

Make-IT in Africa

Using fair assessment to find quality participants

WHAT it is

A selection rubric is a tool for objectively evaluating applicants across the key acceptance criteria that you have set forth for your innovation program. You will need to tailor any rubric template to your specific requirements. But using one ensures that you select applicants who meet essential requirements, and that your selection committee members are judging applicants according to the same criteria. Using a rubric will also allow you to demonstrate to any program funder or partner why you did or didn't include a specific participant, if need be.

WHEN to use it

Rubrics can be particularly useful for evaluating presentations, interviews, or pitches given in the second round of evaluation. In all likelihood, you will first screen all applications for compliance with baseline criteria, before narrowing the pool for an interview or pitch round.

HOW to use it

- Determine your key acceptance criteria for participants based on the requirements and nature of your program design. Include both concrete criteria about the kind of entrepreneurs or teams you would accept, as well as qualitative criteria about their goals, product or service solutions, values, and behaviour.

- Your evaluation process (application, interview, pitch requirements) must, of course, allow evaluators to access this information. Ensure that the interview questions or pitch instructions interrogate the acceptance criteria.

- Adapt the rubric to include all the acceptance criteria and give it to all members of the selection committee.

- Ask all members to complete a written rubric with scores and comments for each applicant, so that they can compare notes for final selection.

Tips on tool

After the screening process, you will know what kinds of solutions and teams are up for consideration. Ensure that you have people who are experts in the team's technical domain on the evaluation committee, so that the solution and opportunity can be properly assessed.
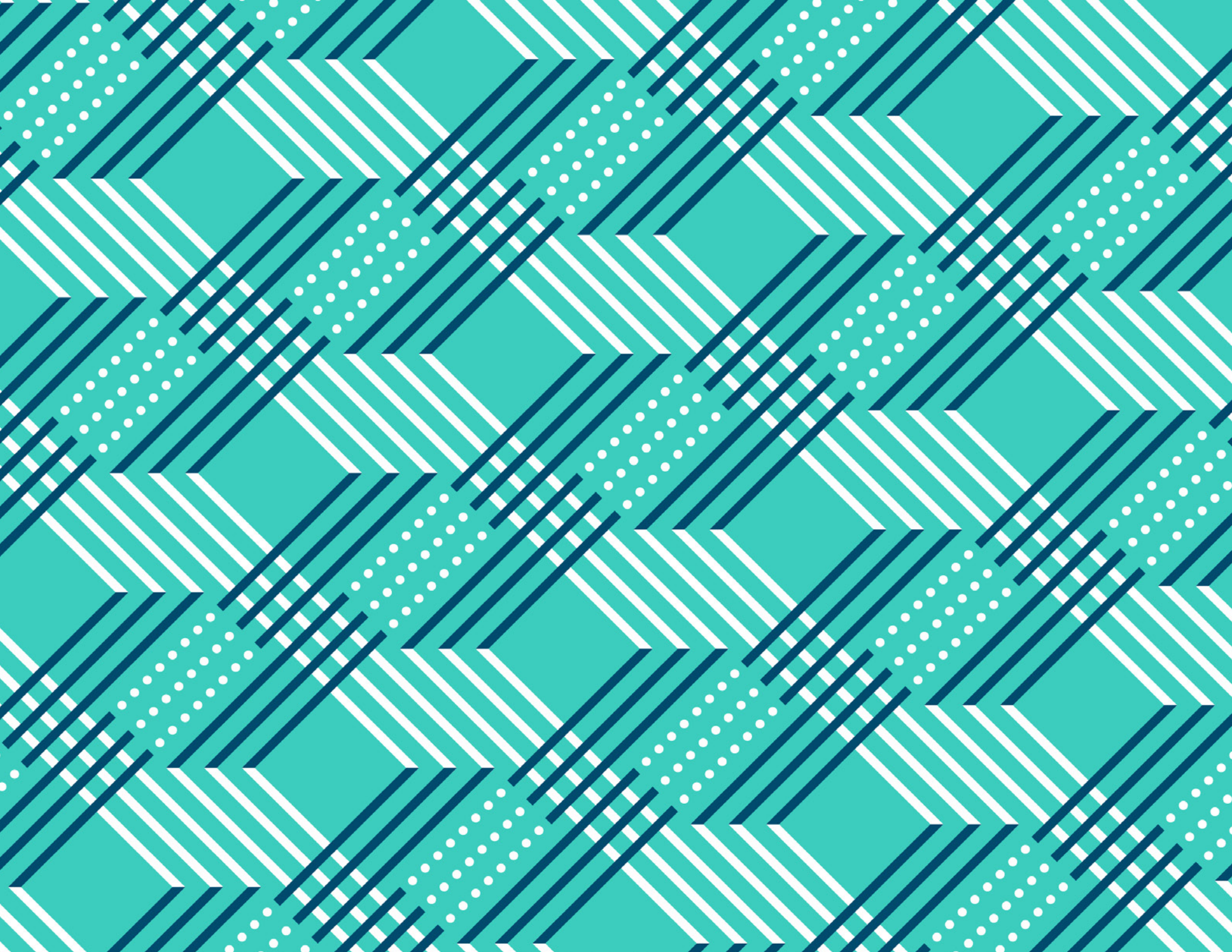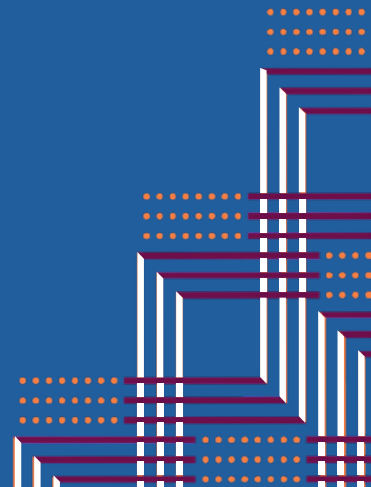
Measuring impact in the sector

Why this matters

When your program is done, how will you know if it has been successful? In your specialisation strategy which you developed in **Success Factor 3** with you identified your key objectives and performance metrics for the program. Now is the time to bring back those metrics and evaluate it. But you also need to support your entrepreneurs to measure and report on their outcomes, and to translate those outcomes into impact more broadly. These issues were discussed in **Success Factor 2**, **Success Factor 4** and **Success Factor 5**.

Measuring and reporting your findings from the program, and the performance of your entrepreneurs, serve several strategic benefits for your hub and the sector. You can sing your success and achievements, and demonstrate your expertise and contributions, to an audience of important decision makers and potential partners in the sector. Entrepreneurs can benchmark their solutions, or gain traction with new customers and partners. Your data and learnings can help other players (other hubs, policy makers, or funders) make informed decisions that will improve the sector and possibly create more opportunities for your hub. More fundamentally, it is an opportunity for you to reflect on your process and product to determine if you need to adjust course or make improvements.

Ultimately, measuring impact is the final step in delivering your specialised program, but is also an essential step for ensuring that your hub continues its work in growing and developing the sector.

Key considerations

The foundations of a strong impact measurement process are laid early on during your strategic planning process, program design, and participant selection. You choose objectives, program outcomes, and measurement processes across these stages, and they must be aligned to ensure you have the right data by the end of the program.

Here are some of the key areas that your impact measurement should focus on.

The importance of a theory of change

The benefits of creating a theory of change include:

- demonstrating the value of your program activities to internal and external stakeholders

- ensuring that your program content makes sense for achieving your ultimate objectives

- clarifying the relevant metrics for the program outcomes

- increasing alignment on your team.

Here are some ideas on how to do it

See the guide to developing a theory of change (**SF9 Template 1**)

Key outputs, outcomes, and impacts

The benefits of identifying the outputs, outcomes, and impacts of your program include:

- figuring out how your program will translate to benefits at different scales and over time

- keeping your team focused on producing the right outcomes

- connecting your hub's work to the sector.

Here are some ideas on how to do it

Outputs = direct results of your program

Are very straightforward. What will you do for entrepreneurs or other key stakeholders on the program? These will speak directly to your program content and design.

Outcomes = subsequent effects

you would expect to see from the entrepreneurs or the sector, based on your program outputs.

Impacts = broader changes you aim to achieve in the sector or ecosystem

This should align with your specialisation strategy objectives.

Sourcing and selecting metrics

The benefits of selecting appropriate metrics for your program include ensuring your program outcomes will support the goals of key players in the sector, and generating useful internal data for your hub.

Here are some ideas on how to do it

Look to other companies for guidelines on relevant metrics for your sector and context

For instance, in the green space, reduced carbon emissions is a key metric. In many African countries, job creation is an important metric for businesses to receive impact investment or government funding.

Find relevant impact metrics

Some sectors have developed their own impact metrics; for instance, the Ocean Impact Navigator is a KPI framework for bluetech companies. Others can draw on more generic metrics related to various forms of operational, social, environmental, and governance impacts.
For example, energy efficiency improvement in facilities, or types of community outreach or support.
See the Additional resources section for some helpful indicator banks.

Keep your impact metrics simple and focused

Pick no more than three impact metrics that are aligned with your hub's core KPIs. For instance, an impact metric such as "the number of households improved with access to electricity" for an African solar company is probably identical to their number of customers.

GreenCape

Greentech in Africa case study

GreenCape works as a "connector" of stakeholders in the green economy, in service of their mission to create clusters of economic development across Africa. Despite their initial focus on renewable energy and their expansion into other green sectors, GreenCape takes a very narrow and universal view of impact, focusing exclusively on economic metrics, namely job creation. This decision is both strategic and practical. Practically, if your innovation work is in emerging sectors where regulation is still being developed, the value of impact metrics may not be clear. Your measurements are only as useful as the meaning they hold for other decision makers in the sector. Which leads to the strategic aspect of economic metrics: choosing indicators that all of your stakeholders can agree on. Because GreenCape does the ambitious work of interfacing between disparate groups – local governments, private sector, and communities – finding a common language in their metrics is challenging and essential. This is a lesson for hubs: focus on the metrics that are most important, meaningful, and acceptable to a plurality of your partners and stakeholders.

Pro tool: Theory of change
How can you simplify your impact down to what matters most, like GreenCape has done? Creating a theory of change helps clarify an organisation's unique and achievable role in shifting how a system works, and helps the team to focus on activities that align with that purpose.
Go to the theory of change.

Tips on case study

To maintain an achievable – and useful – measurement strategy, make sure that your theory of change is sound and simple. Your specialised program cannot accomplish everything; to be successful, you need to be realistic and selective about which outputs you will produce, and the outcomes they will lead to over time. And on the practical side, the more outcomes you set forth, the more complicated your measurement and reporting plan becomes (and the more room for error you introduce). Keep it simple with four to six outcomes per time scale (short, medium, and long term), and one metric for each outcome.

Be aware that your program might feed into your program funder's theory of change or monitoring and evaluation framework. Make sure you have sight of a funder's theory of change or their expected program outputs, outcomes, and impacts as soon as possible, and that you can realistically gather the information they require so that you can contribute to their theory of change. You might not need to meet all their outputs, outcomes, and impacts, but it is still important to manage expectations with your funders on what you can deliver and what evidence you will be able to provide by the end of the program's timeline.

Additional resources

General impact indicators

The IRIS Catalog of Metrics from the GIIN is a great starting point for finding impact metrics that can be used across sectors. **Find it here:** https://iris. thegiin.org/metrics/

Green impact metrics

The Green Policy Platform has a library of research – including metrics, indicators, and SDGs – for various green sectors.
Find it here: https://www.greenpolicyplatform. org/theme

SF9 Template 1: Theory of change framework

Connecting your program content to your goals

WHAT it is

A theory of change (TOC) gives an explanation of how, specifically, an intervention will create a particular change in the system in question. It does this by breaking down the outputs, outcomes, and impacts that the intervention will produce over the short, medium, and long term. A theory of change can also serve as a helpful roadmap to achieving outcomes for different stakeholders.

WHEN to use it

Your theory of change should be developed as part of your strategic planning and program design phase. It is the critical tool that you can use to connect your program content to your strategic objectives, and it can help you select the right activities. The visualisation of the connections between the objectives and activities will also help you determine what you need to measure before, during, and after the program to evaluate your performance.

IMPACT VISION

LTOs

Goal 1

Goal 2

MTOs

Behaviour change 1

Behaviour change 2

Behaviour change 3

Behaviour change 4

STOs

Skills, attitudes, knowledge 1

Skills, attitudes, knowledge 2

Skills, attitudes, knowledge 3

Skills, attitudes, knowledge 4

Skills, attitudes, knowledge 5

Activities

Activity 1

Activity 2

Activity 3

Activity 4

Activity 5
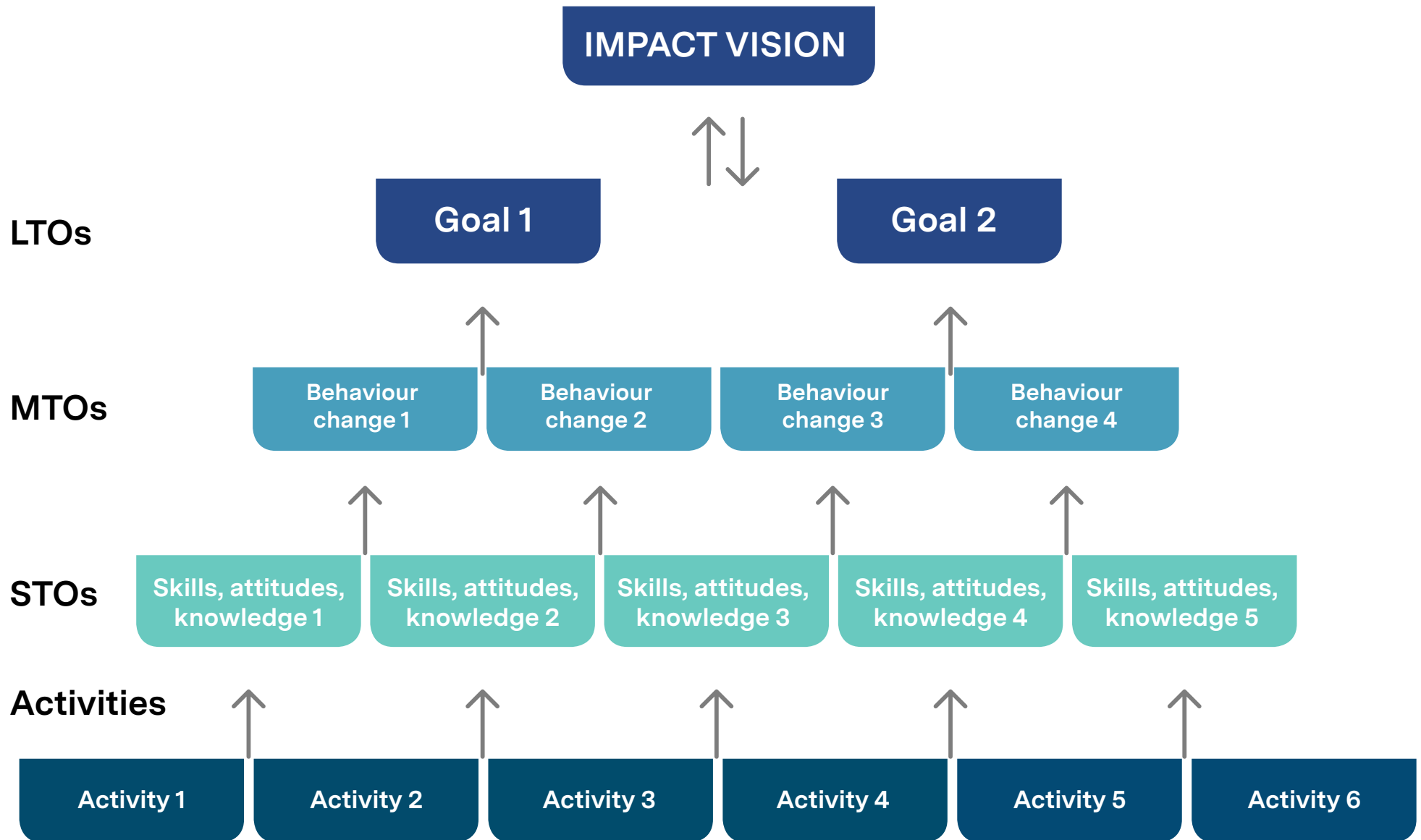
Activity 6

HOW to use it

- Start with the long-term change or impact you want to effect in your sector over the next decade, and place this at the top of your template.

- Then jump to the bottom of the template to list your program activities.

- Working down from the long-term change you've put at top of your theory of change, identify the outcomes you would expect to see in the medium term (2–3 years) for your participants, partners, or the sector. Express these as clear and brief outcome statements – one statement per outcome, with not more than four outcomes. Medium-term outcomes (MTOs) are usually changes in the behaviour of the people you have worked with – actions that they will do without your direct involvement.

- For each outcome, ask yourself: "For this outcome statement to be true, what needs to precede it?" Then, moving another level down, identify the outcomes you would expect in the short term (within the next year). These are usually changes in skills, attitudes and knowledge of participants that you can attribute to the activities you've done.

- Reviewing your visualisation, ask: "Is there alignment between your activities or outputs and the outcomes or impact over the different timeframes? Is it obvious or clear how one set of outcomes would lead to the next?" If so, you have a sound theory of change.

- If you have composed a theory of change that clearly links your activities with the sector impact, use it to pull out the key measurements you will need to take to evaluate each outcome.

Tips on tool

- Get team buy-in and workshop the TOC with your team. By agreeing on what you're aiming to achieve with your program, the whole team will be aligned and inspired.

- Make sure your TOC is human-centred and that there's a subject for each of your outcome statements. Who is experiencing the change you're describing?

- Try to have only one result per outcome statement and only four to six statements per outcome level. The power of the TOC is as much about what you DON'T do – what falls out of the scope of what you can reasonably achieve through your program – as what you do.

10

Ecosystem development for the long run

Why this matters

As you would have realised by now, specialising in a sector is not a one-program strategy. As you identify your niche (as outlined in **Success Factor 1**) and participate more in its initiatives and debates (as described in **Success Factor 4**), develop partnerships (according to the basics set out in **Success Factor 5**), and serve as a convener of networks (as described in **Success Factor 7**), you will establish your organisation as a key actor in your chosen sector. You will be in it for the long haul.

And you want to be – graduating businesses from your program is not going to be enough to guarantee their success. The ecosystem needs to be growing at a pace that matches your entrepreneurs' ambitions, and you will have a role to play in that.

Key considerations

As you get going, take a snapshot of what your sector ecosystem looks like now – it's going to look very different in five years' time! You are playing the long game, so this success factor is all about "mulching the soil" – that is, continuously tracking and contributing to aspects in the broader ecosystem that ultimately support what you want to achieve through your programs.

You will be able to raise funding to do some of this work, but others will require you to "work smart, not hard" by weaving them into program activities and outputs. While some of these activities may look peripheral in the short term, if you neglect them, there will be long-term consequences: your programs will gradually become less and less effective.

Make sure you have strategic buy-in from your board or leadership team, as building a sector ecosystem may require significant investment in terms of time and resources from the hub – and the results may not be immediately evident.

Here are some of the key areas that your ecosystem development should focus on.

Cycle of success and benefits to the ecosystem

The benefits of creating a cycle of success include:

- helping the system to reach new levels of performance and maturity.

- including new stakeholders from other parts of the ecosystem (or other ecosystems) to participate in the sector.

- generating more data and information that can be fed back into your hub and the sector.

- improving your offering as a specialised hub.

Here are some ideas on how to do it

Conduct or contribute to research on the sector

You can draw on the data you collect for your program reporting and repackage it as a communal resource aimed at other stakeholders. Or, you might add a few more supplementary data-gathering activities to your programming (for example, participant case studies and profiles, or specialised surveys) that will add value to future partners, funders, or policymakers in the system. Consider partnering with research institutes or universities to share the load of publishing and dissemination this knowledge.

Broaden marketing campaigns beyond just your program

Select relevant activities in the sector – for example, the development of a new national policy on green business incentives – to cover and promote through your social media. Show how the whole sector is growing (and where your initiatives fit in).

Variety and inclusiveness are key

To build an ecosystem, make sure you have a wide variety of events that will appeal to multiple stakeholders and entrepreneurs at different stages. This may include networking events, meet-ups, workshops or masterclasses, conferences, hackathons, etc. You may need to do a lot of these activities yourself when the ecosystem is nascent, but as more and more partners and other organisations join the sector, you will have the option to focus on your core offering. In addition, make sure anyone who is interested in the sector is included, try to be inclusive wherever you can, and make sure the barriers of entry are as low as possible.

Developing investor pipelines

The benefits of developing investor pipelines include:

- increasing growth and funding opportunities for entrepreneurs at all stages of their development

- increasing the number of program outcomes (depending on your theory of change)

- increasing the capital allocated to the sector, as investors see the opportunities and growth trends

- increasing your pool of experts and mentors

Here are some ideas on how to do it

Educate investors about the opportunities in the sector

Hold events to discuss major trends, report launches, investment models and opportunities. Where possible, use international investors in the sector to talk to your investor or funding community.

Invite investors to key events

Invite investors to give masterclasses or talks to your entrepreneurs, invite them to attend pitching or demo days, include them in your mentor pool, or ask them to be a "guest judge" at some events.

Keep your definition of a funder broad

There are many different types of funders and some or all of them might be present in your industry. When you are moving into a new sector, you might come across very different types of funders who are more suitable to your entrepreneurs and business models. New funders and funding models are also emerging, so keep an open mind.

Nurturing market access

The benefits of increasing market access include:

- cultivating positive attitudes to entrepreneurs and SMEs as partners within the sector

- creating more opportunities for your entrepreneurs to scale

- expanding the types of business models that are possible for the entrepreneurs in your program.

Here are some ideas on how to do it

Closing knowledge gaps

Do you know who the major players in your sector's value chain are? Do the major players know that you know? How could you discover more? Try creating a sector map (see the Additional resources section) with the logos of relevant organisations in your sector, grouped by category. Share it and invite people to suggest companies you may have missed!

Connect along the value chain

Drawing on your sector map, make connections with members who work at different levels of the value chain, join their networks, and invite them to join your hub in some capacity – as a participant, presenter, mentor, or sponsor. This can help you to learn more about opportunities for entrepreneurs to work with them and plug into their markets.

Create collaboration opportunities

If your longer-term goal is to build a sector that is active with both incumbents and startups, open innovation provides a pathway to creating more collaboration opportunities between these groups. See the Open Innovation Program Toolkit in the Additional resources section for more.

Alumni programs and tracking success over time

The benefits of keeping track of your alumni include:

- maintaining an alumni network that can self-organise to be mutually beneficial for members

- creating opportunities for alumni to come back to your program as partners and experts

- strengthening the position of entrepreneurs in the sector

- building your hub's track record of successful ventures and contributions to the sector.

Here are some ideas on how to do it

Create and manage a LinkedIn group

You want your alumni to be able to connect (and for your hub to track alumni) on a seamless, user-friendly platform that already integrates with their current systems. For now, LinkedIn is the platform of choice and has the added benefit of allowing you to disseminate thought leadership and other important communications. Curate a dedicated alumni group for your entrepreneurs and manage it to encourage participation.

Collect and share longitudinal data

Check in with your cohorts in the years after they exit the program. This might include formal surveys and reflections, or less formal meetups where you convene alumni to share updates about their progress and developments. This information may also feed into your long-term impact detailed in your theory of change (**Success Factor 9**)

GreenCape

Greentech in Africa case study

Building ecosystems has been GreenCape's central mission since its founding in 2010. After more than a decade, in which they have facilitated clustering in South Africa's renewable energy sector while also seeding development in other green sectors, they have developed a model for similar organisations who are committed to taking the long journey to economic development. "We move at the speed of trust," says Jack Radmore, a GreenCape Program Manager. This means they focus more on value addition and less on extraction, only pushing forward with specific projects or initiatives after having invested a great deal of resources in creating value for key stakeholders over many years. They offer services, conduct research, generate usable market data, and perform other intermediary work that their partners don't have capacity for. A good example of this bridge-building work comes from a project they led to promote solar power for businesses by removing regulatory barriers at the municipal government level. They did this by helping public decision makers to design and build tariff programs and policies that would allow businesses to connect PV systems to the grid, eventually making renewable energy systems a viable option for the private sector. Read more about the project **here**.

Pro tool: One-page project plan from Success Factor 3
Revisit the project plan you developed for implementing your specialisation strategy in **Success Factor 3**. If you execute your plan consistently for 5–10 years, will the whole sector have changed by the end of that time? If not, how would you change your plan for a longer-term, higher impact view?

Tips on case study

Ultimately, your goal as a specialised hub is to support the growth and maturity of your ecosystem and a particular sector. As with your measurement strategy, you need to find ways of monitoring and evaluating this growth. Return to your theory of change to extract indicators of growth in your ecosystem. In general, signs of a maturing ecosystem would include the following:

- An increase in the number of sector participants and an expansion of the local value chain (see your sector map)

- An increase in funding – and certain types of funding (for example, VC) – from big players in the sector, or for startups in the sector

- An increase in the number of SMEs and post-ideation stage ventures

- An increase in the number of hubs, incubators, or ISOs supporting entrepreneurs in the sector

- New regulation or official policies related to the sector

- A rise in local representation on regional or international industry bodies; recognition of the local sector on global platforms, research, or policymaking groups

Additional resources

⚙ Ecosystem development book

The Startup Community Way by Brad Feld and Ian Hathaway is a great text for tips on how to evolve an entrepreneurial ecosystem based on the theory of complex systems. **Find it here:** 🔗 https://feld.com/book/the-startup-community-way-evolving-an-entrepreneurial-ecosystem/

⚙ Sector map

"The Food Supply Chain Landscape 2021" is a great example of a sector map that visualises the entire playing field of businesses within a sector. **Find it here:** 🔗 https://www.culterracapital.com/post/delivering-the-goods-our-2021-food-supply-chain-tech-predictions

⚙ Economic clusters

Michael E. Porter's classic article about "cluster theory" explains the principles behind creating localised networks of businesses and institutions that work together in different ways to create value in a particular sector, industry, or domain.
Read it here: 🔗 https://hbr.org/1998/11/clusters-and-the-new-economics-of-competitionpredictions

⚙ Ecosystem mapping guide

The Strengthening Entrepreneurial Ecosystems guide from the GIZ contains an excellent guide to different forms of ecosystem mapping and how to apply your insights to develop your ecosystem.
Find it here: 🔗 https://www.giz.de/en/downloads/giz2021-en-entrepreneurial-ecosystems-guide.pdf

⚙ Collaboration tool

GIZ's Open Innovation Program Toolkit contains extensive guidelines for promoting partnerships between startups and large organisations, including the "Collaboration Ecosystem Diagnostic Tool", which you can use to assess your ecosystem and plan accordingly. **Find it here:** 🔗 https://www.make-it.africa/news/open-innovation-program-toolkitsystems-guide.pdf

The Hub Specialisation Playbook

A guide for African innovation support organisations
With lessons from the GIZ Make-IT Hubs Go GreenTech
(HUGG) program 2023