

TONY ELUMELU FOUNDATION

**PHILANTHROPY FOR
ENTREPRENEURS:
DEMOCRATISING LUCK ACROSS
THE AFRICAN CONTINENT**

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"To me, the premise of the Foundation is about democratizing our luck and making it possible for Africans to experience circumstances that help them move up in the world. That is why we created the Tony Elumelu Foundation: to help economically empower young Africans, giving them the opportunity to prove their ideas can possibly change the world."

Tony O. Elumelu, Founder of Tony Elumelu Foundation, April 2022

Key Highlights

The Tony Elumelu Foundation (TEF) has built a philanthropic reputation that takes more innovative and focused approaches than other African empowerment initiatives. The following themes emerge from this case study:

1. Taking the philosophy of 'Africapitalism' as its guiding principle, TEF focuses its narrative on solutions developed for Africans by Africans across all 54 countries.
2. Believing in the value of small and medium-sized enterprises (SMEs), in 2015 TEF established its flagship Entrepreneurship Programme to empower aspiring African entrepreneurs through capacity building and direct funding.
3. The Programme has been scaled up through digital technology, strong multi-stakeholder partnerships and policy-focused advocacy.
4. TEF developed a rigorous monitoring and evaluation mechanism to assess the performance of the programme, including its significant impact on job creation, revenue generation and inclusion.

Introduction

For decades, Africans have demonstrated an impressive ability to directly serve in their continent's development and its capacity to create economic benefits. As such, Tony O. Elumelu, an African economist, entrepreneur, and philanthropist, has expressed his enthusiasm for harnessing the potential of African citizens, believing that the advancement of private sector initiatives holds a particular key to unlocking African potential.

Looking back on what brought him to his current position, Mr Elumelu believes that 'luck' is an important element of his success. When he first came to the workplace from university, he was lucky to enter a financial institution, that developed his skillset with supportive mentors, where his career prospects were boosted from a formative age. The experience inspired him to think about creating similar opportunities for all young African entrepreneurs – often considered the lifeblood of Africa's rise in the 21st century. With such a vision, the Tony Elumelu Foundation (TEF) was established in 2010 as the philanthropic arm of Heirs Holdings, an investment company founded by Mr Elumelu, to bring these visions and ambitions to life.

Mr Elumelu acknowledged the challenges on the African continent, having experienced many of them himself throughout his life and career – his philanthropic endeavours, therefore, explore sustainable ways to generate economic and social impact on Pan-African development. This Pan-African vision is not exclusive to his philanthropy, as even in his early career Mr Elumelu successfully transformed a single-country bank into an international institution. TEF, as a result, is guided by the philosophy of 'Africapitalism', which is underpinned by the belief that a vibrant and competitive private sector is the key to unlocking Africa's economic potential and creating sustained social wealth¹.

*"To embrace the spirit of Africapitalism, TEF focuses its narrative on African solutions developed for Africans by Africans."*² – (Tony O. Elumelu)

Prior to the COVID-19 pandemic, the last decade witnessed a moderate socio-economic improvement across Africa³ though this growth did not always necessarily lead to a sustainable, broad-based increases in prosperity. In fact, Africa's economic growth has often been heavily dependent on extractive sectors dominated by foreign capital, therefore leading to the exacerbation of wealth disparity⁴. Facing the challenge of lack of inclusivity and the urgent need to facilitate local value creation, Africapitalism – with its focus on the empowerment of emerging entrepreneurs – serves as a powerful driver for Africa's economic growth and social development.

"By 2050, half of the world's youth population will be African. If they don't have opportunities and prosperity in their own land, it is a ticking time bomb. The only solution to avoiding this devastating consequence is to create opportunities on the African continent." – (TEF Chief Executive Officer, 2022)

To achieve the vision of Africapitalism, TEF has explored and implemented different initiatives with a focus on entrepreneurship since its inception in 2010. The Foundation has executed its mission of supporting entrepreneurs and catalysing entrepreneur-led development across Africa. To date, its flagship Entrepreneurship Programme has been well-developed to promote the creation of an enabling and sustainable entrepreneurial ecosystem.

As an institutionalized philanthropic organization, what distinguished TEF from other funders was its operational model, which has involved adopting a business approach that focuses not only on its impact but also on its growth. The Foundation built and expanded a proactive digital platform, TEFConnect.com, to make the Pan-African coverage feasible, thus deepening its impact. As the Entrepreneurship Programme has scaled up over the years, there have been considerable challenges, particularly given the overwhelming interest in the Programme from new and aspiring entrepreneurs across the continent. Such challenges include but are not limited to 1) restricted funding capacity compared to the enormous demand, 2) diverse contexts with different national policies, government capacity, languages, and financial regulations, 3) the imbalance and inadequacy of infrastructure in different regions, such as access to electricity and Internet connectivity, 4) gender inequality and the need for higher female engagement, and 5) difficulties around assessing the long-term impact of the Programme.

In response to these challenges, the TEF team has developed a data-driven approach to measure and evaluate their impact, further facilitating their internal transformation for sustainable growth and driving a more inclusive Programme. Moreover, building strong partnerships with local and international organizations has become an essential element to expanding their own capacity. Through leveraging local and global resources, the barriers which hinder the growth of young African entrepreneurs are being slowly surmounted by the joint commitment of TEF and their partners. To ensure greater success of the Programme, Mr Elumelu and the TEF team also actively engage in policy advocacy to draw global and pan-African governmental attention to the voices of young African entrepreneurs, thus enabling a more supportive and conducive environment for their business and growth.

Background: The TEF Entrepreneurship Programme

An overview of the Pan-African Entrepreneurial Ecosystem

Alongside the global economic crisis caused by the COVID-19 pandemic, Africa as a continent experienced its first recession in five decades with a 2.1 percent economic contraction in GDP in 2020⁵. The economic slowdown further exacerbated the existing problems of extreme poverty, high unemployment, limited job opportunities, lack of access to education and widening inequality, especially for youth and women. In response to these challenges, given that large companies and government both have limitations in their potential to enrich diverse job markets, promoting entrepreneurship and the development of the small and medium-sized enterprises (SMEs) plays a significant role in creating jobs, eradicating poverty, and securing peace in conflict-prone regions.

"SMEs are often the entities that create jobs, not the government, not the big organizations. If you look at China and the United States, they were all built on the backs of entrepreneurs. So, if you want any kind of development and poverty eradication, the only road forward is the one which empowers SMEs". (TEF Chief Executive Officer, 2022)

In light of the complexity and diversity of 54 African countries, the features, opportunities, and challenges in each entrepreneurial ecosystem differ. To have a better understanding of the key challenges that Africa's entrepreneurs face, the Tony Elumelu Foundation developed a policy and advocacy arm- the Africapitalism Institute- to assess the overall enabling environment where entrepreneurs operate, therefore tailoring different solutions to specific needs. TEF's investigation indicated that there is an obvious lack of access to seed capital, skilled labour, and government support for starting smaller-size businesses. Thus, the Foundation has more recently prioritised calling for more investment in African entrepreneurship by global investors and more incentives being offered by governments to early-stage enterprises.

The Journey to Entrepreneurship Programme

Realizing the pressing problems of Africa's entrepreneurial environment, TEF has positioned itself to engage actively in the development of a more inclusive and enabling ecosystem for Africa's early-stage entrepreneurs.

At first, TEF launched the African Markets Internship Program, which offered summer internship opportunities at small, fast-growing businesses to African students. By doing so, the Foundation managed to not only identify and develop potential African leaders, but also empower African SME growth by bringing in more talent. In addition, TEF experimented with multiple entrepreneurship avenues, aiming to further eliminate the structural barriers for entrepreneurs across the African continent. For instance, they partnered with a local Nigerian technology incubator, Co-Creation Hub, to provide funding to 20 early-stage tech start-ups. Although there were a decent number of successes in this case, the demand kept growing which demonstrated the need to rapidly scale up support. The Foundation increased the number of start-ups they supported from 20 to 50, however, even this scaling was deeply insufficient to meet the growing demand.

The challenges in the African entrepreneurial ecosystem further encouraged Mr Elumelu to re-examine the effectiveness and impact of TEF initiatives up until that point. Ultimately, he decided that 'empowering young entrepreneurs with capital and business development support' should be the Foundation's sole focus.

Therefore, the TEF Entrepreneurship Programme was launched in 2015 to further realize the vision of 'Africapitalism' in all 54 African countries. The Programme saw the Elumelu's commit a total of USD \$100 million

to empowering 10,000 early-stage African entrepreneurs over the course of 10 years, with a target of creating at least one million new jobs and contributing an additional \$10 billion in revenue to Africa. The inception of the Programme was inspired by the following three guiding principles:

- The inclusive economic philosophy of Africapitalism, based on the belief that a vibrant African-led private sector is the key to unlocking Africa's economic and social potential;
- A commitment to drive African economic growth through the empowerment of African entrepreneurs;
- Institutionalizing luck by creating an environment where African entrepreneurs can receive critical support in the early stages of their business ventures.

Compared to other TEF initiatives, the Entrepreneurship Programme is a fully mission-driven intervention, aiming to fill gaps that inhibit young African entrepreneurs' growth. As Tony Elumelu himself has noted, the Programme is designed to train, mentor, fund and provide supportive networking opportunities to the next generation of African entrepreneurs, thus empowering them with the tools, knowledge, and confidence to grow in a manner that brings satisfaction to everyone. By doing so, individual entrepreneurs are equipped with fundamental materials to create and grow their own businesses, prove their ideas, and unleash their potential in a more enabling environment.

Developing A Digital Platform for Deeper Impact

Scaling Up the Programme through Digital Technology

To scale the Programme across all 54 African countries, the Foundation experimented with various methods to maximize its reach. From a marketing perspective, TEF has effectively utilized social media to attract young entrepreneurs and raise public awareness of the opportunities provided by the Foundation. Mr Elumelu has a wide reach of over 1 million followers on platforms like Twitter and advocated the Programme via his own social media accounts. As the Programme has grown, TEF has advertised recruitment calls on major mainstream media networks including CNN, one of the largest international news channels with coverage across the African continent.

Through active marketing efforts, in the first year alone the Entrepreneurship Programme received 20,228 applications from 50 African countries⁶. Since 2015, the Programme has experienced exponential growth, culminating in over 700,000 interested applicants by 2021. In order to manage the extraordinary volume of applications, the TEF team realized they needed to develop digital interfaces in order to process the applications and create a virtual e-learning space for their community of entrepreneurs.

To streamline the Entrepreneurship Programme, TEF divides the calendar year into 5 phases: 1) application, where entrepreneurs apply for selection onto the Programme, 2) training, in which applicants receive guidance on developing a successful venture, 3) business plan, where entrepreneurs focus on developing a coherent and marketable outline for their business, 4) pitching, which sees applicants learn how to gain advocates and investors, and finally 5) seed capital, where select entrepreneurs are chosen from the overall applicant pool to receive initial funding for their business. All of these processes are conducted through the Foundation's self-

developed online platform, TEFConnect.com, which is a digital hub designed for Africa's entrepreneurs to apply for the Programme, receive training and mentoring, and connect with a global network of business leaders.

TEF's decision to provide a holistic approach to the Entrepreneurship Programme, and further to deliver it primarily online, proved to be a profoundly proactive decision, first in the interest of capturing a wide range of applicants across the continent with varied infrastructural access and more recently as a means to keep the Programme active even throughout the COVID-19 pandemic.

"In 2014, online virtual training in Africa was not common. But we realized that if you are trying to attract people from all 54 countries, it's not possible to do it as a physical training programme somewhere. The cost will be immense. For us, virtual training is a no-brainer despite it being quite new in Africa." (Wiebe Boer, Inaugural TEF Chief Executive Officer)

To achieve its pan-African vision, the digitalization of the Programme became the best choice for ensuring its scalability and inclusivity. Hence, TEF Connect is regarded as central to the Foundation's strategy. In fact, it benefits the Programme as well as the entrepreneurs by encouraging them to embrace the transformation afforded by technology.

"Africa had missed the first three industrial revolutions – we're still struggling with basic things that any economy in the 21st century should take for granted. We absolutely cannot afford to miss the fourth industrial revolution – the digital revolution. We believe that every entrepreneur should be leveraging technology to unlock their potential." - (TEF Chief Executive Officer, 2022)

Even though the development of Information and Communication Technology (ICT) across the African continent came at a slow pace, there was still a gradual rate of access growth over time, particularly in the last decade. For instance, certain telecommunications companies created products which allowed individuals to use their data and network services across countries. The African continent also witnessed the transformative power of mobile money and related innovative technology in providing a pathway to digital inclusion in the past ten years. These opportunities demonstrated enormous potential in Africa, thus making the digitalization of the TEF Entrepreneurship Programme both possible and feasible.

Today, the COVID-19 pandemic has caused unprecedented disruption to the economy and aspects of social life worldwide. However, against this backdrop, TEF Entrepreneurship Programme operations were not interrupted, given that their technological infrastructure is well-developed and capable of responding to shocks flexibly and strategically.

From this perspective, the pandemic has offered a variety of opportunities for the implementation of the Programme. Due to COVID-19, the evolution of digital technology has been driven at a faster pace, speeding up its adoption and encouraging more people to access such services. For instance, a long-term challenge for TEF has been that certain countries only allow for very restricted internet bandwidth. This reality limited the delivery of TEF services in those countries, particularly any aspects of the Programme that require high-bandwidth usage. During COVID-19, countries committed more funding and resources to developing digital infrastructure, which by default enables TEF to reach more people and deliver better content, such as video streaming as part of their Programme. In this sense, TEFConnect.com can further advance the Programme and create a more enabling environment for entrepreneurs in post-COVID Africa.

Five Phases of The TEF Entrepreneurship Programme

1. Application

In this first stage, all the applicants must submit their applications online via TEF Connect. To shortlist candidates, the TEF team initially went through over 30,000 applications manually, which created a heavy burden for the team. Thus, third-party partners including Accenture were involved to tackle the high volume of applications. However, as previously noted, the number of participants increased exponentially every year since 2015, making outsourcing services extremely costly. To resolve this challenge, the team devised a more sustainable approach using an artificial intelligence mechanism to make the selection process operate automatically and inclusively.

The automation of applicant selection requires a rigorous system to enable its effectiveness, efficiency, and impartiality. In this case, TEF designed a comprehensive application form with a series of questions covering the points of business acumen, personality, and cognitive thinking. Once completed, the platform will score the application form and inform the applicant if the application is successful or not. The questions are reassessed annually based on feedback and professional suggestions to ensure the form is effective enough in selecting applicants who are passionate, committed, and prepared to run a business.

2. Training and Mentoring

The shortlisted candidates will then move to the online training and mentoring phase, where they are provided with systematic, professional courses and resources on business management.

"It is a very detailed training, and it lasts for 12 weeks. We designed a mini-MBA structure that helps entrepreneurs learn the basic concepts of finance, marketing, operations, as well as how to write a business plan, how to set up a company, and how to put the seed capital to good use." (Emmanuel Nnorom, Heirs Holdings Group CEO)

Additionally, every candidate is allocated a mentor to guide them through the Programme which continues upon receipt of seed capital. Mentors who are experienced and dedicated-minded are selected from around the world to not only share their practical business advice but also provide guidance and non-financial support to early-stage entrepreneurs.

In light of sustainability, TEF realized that beyond the seed capital they provide, equipping entrepreneurs with basic skills to run their own business and how to make the most of the capital, is equally significant. As such, the training and mentoring phase is designed to empower more entrepreneurs who are eager for broader forms of support.

One of the most valuable learnings from this phase of the Programme is teaching entrepreneurs the "T.O.E." way:

"Tony O. Elumelu has his own way of doing business rooted in the realities and modalities of Africa. I codified his business values and called it the 'T.O.E. way' which drives him to succeed. These lessons must be shared with aspiring entrepreneurs. We teach the T.O.E. way to help them learn and replicate how to succeed." (Angela Aneke, TEF Stakeholder and Programme Mentor)

Through teaching best practice and the principles of Africapitalism via the 'T.O.E. way', the Foundation moves beyond providing simple financial and programmatic support as the majority of philanthropic foundations do. Through this in-depth education component of their Programme, more young entrepreneurs learn valuable business development lessons, enabling them to infuse these learnings into their own businesses. This training

and mentoring phase demonstrates TEF's efforts in transforming mindsets, then fostering the culture of Africapitalism across the continent.

Moreover, the online training and mentorship component of the Programme opens up the capacity for broader outreach and empowerment efforts, given that the pot of seed funding available limits how many applicants receive it. This allows TEF to provide a crucial learning opportunity for many of the applicants who do not advance to the seed funding stage, but still have excellent business venturing ideas. Challenges around this desire to provide a service for all aspiring African entrepreneurs while being financial constrained was reflected by members of the staff:

"In 2019, we received over 150,000 applications for 3,000 spots in the Programme. There are many amazing ideas, but we're forced to pick the best of the best because we couldn't select everyone." (TEF Entrepreneurship Programme Manager, 2022)

"In 2021, we had 700,000 interested applicants for 1,000 seed funding grants. So, we needed to partner with other prominent funders to help us scale from 1,000 entrepreneurs to 5,000. However, 5,000 out of 400,000 is still so insignificant. What is quite heart-breaking for us is when we announce the successful applicants every year, we have people who applied telling us: 'you are raising our hopes high but then dashing them.'" (TEF Director of Partnerships and Communications, 2022)

Inspired by the mission of not leaving any young entrepreneurs across the African continent behind, TEF Connect was built to ensure the inclusivity and scalability of the Programme by providing training and capacity-building services to a wider range of entrepreneurs. To date, more than 1,200,000 Africans are supported on the TEF Connect platform.

3. Business Plan

After finishing the training and mentoring, applicants move into the third phase—designing and writing up their business plan. In this section, candidates are encouraged to use their professional experience and learnings from phase two to produce a world-class business plan document to showcase their venture. The documents are then reviewed by leading business development experts and feedback is provided to the applicants. At this stage, the strongest candidates are selected to move on to the next phases of the Programme. Despite the disappointment that many entrepreneurs no doubt feel at not making it to the final stage, they will still have gained invaluable insights throughout the training process and gleaned beneficial takeaways for the future development of their business.

4. Pitching

Once selected, the entrepreneurs receive the opportunity to pitch their business proposals to a group of professional judges and prestigious investors. This phase was not originally a component of the Entrepreneurship Programme, but pitching was raised by Mr Elumelu as an essential component of business development and was added into current and future iterations of the Programme. Designing, practising, and delivering their business pitch offers entrepreneurs a valuable chance to review and refine the feasibility of their ideas and plan, a process that has long-term positive impacts on their business.

5. Seed Capital and beyond

After the pitching phase, a USD \$5,000 seed capital grant will be awarded to the successful candidates. In Africa, only 7% of all capital inflows were invested in seed firms in 2019 and 2020, with the proportion increasing to 15% (\$5 billion) in 2021⁷. Notwithstanding these growing signs of improvement in Africa's venture capital sector,

a paucity of seed capital remains an overarching hinderance in the space. Thus, providing this \$5,000 seed funding to each successful applicant is crucial to help fill the gaps in accessing concessionary capital that most entrepreneurs experience, and allows them to build out their ideas to a bankable level.

"I call it 'proof-capital'— the funding to prove your concept. If your concept is good, then it has a good chance of attracting investment and investors. It is just a small investment in these ideas to allow entrepreneurs to demonstrate that their idea is workable. It's useful for early-stage entrepreneurs who just have ideas with no funding." (Tony O. Elumelu)

Starting with the USD \$5,000 grant, the small enterprise can move from the ideation stage to attract more commercial capital. Nevertheless, the final seed-capital phase is not the end of the Entrepreneurship Programme. Another significant function of TEF Connect is building a digital community for alumni. Beyond the one-year commitment, entrepreneurs continuously engage with the alumni network, which also includes mentors. The alumni network serves as an important Programme component to develop a sustainable digital entrepreneurship ecosystem.

"For those who join the alumni network, there are huge opportunities. On TEFConnect.com, we have the marketplace, the facilities for inter-African borderless trade, and various entrepreneurs coming into partnership with each other to grow their businesses. They also come up with new ideas and bring more people to our Programme. Some of them further participate in our initiatives. (TEF Mentorship Manager, 2022)

Whether or not an entrepreneur successfully made it all the way to the final funding stage, the alumni network can still add significant value to their endeavours. It is a global digital community whereby entrepreneurs can facilitate connections with other African colleagues to scale up their business, seek advisory support, and mobilize necessary resources. Also, before COVID-19, TEF hosted an annual in-person forum for alumni which was among the largest gatherings of African entrepreneurs. At the same time, governments, corporations, incubators, and investors are also invited to the annual forum. For instance, in 2019 presidents of six African countries attended the forum to learn about entrepreneur needs and answer questions from Programme alumni and stakeholders. Additionally, the beneficiaries of the Programme had the opportunity to share their stories and discuss their ideas with a global audience of entrepreneurs and professionals, which was regarded as a highly valuable learning and development opportunity.

To date, TEF continues to broaden, develop, and refine the TEFConnect.com platform as it has become one of the most invaluable components of the Programme. The Foundation has constructed a specialised team focusing on digital design and customer support to continuously improve the system by enhancing the cutting-edge technology and user experience. Simultaneously, TEF regularly explores new ideas which adopt digital tools to tackle the experiential challenges along with expanding the scale of the Programme.

Building Partnerships for Growth and Inclusivity

The Motivation and Principles of TEF Partnership

The impact that the TEF Entrepreneurship Programme has made on thousands of African small business owners since 2015 is undoubtedly significant. However, given the extraordinary demand for the Programme, and the limited capacity for enrolment based solely on the Elumelus' endowment, the team realized early on that they would need to expand the capacity of the Programme through targeted strategic partnerships.

"We need more voices and efforts involved so that we can collaboratively bring about the change we need on the continent. Partnerships are necessary to help catalyse economic prosperity, to unleash young entrepreneurs, to eradicate poverty, and most importantly, to create jobs that will have sustained economic impact." (Tony O. Elumelu)

Before approaching potential funding partners, TEF set out a very clear collaboration mission from an early stage. *"The only work that we do is empowering young African entrepreneurs through the TEF Entrepreneurship Programme. While other funding bodies might have very worthwhile causes that they support, the foundation has always been laser focused on supporting and funding African entrepreneurs. In cases where organizations are unable to fund our programme, we will typically consider policy collaborations."*, TEF's Director of Partnerships said. As such, the team will always consider partnerships in line with the TEF mission—those which add value financially and also practically.

"For potential partners who are unable to engage with us on a practical level, unfortunately, we have had to turn down opportunities because we are not flexible. We don't look at anything else except empowering African entrepreneurs, primarily through our flagship Programme." (TEF Chief Executive Officer, 2022)

For instance, the TEF has collaborated with the International Committee of the Red Cross (ICRC), an organization committed to providing emergency aid to victims of wars or disasters since 2017. Over the years, ICRC has continuously put supported different conflict-prone regions in Africa. While they would not seem like a traditional partnership choice for an entrepreneurship-focused foundation like TEF, ICRC realized that the repetitive conflict cycle in many areas was often exacerbated by economic insecurity and lack of opportunity. Understanding the need to create an environment where entrepreneurs can thrive, ICRC approached TEF to build a collaborative venture that focused on providing economic opportunities for small business owners operating in particularly challenging areas.

Additionally, the Foundation has embarked on a growing partnership with the European Union (EU). They launched a joint initiative to identify, mentor, and support 2,500 young African women entrepreneurs in 2021, providing women-owned businesses in all 54 African countries with €20 million in financial and technical support, as well as improved access to market links, supply chains, and venture capital investments. Other notable TEF collaborations include their partnership with Google to fund 500 women from select African countries and the continued collaboration with the United Nations Development Programme to empower 100,000 young Africans. Moreover, the Foundation also developed strong partnerships with development agencies including BMZ (Federal Ministry for Economic Cooperation and Development), DEG (German Investment Corporation), and GIZ (German Agency for International Cooperation GmbH), that created synergy to empower entrepreneurs in different fields and to achieve common objectives.

Conversely, potential partnerships that might seem straightforward on face value do not always move forward in the end. TEF has explored potential partnerships where the overarching goals and mission of the organizations involved were similar but in implementation and outlook, there was a divergence.

The process of refining their partnerships strategy continues to be an important learning opportunity for the TEF team, and one that could likely be emulated within other philanthropic organisations looking to develop or reimagine their future partnerships.

Doing Things Differently: Impact Assessment

Another key element for successful philanthropic partnerships is demonstrating the unique selling point (USP) of a particular organization or programme. For TEF, their USP is their Entrepreneurship Programme, but more specifically the depth and breadth of the Programme infrastructure (both digital and conceptual) that they have created based on feedback, data collection, experimentation, and constant assessment.

Since its inception, TEF has been actively committed to impact assessment, particularly as the Programme has grown exponentially in scope and capacity. Looking back on the Foundation's implemented initiatives, the team must measure how their programmes have benefitted the economy and society, and to what extent. For the Entrepreneurship Programme, the Foundation focuses on not only the number and diversity of entrepreneurs they have empowered, but also the number of jobs and revenue those beneficiaries created after being supported by TEF. At first, this assessment process was outsourced to commercial companies, such as PwC and Deloitte in collaboration with The Foundation. However, going forward and with the addition of in-house capacity, this is now an add-on to the Foundation's internal data collection and monitoring processes

"The Foundation benefits immensely from independent assessment, case studies, and several forms of external research at this stage of our intervention. However, in doing so we are deliberate in ensuring that internal monitoring and evaluation capacity is equally strengthened for sustainability and adequate adaptation to learnings from these external collaborations." (TEF Monitoring and Evaluation Manager, 2022)

These lessons from the early years led TEF to build its own monitoring and evaluation mechanism to evaluate the effectiveness and outcomes of its operations. Driven by digital technology and the high volume of applicants and successful candidates, there are abundant data available for analysis to identify the factors associated with entrepreneurs' success, in addition to measuring the Programme's inclusivity and sustainability. The Monitoring and Evaluation Department (M&E) was created based on the need to analyse data in-house, allowing TEF to set up its own framework to collect hard evidence on the Programme's performance and ensure it is consistent with TEF's objectives.

Given the diversity and changeable environment of the African continent, the framework of TEF's impact measurement is continuously improving, with the team engaging voices from experts, partners, donors, and entrepreneurs.

In order to create the most useful impact assessment framework, TEF didn't 'reinvent the wheel'—instead they learned from experienced organizations which have done impact assessments for the Foundation previously to harmonize all the prior efforts and ensure that new framework is effective. In addition, when TEF partners with external donors, those organizations often have their own conditions and expectations regarding impact. TEF has taken many best practices learned from these partners, thus enhancing the internal M&E framework.

To implement the framework, the TEF team had information-sharing sessions where they facilitated deep conversations with different stakeholders on the objectives of their impact assessment efforts. Importantly, stakeholders from different countries across the continent, as well as various ethnicities came together for these development sessions, aiming to ensure that large swathes of the TEF's community were not left out of the discussions.

We are intentional about creating a completely inclusive programme and accommodating social-cultural diversities in Africa. While we understand the key indicators that measure business success, we make close consideration to certain peculiarities with sectors and regions to capture more granular details that inform learning and improve our programming.” (TEF Monitoring and Evaluation Manager, 2022)

After much rigorous data collection and analysis, the TEF team confirmed four key impact indicators that they aim to prioritise when assessing the Programme: decent jobs, revenue, policy gaps, and the engagement of entrepreneurs. In terms of decent jobs, the M&E framework not only focuses on the number of jobs created but also examines jobs in different categories, thus developing more specific indicators that are able to capture diverse areas. Furthermore, gender inclusivity is emphasized in this process. TEF developed sub-indicators to measure how the Programme has shifted the composition of the labour market in terms of gender to ensure impact on enhancing gender inclusivity.

The second indicator is revenue, which can be challenging to trace across the continent given the differences in currency. Therefore, USD is adopted as a common unit for the measurement to track the amount of revenue successful Programme candidates make over time.

Thirdly, policy gaps are an essential indicator to evaluate the governmental and stakeholder engagement in a country’s entrepreneurial ecosystem. Domestic policies are crucial to building an enabling environment for entrepreneurs to succeed in their ventures, and countries without well-developed policies on SME support often hinder local entrepreneurship. This measurement usually involves tracking ways TEF can involve themselves or Mr Elumelu himself in advocacy efforts across the continent.

Lastly, to ensure the effectiveness of the alumni network, the number of engagements on the TEFConnect.com platform is tracked to examine the value of the interface and explore how it can continuously be improved to enhance users’ participation.

Additionally, the M&E framework also includes sub-indicators, including measuring entrepreneurs’ access to market and following business growth. Collectively, these indicators create a robust impact assessment strategy that has been years in the making:

“We have a strong monitoring and evaluation mechanism. We are able to say that for every \$5,000 invested in your average African entrepreneur, you can expect a certain number of jobs in two years, three years, and five years. It is unlikely that any other such system exists on the African continent. For instance, we have supported over 15,000 entrepreneurs in terms of funding, training, and mentoring. Those entrepreneurs have created over 400,000 direct and indirect jobs, we know that—we have tracked it. Not many development programs are this comprehensive.” (TEF Director of Partnerships and Communications, 2022)

According to a July 2022 survey on assessing enterprise performance, *the Tony Elumelu Foundation Enterprise Survey*,⁸ the 4949 selected TEF entrepreneurs witnessed a 165% increase in job creation. On average, numbers of hired employees rose from 2 to at least 5 within 6 months of the entrepreneurs being trained and funded. Notably, 14,847 permanent jobs have been created by these beneficiaries since June, 2022, of which 7,547 are male and 7,300 are female. Among these emerging positions, 87% (12,920) are youths aging from 18 to 35. In terms of the revenue generation, enterprises funded by the TEF program reported a 48% increase in income along with an extra \$12 million in revenue after 6 months of the seed funding. In particular, women-owned enterprises have created 7,915 new employment and produced an estimated 5.4 million dollars.

All these hard data examined by the TEF's rigorous M&E mechanism demonstrated the remarkable performance and effectiveness of the Entrepreneurship Programme. Its transparency and credibility are enhanced, further attracting more partners looking to empower entrepreneurs across the continent. Through partnerships with local and international organisations, TEF not only increases the Programme's scalability but also strengthens its inclusivity, which has been a challenging issue for such international initiatives.

Enhancing Inclusivity through Partnerships

In terms of inclusivity, the programme has successfully represented all 54 African countries and a wide variety of industries and sectors. In addition to geographic inclusivity, gender inclusion and financial inclusion have also been enhanced through the Foundation's strategic partnerships.

Increasing Entrepreneurs from All Countries and Regions

As an organisation based in Nigeria, it is challenging for TEF to reach all 54 African countries on its own. Hence, they leverage the network and resources from local and international institutions on the ground. Firstly, the United Bank for Africa (UBA), founded by Mr Elumelu and now one of the leading banking entities in Africa, has a close relationship with the Foundation. UBA has operations in 20 African countries, and its branches in different regions have significantly contributed to the marketing, outreach, and delivery of the Programme. Additionally, the TEF adopted a localized approach to communications and publicity, which includes mobilising alumni networks in different countries, and facilitating local incubators and social media influencers to raise local awareness of the Foundation. As such, TEF managed to tackle the challenge of diverse languages across the continent which make the communications process difficult. There are over 1,000 languages across Africa, thus TEF not only translated its delivery content into several mainstream languages but also partnered with communities to facilitate effective communication and marketing campaigns in specific local contexts. By doing so, the Foundation enhances its localized reach and generates a more diverse applicant pool.

Apart from this, one of TEF's most prominent partners is the United Nations Development Program (UNDP), which signed a collaboration agreement with the Foundation in 2018 to jointly empower 100,000 Africans over 10 years. As UNDP has country offices across Africa, it is viable for the TEF to work with UNDP to mobilize people in different countries including the areas that UBA doesn't reach. To date, the annual seed funding capacity has increased from 1,000 to 5,000 entrepreneurs through fostering strong partnerships with local and international organizations, which is a notable achievement in a short period of running the Programme since 2015.

Gender Inclusion

Gender inclusion and female participation are encouraged in the TEF Entrepreneurship Programme. With regard to the gender balance of applicants and successful candidates, Mr Elumelu considered it a key challenge and called for internal and external efforts to be made in enabling gender diversity and equality.

"I know that there is nothing that empowers a nation more than empowering a woman. I have seen the impact rural women can have on their homes when they are financially empowered. That's why we as an organization are so passionate about this . If we can solve the employment problem and create prosperity through entrepreneurship, then we've solved 95 percent of Africa's problems." (TEF Chief Executive Officer, 2022)

TEF's emphasis on gender diversity and inclusivity has been progressively reflected within their own workforce, Programme mentors, and entrepreneurs. The need for greater gender inclusion has also been recognized by international bodies like the European Union (EU), who have recently developed a successful partnership with

TEF. The EU has committed 20 million euros to empower over 2,000 women entrepreneurs across Africa through the Entrepreneurship Programme.

As a result of inclusive campaigning and gender-focused partnerships, the ratio of women applicants has notably increased from 24 percent in 2015 to over 70 percent in 2021. Moreover, the notion of promoting gender inclusion also influenced the TEF beneficiaries to embed it within their respective businesses to create more entrepreneurial opportunities for women, thus the prospect of gender equality can be realized to a wider extent.

Financial Inclusion

In today's world, creating a bank account and dispersing money are seemingly simple actions. However, in the African context, there can be complicated logistical issues for TEF when dealing with disbursing a large number of seed-capital grants to small business owners all over the continent, particularly in years when the Programme's scale has increased significantly. Bank account ownership is an important element of financial inclusion, and in certain years nearly half of TEF shortlisted entrepreneurs did not have their own bank accounts prior to being selected for the Programme. Therefore, TEF has also dedicated time and effort to ensuring participants have quality access to financial tools and services regardless of their geography or socioeconomic status.

In terms of the seed capital disbursements, dealing with the different financial regulations across all 54 African countries can be a complex and time-consuming task. Given these challenges, TEF once again found a solution through partnership. The Foundation leveraged UBA's international network to facilitate the opening of bank accounts in many countries, further easing the speed of disbursement. In countries where UBA is not present, the Foundation has signed agreements with credible local banks to eliminate potential barriers for their entrepreneurs. As such, in addition to the 55 percent of TEF entrepreneurs who already own a bank account, the remaining 45 percent of beneficiaries are able to open their first bank account under the Foundation's support⁹. The speed of disbursement has also improved through these partnerships; previously it took nearly two months to disburse money to the beneficiaries, while today they have managed to make 95 percent of the payments in a few hours.

Advocacy for An Enabling Policy Environment

"Growing up and starting out as an entrepreneur, I also had issues with policy inconsistencies. In business, be it a large or small venture, you need predictability. If you are committing resources, you need to commit resources that won't change tomorrow. However, policy inconsistencies challenge a project for entrepreneurs. So, beyond giving seed capital and training to entrepreneurs, we also embark on intentional advocacy work across the continent".
(Tony O. Elumelu)

Government policies have a significant influence on entrepreneurs' economic activities, yet not many governments in Africa have the capacity to develop entrepreneur-friendly policies that drive higher economic growth. In the context of the African continent, the policy environments are varied and changeable. To improve the enabling environment for entrepreneurship in all 54 African countries, TEF upholds its commitment to advocacy and enhancing intervention in policymaking. Mr Elumelu himself is highly engaged in facilitating dialogues with governments and authorities to address the problems entrepreneurs are facing in different regions, as well as calling for joint commitments to creating a conducive environment for small business owners.

To raise governmental awareness of the importance of entrepreneurship and encourage them to actively participate in the initiatives, TEF strategically positions itself to support governments in filling the gaps to developing entrepreneurship in their countries. Facing the economic problems existing on the continent, such as poverty and youth unemployment, entrepreneurship provides an effective solution. TEF has played a leading role in carrying out this solution to help address social issues. By showcasing their significant and quantified impact, The Foundation has managed to prove that such an approach is workable and effective, thus more governments are willing to engage in practices that are beneficial to the country's entrepreneurial development.

At the same time, Mr Elumelu is dedicated to advocating for young African entrepreneurs and giving them a global spotlight. When he is invited to public occasions where multiple stakeholders are present, Mr Elumelu will utilize his own social media, particularly Twitter, to collect entrepreneurs' opinions regarding what kind of advocacy they would like to see him conduct. During the convening, he articulates these issues to the authorities and calls for action to be taken in response to the concerns. By doing so, increasing global attention is being paid to young entrepreneurs on the African continent.

Moreover, for governments with weak entrepreneurial capacity, TEF mobilizes its resources and network to provide necessary supplies for the development of the private sector. The most fundamental issue is the access to electricity and internet connectivity; inadequate infrastructure across countries and regions hinders entrepreneurial practices. Beyond advocating the government's engagement in constructing and improving the infrastructure, Mr Elumelu also makes enormous investments in these areas through his own businesses, which contribute to increasing the electricity supply and capacity of access to resources for entrepreneurs in all 54 African countries.

Looking Forward

To date, as a programme execution-oriented philanthropic organization that often operates like a private company, the Tony Elumelu Foundation and its Entrepreneurship Programme are transforming, scaling, and growing with the development of technology and the evolution of the African entrepreneurial ecosystem. Through monitoring its own performance persistently, the TEF is regularly working on improving the system to better fulfil its own vision. As the Programme continues to grow going forward, the TEF team looks to develop further strategic partnerships to expand the scale and capacity of the Programme and further refine its impact assessment strategy by learning from their peers and experts in the industry.

"In the next 10 years, I want the amount of amazing data that we have gathered from our Programme to provide us with a system that can predict the amount of impact that entrepreneurs with different characteristics and backgrounds can create. And we have the numbers, we can generate that kind of intelligent data. Just imagine what we will be able to do with that." (TEF Chief Executive Officer, 2022)

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