



# The Multidimensional Impact of Entrepreneurial Support Programs

*Key Takeaways for Program Development and Evaluation*

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idea to impact

# introduction

Entrepreneurial support programs (ESPs) aim to help entrepreneurs advance along the innovation pathway from promising idea to realized impact. ESPs vary in their structure and offerings: they may be embedded within universities or offered through governmental or non-governmental agencies at the local, regional, and national levels. ESPs provide a range of supports, such as training, networking support, mentoring, physical space, access to specialized equipment, and capital.

Over the past decades, the number and types of ESPs have increased. But how do we know whether the support ESPs provide to entrepreneurs helps them grow? Whether our efforts to support ventures helps teams progress? While many organizations are implementing ESPs, it is often difficult to know whether we are making progress—and how to strengthen our efforts.



To date, much of the work describing the impact of ESPs, such as incubators and accelerators, has focused on stages after business formation, considering outcomes such as follow-on funding, employees hired, and revenue. While critical milestones, with such a narrow focus, ESPs miss an opportunity to measure—and support the development of—a variety of other impacts that they can have on early-stage innovators. This limits their ability to explain the breadth of program benefits to participants, promote their program to partners, and evaluate the effectiveness of their program.

At VentureWell, we have conceptualized the impact of our ESPs at three interrelated levels: the individual, venture, and ecosystem level.



**At the individual level**, ESPs can help participants build knowledge and skills, develop entrepreneurial attributes, such as curiosity and creativity, see themselves as entrepreneurs, develop confidence, and influence their career and educational pathways.



**At the venture level**, ESPs can support the iterative process of turning a business idea into a startup and ultimately a financially viable venture.



**At the ecosystem level**, ESPs can catalyze the engagement of a range of actors and foster connections between individuals and institutions.



# VentureWell E-Team program

In early 2020, VentureWell applied this framework to evaluate one of its core ESPs: the [E-Team program](#). The program uses tiered funding, in-person experiential training, and action-oriented coaching and mentoring. There are three stages:

## **Stage 1 grant and Pioneer workshop:**

Entry into the VentureWell E-Team program starts with a \$5,000 Stage 1 grant and participation in the Pioneer training workshop. During Pioneer, teams focus on defining and validating their value proposition, confirming problem/solution fit, and laying the foundation to create a successful venture to commercialize the innovation.

## **Stage 2 grant and Propel workshop:**

Teams that have received a Stage 1 grant and completed the Pioneer training workshop are eligible to apply for the second stage of the E-Team Program. At this stage, teams receive a \$20,000 Stage 2 grant and participate in the Propel training workshop. During Propel, teams focus on developing their business model and validating it through customer discovery.

## **Stage 3 ASPIRE training program:**

Startups emerging from university campuses that are seeking equity funding—including but not limited to former Stage 1 and Stage 2 grantees—can apply to participate in the ASPIRE training. During ASPIRE, teams develop the strategy and workplan to secure the investments and partnerships necessary to launch their ventures. Mentors and investors work alongside startups to prepare for due diligence conversations and integrate feedback into deal room materials in real time. No grant funding is awarded, but upon completion, if the company secures a lead investor, they are eligible for matching co-investment from VentureWell.

The sample for the retrospective evaluation included all teams that participated in any of the three program stages between 2014 and 2018 (n=693 individuals from 269 teams). We used two primary data collection methods: (1) an approximately 100 question online survey, sent to all program participants. We received completed surveys from 170 individuals (28% of individuals) from 141 teams (53% of teams); and (2) in-depth interviews, with 29 participants, purposely selected to ensure representation of different levels of venture development. For additional details on the methods, please refer to the [full report](#). The findings from the evaluation have been of great value to us internally in understanding the multidimensional impact of our program and supporting us in identifying opportunities to improve our work.

In this report, we share three key takeaways that can be helpful for other ESPs:

- Structure the curriculum of the program to address the most relevant gaps and needs to support venture creation and development.
- Be intentional about how your program aims to impact program participants as individuals.
- Consider how the program supports development of the entrepreneurial ecosystem.

We hope these findings provide fodder for ESPs to consider when developing and evaluating programs, including what strategies to employ, evaluative questions to investigate, and success indicators to track.

# key takeaways

## takeaway 1: structure the curriculum of the program to address the most relevant gaps and needs to support venture creation and development

Aspiring entrepreneurs come to the table with different skill sets, and ESPs must meet them where they are to support the development of a well-rounded venture. Navigating the commercialization process is challenging for emerging entrepreneurs; building a successful venture requires a well-rounded foundation, including a strong team, an innovation with appropriate intellectual property protections, a market and business model that aligns with the innovation, and a connection to financial and non-financial resources.

The VentureWell E-Team program is specifically designed to support science and technology innovators, oftentimes before they even identify as an entrepreneur. They may have subject matter expertise in certain areas of technology research, but usually not in commercial translation, entrepreneurship, or company building. In some cases, entrepreneurs are passionate about solving a problem, but don't have the solution mapped out; for others, there may be a potential technology and vetted market opportunity but no team in place to lead it. We fill in the gaps to ensure that the team understands their markets and how to build and vet an appropriate business model.

To support well-rounded venture development, the E-Team program is rooted in our [Venture Development Framework](#), which outlines a set of early-stage venture milestones organized into six dimensions: team and venture structures, technology, intellectual property, market, business model, and

resources. The framework provides the basis for our training program: it has helped us clarify our intended goals and outcomes, which informs our program content (lectures, activities, assignments, etc).

Results from the retrospective evaluation suggest that our program has supported ventures in developing along these six dimensions. As anticipated, given most participants' background in science and engineering, most described the value of the program in helping their team to define their market and develop their business model. For example, the program helped teams to evaluate the market, engage in customer discovery, map the value chain, develop value propositions, and develop a customer-informed product from the technology. As one participant summarized, "We were scientists going to VentureWell and they [explained], 'that's half of it. The other half is the market.' We [thought], 'Oh the business stuff will just come along. You know, we have built a cool technology, everyone's going to want to buy it.' And it turns out no one cares."



By supporting venture development along these dimensions, we help ventures pivot, adapt, and persist.

**Evaluation results show that over two-thirds of ventures that participated in the program are still in existence.** The program supported teams in identifying pivots in a number of areas, including technology development, team dynamics, business model, and resources.

*Participants shared that their business models have withstood the test of time because the program helped them understand the importance of regularly revisiting and recalibrating the models in response to internal and external changes.*

With regard to resources, participants noted the impact of the program in helping their teams develop a fundraising approach, identify the right types of investors, develop a deal room, prepare for due diligence, develop a compelling pitch or ways to engage with investors, and prepare for fundraising.

Our advice to our fellow ESPs is to ensure you are offering a well-rounded curriculum that supports the relevant aspects of venture development. By identifying the knowledge and skills gaps and needs of your program participants, and designing your program around those needs, ESPs can effectively support venture development. To address these goals, we use staged planning that is rooted in our **Venture Development Framework**. We encourage you to use it, adapt it, or make your own version that supports your program goals.



## The Added Benefits of a Framework-Driven Curriculum

In addition to supporting outcomes-oriented program planning, the **Venture Development Framework** serves as an evaluative tool: it helps us understand whether ventures are on track. Many ESPs focus their evaluation on long-term indicators of venture development, for example, funding raised, patents secured, employees hired, and products sold. While such outcomes are important, they are not likely to occur until many years after the ESP's training and support end. Moreover, we recognize that not all participants will go on to form large-scale high-growth ventures. Rooting our evaluation of the E-Teams program in the **Venture Development Framework** enables us to identify short-term measures of venture progress.



# key takeaways

## takeaway 2: be intentional about how your program aims to impact program participants as individuals.

The primary goal of most ESPs is to support the development, and in some cases the scaling, of ventures. However, at their core, ventures are made up of people. In order for ventures to develop, team members need to have an interest in pursuing entrepreneurship, as well as the necessary knowledge and skills. Likewise, people are an important driver of venture persistence and scale. For example, the most important factor that early investors consider in making investment decisions is the team—markets and products can change, but the founding team stays the same. Indeed, in our evaluation we found the number one reason that ventures dissolved was problems with the team. Moreover, we know that, while not all individuals who participate in ESPs will remain engaged in their venture, many may still benefit from their experience. Relying on venture-level



measures alone gives us an incomplete picture of the impact of ESPs.

To this end, it is important to articulate and appreciate the impact that ESPs have on *individual program participants*. Yet, a lack of consensus in the field—and lack of a guiding framework—for how to conceptualize and measure these types of

## The E-Team Program Supports Participants in Understanding...

How do I  
build and  
launch a  
venture?

What is  
entrepreneurship?

Can I become an  
entrepreneur?

Do I want to be  
an entrepreneur?

impact makes this challenging. By using a qualitative approach in our evaluation, we were able to develop a data-driven conceptualization of how ESPs impact individual program participants. This conceptualization suggests that the program had four, interrelated impacts: (1) helping participants understand what entrepreneurship is and what it means to be an entrepreneur; (2) increasing participants' entrepreneurial knowledge and skills by providing a deeper understanding of what it takes to launch and build a venture; (3) increasing participants' confidence; and (4) increasing participants' desire to pursue entrepreneurship and cementing their identity as an entrepreneur.

In our evaluation, many participants noted the applicability of the real-world skills they gained from the program beyond supporting venture development. One specific skill that participants described was learning how to communicate more effectively with customers, investors, team members, and other

stakeholders. The program helped take participants "out of the lab" or "outside of academia" and increased their interest in applying their research to real world problems. For many, this meant pursuing entrepreneurship, while for others, it supported them to engage in entrepreneurial activities within an established organization, or intrapreneurship.

*Our evaluation also showed that our program helped shape participants' entrepreneurial perspective, enhancing their confidence and facilitating their self-identity as entrepreneurs; participants attribute this to the knowledge and skills they gained through the exposure to a wide network of peers, stakeholders, seasoned entrepreneurs, and advisors that our program model offers.*



By getting clear on the types of individual-level impacts they aim to achieve, ESPs can more effectively measure their impacts—and structure their program. In designing the E-Team program, we keep the individuals front and center. Evaluation results demonstrate the importance of the program's focus on entrepreneurs as people. Our advice to our fellow ESPs is to not lose sight of the individuals they are working with; ventures may succeed or fail, but human development lives on.



# key takeaways

## takeaway 3: consider how the program supports development of the entrepreneurial ecosystem

ESPs don't exist in a vacuum: in addition to engaging innovators, ESPs engage customers, investors, prospective employees, corporate partners or acquirers, manufacturers, and service providers. ESPs can help these different actors connect with, and get support from, each other both during and after the program. Results of our evaluation show that program participants fostered and maintained long-term connections with instructors, mentors, and other entrepreneurial teams. Both participants and mentors have reported deriving great value from these connections. For example, participants noted that the program connected them to key partners, including customers, funders, service providers, and advisory board members. This type of holistic view of ESPs—as building connections between different partners in the innovation ecosystem—illustrates their value in supporting the development of institutions and communities.



ESPs also are important contributors to their communities by fostering potential business connections and by creating additional talent for the innovation economy.

*Results from our evaluation demonstrate that the majority of program participants (over 80%) are currently working on or are planning to start a venture in the next three years.*

And, as noted earlier, those who are not currently pursuing entrepreneurship have developed greater skills that they can apply in intrapreneurial or other leadership roles, suggesting that ESPs can create more talent for the innovation economy, no matter the outcome of the venture itself.

A related impact is the transformation of ESP participants from “student” to “teacher.” Our evaluation found that the majority of program participants are actively contributing to the entrepreneurial ecosystem, for example, mentoring other startups, advocating for innovation and entrepreneurship, and teaching entrepreneurship. Finding ways to harness the power of alumni to “give back” in this way is something that VentureWell is continuing to explore.

By situating ESPs within these ecosystem-level impacts, we believe that ESPs will be better positioned to cultivate partnerships with diverse ecosystem actors, communicate the value of their program to potential program participants, partners, and funders, and engage program alumni in meaningful ways.



# closing

Rooting the development and evaluation of our E-Team program in these three levels— individual, venture, and ecosystem—has helped us structure our program, engage program participants, and communicate the program's value to funders. We hope that by sharing our findings, we can support other ESPs in better understanding whether they are making progress—and how to strengthen their efforts.

If you are interested in learning more about our work, please check out additional information about our [E-Team program](#), the [Venture Development Framework](#), and our recent [retrospective evaluation](#). We would love to hear from you!



