



MANAGEMENT RESPONSE TO ITAD EVALUATION

LATAM Scaling Program

For the attention of



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Introduction

The Latin America (LatAm) Scaling Program provided support along the axes of knowledge, access, and skills to 62 social enterprises that were looking to scale. The program was designed to target 20 high-potential ventures (HPs) to receive tailored scaling support in the location of their origin as well as in the ‘destination’ of their scaling efforts, and to provide light support to 42 impact-driven enterprises (IDEs), with potential to scale, in the form of a training on scaling pathways and scaling-related challenges. The original program design was significantly altered to accommodate for the requirements of the matching funder, AL Invest, meaning that the 42 IDEs received more extensive support than originally planned, while tailored services for the 20 HPs were reduced to some extent.

The LatAm Scaling program ran from June 2017 until June 2018 in 5 cities in Latin America: Bogotá (Colombia), São Paulo (Brazil), Mexico DF (Mexico), Monterrey (Mexico), San Jose (Costa Rica). The Scaling Program was developed by Impact Hub and first offered in Europe. In addition to supporting entrepreneurs, the program intended to contribute to the development of institutional scaling infrastructure in the participating IHS through new business development and capacity building in the form of a replicable scaling methodology and expertise.

ITAD conducted an evaluation of the LatAm Scaling program at the end of 2019 with the primary objective to support learning for Impact Hub and the Argidius Foundation. The evaluation covered the outcomes of HPs, the contribution of the program to these outcomes and its scaling achievements, as well as the program design and delivery model. Impact Hub has also conducted its own internal evaluation of the program in summer 2018 and completed several management reviews of the program since it ended.

Identified priorities for inquiry and development

The evaluation by ITAD highlighted development needs in several areas. The table below gives a brief overview on Impact Hub's position in regards to the evaluation team's assessment.

Challenges identified by ITAD	Impact Hub's position
Selection of matching funder, AI-Invest	Agree
Top down design approach and limited contextual analysis by IH Global	Partially agree
Selection of participating Impact Hubs	Disagree
Program governance and organization	Agree
Key staff capacity and performance	Agree
Knowledge management and learning	Agree
Monitoring and evaluation	Partially agree

The above-mentioned challenges faced in the delivery of the LatAm Scaling Program ultimately also affected the effectiveness of the program.

Based on the evaluation by ITAD and internal reviews and evaluation, Impact Hub Global has identified the following **four main priorities for inquiry and development:**

1. Selection of funders
2. Collective program governance and organization
3. Capacity of Impact Hubs
4. Further development of Impact Hub's scaling methodology

The challenges highlighted by ITAD's evaluation report are addressed under these 4 priorities in this management response.

1. Selection of funders

Key points from the evaluation:

- The selection of the matching funder, AL-Invest, triggered a restructuring of the Latam SP to be able to meet with their extensive requirements affecting the relevance of the design.
- Different focus of main funders may be considered to be strategically opposed. AF focused on impact and sustainability while AL-Invest (public) focused on volume/reach and accountability.
- The highly-tailored nature of the program did not match with the high quantities of standardised trainings required by AL Invest, nor was it suitable for an accelerated program timeline.

The selection of AL-Invest as a matching funder has also been identified as a key challenge of the LatAm Scaling program by our internal evaluation as well as the several internal reviews of the program and strategic reviews with the Argidius Foundation. The very different focus of AL-Invest combined with slow approval of requested changes in the project and extensive reporting requirements put a strong burden on the program and the capacity of the regional and local Scaling Managers to respond to needs of enterprises and provide more tailored support to HPs.

Steps that have been taken to improve due diligence on funders

We have standardized a proposal development and approval process of all funding proposals which considers a number of criteria including alignment with funder's focus/strategy, requirements and related processes, overall project feasibility and risk assessment. Lessons learned from the LatAm Scaling Program have informed the following aspects of the proposal development and funder selection process:

In case of projects that require match funding, we discuss various match funding scenarios with the first funder to understand how delayed or lower amount of match funding secured would affect our collaboration. This aims to make our decisions about second/third funders better informed. When bringing in a second/third funder to a project, we also make an effort to connect the funders to ensure better alignment between them (like we did for the Africa Seed Program or various programs partially funded by WWF).

Additionally, we require all larger projects (e.g. Socialchallenges.eu, Booking.com Booster, Beyond Divides with the Bosch Foundation) to have at least a 3-month period between the time funding is committed and the project activity starting to ensure sufficient time for project planning, alignment with funder(s) and recruitment and onboarding of staff. This requirement unfortunately was not enforced in case of the LatAm Scaling Program which should be addressed by improved program governance as described below.

The proposal development & approval process is overseen by the management of IH Global and all project proposals with total value above 300,000 Euros are also reviewed by the Partnerships Committee that is a part of our formal governance structure and has developed a number of related [protocols](#).

Proposals submitted on behalf of the IH Association (which has limited resources for managing projects), are subject to additional scrutiny and Board approval. (Global projects are usually managed by IH GmbH but the LatAm Scaling Program had to be managed directly by the IH Association to meet AI-Invest's eligibility criteria.)

The situation with AI-Invest was very unique and we have not worked with any funder in the public sector that would be as restrictive, demanding on reporting, and slow to respond before nor after the LatAm Scaling Program (including other EuropeAid-funded projects). The collaboration with AI-Invest did uncover a number of weaknesses in our process which we have been addressing.

Priorities going forward

While this process has been implemented within the core staff of IH Global, some Partnership Leads in regions are still being onboarded.

Secondly, this process has been relatively easy to apply in relationship-based (1 on 1) fundraising but it is more difficult in case of open calls for proposals which often have very tight timelines for submitting a proposal that may not allow for proper due diligence (which was the case of AI-Invest).

While we have decided not to apply for funding we didn't think was suitable a number of times since this process was put in place, we haven't yet faced a situation that would be similar to AI-Invest. It may happen again that we learn that we aren't able to meet funder requirements or the funder doesn't meet our own internal requirements only after a proposal has been submitted and approved. Declining such a funding opportunity will be the first real "stress test" of this process.

Recently we have also developed a partnership assessment tool that allows the different persons/IHs involved in developing a proposal or approving it before submission/contract signature, to assess various elements of a healthy partner relationship and also align their individual assessments. This tool is yet to be tested on real-life cases and integrated into the above-mentioned process.

Ultimately, we need to make sure that our business model generates sufficient revenue from a healthy variety of resources so that we don't feel pressured to accept funding which may end up not being the right kind of funding for us.

2. Collective program governance and organization

2.1 Top-down design approach by Impact Hub Global and limited local contextual analysis

Key points from the evaluation:

- Design approach for the program was top-down, led by IH GmbH based on the European scaling program, with limited consultation of local Impact Hubs
- Methodology and framework for the scaling approach and some activities and tools were pre-defined without local input.
- Limited contextual analysis to ensure that each local program was adapted to the needs, operational environment, and ecosystem of the delivery city

The program's initial design was intended to provide a common methodology and framework for its scaling approach. Within the 3 axes of knowledge, access, and skills, key program components were pre-defined (e.g. the scaling workshop based on Spring Impact's methodology, diagnostics and development plans, individual mentorship). The high-level framework was designed bottom-up by local Impact Hubs in Europe in collaboration with a variety of external partners for the first iteration of the IH Scaling Program, and was also reviewed with Latam IHS.

Impact Hubs participating in the LatAm Scaling program, however, were not consulted sufficiently in relation to the specific requirements of AL-Invest before the proposal was submitted. These specific requirements inevitably altered the original program design and resulted in a higher focus on volume, workshop style interventions, and reporting and administration. The detailed design process with local IHS also ended up being rushed due to the short timeline required by AL Invest.

During project implementation, and within the overall scaling framework, local Scaling Managers were free to provide/facilitate support based on the needs of the enterprises rather than top-down pre-defined curriculum. Mentors were identified by the Scaling Managers and matched with enterprises based on their needs and additional services could be offered as seen fit by the Scaling Managers. The Scaling Managers were given a lot of flexibility within the high-level framework of the Scaling Program during implementation which is one of the main reasons we don't fully agree with ITAD's evaluation.

The only element of the program that was imposed onto the Scaling Managers by AL-Invest's requirements was that they had to offer a high volume of standardized workshops that in some cases did not meet enterprise needs. That and the extensive reporting requirements affected Scaling Managers' capacity to deliver highly-tailored support which was supposed to be their primary focus. Insufficient support was provided to Scaling Managers to prioritize, structure, and tailor different services.

Steps that have been taken to ensure more collaborative proposal and program design

For many years, we have had a very inclusive process of developing proposals and designing programs bottom-up. Impact Hub Global often leads relationships with funders and also the

development of proposals but Impact Hubs provide input and feedback in every stage of the process. Even in case of calls for proposals with short submission timelines, Impact Hubs are consulted and provide input. The most essential principle behind all of our partnership protocols is that “no Impact Hub entity can commit to an external partner on behalf of another IH entity without prior consent.”

Even if a last-minute design or budget decision needs to be made before submitting a proposal, participating IHs are informed about it and the situation is usually clarified shortly after submission. Each IH can also decide not to participate if the conditions change significantly.

This has been a part of our culture and process for a long time but more recently, we have developed more detailed and formal protocols and processes via the Partnerships Committee and also inside IH Global. The proposal development and approval process has been implemented at IH Global and related network-wide protocols are currently being reviewed by Impact Hubs and the Board.

Priorities going forward

We need to make sure that this process and the new protocols are understood and signed off by each member of staff of IH Global as well as staff of local IHs that are actively raising funds for trans-local programs. Once the protocols are formally approved, each person leading such activities will be required to become familiar with the protocols and get certified.

2.2 Program governance and organization

Key points from the evaluation:

- The program did not have sufficient governance and organisational arrangements.
- Local IHs were excluded from governance arrangements (local Scaling Managers were recruited by IH GmbH and reported to the regional Scaling Manager) which led to lack of ownership.
- Local IHs were expected to support local Scaling Managers but no budget or overhead was allocated for them.

The management structure of the program was as follows:

- Henrique Bussacos as director of the program
- Javier Carvajal, regional Scaling Manager (managed by Henrique Bussacos)
- 5 local Scaling Managers (managed by Javier Carvajal)
- This project team was supported by the Global Partnerships Manager and Finance Director at IH Global but it wasn't set up as a formal governance structure at the time.

The regional and local Scaling Managers were directly contracted by Impact Hub Association due a variety of requirements of AI-Invest that didn't allow local IHs to hire the Scaling Managers. Local Scaling Managers reported both to the regional Scaling Manager and to the

directors of local Impact Hubs. The structure was unusual in that the local Scaling Managers were contracted directly by Impact Hub Association rather than by local Impact Hubs. This was necessary because to qualify for match funding by AL-Invest, the program had to run through the Impact Hub Association and subcontracting was limited to very small amounts. During the program, the regional project team (Henrique and Javier) only liaised in the global team with the Finance Director and Partnerships Manager, but did not have a direct global accountability counterpart such as a global programs manager within Impact GmbH. The program function was only formalized at IH Global in 2018 (after this program's completion) and thus such the LatAm Scaling project team received less support than it needed.

Local Impact Hubs were key partners for the local Scaling Managers and contributed to the program with additional resources, networks and contacts. Overall Impact Hubs invested significant amounts of time and resources into the program and IH GmbH did not experience a lack of ownership from local Impact Hubs which ITAD mentioned in its evaluation. In particular, this can be seen in the number of Impact Hubs that have continued working with the Scaling Managers after the program up until today and have launched another program focused on scaling - Accelerate 2030 in 2019. Many of the participating IHs have built programmatic functions on the back of these roles and are actively engaged in other trans-local program activities. ITAD's statement that there was no dedicated budget for the support directors of local Impact Hubs provided to the Scaling Managers is accurate. It was, however, made clear from the beginning (and accepted by IHs) that running this program was an opportunity for Impact Hubs to advance their positioning in the market but that there would not be financial contribution to the participating IHs for their support of the program in addition to direct costs which were covered by the program's budget. This wasn't documented in the form of an agreement or MoU with Impact Hubs, however, which would have been beneficial given the relatively unusual organizational structure of the program.

Steps that have been taken to improve program management structure and governance

In 2018, we established a Global Programs Team at IH Global. This team has overseen the design and execution of all global or regional programs since then. In 2019, we also hired a Global Programs Measurement Lead to focus on supporting the impact measurement of global and trans-local programs. This structure and capacity was not yet in place when the LatAm Scaling Program began and so there wasn't a proper onboarding process for the project team, nor a clear decision making and escalation process that would have addressed challenges during the program more effectively.

In the current structure (which has slightly evolved since 2018), regional and global programs are managed in the following way:

- A dedicated Project Manager is in charge of the project plan and budget and works with an Account Manager who manages relationships with the funders of each program.
- All Project Managers are onboarded, managed, and supported by the Programs & Partnerships Operations Manager who manages the portfolio of all programs and provides input to the design of new programs and proposals.
- The Programs & Partnerships Operations Manager and all fundraising/sales roles report to the Global Programs & Partnerships Director.
- Program-related decisions that can't be decided within the Programs & Partnerships team are brought to the Executive Director, Management Team, the Partnerships Committee or Finance Committee - depending on the subject and strategic, financial and legal threshold the decision requires.

As mentioned above, decision and approval processes related to proposal development and program delivery, have been developed and implemented.

Priorities going forward

The above-mentioned processes have been implemented for all programs contracted and managed by IH Global but not yet implemented for trans-local programs that could be developed and managed by other entities in the network (e.g. IH Geneva leading the Accelerate 2030 program). A proposed set of protocols is being currently consulted with a number of Impact Hubs in the trans-local programs task force and the Impact Hub Association Board.

We also plan to advance the current process and governance in two ways:

- Establish a forum for Managing Directors of participating Impact Hubs to provide strategic input during the design phase, mid-term evaluation and at the end of larger regional or global programs. This is expected to contribute to better alignment of programs with local priorities and awareness of the impacts trans-local programs have on the participating Impact Hubs more broadly (positive & negative).
- Review our standard contracting procedures with local IHs to also include unusual program organizational set ups such as the one required by AL-Invest.

2.3 Key staff capacity and performance management

Key points from the evaluation:

- Limited program strategic and operational leadership: The regional Scaling Program manager had to devote a lot of his time to monitoring for AL-Invest rather than providing program leadership.
- Local Scaling Managers overstretched to deliver multiple functions and responsibilities. The weight of program delivery fell onto one person per location. The success of the program locally depended heavily on the drive and skills of the local Scaling Managers.

We agree with the points made by the evaluation team on key staff capacity and performance management and have found the same challenges, especially for local scaling managers, in our internal evaluation. The breath of activities and high customization of support combined with the pressure for reporting from AL-Invest put a strain on scaling managers' resources and capacity for support.

Steps that have been taken to improve staff capacity and performance:

The Programs Team established in 2018 has improved the oversight of all programs managed by IH Global. New processes for the design and delivery of all programs have been implemented, improving the onboarding, management and regular quality assurance of all programs. All programs are under the direct oversight of the Global Partnerships & Programs Operations Manager, who is a permanent team member of Impact Hub Global. This allows for closer ongoing relationships with local Program Managers while providing IH Global more direct oversight of the delivery at quality.

These measures increased the support of all program managers involved and improved clarity and transparency for IHS involved in the delivery of programs. In addition, the codification of entrepreneurial support methodologies, development of tools for project management & impact measurement, and the capacity building program and knowledge management system planned for 2020, will further strengthen capacity of local programs staff.

In the new program management process we have further implemented the following measures:

- Onboarding of Project Managers of trans-local programs which includes:
 - Job description with clear role expectations, KPIs and onboarding plan
 - 1:1 onboarding with the Account Manager to explain funder perspectives, needs and expectations
- Onboarding of local Program Managers which includes:
 - Clear contracting with the Impact Hub including expected deliverables, timelines and payment schedules tied to milestones
- Kick-off meetings (in person or virtual) with all participating IHS to ensure proper handover from project proposal to detailed design and delivery plans. Fact sheets, RACI charts, project plans and budgets are shared with each project team member.
- Regular bi-weekly check-ins with local Project Managers to ensure program delivery on time and at quality and provision of timely support and guidance
- Quarterly learning circle of all Project Managers to exchange learnings, challenges and ideate on improvements of program designs, provision of entrepreneurial support, and related processes and systems

Priorities going forward:

Unlike the LatAm Scaling Program, most programs are implemented by local Program Managers which are hired directly by local IHS. IH Global, however, has little oversight over the recruitment process of local Program Managers. The following steps are currently being explored:

- Approval of job descriptions & onboarding plans before the hiring process is initiated by the local IH
- IH Global having a veto right in the hiring process and more influence on addressing underperformance of a local Program Managers
- For local IHS that need additional capacity building support, engaging other IHS participating in the program or in close proximity

Especially in case of younger Impact Hubs, we experience high dependency of IH Global on the local Managing Directors when addressing challenges in program delivery. This dependency creates a bottleneck in ongoing program management and delivery. Younger IHS thus need additional support in implementing sustainable program team structures,

3. Capacity of Impact Hubs

Key point from the evaluation:

- Limited contextual analysis to ensure that the delivery IH was appropriately selected

Impact Hub Bogota, Mexico City, and Sao Paolo were part of the original proposal to the Argidius Foundation. They were chosen because they were some of the most mature Impact Hubs in the region, with existing communities and infrastructure, and track record in program delivery. It was assessed that they would be most fit to field scale-ready ventures.

It can be noted that in the case of IH CDMX (Mexico City), the new Managing Director changed the strategic focus of IH CDMX at the beginning of the program to be less focused on providing entrepreneur support programs.

Impact Hub Monterrey and San Jose were added later due to AL Invest requirements of expanding the program to more locations. They were both located in comparably stable economies. Impact Hub Monterrey opened in 2014. The program helped their IH move out of pure coworking to a programs and direct entrepreneur support business line which also led to several programs targeted at vulnerable populations and many collaborations with the city of Monterrey. The local Scaling Manager was subsequently hired by IH Monterrey as Program Director. Impact Hub San Jose only opened in 2017 but saw the program as an opportunity to establish themselves a first-mover and trusted provider in the market for support for later-stage ventures. The good results from San Jose confirm that this approach has been successful and enabled them by building appropriate knowledge and expertise for supporting entrepreneurs within the founding team.

Overall Impact Hub Global does not view the selection of Impact Hubs as the key issue here but rather how we can effectively strengthen the capacity of Impact Hubs at different stages of development. Selection of executing Impact Hubs is based on an external impact and opportunity assessment, geographical focus of the program, the maturity and expertise of the Impact Hub and its local ecosystem, track record of delivering programs, and collaborative engagement with the network.

Impact Hub Global sees its role as a capacity builder within the network that, next to ensuring program delivery, also needs to support the development and growth of new Impact Hubs or Impact Hubs who are shifting their business model, as was the case here with Impact Hub San Jose and Monterrey. The expectation is that an investment in these Impact Hubs leads not only to a strengthening of local expertise and business model, but also to stronger engagement at the network level. This has been the case with the 2 participating Impact Hubs: Impact Hub Monterrey actively contributes to the trans-local programs taskforce, the codification of methodologies, and is also organizing the first regional gathering for the Americas. The director of Impact Hub San Jose joined the Impact Hub Association Board. The local Scaling Manager was hired as Programs Lead for Impact Hub San Jose, subsequently managed Accelerate2030 in Costa Rica with a leading role in knowledge management and learning for the overall program, and is managing scaling research efforts on behalf of Impact Hub Global.

How to build sustainable program teams locally continues to be a key question and priority for Impact Hub Global. Without sufficient local programs staff, all capacity building efforts go to the managing director or, if applicable, the programs director. This poses a risk both in terms of overloading directors with requests and support as well as loss of knowledge once directors

leave or becoming only strategic leaders. Moreover, programs business lines are oftentimes at pressure which leads to even less capacity available for training, development and long term strategic resourcing. The capacity building support Impact Hub Global is now delivering to Impact Hubs addresses the need for organisational and business model transformation through diagnostics, training, tools and development plans and targets. However, this remains a central open question to our next strategic iteration where we see several related business lines to programs – i.e. accelerate membership, virtual support, consulting etc. – needed to ensure more robust resourcing of the programs activities and staff,

3.1 Knowledge management and learning

Key points from the evaluation:

- Local Scaling Managers were not provided with a program delivery framework and standardised tools and procedures to implement and manage the SP in a consistent way. Tools had to be developed individually, sometimes in collaboration.
- Deficient knowledge management, especially post completion in relation to cleaning, organising and storing SP documentation in a final storage place.

We agree with the key points from the evaluation. The program management team was provided with few standardized resources to deliver the program. While in some cases valuable tools were created collaboratively among local scaling managers, in other areas local scaling managers needed time to first build their own skills.

Steps that have been taken to improve knowledge management and learning:

During the design & implementation phase of the Latam Scaling Program, the IH network still lacked standardized resources and processes. As a result, in 2019 four IHs have led the codification of methodologies and tools for the Start-up and Growth stages of entrepreneurial support around key operational stages.

The best practices have been compiled in a range of formats: frameworks, guidelines, templates and best practices to increase the local program design & delivery capacity while also reducing the workload of developing new tools for each program locally. As a result, we do expect to support IHs in the design phases with these ready-made resources and tools and ensure standards within the network.

Besides the codification of methodologies, the program implementation process for Impact Hub Company was standardized across all teams to ensure smooth processes and high-standard program delivery. This includes clear roles & responsibilities, mapping of all key processes and templates for project budgeting, cash flow planning, project planning, contract development & sign off, program fact sheets and ongoing project management and program archive guidelines to create a repository of all delivered program and related files. These measures are expected to support standardized management of programs and standard operating principles for all programs managed by Impact Hub Company.

Priorities going forward:

In 2020, we are focusing on 3 areas to improve the programs capacity of Impact Hubs: Codification of the ideation & scaling phases for entrepreneurial support, a dedicated Train the Trainers program for 15 IHs and the launch of a prototype knowledge management system.

Codification of Ideation & Scaling Methodologies

In 2019 we have also launched the first How-to-Guide on Scaling ([see here](#)) and initiated another scaling research project in collaboration with IDB. The gained insights will support a wider scaling research effort in collaboration with experts and organizations from the sector to start developing new, alternative scaling strategies that will inform how we support impact-driven innovations, enterprises and other kinds of organizations in scaling.

In the second half year of 2020 we will incorporate findings in the codification efforts of methodologies and tools around scaling and ideation, which will be released to the network through the knowledge management system and a training curriculum in 2021.

Train the Trainers Program

In 2020 min 15 IHs will be trained in running startup and growth programs based on the codified methodologies and tools. The training curriculum will be delivered through virtual training, webinars, 1:1 coaching and in person training formats at regional gatherings. The program will also include wider capacity building support to ensure the readiness to deliver programmatic activities of the participating IHs.

Knowledge Management System

To ensure further transmission of the methodologies within the network, a knowledge management system accessible to all Impact Hubs will be prototyped in 2020.

3.2. Monitoring and evaluation

Key points from the evaluation:

- TOC and M&E tools were not used as monitoring tools (with the awareness that they were only finished 1-2 months before the program ended)
- Monitoring only for output indicators
- Limited internal monitoring and lack of quality assurance

ITAD supported Impact Hub with several M&E tools for the LatAm Scaling program, those being a theory of change, and input and advice on a results measurement framework and a results measurement handbook. The design of those tools happened mostly during program implementation.

The theory of change design process started in November 2017 and was completed early March 2018. The ToC should have been shared with LSMs in an abbreviated version to enhance clarity of outcomes.

The design and feedback process for the results framework took too long for it to be used as a monitoring tool during the program (the program was 1-2 months towards the end when the

framework was finished). A results measurement handbook was shared with ITAD early May 2018 based on the RM Memo that was shared with Impact Hub in April 2018. The RM handbook outlined that 2 result frameworks would be used: the AL Invest results framework for monitoring of activities and outputs during the program, managed by the regional Scaling Manager, and the overall results framework, which used some of the output indicators from the AL Invest RF and otherwise focused on outcomes. Since the overall results framework was completed close to the end of the program, this dual approach was chosen and made most sense at the time.

Extensive monitoring and quality control was done on activities and outputs by the regional Scaling Manager as part of the reporting to AL Invest. The RF with filled in outputs was shared with Alexia Santallusia early March 2019. Outcomes were not yet available at that point. Data for outcome indicators was collected through a) the end of program survey conducted in early 2019 and b) directly with annual KPI data collection from the HPs. Survey data and HP data was shared with the evaluation team in the course of the evaluation. As per the agreement with the Argidius Foundation and per impact measurement best practices, annual follow ups with high potentials are being conducted to collect data on their venture KPIs for 3 years after the program.

Steps that have been taken to improve M&E:

In general, it is certainly recommended for any program to define ToC and RM framework before or as close as possible to the program start for it to be used as effective tools. As part of the TLPS and our strategic focus on programs and programs measurement many steps have been taken since the end of the program to strengthen the measurement of programs:

- Hiring of a dedicated Global Programs Measurement Lead
- Development of an integrated programs management and measurement platform
- Development of a global programs measurement vision and strategy
- Development of tools such as theories of change, indicator libraries, measurement guidance, etc. for Impact Hubs
- Engagement of programs measurement staff from IHS in a MEL working group

The theory of change developed by ITAD as well as the results measurement framework have been used as tools for other programs since then and also have informed the development of standardized and codified outcomes and indicators for scaling programs. They are further being used now as we are conducting deeper research into the effective scaling of entrepreneurs. The process of working with ITAD on the development of the M&E tools has also been valuable for learning and capacity building within the team.

Priorities going forward

Going forward we aim to further strengthen the area through standardized indicators and processes, the use of an integrated programs management and measurement platform for monitoring, learning and research, and capacity building for programs measurement for Impact Hubs.

4. Further development of Impact Hub's scaling methodology

Key points from the evaluation on program effectiveness:

- Selection of predominantly growth ventures instead of scaling ventures, mixed success in identifying the right ventures
- The program was translated into a menu of capacity building activities offered to ventures with the main aim to achieve volume and reach indicators imposed by AL-Invest.
- Due to AL-Invest requirements, the 22 HPs received less intensive support than originally anticipated.
- In locations where participant ventures were spread across the country, engagement of entrepreneurs was limited.
- Most relevant services: mentorship/consulting services, scaling methodologies and the ongoing support of the local Scaling Managers..
- Least relevant services: cohort trainings, peer to peer learning (as many ventures were not in the same location), access to investment related activities

The lessons learned from the LatAm Scaling Program provide further insights for our long-term effort in exploring and prototyping IH's role in supporting impact-driven enterprises in scaling. In 2020, we have started developing a revised set of enterprise support methodologies related to scaling. Some of the questions we are working on are:

- Profile of ventures: In both the European and the Latin America Scaling Program the cohorts did not consist of purely "scale-ready" ventures but included many ventures that were getting ready for scale. This does open questions for us around the need for growth versus scaling interventions for social enterprises and where Impact Hub can add most value.
- Venture needs in getting ready to scale:
 - We have seen that ventures that are getting ready for scale face key barriers in terms of inadequate corporate governance and organizational management, basically getting their organizational processes, staff, and capacity aligned for scaling. While some of the services of the LatAm Scaling program did address these aspects, governance and organizational management emerged as a larger support need for ventures and more services should be offered to support them.
 - Access to finance: Access to finance services were mainly delivered through trainings. The internal evaluation highlighted that it was particularly ventures that were getting ready to scale that looked for access to finance and investment. We have been exploring the role IH can play in facilitating access to finance in a way that is effective and financially sustainable but this hasn't been answered fully yet.
- Venture needs in the process of scaling:

- For ventures that are in fact ready to scale to new locations, support needs to be more tailored, including market entry support, and hands on support at the scaling destination.
- Methodology: Based on the internal and external evaluation we feel that specific components of support are key for effective entrepreneur support. Those being a thorough diagnostic and individual development plan, coaching by a local Scaling Manager or dedicated coach, training on scaling pathways and development of a scaling plan, and tailored mentorship and consulting, Peer learning can further enhance positive benefits from the program and should be strengthened, especially for programs focused on growth-stage ventures.
- There are also wider questions we are planning to start exploring together with a variety of experts in the field:
 - What are our blind spots or neglected opportunities in the conversation about scaling impact?
 - Does the paradigm that informs the role organizations in our sector play in scaling impact need to evolve and if so how?

Further development of our scaling methodology is a key priority for 2020 and informed by explorations with experts in the field, mapping of scaling methodologies used in the network, and additional scaling research.