Case study: custom accelerator program for African fintech startups

SEPT 24 - OCT 19, 2018

MEST Africa in partnership with Société Générale
In September 2018, French multinational bank Société Générale (SocGen) partnered with South African consulting firm SystemicLogic Group to launch a month-long accelerator program designed to prepare promising startups in the informal sector for potential partnership and investment opportunities with the bank. Participating startups were identified via an annual hackathon which called for applications from across the continent.

Mosabi, a Fintech startup, won this year’s SocGen Tam-Tam hackathon competition and became the first startup to complete the program. MEST Africa was brought on board to implement the accelerator and coordinated a series of masterclasses and workshops for Mosabi’s co-founders designed to help the startup refine its business plan and prepare the team for a final business pitch to SocGen’s investors.

This case study documents the accelerator program’s process and design, as well as outcomes and progress toward identified goals.
In June 2018, Société Générale hosted its second annual Tam-Tam Hackathon, a competition designed to identify the most promising startups transforming Africa's informal sector. The hackathon’s objective is to find and support potential partners that could help expand the bank’s presence within the grey sector of African markets.

The Tam-Tam hackathon connects SocGen with companies whose missions are aligned with the problem statements that guide the competition. The prompts attract solutions that specifically address lack of education as well as the financial drain on low-income families on the continent.

Mosabi, a Fintech startup, and Yup Prévoyance, a healthcare startup, were selected as the winners of the 2018 hackathon, providing them the opportunity to undergo a one-month accelerator program in one of their potential African markets. Yup Prévoyance was accelerated in South Africa while Mosabi was accelerated in Nairobi, Kenya.

For the Kenya program, SocGen partnered with SystemicLogic Group, a South African-based consulting group specializing in technology and innovation, to design the curriculum. MEST Africa was brought on board for implementation, leveraging its extensive network of mentors, facilitators and industry experts. The program lasted from September 24 to October 19, 2018.
Spearheading the program was Société Générale, a French multinational bank and one of Europe’s leading financial services groups. The bank - also known as “SocGen” - was founded in 1864 and currently operates in 67 countries with 32 million customers. As it looks to enhance its global presence, SocGen is seeking to tap into African markets through initiatives such as the Tam-Tam hackathon and accelerator program.

SystemicLogic Group, a South African-based consulting group, has almost two decades of experience in the fields of technology and innovation. Its work includes running internal and external pitch competitions, accelerating companies, and enabling corporations to engage in digital transformation in emerging markets. SystemicLogic designed the curriculum of the accelerator program in Kenya, tailored specifically to the needs of Mosabi’s cofounders.

Meltwater Entrepreneurial School of Technology (MEST) is a pan-African training program, seed fund, and incubator for tech entrepreneurs, with HQ in Accra, Ghana and a presence in Nigeria, South Africa, Kenya and Cote d’Ivoire. MEST offers a year-long, intensive educational program for aspiring African entrepreneurs, led by experienced global staff, which culminates in an investor pitch and the opportunity to receive seed funding and enter one of the MEST incubators, where they receive continued support and access to resources. MEST has a strong global network of investors, business executives, experts, and thought leaders who all look to support the success of African startups in the ecosystem. As the implementer of the accelerator program, MEST facilitated masterclasses and working sessions, sourced local subject matter experts, and provided the space and equipment necessary to run the program via its Nairobi incubator.
The acceleration program was facilitated by a multinational team of individuals from SystemicLogic and MEST, who provided both on-the-ground and remote support.

The facilitation team included:

- **Vishal Nayer**
  Management consultant at SystemicLogic

- **Tumi Orenisi**
  Management consultant at SystemicLogic

- **Philippe Greinacher**
  Head of Business Development at MEST

- **Celine Duros**
  Director of Operations + Special Projects at MEST

- **Marisa Lin**
  MEST Intern (Stanford University)

- **Stephanie Gogo**
  MEST Intern (African Leadership Academy)
Mosabi, formerly InvestED, is a Fintech startup that uses mobile education as a means of unlocking financial opportunities for its bottom-of-the-pyramid users. It analyzes user engagement and performance data on its platform, which it uses to provide alternative credit scoring to financial institutions, providing greater access for the unbanked. Founded in 2016, it has launched pilot programs in Sierra Leone and Senegal.

Mosabi Team
Participating Mosabi cofounders:

Kayee Au  
Chief Creative Officer

Chris Czerwonka  
Chief Innovation Officer

Accelerator Program Overview

The SocGen accelerator program featured a mix of masterclasses and working sessions with subject matter experts. Designed for a holistic approach, the program sought to build the capabilities of participants across a variety of entrepreneurial and business topics, from pitching to data collection to brand development. The masterclass sessions provided interactive overviews of topics while working sessions gave participants the chance to implement the content they learned.

The first three weeks of the program from Monday to Friday involved daily masterclasses, followed by a week of working sessions with a final pitch to MEST’s panel of judges on the last day. In total, there were 16 sessions covering 13 topics. Each session ranged from three to five hours long, depending on the needs of the participants. With the exception of the brand development session with Dr. Jeff Chen, all sessions were in-person. Through these sessions, SocGen sought to prepare the participants for their final pitch to the bank’s panel of investors for possible partnership and investment opportunities.
The goals of the course for the participants were as follows:

1. To complete a business model canvas
2. To complete projected financials
3. To demonstrate a clear understanding of the startup ecosystem in Africa and in their target markets
4. To achieve validation of their idea
5. To develop and pitch a final presentation
The schedule of the program was as follows:

**Masterclasses**

1. **September 24:** Introduction and Elevator Pitch *(Aaron Fu)*
2. **September 25:** Business Model Canvas *(Anson Knausenberger)*
3. **September 26-28:** Design Thinking *(Oliver Makonjio)*
4. **October 1:** Business Model Canvas and Value Proposition Canvas *(Dr. Jeff Chen)*
5. **October 2:** Financial Modeling *(Anson Knausenberger)*
6. **October 3:** Brand Development *(Dr. Jeff Chen)*
7. **October 4:** Perfect Pitch *(Mary Joseph)*
8. **October 5:** Data Collection *(Yacob Berhane)*
9. **October 8:** Tech Requirements *(Mike Manuthu)*
10. **October 9:** Management *(Nastia Gutsol)*
11. **October 10:** Building a Perfect Team *(Angie Garcia Forner)*
12. **October 11:** Scaling *(Yacob Berhane)*
13. **October 12:** Corporate Partnerships and Growth Investment Structure *(Yacob Berhane)*

**Working Sessions**

1. **October 15:** Financial Modeling *(Vas Daskalakis)*
2. **October 16:** Business Model Canvas and Financial Modeling *(Anson Knausenberger)*
3. **October 17:** Data Collection *(Yacob Berhane)*
4. **October 18:** Financial Modeling *(Vas Daskalakis)*
5. **October 19:** Final Pitch Presentation
On the last day of the program, the Mosabi team presented their revised business plan to MEST’s panel of judges at iHub Nairobi. The judges panel included Charles Ojei and Vuyisa Qabaka of HYBR Group, Jeff Chen of Gordon Institute of Business Science and Audrey Mothupi, Nirvasha Reddy & Boitumelo Orenisi of SystemicLogic Group. The purpose of this opportunity was to give participants a chance to practice their pitch and receive feedback as they continue to prepare for their final presentation for SocGen.

A Deeper Look into the Sessions

The SocGen acceleration program provided direct access to local subject matter experts on a variety of topics, with content specifically tailored to the needs of the participants. In addition, each session not only offered participants the expertise of speakers, but also the chance to shape the discussion toward the areas they wished to focus on. Finally, after the formal content was presented, participants continued to engage informally with speakers, after the session and in subsequent coffee chats.

One particularly relevant topic identified for Mosabi was financial modeling. Because they currently lack a CFO, the Mosabi team needed to understand the general approach, techniques, and assumptions involved in financial modeling as they created projections for potential partners and investors.
Anson Knausenberger, Managing Director of Sisal Technologies, led them through a crash course on the topic, which they later put into practice in a session led by Vassiliki Daskalakis, an Associate at I-Dev with experience in corporate finance. Of the session, the participants noted that they had gained valuable insight into best practices in financial modeling and how to arrive at reasonable projections given their current stage of growth. “The financial modeling class with Vas was extremely helpful and practical for us. She walked us through every aspect of creating an MVP of revenue and costs build-out so that we can have a better understanding of how to plan for our revenue streams, and estimate market sizing and expenses,” reflected Kayee Au of Mosabi.
Another highlight of the course was the Design Thinking session, led by Oliver Makonjio. A native Kenyan, Oliver has worked at several organizations in a design capacity, previously serving as the Head of Design at Brave Venture Labs and currently working with Cim Finance to expand the reach of Aspira, Cim’s mobile-based product financing offering.

In his three-day masterclass, Oliver provided an overview of the stages of the design thinking process, from ideation to validation. He then led the Mosabi team in the application of the design thinking process to their own product, identifying the most urgent challenges and potential solutions. During the session, the Mosabi team recognized the need to refine their branding. Oliver subsequently led them through a branding exercise in which they analyzed various characteristics as they related to their company, from cutting edge to traditional, friendly to corporate. Through their discussion, the Mosabi team produced a list of qualities that embodied the message they wished to convey.

In their mid-course feedback interviews, the participants rated Oliver’s session as one of the top sessions in the first half of the program. “Oliver’s session was very interactive, and his outline made it easy to follow,” Kayee Au of Mosabi remarked. The continual dialogue and the concrete takeaways - such as the development of a brand personality - were cited as reasons the Mosabi team left the session feeling like they were further on their journey to linking their target users to greater financial opportunity.
From the participants’ feedback, it became clear that in the course overall, they valued the opportunity to directly interact with subject matter experts and the ability to customize the sessions to their particular business situation. As the sole company being accelerated, Mosabi was able to receive content and feedback tailored to the specific challenges they were facing.

For example, in the Perfect Pitch session, led by independent consultant Mary Joseph, who has won several pitch competitions in Europe and Africa, Mosabi was able to perform several practice pitches and receive immediate feedback. In another session with Dr. Jeff Chen, a professor at GIBS Business School, the participants discussed questions specific to Mosabi’s business model spanning areas from customer segmentation to lending partner relationships to the cellular data costs of Mosabi’s mobile application.

Participant feedback indicated it was clear that the speakers had done their research on Mosabi. “What we especially appreciated was that they tailored their content to our company,” said Mosabi cofounder Chris Czerwonka.
The program officially ended with a final pitch presentation on October 19, 2018. Upon completion of the program, the facilitating team gathered feedback from the participants through exit interviews and an online survey. The feedback covered the following areas:

- Subject matter experts and session content
- Program format
- Facilitation and logistics
- Key takeaways

### Subject Matter Experts and Session Content

Each subject matter expert (SME) was rated on the following characteristics:

- Knowledge
- Engagement
- Communication
- Approachability

In the survey, participants rated each SME on all of the four aspects. These individual ratings were averaged to produce an overall score for the SME on a scale of 0 to 10, with 0 being poor and 10 being excellent. The average score for SMEs was 8.0/10.0.

**SME Ratings**

Scale:
0 = Poor
10 = Excellent

SME ratings are the average of engagement, knowledgeability, communication, and approachability scores.

Average score: 8.0
Participants rated session content according to the following aspects:

- Relevance
- Practicality
- Amount of information

Session scores were calculated by averaging individual scores per session. Then the overall average score for sessions was computed, yielding 7.6/10.0. Note that the order of SMEs listed on the chart above does not necessarily correspond with the ordering of sessions in the chart below.

With a few exceptions, SMEs and sessions were rated favorably. What differentiated the highly rated SMEs from the others was their communication abilities, while higher-rated sessions scored particularly high in the practicality of content. Given this feedback, MEST can better select SMEs and tailor sessions to enhance the learning experience for future participants.
Program Format

The SocGen accelerator program involved a mix of masterclasses and working sessions. While participants valued both types of sessions, they expressed the desire for longer masterclasses and more working sessions to practice implementation of the material. Future iterations of the program will explore extended masterclass sessions and an immediate coupling of working sessions with masterclasses to allow for more timely follow-up questions.

Facilitation and Logistics

Participants were positive toward the facilitators’ support and the MEST incubator, saying that they “loved the working space.” They expressed that the communication with the facilitators was sufficient, clear, and prompt. Moreover, they felt that the MEST office was conducive to learning.

Areas that MEST intends to improve on is the provision of equipment and supplies. Because the MEST Nairobi incubator opened only a week before Mosabi entered its doors, the space lacked a projecting screen and certain office supplies. However, MEST was able to provide these items mid-way through the program.

Another challenge was timing. Because SocGen decided to begin the program earlier than originally planned, the facilitation team secured SMEs on relatively short notice. Luckily, MEST’s broad network allowed it to scout highly qualified SMEs who were able to provide highly-rated sessions despite the quick turnaround. “MEST did well with the limited timelines,” commented Chris Czerwonka. “It wasn’t easy…but they did it and they were committed to us. We felt like they really wanted to see us succeed.”
Key Takeaways

In their exit interviews, the participants articulated key takeaways they gleaned from the program. They repeatedly emphasized the knowledge they had gained on best practices across a variety of topics. “Previously in our company,” said Chris, “we were moving too fast to try to do things and we skipped the necessary steps to have a well-running operation. Taking a step back and getting the information on how to do things the right way has been extremely valuable.”

Of the areas that participants improved the most, financial modeling and pitching were among the top skills. Crucial to this learning process was direct interaction with and feedback from the SMEs, facilitators, and other members of the MEST team. “One of our biggest takeaways,” Chris said, “was the valuable feedback cycles. The people we got to know and work with gave us straightforward, candid feedback to give us ideas, refine our thinking and look at things in new ways.”

Kayee Au, the other cofounder, offered a specific area of focus. “[We] need to hone down on organizing our internal team structure,” she wrote in her survey, “as well as implement more measures to understand our customers and gather quality data.”

The concreteness of the participants’ feedback highlights what makes this accelerator special - the practicality and specificity of the program to the needs of the participants. Because of the intimacy of the sessions and the opportunity to work with top experts, the participants were able to dive deep into topic areas and come away with actionable insights to help them achieve a successful partnership with SocGen. “The focused objective,” said Chris, “is what makes this program different.”
Final Thoughts

The SocGen acceleration program wasn’t just a crash course in entrepreneurship. It was a network formed to further the development of Mosabi and the founders behind it. Despite the short period, the Mosabi founders built meaningful relationships with the facilitators, MEST team, and leaders within the entrepreneurial ecosystem. From classroom sessions, to group dinners, and casual outings, they experienced both personal and professional growth while being supported by a community of like-minded changemakers. Equally as important as the knowledge they gained, these relationships will play just as crucial a role in their entrepreneurial journey.

Those who are familiar with MEST will recognize this as a natural outgrowth of our mission. When we invest in companies, we are not only investing in business models - we are dedicating ourselves to the next generation of impact-driven, technologically-focused leaders who will advance the future of the African continent. As he reflected on his time at MEST, Chris offered an observation.

“MEST didn’t merely plan something, put us in a room, and have the SMEs go there,” he said. “They were part of it. That was my favorite thing about the program.”