

# **Best Practices Report**



Project Title: Establishment of Women's Economic Incubator (WEI)

Punjab Commission on the Status of Women, Government of the Punjab

**January 28<sup>th</sup>, 2019** 

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#### **COVER LETTER**

Dear Mr. Usman,

On behalf of the Enclude team and our partners, we are pleased to share the **Best Practices Report** for the **Establishment of Women Economic Incubator (WEI)** with the Punjab Commission on the Status for Women (PCSW), Government of Punjab.

This report serves to outline the learnings from Cohort 1 and how the structure of the program can be improved for the future cohorts.

We encourage you and your team to review the information contained herein to gain a better overview of the lessons learned from the program. As always, we remain available to answer any queries that you may have and look forward to effectively closing out the assignment and are hopeful of your fullest support and confidence.

Regards, Enclude Team



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# 1. Project Overview and Achievements

#### a. Vision for WIN

An initiative of PCSW, the Women's Innovation Network (WIN) seeks to set up a network of premier women centric incubators, across Punjab in line with the aspiring vision of the Punjab Government and a part of Punjab Growth Strategy 2018. The aim of the first incubator was to facilitate and support women entrepreneurs and start-ups and act as a model initiative to be replicated and adopted by other public and private sector entities across Pakistan.

#### b. Goals for WIN:

**Creation of a support system:** The goal was to establish a community with innovation at its core & to engage a vibrant network of people & institutes to create a visionary ecosystem that contributes to the sustainability of our entrepreneurial landscape.

**Entrepreneurship Narrative:** The team believes that women can transform the narrative of entrepreneurship in Pakistan. Thus, we aimed to generate quality employment and entrepreneurship opportunities for them.

## c. Inputs and outputs at the end of program:

The WIN team identified the needs of the startups using a baseline audit and provided corresponding services and program components. The figure below illustrates these needs and the mechanisms used to address them.

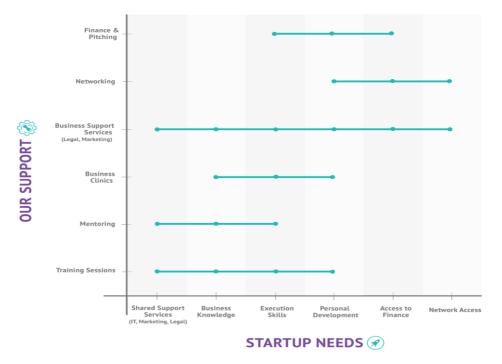


Figure 1 Support Services provided at WIN

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The KPIs that were tracked during the program were along the areas of Legal, Business Planning, Market Research, Product Design, Marketing & Branding, Information Technology, Financials and Team. We did a baseline & end line with internal mid-term reviews throughout the program for progress tracking with the startups. The following figure illustrates the key outputs attained by the end of the program.

CRITERIA	INDICATOR	One Earth Toys	The Madhatters	Robotics Club	Razia Sultana's	Herstellar	Learning Wheel	K2 Lab	Billi	OrgoPest	Fused	Herground	Cassidy's Foods	Total
LEGAL	Company Incorporated	$\checkmark$	$\overline{\mathbf{v}}$	$\sim$	~		$\vee$			$\overline{\mathbf{v}}$		$\checkmark$		8
LEGAL	Tax registration of the company	~	$\checkmark$	~	~		~						~	6
	Vision and Mission defined	<b>~</b>	~	~	$\overline{\mathbf{v}}$	~	~	~	~		~	$\overline{\mathbf{v}}$		12
BUSINESS PLANNING	Business Growth Strategy defined	~	$\vee$	~		~	~	<b>~</b>	~			~	~	9
LAMMING	Organizational Structure defined	~	~	~	~	~		~	~			~		8
	Problem defined	~	~	~	~	<b>V</b>	~	~	~	~	~	~	<b>V</b>	12
MARKET	Market need validated	~	~	~	<b>V</b>	<b>V</b>	~	~	~	~		~	~	11
RESEARCH	Target market defined	~	$\overline{\mathbf{v}}$	~	~	V	~	~	~	~		~	~	12
	Unique selling proposition establish	~	~	~	~		~	~	~	~		~	~	11
PRODUCT	Minimum viable product defined	~	~	~	~	~	~	~	~		~	~	$\checkmark$	12
DESIGN	MVP tested in the market	~	~	~	~	~	~	~	~	~	~	~	~	12
MARKETING &	Brand identity defined	~	$\overline{\mathbf{v}}$	~	~	~	~	~	~	~		~		11
BRANDING	Marketing/branding strategy	~	$\overline{\mathbf{v}}$	~	<b>~</b>		<b>~</b>	~	~	~		$\overline{\mathbf{v}}$		10
INFORMATION	Company website developed	~	~	~		~		~	~	~		$\overline{\mathbf{v}}$	~	9
TECHNOLOGY	*Social media presence	~	~	~	~	~	~	~	~	~	~	~	~	12
	Company financial accounts in plac	~	$\checkmark$	~	~	~	<b>V</b>	~	~				~	9
FINANCIALS	Financial model & projections prep	~	$\overline{\mathbf{v}}$	~	<b>V</b>	~	~	~	~		İ			8
	Funding plan developed	~	<b>~</b>	~	~	~	~							6
TEAM	Team set up	~			~	~					$\overline{\mathbf{v}}$	~		8



 $<sup>{}^*\</sup>mathsf{Startups}$  continue to explore additional social media platforms to fit their needs

**Figure 2 Progress Tracking Sheet** 

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## d. Preliminary outcomes & start-ups' performance

The incubation program was successful overall — of the 15 startups that joined the program, 12 successfully completed the requirements and graduated. Of these 12, 8 have already incorporated, with the majority of them also completing the tax registration process. More importantly, almost half of the startups that graduated were successful in creating, refining and launching their MVPs, along with forming strategic partnerships during the program. Beyond the success of the startups, numerous workshops, clinics and investor pitching events were also conducted.





#### **Legal Registration**

8 out of 12 startups went through the process of getting legally registered; The Learning Wheel Enterprise, Razia Sultana's, The Mad Hatters, One Earth Toys, Cassidy's Foods, OrgoPest, The Robotics Club, Herstellar. Two of the startups were not willing to register legally owing to challenges around awareness of the importance of legal registration or lack of control in decision making.

#### **Business Planning**

The selected startups exhibited gaps in their business knowledge execution at the beginning of the program and did not adhere to sound financial and accounting practices. Although these businesses were based on robust and unique ideas, they required frequent support for the refinement of their vision. It is expected that as these startups refine their ideas and start scaling up, they will require



more well-rounded teams and in-house expertise that they may be currently lacking. Significant improvement in the overall business planning and strategies of the startups by the end of the program was also observed as illustrated by the end line survey results.

#### **Team Formation**

Some founders hired interns during the incubation period such as Herstellar, Razia Sultana's, The Learning Wheel. Most founders faced immense difficulty hiring or recruiting the right team members. This was due to limited networks, limited finances, problems in finding like-minded people and general inexperience on part of the startups.

#### **Market Research & Targeting**

At the beginning of the program, the startups had not conducted any formal research and had based their projections and business outlook on informal sources of information. All of them, during the early stages of their programme were confident of having a well-defined 'need-based' target segment — which proved to be inaccurate. Through iterative definition, our team worked closely with these startups to improve their understanding of their product and their market leading to all startups having informal validation, 11% having accomplished formal validation and 100% having their target market defined through market research.

#### **Marketing & Branding:**

A total of 8 brand identities were developed and improved because of the WIN team's guidance on market insights and support. Razia Sultana's went through the process of rebranding where they changed their logo and product packaging, One Earth Toys developed their brochures and product packaging, Learning wheel developed their logo and product packaging, Fused developed their logo and online presence, K2 Lab created their logo, Herstellar developed their logo and marketing material, Robotics Club improved their online marketing. They all also developed their brand values and personality through the team's support.

#### **Use of Information Technology:**

The businesses did have rudimentary online presence for 'branding' purpose but apart from a few exceptions, most businesses were not using it beyond basic 'presence'. Through various targeted sessions and ongoing mentoring, we enabled these startups to not only build a strong online presence but also to monetize this presence through customer acquisition and retention using platforms like Facebook and Instagram. The best examples of these include The Robotics Club Pakistan, Razia Sultana's beauty products and One Earth Toys.

#### **Social Media Marketing**

A few startups were really active on social media platforms e.g. The Robotics Club, The Mad Hatters and had an idea of social media marketing methods. Despite there being numerous opportunities to learn social media marketing, a number of the startups were unable to work on this in line with the expectations of the team.



# 2. Learnings for WIN Pilot

### a. Physical location & setup

The physical incubation facility was planned to serve the specific function as a conducive environment to the start-ups and it was indicated at the outset that expecting start-ups to be spending majority of their time in the physical space is counter-productive. Therefore a blended approach was employed that focused on in-person training and support delivery supplemented by a "going digital" approach - leveraging a virtual platform as a knowledge and tool repository, virtual pitch sessions, incubation support etc. This provided an option for start-ups to use a digital platform that was location independent and thereby addressed the mobility issues faced by women entrepreneurs and simultaneously explored the opportunity for PCSW to cost-effectively scale its outreach by partnering with Universities and leveraging idle physical infrastructure across Punjab.

There were various advantages of hosting at a university premises. For one it was a safe and secure place for carrying out incubation activities allowing for a sense of security for women entrepreneurs to work. We were able to receive high potential ideas startup ideas from students from graduate and Ph.D. backgrounds from within the university. However, the applicant pool from the university wasn't as diverse owing to institutional preferences and a varying level interest from various departments.

There was also potential access to a specialized trainer and expert pool given the university's diverse faculty. This wasn't utilized as efficiently, however, and if future iterations of the program are to continue with a university partner, these linkages need to formed and finalized at the design stage. Herein, we need to clearly define and differentiate between trainers, mentors and advisors. A university may have a lot of trainers but mentors and advisors typically have a different profile and with experience in setting up and running businesses.

Whereas the physical incubation space turned out to be a welcome addition to the GCU facility, a few learnings were noted during the course of the program and are outlined below:

**Hosting at a university**: The major drawback of the incubator being at a university like GCU, was its location. It is near the courts and government offices, which turned out to be extremely challenging, as there were continuous political protests and religious processions in the country. Owing to this we had to delay numerous training activities several times. Moreover, the entry of guests and other stakeholders at the university premises was also difficult due to tight security at GC University. These factors affected the number of participants at open events we had arranged at the university. In addition, media entry was severely restricted and difficult at the university, which directly impacted the marketing of the incubator.

**Childcare space:** It was clear at the end of the pilot that each space must have a dedicated childcare unit with an expert to support the women entrepreneurs with their childcare responsibilities. The



entrepreneurs had the option of leaving their children at the provided childcare facility but this option was never availed during the program due to the perceived distance from the incubator.

**Recreation and physical health**: Whereas the pilot space had a recreation room with table tennis, board games, and darts to keep the entrepreneurs engaged, we realized this space ought to be utilized and designed better. The equipment present in the current recreation room did not meet safety standards and the table-tennis table fell thrice during the program – once in the presence of children. In addition, given the lack of a dedicated childcare space, children occupying the recreation room was a norm, leading to mishandling and breakage of equipment such as racquets and darts.

**Tech equipment and facilities**: As part of the facilities, we had 11 laptops for the entrepreneurs to use, which were available in the main incubation room at all times during the beginning of the program. With the exception of a few startups, we found that most entrepreneurs brought their own equipment. The space also didn't have a dedicated server, making internet speed and bandwidth a significant problem at the onset. Eventually, a static IP was assigned to the space, which often led to web pages freezing and robot-checks.

**Accessibility:** The space itself was not designed to be inclusive and did not have disability access – something members of this class felt extremely uncomfortable with and brought up at the inception of the program.

#### b. Team structure

The incubation team comprised of the following resources:

- 1. Incubation Manager
- 2. Business Specialist
- 3. Marketing Manager
- 4. Finance Manager
- 5. IT Manager
- 6. Office Admin Assistant
- 7. Legal Adviser

The team was hired keeping in mind the programme design and during the course of the program, a number of insights around potential alterations were gathered.

It was observed that the governance and lose organizational structure led to unaligned incentives for the incubation management, whereby they had no quantifiable gains from the success of the startups incubated. In this vein, the Ministry of IT sponsored NICs can be used as a benchmark in which incubation management is given a success fee for fund raising and also allowed to take equity in incubated start-ups to align interest for improving incubation success rate. In addition, the administration positions didn't fit the requirement of the incubator.



Given that a digital first and a blended approach leveraging a virtual platform was proposed, the head count can be reduced to only three person team that will include the incubation manager, community manager and an associate. The incubation managers can be based in the universities while community manager can operate from the WIN space whose sole purpose is to communicate and coordinate between the start-up, the university based WIN team, internal and external mentors and the larger start-up community. They can perform their functions leveraging the virtual platform such as IdeaGist. It is however PCSW's decision to find a platform that meets their requirement and can be deployed within their allocated budgets. Furthermore, a full time office attendant / associate ought to be present at the incubator.

The start-ups need a range of service providers that can be vetted by WIN and added to the service provider section of the virtual platform and letting the start-ups directly interact with them. An additional user feedback and ratings tool can guide start-ups while selecting service providers.

Most of the legal documents and templates required by the start-ups should be made available on the virtual platform, thereby further reducing the cost of legal support. A more personalised legal and transaction advisory support can be introduced later in the program. Given the time availability of quality mentors, an online mentorship program would be extremely useful, however the initial mentorship session needs to be a face to face interaction to build the relationship between mentor & mentee. Subsequent sessions can be facilitated by the community admin in the virtual environment. Mentors by definition are those who want to provide support to start-ups without a financial incentive while advisors expect some financial reward. Mentors role can evolve into that of an advisor and that should be part of the mentor agreement so there is an incentive structure built in. Specialized trainers could be paid to be a part of the program for effective training. During this journey, women entrepreneurs faced many challenges personally and professionally hence a psychological counsellor on retainer would also have been an immense help. Lastly, a more dedicated support network ought to have been established with players in the public sector given that this was a government backed initiative. Online trainings and sustained engagement with other stakeholders on a virtual platform is the preferred way forward to keep costs down while scaling up the WIN program in an inclusive and sustainable manner.

# c. Program Design

The program was designed for <u>early stage companies without a sector focus</u>, with multiple support components built into it. The first key activity entailed running a baseline needs-assessment audit to understand the stage and needs of the startups. Once the audit results came in, the team executed multiple support components comprising of the following:

- 1) expert lead <u>trainings & coaching</u> on thematic areas such as business planning, financial modelling, market research/segmentation, branding, legal registration, taxation & product design;
- **2)** a <u>women-centric soft skills</u> and personal development component this comprised sisterhood sessions, fireside chats and one-on-one sessions with the WIN team;



- 3) tailored internal and external mentorship sessions for each startup;
- **4)** <u>business support services</u> through specialized clinics and one-on-one services such as prototyping, IT and financial modelling; and
- **5)** a final component focused on <u>pitching</u>, <u>networking and investment readiness</u>. This entailed Shark Tank pitching sessions, financial modelling using pre-made templates, and access to potential partners and investors.

These support components were based on the following essential startup needs:

- 1) Shared Support Services (IT, Marketing, Legal) this is support that is relevant to all startups and is shared on a time share basis between each to minimize costs and expenses
- **2) Business Knowledge** this involves gathering insights about the market, building the capacity of the team to survive and then be able to scale, and building a repository of intellectual property and processes
- **3)** Execution Skills this is the effective use of the acquired business knowledge to then strategize and execute on a plan. It again involves building team capacity into effectively executing different tasks and providing relevant services to customers
- **4) Personal Development** this entails building each individual's capacity to juggle execution across multiple domains, from finance to legal, business development to networking, being confident enough to positively represent the company and their competencies
- **5)** Access to Finance this involves learning the different funding opportunities at the entrepreneurs disposal, and how to effectively apply for these resources, including but not limited to grants, loans and venture capital
- **6) Network Access** this involves learning to tap into existing networks for business partnerships, acquiring customers, mentorship, fundraising, finding shared support services and domain relevant working groups

In parallel to the support framework outlined above, we also introduced the IdeaGist platform as part of the program whereby startups had access to an online MIS system and platform with templates and readings on each stage of developing a startup.

IdeaGist is a collaboration platform for people with ideas and those who are interested in new ideas. It is a place for people, communities, and companies to work together towards a better future. The platform offers a range of features around idea generation, problem-solving, and idea incubation. A vibrant entrepreneurial ecosystem offers opportunities to community members and helps providers and consumers connect with each other.

IdeaGist also offered a novel way to document and monitor the progress of incubatees throughout the program. Each step in the incubation process offered certain learning outcomes or deliverables and the participants must meet the learning outcome or complete the deliverable before marking the step complete and moving on to the next step. WIN Management team, with their admin access, could monitor the progress of each start-up.



The terms of reference of the WIN assignment only required us to use IdeaGist platform as an MIS and due to lack of digital literacy of the participants and the short duration of the assignments, we could not benefit completely from all the tools, services and functionalities available on the IdeaGist platform. However given the ambitions of PCSW for scaling up WIN it is highly recommended to use a "go digital first" strategy and a blended approach going forward by leveraging some virtual platform.

**Sector specificity and depth:** It was recognized that having a sector-focused approach to business incubation might have allowed the incubator management to design a tailored curriculum more in line with the specialized needs of startups in that particular sector. The mentor pool would also consist of industry/sector specialists who would have delivered targeted sessions for the benefit of all the attendees. In the same vein, a sector-focus would have helped focusing the industry-linkage efforts towards a targeted audience, improving the probability of success.

**Prototyping facilities, materials and maker labs:** It was observed that limited access to materials, equipment and specialized labs impacted the pace at which the startups were able to develop their prototypes. In fact a 2 out of 15 startups were unable to finish prototyping their products given these access issues.

**Women-centric programming:** The Global Entrepreneurship Monitor (GEM)<sup>1</sup> shows that women have less confidence than the men to run their own business they have a high fear of failure. Given these findings, the women-centric specifically aimed at addressing gender specific issues such as a lack of self-confidence, weak negotiation skills and fear of failure.

It was observed that the women-centric programming component worked well in the pilot phase with positive feedback from the participants flowing in around the sisterhood sessions and fireside chats.

**Startup Pitching:** With the support of team, training sessions, Shark Tank sessions and external experts, most of the WIN startups were able to hone and effectively refine their pitches and presentation. A few of them like One Earth Toys included interactive components in their pitches that garnered praise from external judges and experts.

**Investor Readiness**: Whereas investor readiness was designed to be part of the pilot phase at the offset, it was observed that three months was too short a time to take an idea to the prototype stage and then on to investor readiness. Nonetheless, the WIN team was able to introduce the key concepts and milestones around investment readiness to the startups.

**Financial Literacy**: Financial literacy proved to be a weak area for most startups. Despite multiple trainings on the topic, the majority of the startups required significant hand-holding to create financial models and carry out product valuation, costing and budgeting. It was also observed that financial record keeping and modelling were the lowest priority areas for most startups as they were either too early stage to be focusing on this part of their business or lacked confidence in their ability to crunch numbers and value their products and services effectively.

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<sup>1</sup> Link



**Access To Finance**: A number of startups wanted access to finance opportunities and were also provided with these, however, as described in the segments above, investment readiness and financial literacy stood as impediments to the attainment of the desired finances for most startups.

# d. Start-ups' Selection

PCSW envisioned the incubator being set up under this initiative to be both aspirational and inclusive - therefore it was imperative that the selection criteria being used to shortlist the incubatees allowed for a diversity of ideas while ensuring access to women from diverse backgrounds. Therefore, using the evaluation criteria below, the WIN team sent out an online call-for-applications using Google forms.

Criteria	Qualifier						
Representation	A cofounder or leadership level employee						
Revenue restriction	None						
Financial viability	High market relevance + potential to earn profit in the medium term						
Future Employment	Mandatory						
generation potential	ivialidatol y						
Business Ownership	Business must be woman co-owned and co-lead. Strong female						
business Ownership	participation at the leadership/decision-making level is mandatory						
Business Sector	Any						
Uniqueness	Innovative, knowledge driven. "Non-traditional" for women, preferred						
	Punjab (business should be registered 'in Punjab'. If the co-founders are						
Geographical focus	not from Lahore, they must be able to fund their stay in Lahore and						
	ensure program completion						

This call was shared and distributed through print and social media, word-of-mouth campaigns and info-sessions at universities in Lahore (GCU, UCP, UET, and NCA amongst others).

The team received <u>60 responses</u> to this call for applications, out of which <u>37 were shortlisted</u> and interviewed. The interviews were conducted by a selection committee including the following:

- Punjab Commission on the Status of Women
- Enclude
- Women Innovation Network Management Team
- External experts

Out of the 37 interviewed startups, the WIN team <u>selected 19 startups</u> for the orientation, keeping in mind potential dropouts owing to extenuating circumstances based on the WIN team's past experience. Out of the 19 final candidates, 17 registered for and attended the orientation, out of which two dropped out in the subsequent month rendering the first cohort for WIN to be 15 startups. The distribution of the startups was intentionally selected to be non-traditional and inclusive, i.e. open to startup ideas that don't generally make it to women-centric training programs



as well as open to all class segments of the female population in Lahore and adjoining areas. This was a decision jointly made between the partners and the PCSW team.

The following set of learnings were gleaned from this process:

**Duration:** The WIN pilot incubator's startup selection was carried out in a total of 4 weeks, with social media outreach, online form applications, newspaper adverts and interviewing all happening simultaneously on a rolling basis. As anticipated and flagged to PCSW, this turned out to be too short. The team noted that there wasn't enough time to reach out to a bigger audience, which might have led to a more diverse pool of applicants in terms of stage of startups.

**Part-time v. full-time founding teams:** Most of the founders we ended up selecting from this limited pool were not working full time on their startups, which affected their performance, progress, attendance and motivation throughout the course of the program.

**Student-led businesses:** Some of the entrepreneurs we ended up selecting were students (Fused, OrgoPest, and Biji) and had a very hard time balancing their startup work and studies. This ought to be factored in the future - perhaps by having a separate set of trainings for student-led startups or consider running a startup boot camp for all entrepreneurs at the beginning of the program followed by specialized clinics on a needs basis for the rest of the incubation cycle.

**Research-based startups:** The ideas we received from GCU were all research based and brought forward by Ph.D. or graduate students. Despite having domain expertise in terms of prototyping and the extremely impactful models they proposed, these startups didn't fare as well as the others as their teams didn't have members with diversified skill sets.

**Commitment**: The WIN team also observed varying levels of commitment from the founders, which lead to varying levels of accomplishment in terms of attendance to training sessions, meeting deadlines and deliverables.

**Control:** It was also noted that some of the startups were not open or able to make any changes to their existing business practices and adopt new models. An example of this is Cassidy's Foods, who were reluctant to bring in product innovation and alter their marketing strategy, given that the control of the business was largely in the hands of the female entrepreneur's father. The clear learning from this is that the standing of the entrepreneur in the business matters a lot along with the business idea.

# e. Scale-up Model through partnerships

Scaling up & partnerships: As is evidenced by global best practices, scaling up startups takes quite a lot of time and dedicated support – something the WIN program was not built for in its pilot stage. 10 out of the 15 startups selected for WIN's program were at or around the idea stage (prototypes and business models needed to be developed, target markets needed to be refined and financials needed to be understood amongst other things). Whereas we had access to corporate and government partners, who were ready to support the startups in scaling up, given the early stage of



the enterprises and the short duration of the program, long-term partnerships could not be established.

**Corporate engagement:** Corporates ought to have been engaged during the program design phase to build robust networks and partnerships. Corporates like Engro and P&G, which were engaged during the tail end of the program, could've been engaged from the offset if there were a sector focus to the program. Trainers and mentors for topics such as operational management could also have been engaged from MNCs and other high-end corporates through strategic partnerships, which could have been built earlier if the pilot phase duration was longer.

It was observed that public-private partnerships model need to be built into the blueprint of the program, with corporate engagement guaranteed at the offset to ensure potential value and supply chain integration with the products and services coming out of the incubator. Herein, the government sponsored nature of the program ought to ease regulatory barriers and ensure ease of doing business and potentially even connect the startups to public procurement channels in the longer term.

The virtual platform can be instrumental in building these partnerships on a more sustained basis then organizing limited physical meet-ups. While physical events and meet-ups shall still be planned the digital connectivity will allow stakeholders to remain connected and continue to collaborate during the life cycle of the start-up enterprises.

# f. Policy shortfalls and regulatory barriers

**Government sponsored incubation program:** The Punjab government sponsored the program, which lead to great visibility and marketing of the program e.g. media campaign, stalls, events, and visit by Minister of Women Development Department Punjab. The PCSW has a huge network and various programs, which can be engaged more actively with the incubator if given more time and access to information.

Inter-departmental awareness & coordination: It was observed that interdepartmental coordination in the government was weak e.g. Punjab Board of Investment and Trade and PCSW's WIN didn't know of each until well into the program despite overlapping agendas. A lack of awareness around WIN and its objectives was observed in other government institutions beyond the gender, women's rights and human rights ministries and departments. With more time and showcasing events, this gap can easily be addressed.

**Intellectual property regimes and inaccessibility for women:** Intellectual property rights regimes were a challenge for women entrepreneurs owing to lack of awareness around the processes of availing these rights as well as their weak enforcement in the country. A few women entrepreneurs, particularly the GCU research-based startups, had pre-existing patents for the ideas but their names were not in the paperwork, thus rendering them with zero ownership of the IP.



# g. Personal Struggles of Women Entrepreneurs

**Personal challenges & mobility**: A third of the selected cohort were mothers with young children, and had a tough time balancing their startup's needs with those of their children and families - some of them had to miss certain sessions as they had to drop/pick their children from schools. Another third of the entrepreneurs were students and had trouble managing exam schedules with the trainings towards the later part of the incubation program. Two of the entrepreneurs were pregnant and had to drop out towards the last month of the program due to health reasons. Furthermore, inaccessibility of the venue during protests and politically charged events exacerbated the attendance issue.

## 3. Best practices and Key Takeaways for PCSW

Based on the learnings from the WIN pilot and global best practices observed in women-centric incubation efforts based in the MENA region<sup>2</sup>, Mongolia<sup>3</sup> and North Carolina<sup>4</sup>, we strongly recommend the following pivots in future iterations of the WIN program:

## a. Physical Space:

**Childcare:** Each space must have a dedicated childcare unit with an expert/caretaker to support the women entrepreneurs with their childcare responsibilities.

**Recreation:** We recommend that exercise equipment be added to the space, and incorporating a group physical health component such as yoga to the program to promote cohort cohesion.

**Surveillance & security**: In the future, surveillance cameras ought to be considered necessary if the facility is to be made outside the university or elsewhere.

**Internet & connectivity:** In future spaces, we recommend a dedicated high-speed internet connection and phone line for the space.

Accessibility and special needs: Future iterations of the program need to have accessibility and special/diverse user-experience needs incorporated at the very onset.

# b. Management Team composition:

In the blended model put forth, PCSW can reduce its head count and working capital requirement significantly. In addition most of the specialized incubation staff can work remotely and get paid

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<sup>&</sup>lt;sup>2</sup> http://www.oecd.org/mena/competitiveness/BDS.pdf

<sup>&</sup>lt;sup>3</sup> https://asiafoundation.org/wp-content/uploads/2016/07/MG-Womens-Business-Center-and-Incubator-Project.pdf

<sup>&</sup>lt;sup>4</sup> https://dukespace.lib.duke.edu/dspace/bitstream/handle/10161/10065/Female-focused%20business%20incubation.pdf;sequence=1



against their billed time reducing the operational funding requirements. In addition, the following recommendations are important in the team structure context.

**Administrative roles**: It is recommended that the administrative roles be divided into two categories: 1) a startup/community coordinator, who works closely with the founding teams, the WIN management team and WIN's extended network of partners; and 2) a full time office attendant who would be present at the incubator at all times and be responsible for the upkeep of the physical space.

**Dedicated product designer:** The startups demonstrated a need for product designer at the prototyping stage – a role that should be introduced for future iterations of the program.

**Redundancy:** The finance and the business specialist could be the same person employed full time. The IT manager could have been employed part time unless there are more ICT focused startups. Marketing manager could also be combined with the community manager role and a visual/graphic designer could be hired full time as for early stage startups it is difficult to outsource design.

**Legal retainer:** should be introduced at the beginning of the program to guide the startup's thought processes during idea stage and reintroduced later on at the time when the startups are ready for company registration.

**Psychological counselor:** During this journey, a number of women entrepreneurs faced challenges personally and professionally signaling the need for a mental health counselor to be added to the team on retainer in future iterations of the program.

# c. Startup selection:

**Longer application cycle:** We recommend at least a one-month duration for founders and potential startups to be able to submit their ideas.

**Outreach activities:** We recommend refraining from advertising in print media (only 3 out of over 60 applicants highlighted print media as their source of information about WIN) for future iterations and encourage more investment in social media and in-person visits to universities with guest speaker sessions for faculty and students around WIN. We also recommend an open day at the incubator before the startup applications go live.

**Referral system:** We recommend incorporating a referral system whereby graduated WIN startups can pass on quality candidates to the WIN team directly to ensure a higher quality & relevant match of applicants.

**Full-time founder(s):** It is recommended that in the future, all selected teams must have at least one full-time founder.



**Control:** The extent of control the incubatee has in the business ought to be assessed and factored in at the beginning of the program. If she is unable to make key decisions to alter the business during the incubation program, her participation must be reconsidered.

**Commitment:** The level of commitment of the team being incubated must be gauged accurately at the time of selection to ensure dedication to the program, regularity in attendance and meeting deadlines.

# d. Types of startups and their needs

**Student entrepreneurs:** We recommend having a separate set of trainings for student-led startups, which may ensure better attendance without disrupting the rest of the startups and sessions.

**First-time founders:** We recommend a startup boot camp for all first-time entrepreneurs at the beginning of the program followed by specialized clinics on a needs basis for the rest of the incubation cycle. This could be carried out using IdeaGist and its Virtual Bridge whereby entrepreneurs can get help in developing a team or getting access to service providers.

**Research-commercialization startups:** We recommend team-pairing activities for research-commercialization startups. This may ensure domain expertise on part of the research-intensive founders is met with business-intensive skills of the paired co-founders.

# e. Training and program design:

Whereas the program bore mostly positive outcomes, the WIN team recognizes a number of small pivots that would enhance the quality of the program in the future.

**Increased emphasis on Program design activities:** There needs to be ample time for pre-incubation activities like program design, curriculum tweaking, marketing and outreach, scouting of startups through partner networks.

**Longer Duration of Program:** The duration of the program should be between 6 months to a year (this would ensure time for startups to finalize and test their MVPs, enter into the market, be investor ready, etc.).

**Prototyping facilities, materials and maker labs:** For a long-term program that is focused on product-based startups, a design and prototyping lab would be an ideal addition, when partnered with the correct human resources such as prototyping experts. In addition, partnership with specialized Labs would be a must for STEM startups.

**Mentor/trainer incentives**: Dedicated mentors and trainers are incentivized locally and the world over through different models - either through payment or equity or a role in the startup's advisory board. Specialized trainers could be paid to be a part of the program for effective training.



**Legal training:** We recommend that legal clinics be carried out more frequently in the future with a focus on the importance of compliance, ethics and intellectual property rights.

**Impact measurement:** impact measurement was not part of the curriculum and could prove to be of immense benefit to the startups. We recommend adding modules on it in future iterations.

**Team building:** We further recommend that future iterations of the program need to have a greater focus on team building and hiring for the startups. Access to portals such as 'Job Asaan' can help founders find like-minded team members.

Alternative networking: Alternative socializing such as mingling with startups at other incubators might also prove to be a good networking opportunity. The incubator can host sessions for engaging startups from different incubators and building networks among them. Cohort building programming & field visits to relevant industry & public sector stakeholders ought to be part of future iterations. It is also advised that there be formal partnership with other Government of Punjab initiatives (PITB, PCSIR, other GOP universities etc.) that have the facilities and labs that can be integrated with WIN. For this integration to be a sustained engagement it would make sense to create a virtual WIN community, which would allow stakeholders from all relevant departments to interact on a regular basis.

**Alumni support:** Alumni support needs to be built into the program over time. This may entail an online hub, get-togethers, shared event calendar, access to grant and financing opportunities. Alumni support can be present on social media whereby entrepreneurs are able to share asks and achievements.

**Mobility & attendance**: It is advised that for future iterations of the program a rewards structure be introduced to ensure attendance alongside a strategic partnership with Careem or other transport sector giants. This ought to ease the burden on startup founders and reduce barriers to mobility for the women startups. Alternatively startups can be given pre-paid kilometer bundles on ride sharing.

**Mental health**: a mental and spiritual health component with sessions on meditation could also be introduced and dovetailed onto training sessions. A recommended program for this segment is Tara Mohr's "Playing Big" training. We also recommend having a trained counselor on retainer to run the Sisterhood sessions along with the WIN team and also allocate one-on-one counselling hours with the entrepreneurs. This mental health component could work extremely well with the physical fitness yoga and meditation sessions.

# f. PCSW's Role & Policy Shifts:

**PCSW's role:** PCSW's role ought to be more connected and deliberate by design for future iterations of the program. From connecting startups with initiatives such as Job Asaan and Women Leaders, to encouraging public sector departments to procuring services and products from WIN startups.



**Potential policy shifts:** The WIN team recommends the commission of a working group that works with WIN's founders around creating favorable policy framework for women entrepreneurs in Pakistan.

The efforts in this regard should focus on issues including but not restricted to gender responsive procurement including greater and easier public procurement from women-owned businesses through amendment to PPRA rules, a push for better ease of doing business regimes, lobbying for tax exemptions for the first three years of a women-led startup and ease of reporting and audit requirements in the case of SECP registration. The efforts led by PCSW could take the form of a consultative and integrated approach towards developing domestic law regimes that provide coverage with respect to business related human rights abuses; enabling community initiatives and advocacy that define the national narrative around labor force participation, productivity and entrepreneurship; active outreach and engagement of women for education and training typically considered to be 'non-traditional' for women and subsequent support for adequate placements and counteracting social constructs & expectations (e.g. child rearing being a mothers responsibility) through appropriate laws and engagement of society especially men such as the role of mandatory paternity leave.

Policy should also think about the digital connectivity of the eco-system stakeholders and connectivity with corporate sector and investors to address access to finance gaps.

### g. Access to finance:

**Prototyping seed fund:** We strongly recommend the addition of a prototyping seed fund to the program in the future with blended finance options (grants/loans/equity investments etc.) up to PKR 1 million for the startups.

**Financial literacy:** It is recommended that financial literacy be assessed in depth at the selection stage and catered for through deep, one-on-one engagement throughout the course of the incubation to enunciate the importance of this component to startup founders.

**Investor Readiness**: by extending the length of the program to a year, a 3 month, targeted investment readiness and fundraising component can be added to the program. This may result in serious breakthroughs around access to finance and potentially scaling up of the best ideas.

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# **End of Document**