

PROJECT STATUS REPORT (PSR)

07/01/2022 - 12/31/2022 - PSR-09528

PROJECT SUMMARY

Operation number

JA-T1200

Suboperation number

ATN/ME-19032-JA

Project Name

RevUp Caribbean Incubator

Team Leader

Vashtie Dookiesingh

Executing Agency

Revup Caribbean Incubator

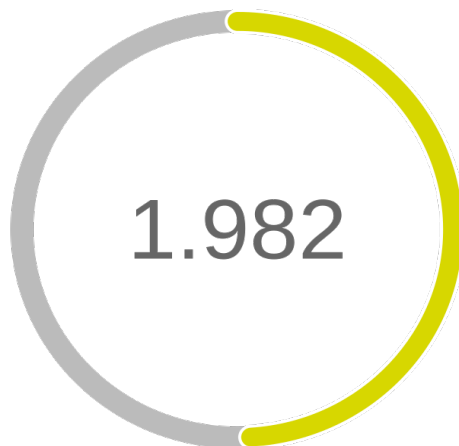
Purpose



Project cycle



PSR SCORE



- 0 - 1 Red Flag
- 1 - 2 Yellow Flag
- 2 - 4 Green Flag

LEARNINGS

1. Risk and Lessons

1.1. Risk

1.1.1. What do you think is the biggest risk that threatens the achievement of the project objectives?

The biggest risk is the lack of achievement of the numbers projected for the first year of operations (Cohorts 1 & 2). The results matrix indicated a target of 150 Founders enrolled and 134 Founders completing the Programme in the first year. Actually, only 54 Founders (28 in Cohort 1 and 26 in Cohort 2) were enrolled for both the Startup and ScaleUP (NCB) Programmes. Although marketing for Cohort 3 has started, the number of applications is well below expectations.

1.2. Greatest Achievement or Failure

1.2.1. What has been the greatest achievement or failure in the last semester that affected the implementation of the project?

As indicated in 1.1.1, the greatest failure was the low numbers of Founders enrolled in the Programme vis-a-vis the projected numbers. There were a number of achievements, namely: 1. Pitch to Angel Investors RevUP partnered with FirstAngelsJA to host a hybrid pitch event (in person and on Zoom) on November 8, 2022 at the home of Sandra Glasgow. Eleven (11) Angels heard a pitch from Reynold James, Co-Founder and CEO of Lupine Technologies Limited who was a participant in Cohort 1 of RevUP. 2. Weekend Retreat with McKinsey & Company A critical and final event in the 5-month incubation programme is the weekend retreat, facilitated by the global consulting powerhouse, McKinsey & Company's Fuel Practice. Our original plan had been for this retreat to be wholly virtual, but we have recognised the tremendous value of having an in-person event at the end of the programme, to allow Founders to connect with each other and hear and interact with presenters and panellists. We successfully staged a hybrid retreat at the end of Cohort 1 on April 29 - May 1, 2022 and the overwhelming feedback was that we should continue to host the retreat as an in-person/hybrid event. As the retreat was not originally budgeted, we sought support from potential Strategic Partners. With amazing in-kind support from our main Strategic Partner, McKinsey & Company, the facilitators of the retreat, we believed that the event, planned for December 2 - 4, 2022 at Villa Mara in Mammee Bay, St. Ann, would present a unique opportunity to showcase the brands of other strategic partners and include them in our programming for the retreat. We thank the Matalon family for again providing us with the venue as their gift to RevUP. We invited a number of companies but the DBJ, VM Wealth, OneonOne Educational Services, Rainforest, Blueprint Events and Knotts Landings agreed to come on board as Gold, Bronze and Pewter partners. Given IDB Lab and NCB's financial contributions they were designated Platinum partners, along with Fuel, McKinsey's SME practice, Joseph M. Matalon and Family. 20 members of the second Cohort of Founders have been invited to participate in the Retreat. We approached IDB Lab to approve an update to our Procurement Plan to provide up to US\$17K to help underwrite the costs of executing the Retreat. With a modest budget of US\$29,000 to execute the event, the contributions of our strategic partners were critical. With RevUP's expansive reach to SMEs, startups, scaleups and the business community via our multiple digital channels, we believed that by becoming Strategic Partners, the companies could reap incredible opportunities to market their brand, reach potential customers and improve the public perception of their value to the business community. Additionally, our Strategic Partners are providing Founders with a life-changing experience that will build their expertise as CEOs and contributes to the sustainability of their businesses. The Retreat, which took place on December 2 – 4, 2022 again focused on the 5 Pillars of CEO success: 1. Strategy 2. Talent 3. Sales 4. Execution, and 5. Scaleup and Professionalisation For this Retreat, all the speakers were invited to be present in person. The Facilitator was again Ramiro Roballas, Associate Partner at McKinsey & Company and our special guest speaker was Gary Briggs, a Senior Advisor at

McKinsey & Company, a former Chief Marketing Officer at Facebook and Board member of several startups. We invited speakers who had not only started their businesses from scratch but built amazing businesses today. They were Danielle Terrelonge, Founder and CEO of DRT Communications Limited, FirstAngelsJA's first investee who travelled from Vancouver, Canada; Dwayne Samuels, Co-Founder and CEO of Samelogic Inc. who lives between San Francisco and Washington DC, Kalilah Reynolds, Founder and CEO of Kalilah Reynolds Media and Kadeen Mairs, CEO of Dolla Financial, recently listed on the Junior Market of the Jamaica Stock Exchange. See Appendix 2 for the Retreat Agenda. The feedback from the Cohort 3 Founders was extremely positive and the Retreat was a resounding success. Twenty two of the twenty six Founders in the Cohort received Certificates of Completion attesting to the fact that they had attended at least 75% of all sessions and received scores of 75% on the tests associated with each session.

1.3. Findings and Lessons

1.3.1. What are the most useful findings and lessons from this project that when taken into consideration could improve the execution and results of existing projects and the design of similar projects in the future? A finding describes an action, circumstance or decision that was critical in determining the positive or negative evolution of the project (for example, switching from the development of a blockchain platform to a web-based shared database reduced the cost and time devoted to implementing the traceability capabilities required by the project). A lesson is a concrete, actionable proposal based on a finding that, in similar circumstances, would facilitate problem solving, risk mitigation, and the achievement of results (for example, Develop guidelines and criteria to identify candidates that could benefit from the implementation of a blockchain platform, and assess during the design if the selected project satisfies the criteria before committing to develop one).

Already described in PSR 1

2. Scalability and replicability

2.1. Scalability Plan

2.1.1. Now that the Project is in the execution phase, have you developed any concrete plan or action that will allow it to reach a greater number of users/clients/beneficiaries (or broader environmental or resilience to climate change and natural disasters impacts) in the future?

Yes, we have been having discussions with current and potential partners about actioning a number of proposals which have been proposed by Founders in the two cohorts completed so far and from members of the Board of Directors and the Programme Advisory Committee. These are being documented in a Sustainability Plan which is soon to be presented to the Board for approval.

2.2. Costs and Partners to Scale

2.2.1. Now that the project is in the execution phase, do you know how much it costs to offer your product / service per user / client / beneficiary? Is this a factor that could affect reaching a greater number of users / clients / beneficiaries in the future? Has any public or private institution requested this information from you, looking for scaling or replicating the model / product / service?

Our initial estimate was that it would cost about US\$1,000 per Founder for the 5 month Programme. Our latest estimate is that it is costing US\$3,000 per Founder. The increase is largely as a result of underperformance in reaching the targets set for enrolment. The effort is therefore being concentrated in improving enrolment numbers by focusing outside of Jamaica. Yes, the information has been requested by partners and potential partners in Belize (Belize Chamber of Commerce and Industry) and the Turks and Caicos Islands (Invest Turks & Caicos)

2.3. Facilitating or Hindering Factors

2.3.1. Has any of these factors affected the number of users/clients/beneficiaries (more/fewer) reached by the project compared to what was originally planned (or environmental or resilience to climate change and natural disasters impacts)?

[Coordination with third parties, Behavioral changes required by users/clients/beneficiaries, Market size that could be reached, Knowledge of the existence of the solution by potential users/clients/beneficiaries]

2.4. Scalability Scope

2.4.1. How feasible it is that the organization could reach a number of users/clients/beneficiaries 5, 10 or 100 times the number originally planned in the project design, five years after the project ends?

[It could reach less than 5 times the number of users/clients/beneficiaries originally planned in the project design five years after its closure]

2.4.2. How likely is the organization to reach that number five years after the project ends?

[Probable (more than 50% but less than 90% chance)]

2.5. IDB Group business relation

2.5.1. Has a business relation been created with another part of the IDB Group different from IDB Lab?

No

2.6. Replicability Partners

2.6.1. Are you aware of any other entity at a national or international level that has copied / replicated completely or partially the business model of the project? Did you collaborate in the process with that entity?

[Yes]

If Yes, Explain

A few entities are now offering mentorships as part of their offering and strategic partnerships are being developed to provide early stage financing. DBJ is also registering "Angel Investors" to offer access to a Sidecar Fund and some of these organisations are looking to develop incubation/acceleration programmes and overseas players are increasingly showing interest in participating in the Jamaican startup ecosystem. The market is the most competitive it has ever been.

2.7. Replicability Scope

2.7.1. Number of users / clients / beneficiaries reached by entities that have fully or partially replicated / copied the business model / products / services implemented with the support of the project?

[Less than 2 times the number of users / clients / beneficiaries planned in the original project design]

2.7.2. Have you experienced, in the last year, significant expansion (50% or more) of the reach of the business model of the project beyond what was expected in the original project design (due to increasing of the organizational size, operational scope or geographic spread)?

[No]

2.7.3. Number of users / clients / beneficiaries reached as of the end of the year?

[Less than 2 times the number of users / clients / beneficiaries planned in the original project design]

2.8. Sustainability

2.8.1. How do you think the project will continue once the IDB Lab financing ends? Examples: it has identified external financing sources to continue operating, it has reached the breakeven point through the sale of services and products, it has obtained the support of public institutions or the private sector, it will adjust the business model to remain viable (via franchises, etc.)

Our (preliminary) sustainability plan contemplates a number of strategic options, including: 1. Increasing the fees charged for the incubation programme, including add-on pricing for some aspects of the business model, e.g. strategic planning, mentorship, end of programme retreat 2. Enlisting local and regional partners to sponsor full or partial cost to incubate 3. Enlisting local

and international sponsors (e.g. for Meetups, Retreats, Participation in international events, e.g. Miami Hack Week; funding of Overseas Export Missions, etc) 4. Providing added (paid) services, e.g. co-working space, conference rooms, shared services (e.g. accounting, corporate secretarial, on-going business advisory services) 5. Adjusting the business model to remain viable

3. Implementation

3.1. Facilitating or Hindering Factors

3.1.1. What specific aspects have (positively or negatively) affected the implementation of the project the most?

[Coordination with third parties, Complexity or breadth of the proposed activities, Advantages or disadvantages of technology, External shocks that affect the economy in general (natural disasters), Other]

Others, Which?

With so many third parties to work with, who are critical to the success of the project, the project management and administrative burden is great and the human resources are limited (Project Director and Administrative Assistant). Our Sustainability Plan contemplates onboarding more specialist management support as the Project Director is also responsible for providing (informal) monitoring and coaching for all the Founders in the Programme. The 2023 budget includes the engagement of a Project Technical Manager and approval has been sought from IDB Lab to include this cost.

3.1.2. Explain in detail how these factors that you identified have made the implementation of the project easier or more difficult

- Coordination with third parties There are numerous third parties with whom the project must interact, including Founders, members of the Board and Advisory Committee, course presenters (at least 10 consultants), other service providers (strategic planners, psychometric test agency, web developer, marketing agency, platform and software providers, bankers, local and international partners); Local and International Mentors up to 17 local mentors; and WBAF for international mentorships, accountant, auditor, sponsors (IDB, DBJ, NCB, McKinsey and others).
- Complexity or breadth of the proposed The RevUP Programme is the most complex of all the programmes available in the marketplace and this is what makes it attractive to Founders, and more competitive against other providers.
- Advantages or disadvantages of technology The OneXL Learning Management System which is used to deliver the online courses is not particularly intuitive. It requires several time-consuming steps to enrol each Founder for each module and upload course material and tests. Some Founders have complained about the platform and OneonOne Educational Services, the provider of the Platform, has been responsive to feedback, but many of the issues remain.
- External shocks that affect the economy in general The inflationary pressures and devaluation of the US dollar vis-à-vis the Jamaican dollar, have put pressure on Founders trying to meet the (highly subsidised) cost of the Programme.

3.2. Novel Technologies Factors

3.2.1. If the project makes use of novel technologies or methodologies, what factors have facilitated or hindered the implementation of the technological solution initially proposed by the project?

[Telecommunications network coverage, Access to subject matter experts by executing agency/client, Public recognition of the innovation of the project, Interest from industry experts or academics outside the executing agency / client, Clarity of technical requirements, Other]

Others, Which?

RevUP was started in the midst of the COVID-19 pandemic and a virtual programme was therefore the solution to reaching many Founders, cost effectively. The OneXL Learning Management System which is used to deliver the online courses is however, not particularly intuitive. It requires several time-consuming steps to enrol each Founder for each module and upload course material and tests. Some Founders have complained about the platform and

OneonOne Educational Services, the provider of the Platform, has been responsive to feedback, but many of the issues remain.

4. Development Outcomes (Quantitative)

4.0 Has your project contributed to any of the following indicators in the last 12 months (last year)?

[4.1. Number of companies benefited, 4.2. Direct jobs generated by the project or financing]

4.1. Number of companies with improved business performance or productivity

Total

14

Companies Owned/Led by Men

4

Companies Owned/Led by Women

10

4.1.2. Indicate which indicator in the results matrix is related to your answer, or how did you calculate this number?

Results of survey

4.1.3. What type of services did the companies receive?

[Non-Financial]

4.1.4. Please select how the project is benefiting these companies

[Improved productivity or business performance (e.g. improved sales/reduced costs/improved profitability/return on capital/yields/labor productivity, Improved capacity to address the needs of women]

4.2. Direct jobs generated by the project. How many people were directly employed as a result of the project funded by IDB Lab?

Total

24

Jobs created: number of men

7

Jobs created: number of women

17

4.2.2. Indicate which indicator in the results matrix is related to your answer, or how did you calculate this number?

Administrative information

4.5. Data Source

4.5.1. What kind of verification sources have you used to report the data you provided in this section? (Please select all that apply)

[Surveys, Administrative information]

5. Development Outcomes (Qualitative)

5.1. Target population identified in the design

Is the target population that was identified in the design being reached by the project? Select the target population actually reached by the project that was originally identified in the project design.

[Afro-descendants, Entrepreneurs, SMEs, Women, Rural population, Urban/periurban population]

5.2. Population served NOT identified in the project design

5.2.1. Select if there are Groups that were NOT originally identified in the project design but are being reached in the execution phase?

[None]

5.3. Facilitating or Hindering Factors

5.3.1. Factors that have affected (facilitated or hindered) reaching these groups, or the resilience/environmental impacts, in the numbers/dimensions that the project had originally planned.

[Demand for the product/service (market needs), Cost of offering product/service, Market Size, Communicating to customers/users/beneficiaries the advantages of the products offered]

5.3.2. Explain in detail how these factors that you have identified have affected the ability of the project to reach the groups (achieve resilience/environmental impacts) in the numbers/dimensions originally expected

- Demand for the product/service Because of competitive pressures (a high number of incubators and accelerators in relation to the market size) demand has been weaker than expected and RevUP has not been able to achieve its enrolment numbers
- Cost of offering products or services Although the costs are highly subsidised, some applicants claim inability to pay for the Programme. We believe that this may be because many SMEs feel “entitled” to free services
- Market size The size of the market is small in relation to the number of players recently operating in the ecosystem
- Communicating to customers/users/beneficiaries the benefits of the products offered Admittedly, our marketing efforts are failing to adequately communicate the benefits of the Programme to potential customers/beneficiaries. We are revamping our marketing strategies

INDICATORS

 Overachieved  Achieved  Pending  In process  Overdue

C1: Engagement of Micro and Small Enterprises (Connecting)

Weight: 23%

Qualification: High Satisfactory

C2: Delivery of Incubation Services (Catalyzing)

Weight: 66%

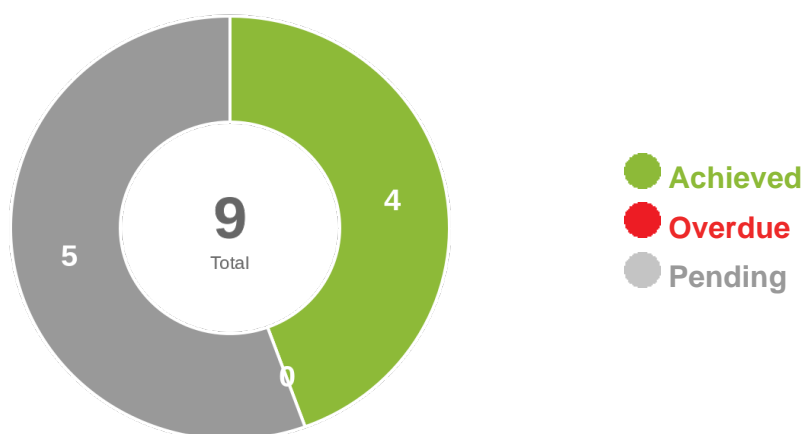
Qualification: Satisfactory

C3: RevUp Caribbean Business Development (Continuing)


Weight: 11%

Qualification: Satisfactory

MILESTONES



Milestones

	Achieved Value	Due Date	Achieved Date	Status
*Condiciones Previas / Prior Conditions	1	2022-07-10	2022-01-25	

*Cohort 2 training completed	1	2023-01-07	2022-12-04	
*MSME's participated in weekend retreats	100	2023-07-10		
*Network of MSME's formed	1	2024-01-10		
*Applications from MSME's received	100	2024-07-10		
*Knowledge Sharing Workshops	5	2025-01-10		
*Strategic Funding Partners	1	2025-07-10		
*Cohort 1 trainees recruited	1	2022-02-28		
*Assessment of Cohort 1	1	2022-11-18		

KNOWLEDGE PRODUCTS

Website



The RevUP Caribbean Website is the vehicle for accepting applications to our StartUP and ScaleUP programmes.