

Africafunders Cambridge Africa Start-up prize

Evaluation criteria for assessment of business plans

1. PURPOSE

The purpose of this document is to set out a robust evaluation criteria for the evaluation and assessment of the business plans received from promoters of start-ups that are Africa focused. The criteria will be used to shortlist the business plans received to the final [5] plans that will then be presented at the annual Cambridge Africa Lion's Den competition sponsored by Africafunders.com.

2. SCOPE

- a. The guidance applies to all business plans sourced by both Africafunders.com as well as Cambridge Africa Business Network (CABN).
- b. These criteria describe the basis on which business plans will be evaluated, ensuring fairness and transparency in the process.
- c. Any deviations from the criteria set out will be appropriately documented with a clear rationale explaining the reasons for the deviation and any compensatory mechanisms that will be put in place to ensure fairness of evaluation.

3. ELIGIBILITY CRITERIA

- a. Start-up already in operation and generating cashflow

Eligible companies are ones that are not merely ideas, but ones that are already operating as functioning companies. While the companies do not need to be cash flow positive, the company is required to have revenues to be eligible.

- b. Africa-focused with a majority or all its operations in Africa

As this is a competition for the Cambridge Africa Business Network, it is imperative that companies participating in the Lion's Den are Africa-focused. We define Africa-focused as having at least most its operations (51%+ of all future revenues generated) in Africa, or ideally, all its operations in Africa.

- c. Up to 5 years of operations

The Lion's Den is designed to foster young companies; as a result, mature companies having operated for more than 6 years are not eligible. Ideal companies for the Lion's Den will have been in operation for 1-2 years.

4. BUSINESS PLAN FORMAT

Contestants are free to use their own formats for the business plan, however, these must be uploaded/mailed either in MS Power Point (PPTX or PPT) or Adobe Acrobat (PDF) file format. Maximum number of 15 slides/pages, and at a minimum, this must include:

- a. Company overview (to include nature of product/service and how it measures against the UNDP Sustainable development goals)
- b. Team profile
- c. Value proposition
- d. The market, competitors and substitutes
- e. Scale-up plan
- f. Financial plan
- g. Business model canvas

5. EVALUATION CRITERIA

a. Product/Service

- 1) What problem is the company solving?
- 2) Is there a product market fit?
 - 1) Is there a clear customer segment that the business is targeting?
 - 2) Do they have paying customers?

b. Team

- 1) What is the expertise of the team in being able to deliver the business plan (e.g. breadth and depth of skills, proven track record of working in successful entrepreneurial setups/working for reputable firms)?
- 2) Is there a healthy mix of confidence and focus, as well as openness to receiving constructive criticism?
- 3) Has the team worked together in the past? If so, how successful were they?
- 4) How knowledgeable is the team about the market and operational environment their sector is a part of?

Note: Aspects that will factor into our decision but are not limited to include languages spoken, programming skills, test scores, undergraduate institutions attended, graduate degrees held, companies worked for, and previous start-up experience.

c. Market

- 1) Are there similar products/services in the market?
- 2) If so, are the problems the products/services trying to solve better solved by the current product?

- 3) How innovative and affordable is the product/service?
- 4) Are there barriers to entry?
- 5) Who are the competitors and do they have significant resources and capabilities?
- 6) Are there many substitutes available in the market at a similar/lower price point?

d. Business Model

- 1) What drives revenue? Is the product/service easily scalable?
- 2) Is the scalability achievable at low cost/resource intensity?
- 3) Are the cashflow projections in the financial plan robust and well defined?
- 4) Have macro-economic externalities been considered e.g. inflation, foreign exchange, political risk?

e. Impact measured against UNDP Sustainable development goals

- 1) The UNDP sustainable development goals are as follows: alleviate poverty, eliminate hunger, promote good health and well-being, foster quality education, cultivate gender equality, improve clean water and sanitation, provide affordable and clean energy, encourage economic growth and decent work, support industry, innovation, and infrastructure, reduce inequality, create sustainable cities and communities, promote responsible consumption and production, take action against climate change, conserve water health, protect life on land, champion peace, justice, and strong institutions, and strengthen the means of implementation of these goals. Companies do not need to be actively involved in all facets of the UNDP Sustainable Goals to score highly; demonstrating a considerable focus on some of these goals is enough to score highly in this category.

6. BALANCED SCORECARD – SCORING MATRIX

	Weak (0 points)	Moderate (1 point)	Strong (2 points)	Exceptional (3 points)
Product/service				
Team				
Market				
Business model				
Impact measured against UNDP Sustainable development goals				
Total				