



IMPACT REPORT 2020

WE  
ARE  
TOP

ADVANCING AFRICAN ECONOMIES AND BUILDING FUTURE  
GENERATIONS OF BUSINESS LEADERS

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**CELEBRATING 10 YEARS OF IMPACT**



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# Introduction

# 10 YEARS IN THE MAKING

## About Open Capital



- We are a management consulting and financial advisory firm that drives growth, enables investment, and builds markets across Africa.

We help businesses, investors, development partners, and the public sector to identify opportunities and deliver unique, impactful solutions. Our two-part mission is to advance African economies and build future generations of business leaders. We see these as mutually reinforcing.

Since 2010, we have completed 700+ engagements across 23 countries in Sub-Saharan Africa. Our team of 120+ full time professionals is based out of Nairobi, Kampala, Lusaka, and Lagos.

We are a diverse team of African-nationals and international staff who combine significant experience in management consulting, private equity, investment banking, private-sector and non-profit senior management, and financial services from top institutions around the world.

Our core services have evolved over time as we learned what was most important to the market. Today, our business lines include: **Consulting, Capital Markets, Arcadia and Innovations.**



**700+**  
engagements



**23 countries** across  
Sub-Saharan Africa



**120+** full-time  
professionals



## Message from our Partners

Over 10 years ago, before the idea for Open Capital even had a name, we met dozens of investors struggling to deploy capital into innovative and high-potential businesses in Africa. Their claim was that local businesses weren't "investment ready" -- they lacked clearly defined growth strategies and capital needs, and they struggled without sufficient resources on the ground to assist. We saw an opportunity to enable these high-potential African businesses to scale and build the markets around them, achieving broad, sustainable impact. Over time, we recognized that these businesses needed capital and the right talent and strategy to achieve their goals, so we launched our Capital Markets and Arcadia teams to bridge these gaps. Open Capital's two-part mission became to advance African economies and build future generations of business leaders.

A decade later, we are proud to say that we have grown to four offices across Africa and have completed over 700 engagements across 23 African markets, executed by a team of over 120 full-time staff! We work with businesses, investors, development partners, and governments and we take lessons from Africa to other frontier markets around the world. This has come with many challenges. In our first 10 years, we've seen election-related violence, drought and famine, multiple currency devaluations, and now Covid-19. Each time, we are amazed by the resilience of everyone around us - this is what keeps us optimistic on Africa's growth, even in the current global climate.

We write this report in the middle of a very difficult time for our fellow Kenyans, Ugandans, Zambians, Nigerians, and everyone around the world. However, even at this point, we want to look forward - we believe there is tremendous opportunity to advance Africa's economies and develop a generation of business leaders who can drive the continent forward. The amount of work in front of us is intimidating and also exciting!

At this important milestone, we commit to redoubling our efforts over the coming 10 years. We want to see strong African markets driven by empowered local entrepreneurs, billions of dollars in fresh capital put to work, millions of lives improved from access to critical products & services, a new era of gender parity, and much more. And we're incredibly motivated to achieve this given our fantastic team, clients, and friends around the world!

Thanks for all your help these last 10 years and here's to an exciting road ahead!

*Annie + Andreas*

**Nairobi, Kenya**

“At this important milestone, we commit to redoubling our efforts over the coming **10 years**.”



# Consulting

Our Consulting team brings deep experience from hundreds of engagements across Africa.

We support a range of clients from local SMEs to Fortune 100 corporates, global foundations, and governments. We work across functions including strategy, finance, operations, talent and organization, market insights, and commercial and operational due diligence.

We have supported sectors ranging from agribusiness to consumer goods, education and workforce development, enabling technologies, energy access, financial services, healthcare, manufacturing, trade and logistics, and water and sanitation.

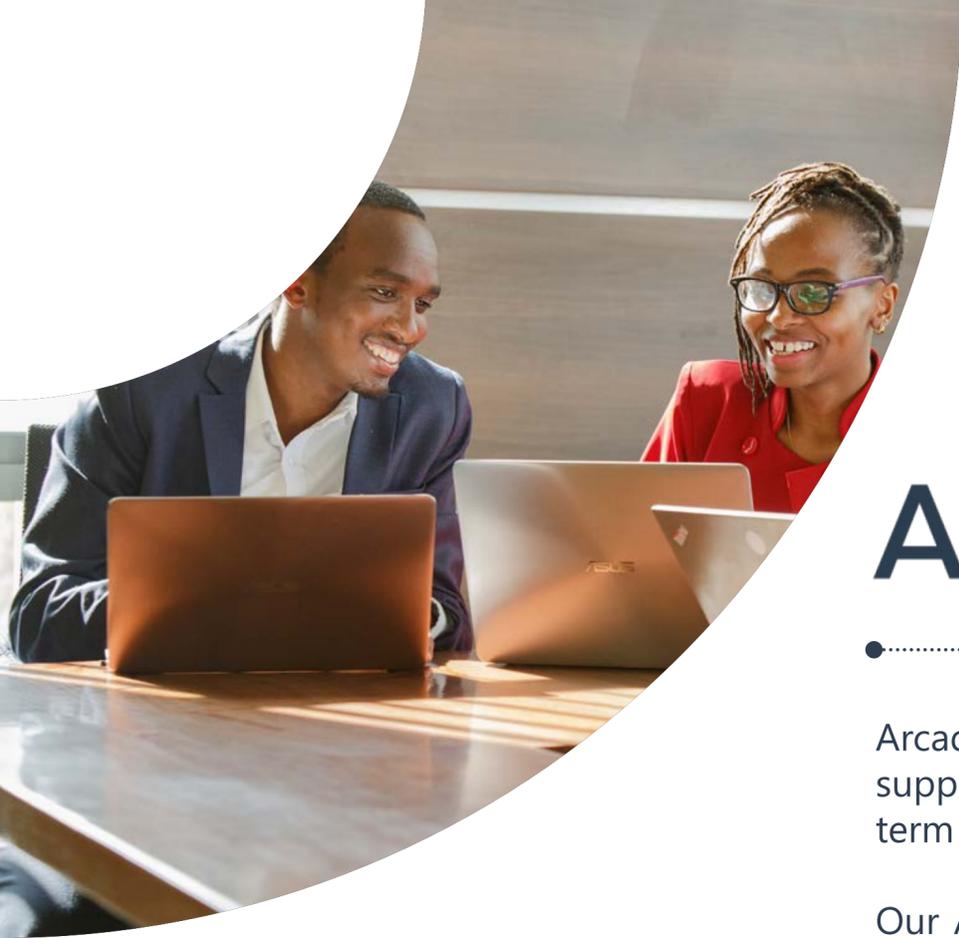
[Read more here](#)

# Capital Markets

Our Capital Markets team advises businesses and investors as they raise, structure, and deploy capital.

We bring global best-in-class transaction advisory, due diligence, and capital structuring services, informed by our deep networks and knowledge of African markets. We have closed transactions across 15 African countries, designing appropriate equity, debt, quasi-equity, and blended capital structures for early, growth-stage, and mature businesses as well as public-private partnerships and joint ventures. Alongside our transaction services, we have built niche expertise in blended finance, serving as advisers to family offices, foundations, development partners, and development finance institutions.

[Read more here](#)



## Arcadia

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Arcadia embeds our high-capacity staff to provide dedicated support to our clients for 3-6 months or on rotation for longer-term roles to solve gaps in finance, operations, and strategy.

Our Analysts bring analytical rigor to critical decisions, oversee projects, fill unplanned staffing vacancies, and improve the effectiveness of senior leaders, ensuring missing talent is never a barrier to growth.

Launched recently in 2018, we have already supported clients across 7 countries, supporting businesses with revenues ranging from hundreds of thousands to hundreds of millions of dollars.

[Read more here](#)

## Innovations

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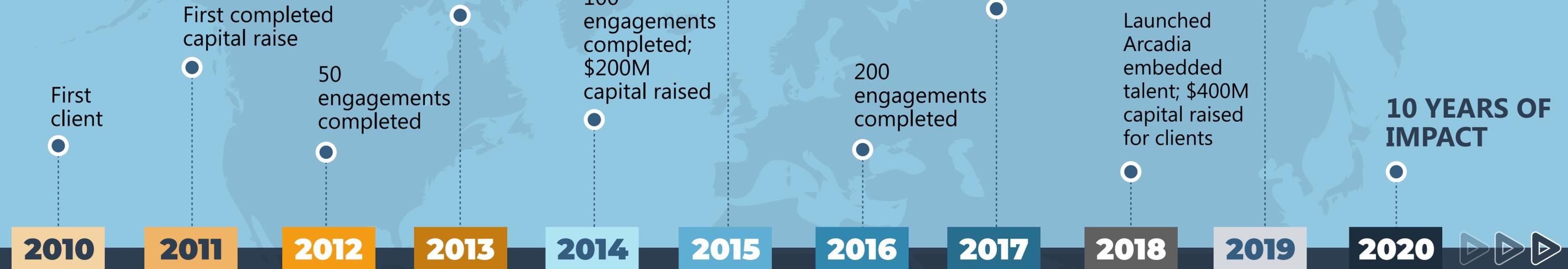
Our consulting work uncovers gaps in African ecosystems and value chains that we believe will be game changing to solve. Over the years we have developed and implemented several innovations including The Uganda Off-Grid Energy Market Accelerator (UOMA), VentureBuilder, and our free Talent Diagnostic.

Over the next decade, we hope to launch new innovations to tackle additional gaps that we have identified in the markets in which we operate.

[Read more here](#)

# Key Milestones

## • Advancing African Economies



## • Building Business Leaders

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A decade of  
**Impact**

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# Defining our impact & theory of change

**We founded OCA with a clear mission that has two mutually reinforcing components:**

1. Advancing African economies through building robust business ecosystems and supporting high-potential companies to scale and creating jobs across the continent.
2. Building future generations of business leaders through recruiting and training cohorts of top, local graduates and providing them with the experience they need to thrive.

Admittedly, we have never spent enough time defining how we track success in achieving these broad goals. Over the past year, we worked to change this, developing a new approach to define our Theory of Change and measure our impact.

Our goal is to use this approach to track our progress and ensure we remain as effective as possible in pursuing our mission.

**Our Theory of Change has two interrelated paths, just like our mission.**

## **1 Advancing African Economies**

Our first pathway looks at the levers that we use to help our clients achieve growth. Our teams provide strategic, operational and transaction support to businesses, help investors structure funds and conduct due diligence exercises, work with development organizations to design and implement large-scale ecosystem building initiatives, and support governments to identify, evaluate, and define key strategic priorities. Our support for clients enables teams to implement new strategies and processes. Given the right external conditions, we believe these activities drive substantial increased growth and job creation in the markets in which we operate. These tough challenges require global-level, high-quality talent to overcome.

## **2 Building Business Leaders**

Our second pathway focuses on our team's development and long-term leadership opportunities. We recruit top African graduates, provide intensive classroom and on-the-job learning, place them on a range of consulting engagements and secondments with businesses operating across sectors, and offer ongoing coaching and technical support. We believe that this combination of training and experience helps our staff and alumni develop into highly skilled managers and enables them to lead organizations that contribute to growth in local economies in the future. These tough problems create the crucible necessary to forge strong leaders. But we must do all this in a financially sustainable way, or we can never achieve the scale Africa needs - for this reason, we ensure our work is profitable.

Despite its name, we do not view this Theory of Change as a theoretical framework. It is synonymous with our strategy and provides a structure to improve our delivery, be accountable to our clients and partners, and share our learnings.

# Our Theory of Change

Ultimate outcomes	Intermediate outcomes	Immediate outcomes	Outputs	Activities
Our clients achieve growth, create jobs, and advance African economies	Robust business ecosystems	Increased access to info & improved linkages	Ecosystem development support	Consultancy and financial advisory engagements with a variety of client types
	Increased innovation, reach and revenue	Increased capital mobilized	Capital raising support	
	Operational efficiency & cost-savings	Improved decision making	Strategic support	Secondments with a variety of client types
	More investment in talent	Improved processes	Operational support	Business development that articulates client needs
	Clients see the value of high-quality talent	Train & enable client teams		
Staff & alumni develop into future generations of business leaders	Staff become exceptional managers with improved career opportunities	Staff are highly-effective professionals	Problem-solving skills	Selective recruiting
			Communication skills	Intensive training
	Staff have increased responsibility in jobs which contribute to local economies	High job & learning satisfaction	Project management skills	Variety of experiences
			People management skills	Mentorship + management

**OPEN CAPITAL IS SUSTAINABLE & LOCALLY MANAGED**

## Pathway 1: Progress Towards Advancing African Economies, 2010 - 2020

### A Decade of Impact

Over the past 10 years, we've asked many of you - our client, partners, and team members - for data to understand how we did, the outcomes you've achieved, and the changes you've observed in the markets around you.

This data has allowed us to look much more deeply into our own impact.

We are excited to share our findings openly:



**700+** Total engagements completed to date



**350+** Engagements for Small & Growing Businesses (SGBs) in Africa



**\$600M+** In capital raised for early, growth-stage, & mature businesses, as well as PPPs & joint ventures

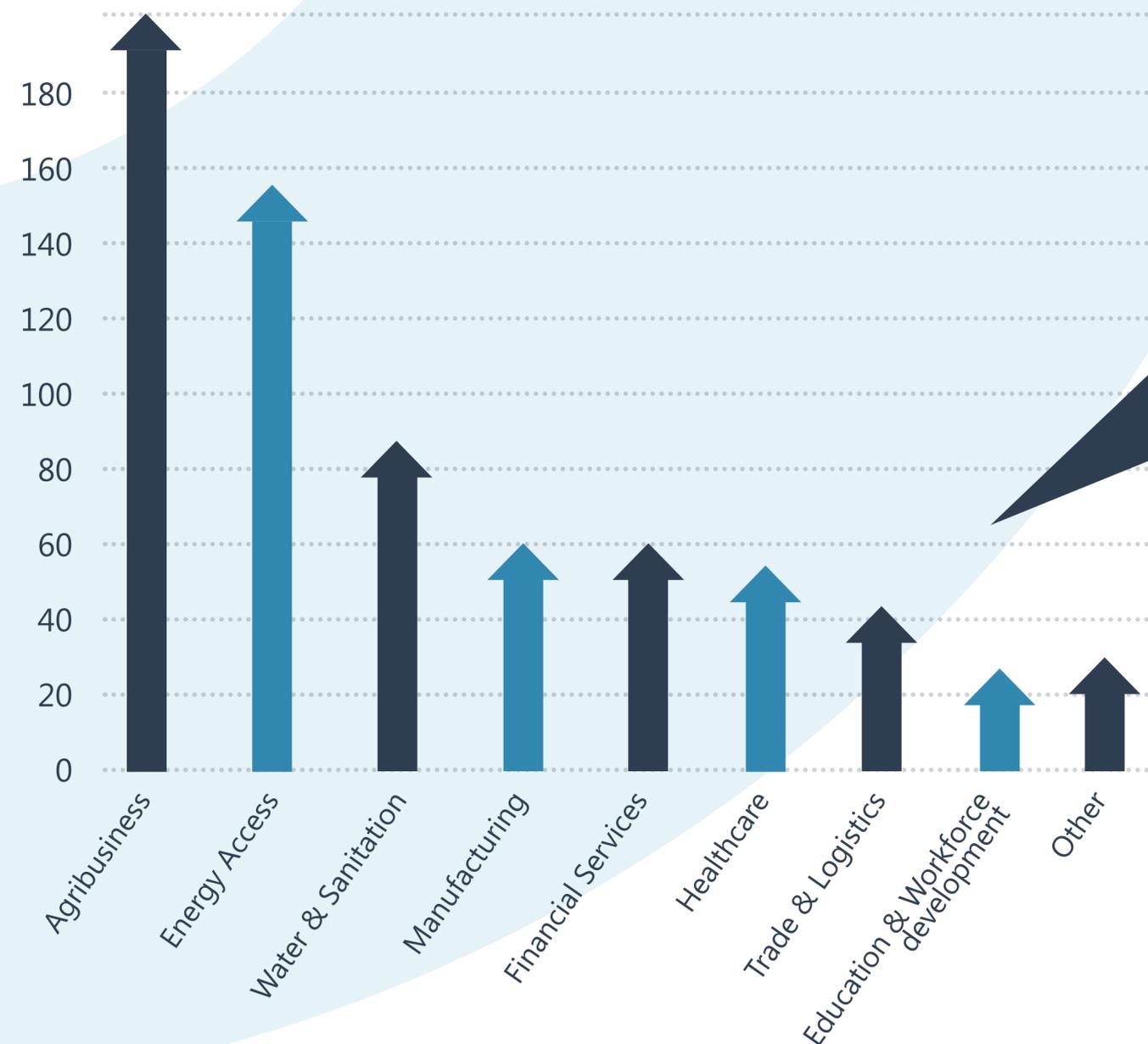


**120+** Arcadia placements completed, over 80% with SGB clients



**23 Countries** worked in across Sub-Saharan Africa

## Number of Engagements by Industry



**Technology & Innovation** - most of our engagements focus on how existing businesses, value chains, and markets can adopt new technology to increase yields, stimulate growth, improve lives, and generate investor returns. Many of our most exciting 'tech' projects have been in agribusiness, energy access, healthcare, and education, among others.

**Sector 'deep dives'** - several sectors, including agribusiness, energy access, water & sanitation, and financial services, drive the majority of our engagements. In these sectors, we have gone deep, building sector expert teams and engaging with businesses, investors, donors, and the public sector over 10 years+ to see long-lasting change. We share our learnings through various thought pieces, e.g. [\*2020 Off-Grid Solar Markets Trends Report\*](#) and [\*The Landscape for Impact Investing In East Africa Report\*](#).

**Cross-sector initiatives** - our most important work cuts across sectors, e.g. solar irrigation, agro-processing, micro-insurance, and waste-to-fertilizer. We believe more focus should be dedicated to these themes, which can otherwise be lost by sector-specific approaches.

## Pathway 1: Progress Towards Advancing African Economies, 2010 - 2020



# 67 NPS

We are proud that our Net Promoter Score (NPS) from 2010-2020 is well above the industry benchmark of 34 (according to [ClearlyRated's annual industry benchmark study 2020](#)) for management consulting firms.



# 65%

Clients who attribute improvements in decision making directly to OCAW



# 67%

Year-on-year revenue growth seen in SGBs that we supported



# 60%

Increase in new jobs (year-on-year) for SGBs that we supported

We use Net Promoter Score (NPS) to see how we're doing. It is a global metric that asks clients how likely they are to recommend us to others. The score is calculated as the difference between the percentage of detractors and promoters. A score of 30 and above usually indicates that a company is doing well and that happy clients far outnumber unhappy ones.

## Pathway 2: Progress Towards Building Future Generations of Business Leaders

Since 2011, we have recruited top African university graduates into our Analyst Program, coaching and developing them to launch high growth careers at Open Capital and beyond. Success to us isn't only what our team does at Open Capital - it's what they accomplish throughout their career. We are proud that our alumni already hold senior positions at a variety of African corporates, public sector organizations, impact businesses, and investors, and that several have already founded new businesses to drive Africa forward.



**11K+**

Total applicants for our Analyst Program from over 16 African nationalities



**110**

Analysts recruited, trained, and coached to date



**53%**

Alumni from our Analyst Program who are already in managerial roles



**7**

Alumni who have founded their own companies across various sectors

## Examples of Our Work

Click to have an in depth look at any of our latest case studies across sectors and services.

**Pan-African implementer  
WASH-FIN program**

**Advised \$5Bn global  
telco on Tanzania  
expansion strategy**

**Diagnostic & Financial  
Strategy for West  
African Agri-inputs  
Distributor**

**Business & operational  
model for network of  
healthcare clinics**

**Fund structuring &  
strategy in South Sudan**

**\$4M capital raise  
for Zambian FMCG  
business**

**World Bank - Kenya  
Off Grid Solar Access  
Project (KOSAP)**

**Blended Finance Fund  
Design for USAID &  
DFID**

**Interim CFO developed  
full back-end systems  
for logistics company**

**Analyst accelerated  
start-up's go-to-market  
with research market  
sizing & design**

**Rotating Senior  
Analysts achieved  
"stretch targets" as  
Investment Promotion  
Officer**

**Rotating Analysts  
supported impact  
fund's analysis &  
systems**



Looking Ahead To  
**The Next  
Ten Years**

We are in the middle of a difficult and uncertain time, due to both Covid-19 and the global economic uncertainty it has brought. This is a time when it's especially hard to look forward but looking forward is also the most powerful motivator. We see tremendous opportunity in the next 10 years, for Africa and for the world, and are excited to scale our efforts as part of that growth story.

Since 2011, we have recruited top African university graduates into our Analyst Program, coaching and developing them to launch high growth careers at Open Capital and beyond. Success to us isn't only what our team does at Open Capital - it's what they accomplish throughout their career. We are proud that our alumni already hold senior positions at a variety of African corporates, public sector organizations, impact businesses, and investors and that several have already founded new businesses to drive Africa forward.

Over the next 10 years, we hope to achieve much broader impact in many areas:

**Innovation:** we expect many industries will be transformed in the next 10 years. Smart infrastructure will change the way goods are delivered, essential services are provided, and 'last mile' communities are linked to markets. Food production will shift, reducing the cost of a nutritious diet and increase agricultural yields to feed a growing population, and growing energy access will improve productivity and education and health outcomes, among many others. We want to work today with the businesses, investors, donors, and governments that can sow the seeds of this change and help those creating the change do it more effectively. We commit to continuing to support the small and early-stage innovators as well as the larger innovators and continue to make global connections to encourage the broadest thinking possible.

**Market growth & resilience:** we hope to support thousands of African businesses, global businesses trading with or entering Africa, investors, development partners, and governments to build and strengthen markets. This will require many different forms of advisory support and we are committed to continue to innovate our services so we can enable the best outcomes.

**Talent for the future:** we want to see 1000s of OCA alumni in management roles, leading African businesses, investors, and governments. We want to coach and train 10,000s of others across our clients and markets, empowering them to drive change at a local level. We want to set an example for how to train and coach talented Africans which can be replicated in Africa and around the world.

**New frontiers of investment:** we believe 'impact investing' and 'blended capital' are still in their nascency. There remains tremendous opportunity to re-imagine how the global capital markets can engage with Africa and similar frontier markets. We want to demonstrate what impact and financial returns are possible in Africa and take these learnings to design new structures and approaches at a global level.

The above might seem like wishful thinking and it is. It will take an incredible global effort to accomplish these goals, but we believe it is possible and our entire team is committed to playing our role to advance it!

We thank our team and all our clients, partners, and friends for all your support over these past 10 years and look forward to an exciting future.

All our very best,

*Annie, Andreas + the Open Capital team!*



# 10 YEARS OF IMPACT

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