



# THE BRABANT OUTCOMES FUND'S FIRST EXPEDITION



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## CREATING IMPACT FOR BRABANDERS TOGETHER

**This first round of the Brabant Outcomes Fund proved to be an educational expedition. An exploration of a new funding method for an even more beautiful province. One that is open, inclusive and green, and in which the government, entrepreneurs and investors adopt active roles.**

We are proud of the initial results. We have concluded four contracts with four exceptional entrepreneurs who work to make Brabant and the lives of its inhabitants more beautiful. For instance, by supervising their personal development and helping them into sustainable employment.

### Sharing lessons

Naturally there are points for improvement, not everything goes or went without effort. Looking for new solutions with new partners invariably means encountering obstacles. Is that a problem? Of course not! As long as you learn from the experience and share what you picked up. And that is what we are doing at meetings and in this magazine: sharing our lessons with others.

We also look ahead to the next round of pioneering, learning and insight sharing. There are plenty of options left to discover socially, economically and ecologically. Let's see which areas we can impact together using results-based financing.

We can only create impact if we all work together. We are on the right route to taking the next step.

**Jeroen Smarius**  
Director Provincial Government of Noord-Brabant





# STARTING THE BRABANT OUTCOMES FUND

The strength of Brabant's entrepreneurs



Brabant is home to many exceptional entrepreneurs. Entrepreneurs who use economic fortitude as a means of creating a better, open, inclusive and green society. These entrepreneurs have enormous potential, but the challenges they face are equally big.

That is why we started the first round of the Brabant Outcomes Fund, so we could immerse ourselves in searching for solutions. Not on the basis of our organisational frameworks, but taking societal issues as the point of departure. We soon realised that this required a new form of collaboration. Capitalising on developments and focused on creating impact. With new collaborations, processes and tools. Without respecting existing boundaries.

By now, the first round of the Brabant Outcomes Fund is in full swing. We have learned a lot. This magazine takes a look back at the steps we took and shares the lessons we learned so that interested parties can learn with us. We should however emphasise that the magazine is written from our perspective. It is more than likely that, for example, the entrepreneurs or investors have learned different lessons than the ones described in this magazine. This is why we always keep a constant dialogue with one another.

## THREE OBSTACLES FOR ENTREPRENEURS

We previously catalogued the three biggest obstacles to entrepreneurs increasing their societal impact.

1.

### INSUFFICIENT APPRECIATION FOR MULTIPLE VALUE

Entrepreneurs who aim for societal impact create social and/or ecological value in addition to financial value. This is known as multiple value. Multiple value is still relatively undervalued financially which impedes its growth.

2.

### GOVERNMENT IS COMPARTMENTALISED

Multiple value often doesn't align well with the government's compartmentalised organisation where responsibilities and budgets have been distributed across a variety of policy themes and layers. This makes it hard for entrepreneurs to get funding for an integral solution that crosses these boundaries.

3.

### LITTLE ACCESS TO GROWTH CAPITAL

It is hard for entrepreneurs who create multiple value to find financial backing for all the values their business creates. Ordinary investors seek higher financial yields and they don't fit government's 'compartments'. The lack of access to growth capital means entrepreneurs often fail to scale up.

## THE FIRST OUTCOMES FUND IN THE NETHERLANDS

With these obstacles in mind we sought concrete solutions which we found in the shape of results-based financing. A means of financing that focuses on impact so multiple value is actually valued. This is why we started the Brabant Outcomes Fund.

## Five reasons proved decisive:

1

the Brabant Outcomes Fund provides an opportunity to learn and try things out in practice: 'learning by doing' instead of 'thinking about what might work'

2

a new form of funding provides the opportunity to select a theme that touches on multiple policy areas to break out of the compartmentalised working methods

3

public-private cooperation makes the sustainable solution of complex issues possible as there is less dependence on short-term subsidies

4

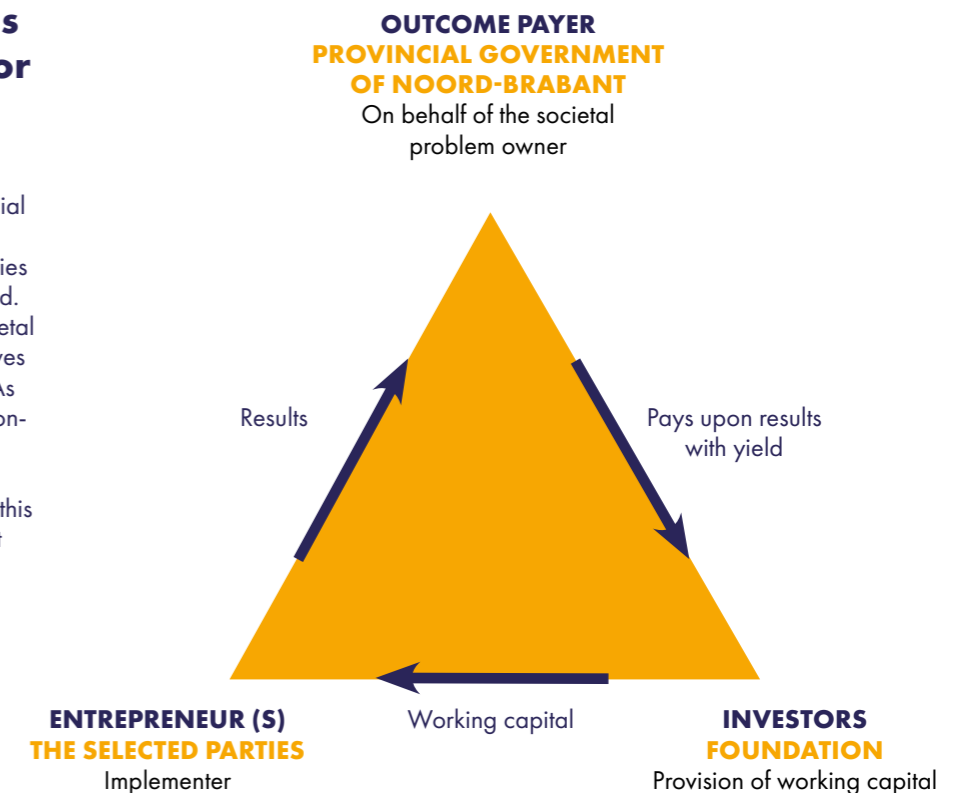
results-based financing is a method aligned with the language and the tasks of both government and investors

5

a number of partners already have experience with results-based financing which we can then elaborate on.

## Social Impact Bonds as the inspiration for a financing model

Inspiration for the new form of financing came from so-called social impact bonds and other forms of results-based financing. Three parties collaborate in a social impact bond. One has a good solution to a societal issue. It is the implementer. It receives working capital from an investor. As soon as the implementer can demonstrate societal results, an outcome payer repays the investment to the investor. The image illustrates how this works in the context of the Brabant Outcomes Fund.



# BRABANT OUTCOMES FUND

## Our expedition in a nutshell



**Milestones**



**Choices**



**Insights**



**START**

**2016-2017**

Multiple talks with entrepreneurs, investors, policymakers, etc. in regional, national and international networks to understand their daily practices and the role of policy instruments in solving societal challenges.

3 regional ministers ordered research to be conducted into the purpose economy in Brabant to better understand the role the government can play in stimulating solutions with societal impact.

**SPRING 2018**

The research concluded there were 3 bottlenecks: the siloed approach of government bodies, difficult access to growth capital and the lack of focus on multiple value.

Regional budget of €1.000.000 was set aside for financing methodology inspired by Social Impact Bonds, yet slightly modified:

- Financial savings are not the main goal
- Validation and stimulation of multiple value (social, ecological, economic)
- Focus on scaling up impact
- Regional scale instead of local or national
- Give a loud voice to the rights holders when estimating value
- Focus on implementation of lessons in organisations

Started a learning-by-doing process to stimulate shared public and private sector responsibility by creating and using a new financing methodology.

**WINTER 2018-2019**

- Invitation to the market
- Ambition: at least 40 registrations
- Ultimately: 82 registration were received!
- 5 were selected for an intensive contract process
- 77 for a less intensive process to build capacity

**SPRING 2019**

The process of drawing up contracts, estimating multiple value, cooperating with various sectors, etc. was a challenge and stretched both ourselves and our organisations' systems (see our lessons learned on the reverse). **BUT WE MADE IT!**

**JULY 2019**

**4 contracts were signed!**

Now: execution phase to achieve the outcomes defined.  
Continue learning and reflecting.

**AUTUMN 2018**

Decided on process, planning, criteria, action learning, theory of change.

3 investors officially committed € 800,000.

Asked municipalities, investors, entrepreneurs and colleagues for feedback and commitment.

**FUTURE**  
Learn from failures & implement lessons & start 2nd expedition

### HOW DOES OUR APPROACH DIFFER FROM CURRENT RESULTS-BASED FINANCING?

- Financial savings are not the sole goal (for the outcome payer)
- We seek proven interventions that are ripe for scaling up
- Multiple value creation must be validated and where possible rewarded
- A vote for the 'right holders' – in the Brabant Outcomes Fund's case: the people the intervention focuses on – when valuing the results
- Attention to regional scale (instead of merely local or national)
- Alongside learning also implementing lessons in organisations – also within the provincial government organisation.





# INVOLVING ENTREPRENEURS

## An open call

**The time came, immediately before Christmas 2018. We published an open call. Entrepreneurs who wished to scale up their multiple value initiatives in Brabant were invited to register for the Brabant Outcomes Fund.**

**We thereby utilised a carefully composed list of criteria, the main outlines of which were as follows:**

- the entrepreneur must have a healthy business that is ripe for scaling up
- the entrepreneur creates multiple value aligned with at least one of the following sustainable development goals: SDG 3, 8 and 10 (see box)
- the entrepreneur does something innovative, no or insufficient standard financing is available for
- the entrepreneur encounters difficulties with one or more of the abovementioned three obstacles
- the entrepreneur can submit clear scaling up plans in which sufficient impact can be achieved with regard to the desired financing.

## THE THREE SUSTAINABLE DEVELOPMENT GOALS EXPLAINED

SDG stands for Sustainable Development Goal. In Round 1 of the Brabant Outcomes Fund we opted for the following goals:



## CHOICES, CHOICES, CHOICES...

There was plenty of interest in the Brabant Outcomes Fund: 82 entrepreneurs registered for the first round. High time to choose in other words, because there was only room for five entrepreneurs. We drew up a five-step selection programme.



### Preselection

During preselection, the selection committee determined whether the criteria were met.

### Assessing the selection forms

The registration included a questionnaire the entrepreneurs had to complete. A total of 14 entrepreneurs were selected whose answers scored best.

### Check by investors and administrators

Investors and provincial government officials also participated in the selection process. They checked whether the plans were financeable and suited the provincial government's policies.

### Interviews

After the investors and administrators' check, there were ten registrants left. They were all interviewed by the selection committee.

### Pitch to the jury

Finally, seven entrepreneurs pitched their plan to a jury specially composed for the occasion.



# 5 PROMISING ENTREPRENEURS

On 21 February 2019 we announced the five entrepreneurs selected. They were invited to further detail their business plans. They examined whether results-based financing would represent a good upscaling solution for them together with

a team of provincial civil servants, investors and advisors in the field of impact measurement and result-based contracts. This process took from February to July 2019. We would like to introduce you to the five entrepreneurs:



## 1 STICHTING SARBAN DE TOEKOMST

Sarban de Toekomst [Sarban the Future] runs various restaurants that provide educational and job positions to refugees with poor job prospects. A lot of attention is paid to the participants' personal and work-related skills. Sarban thereby contributes to the self-sufficiency and integration of refugees into Dutch society. Sarban's desire to scale up within the Brabant Outcomes Fund consisted of two elements: opening a profitable restaurant in Tilburg (NL) and the development of an interesting offer to municipalities to help status holders into long-term employment.

## 2 FLADDERFARM MOBIEL

Fladderfarm Mobiel [Mobile Chickenfarm] raises chickens in small-scale mobile chicken coops. Assistant farmers (clients of the Dutch Association of Mental Health and Addiction Care) look after the birds, collect, sort, stamp and package the eggs. Working for Fladderfarm Mobiel provides occupational therapy for them. As part of a growth process, the assistant farmer can develop into the manager of their own 'chicken caravan'. They are then responsible full time and can possibly transition to another position or educational programme. In this manner Fladderfarm contributes to two objectives:

- 1 assistant farmers achieve personal growth increasing their self-sufficiency
- 2 the chickens forage in nature and live in a climate-neutral coop.

With the Brabant Outcomes Fund's help, Fladderfarm wished to create four new mobile sheds with an ultimate goal of 25 coops. Plenty for a sustainable business model.



## 3 CTALENTS

Ctalents helps people with sensory challenges to find work. A major percentage of this target group is unemployed while the implementation of coaching and tools would make this unnecessary. Ctalents matches these people with employers and subsequently supervises the new employer and employee in their interactions. Ctalents was primarily active in the western urban conurbation of the Netherlands. In part thanks to the Brabant Outcomes Fund the company grasped the opportunity to operate at a regional level in Brabant. A regional approach makes it easier to approach more municipalities and people with sensory disabilities. This allows the company to pre-select for a solution for municipalities with a view to the future situation in which there will no longer be a Wajong [social welfare for disabled people disability] scheme.



## 4 SAMEN SLIM ZORGEN THUIS

Together, young and old are strong is Samen Slim Zorgen Thuis' conviction based on the experiences of Lokaal+ at the Summacollege (one of the partners). The intervention focuses on villages where elderly people who need help are invited to contribute to the care education of vulnerable youths and people with poor employment prospects. In this way the elderly make a meaningful contribution and up-and-coming care professionals get the opportunity to develop themselves in a powerful, local learning environment. Samen Slim Zorgen Thuis [Smart Care at Home] wanted the Brabant Outcomes Fund to finance the start-up in Bergeijk (NL) as well as subsequent scaling up in other municipalities.



## 5 REFUGEE TEAM

Refugee Team helps refugees find jobs by supporting them in their personal and professional development. Refugee Team first uses them as volunteers at sports events which generally have a lack of volunteers. Subsequently Refugee Team matches the volunteers to the business network surrounding the event such as sponsors and suppliers. This helps refugees integrate better and faster. To Refugee Team, the Brabant Outcomes Fund represented an opportunity to expand its capacity.





## A NETWORK OF PASSIONATE ENTREPRENEURS!

A network of passionate entrepreneurs creating valuable impact in Brabant developed in tandem with the process with the five selected entrepreneurs. Everyone was welcome. Together with [Stérk.Brabant](#) we organised various workshops and events. Knowledge was shared, ideas were exchanged and entrepreneurs entered into talks with investors.

### LESSONS FROM THE SELECTION PROCESS

We feel good about the selection process. Naturally there are things we'd do differently next time. This is what we learned:

1

#### Allow jury members to help define selection criteria

Not all jury members interpreted the selection criteria the same way. We learned that harmonising criteria is crucial. This prevents things like the investors leaning one way and the jury the other. A co-creation process is therefore desirable.

2

#### Clearly explain the criteria to the entrepreneurs

Far from all the registrations we received met the selection criteria set. Entrepreneurs had, for instance, only just started or provided no clear description of their scaling-up plans. Being very clear is therefore crucial.

3

#### Set aside plenty of time for selection

The large number of registrations meant we didn't have much time during the selection process. The lesson learned being that you need more time so you can accommodate any possible additional work.

4

#### Properly consider your recruitment method

An open call worked well for this round of the Brabant Outcomes Fund. But there are multiple options to choose from. You could also, for example, go in search of entrepreneurs yourself instead of making them come to you. The right approach depends on what you want to achieve.

# RESULTS-BASED FINANCING IN PRACTICE

## An intensive team process

The five selected entrepreneurs' business plans were further detailed between February and July 2019. The ambition being to ultimately conclude at least three contracts.

A team was formed for every entrepreneur: one representative from the provincial government, one from the investors and one process supervisor with knowledge of results-based financing. These teams collaborated intensively at a number of workshops and generally took three steps:

### 1. FURTHER DEVELOPMENT OF THE BUSINESS PLAN

This was the core of the team process. Together we investigated how the entrepreneurs could best scale up sustainably and what was needed to achieve this, for example, in the fields of financing and governance.

### 2. VALUING THE RESULTS

An important element of the business plans was valuing the results: which social and ecological values does scaling up create? What are the objective and subjective values of scaling up? How are these values subsequently translated into a financial valuation for investors and the outcome payers?

What made the process special was the fact that we involved the target groups (or rights holders) in determining value. For instance, in Refugee Team's case, a group was called together who the entrepreneur had supervised in the past. These people were then asked how valuable the support provided had been to them. Where possible this valuation was also - subjectively in parts - incorporated into the contracts.

### 3. TRANSLATION OF THE CONTRACTS

Subsequently, the further detailed business plans and the result valuation were translated into contracts. This involved many practical and technical issues that couldn't all be thought through and detailed in advance. How exactly do VAT payments work in the Netherlands? What are the concrete preconditions for remuneration based on results? And how does this type of contract suit the provincial government's subsidy structure?



**"THIS PROCESS PROVIDED KNOWLEDGE ABOUT VALUING VALUE, HOW TO CONVERT THAT INTO OUTCOME PAYMENTS AND HOW TO DETAIL AGREEMENTS IN CONTRACTS."**

- One of the investors



# THE END RESULT: FOUR CONTRACTS SIGNED

The contracts were signed by the entrepreneurs and a specially founded investor foundation. The entrepreneurs did not conclude contracts with individual investors in other words. The provincial government's subsidy agreements were also agreed with the foundation.

Out of the five selected entrepreneurs only one failed to reach agreement on a contract with us. That was Samen Slim Zorgen Thuis. At the last minute, one party withdrew from the coalition.



## STICHTING SARBAN DE TOEKOMST

The contract with Sarban describes the objective as opening a new restaurant in Tilburg on 1 December 2019. The objectives for the three following years are:

- 27 refugees join the programme with the aim of helping 80% get jobs (internally or externally). Every refugee joining the programme will carry out at least 14 months of uninterrupted, paid work for Sarban, for at least 24 hours a week and will receive an MBO 1 or 2 [MBO = secondary vocational education] certificate. During this time, they will spend six months working for an external employer.
- 80% of the refugees joining the programme will experience positive personal growth in two of the three self-sufficiency fields: social safety net, professional safety net and perspectives for the future.
- Furthermore, Sarban will train one restaurant owner, who will be able to continue to run the restaurant after three years.



## FLADDERFARM MOBIEL

A results-based contract was still too early for Fladderfarm Mobiel, so a performance-based contract was signed instead. This entails that agreements were first made on the basis of activities instead of results. This allows Fladderfarm to build up a track record that results-based contracts can be based on in the future. For example with the GGZ and municipalities. The objective for the coming two years is to create four new mobile 'chicken caravans' that provide activities for a total of 42 assistant farmers, five days a week.



## CTALENTS

People with sensory challenges such as loss of hearing or sight undergo a meticulous process at Ctalents to help them into sustainable jobs. The result agreements with Ctalents were made on the basis of this process' steps. In concrete terms this means that, in three years:

- 53 people will start work training and 41 will complete the latter successfully
- Ultimately, 35 people find a suitable job and salary for at least 24 hours a week
- No more than 11 of these people will be engaged in work beneath their level of education, work less than 24 hours or become non-benefit eligible.



## REFUGEE TEAM

In three years' time, Refugee Team intends to achieve the following objectives by utilising refugees (status holders) as volunteers at sports events and by supporting refugees in their personal and professional development:

- 220 status holders with a benefit will be active for at least five months thanks to Refugee Team. They will develop professionally, for instance, their attitude to work. And they will be given agency, for example in the fields of confidence and control.
- Some 120 status holders will be given labour contracts for at least 10 months.





# WHICH RESULTS HAVE BEEN ACHIEVED?

An important phase of the first round of the Brabant Outcomes Fund was completed by the signing of the contracts. However, that is not the end of things as the entrepreneurs will work hard to achieve their objectives over the coming years. If we reflect on the Brabant Outcomes Fund's wider ambitions, we can observe the following yields:

### 1. More knowledge concerning results-based financing and multiple value created

Acquiring new knowledge and experience with results-based financing, multiple value and the solutions these can offer entrepreneurs with a positive impact on society. That is what we wanted and that's what happened. In the evaluation, the parties indicated they had learned about both the advantages and drawbacks of results-based financing. This also means we are much more aware of how to incorporate multiple value into financial valuation.

### 2. More mutual understanding between the parties

Various worlds met during the intensive cooperation surrounding the contracts. The organisational culture, methods and interests of entrepreneurs differ markedly from those of investors or the provincial government. We noticed this during the process. For example, investors and entrepreneurs experienced the internal procedures and regulations that apply at the provincial government. This led to more insight into how other organisations operate and how to deal with those differences.

### 3. Seeds sown, including at the provincial government

Results-based financing differs from how subsidies come about at a provincial government level. Safeguarding results-based practices within the provincial government is therefore an objective. During the process inspired provincial government staff such as the subsidy team showed great interest. The first seeds have been sown.

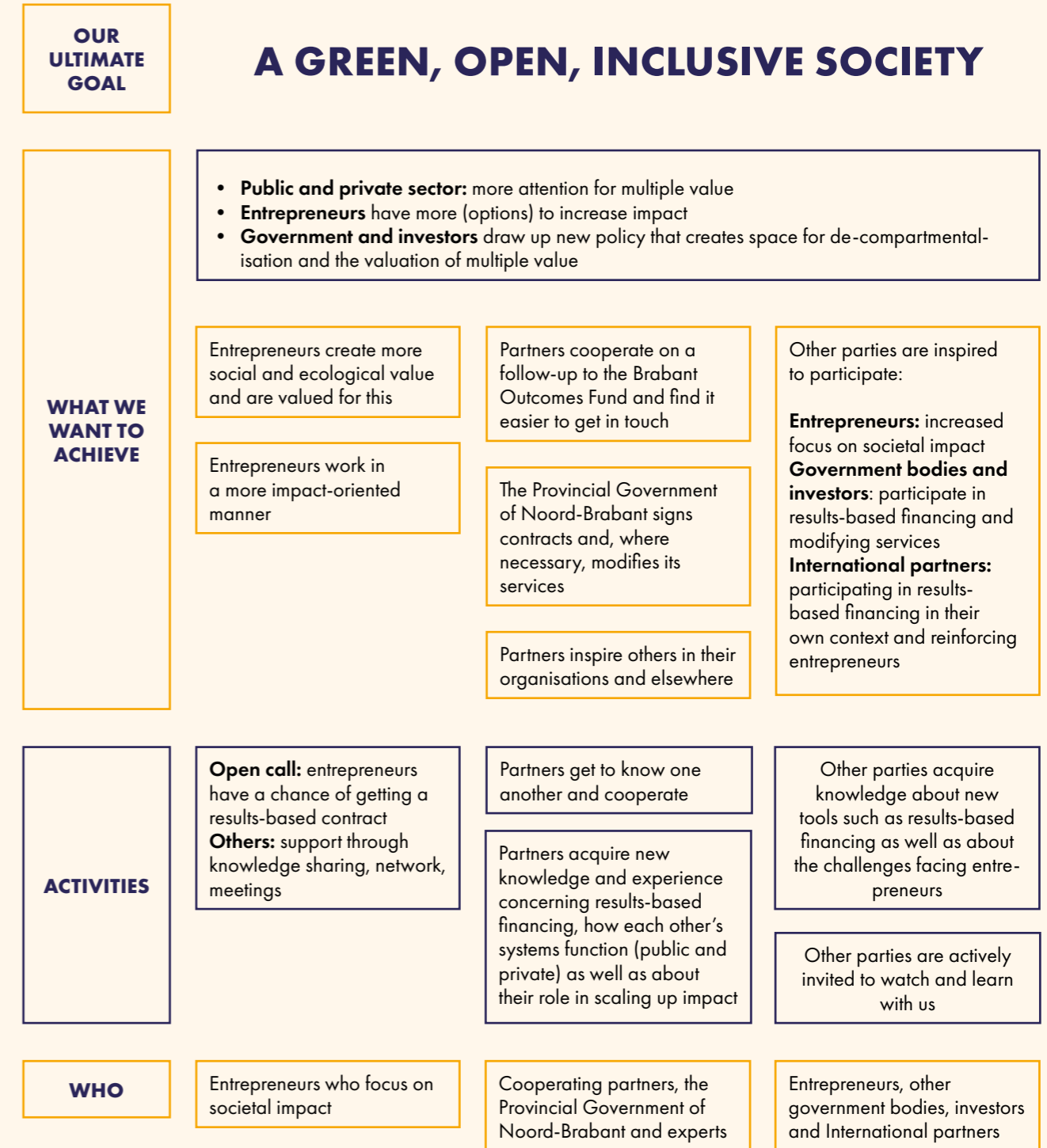
### 4. Outside interest created

This first round of the Brabant Outcomes Fund was intended to allow external parties to watch and learn with us. We wanted to involve them too in this way. Think of, for example, municipalities, traditional entrepreneurs and international partners. In practice, the process with the primary partners proved so intensive that this did not always work out. Talks were held with the Municipality of Tilburg, and other provinces, various European regions and the national government demonstrated interest. This offers opportunities for the future.

**“OUTSIDE COMMITMENT IS SO DEPENDENT ON THE PEOPLE YOU ENCOUNTER. WHERE THEY LIVE IS IRRELEVANT: PEOPLE HAVE TO GET IT AND THERE HAS TO BE A MUTUAL CLICK. ”**

- A provincial government employee

We catalogued our theory of change for the pilot. It states which movement we wish to start with the Brabant Outcomes Fund and what we want to achieve.



During the first round of the Brabant Outcomes Fund, the Provincial Government of Noord-Brabant and investors are experimenting with results-based financing to help entrepreneurs who create societal/ecological value scale up

There are challenges concerning the following themes: valuation of multiple value, increasing access to (growth) capital and de-compartmentalisation at and between government bodies

# 10 LESSONS LEARNED

The Brabant Outcomes Fund is the first time a province in the Netherlands experimented with results-based financing for entrepreneurs seeking to scale up their societal impact. Experiments are meant to educate and so we would like to share the ten main lessons learned with you below.

The first five are to do with cooperation. The other lessons will be important to any possible follow up, whether it be in Brabant or elsewhere.



## 1 CONCLUDING FOUR CONTRACTS IN SIX MONTHS CAN BE DONE, BUT ENSURE YOU HAVE A MUTUAL POINT OF DEPARTURE

### What went well?

The Brabant Outcomes Fund developed on the basis of the conviction that expansion of the ecosystem and tools are required to solve bottlenecks facing entrepreneurs with a positive impact on society. We worked closely to achieve this with a large team of advisors, entrepreneurs, investors, politicians and civil servants. This led to us being the first Dutch outcomes fund and Brabant became the first provincial government to apply results-based financing.

### What could have gone better?

In the start-up phase we should have taken more time to define the point of departure. Which goal are all the partners – entrepreneurs, investors, civil servants and advisors – working on? This would have had the advantage of everyone pulling in the same direction from day one.

## 2 EVERY PARTY'S INSIGHT INTO AND UNDERSTANDING OF MULTIPLE VALUE IS YET TO GROW. ENSURE SHARED UNDERSTANDING

### What went well?

We had the room to find new solutions. What was innovative about developing the contracts was the way we experimented with the financial determination of multiple value. What is being educated worth for instance? What does the target group think it is worth? We managed to include this value in two contracts.

### What could have gone better?

The various partners proved to have different ideas of the terms and definitions of key concepts such as what multiple value entails. We could have saved time and misunderstandings if we had spent more time sharing visions and assumptions during our preparations.

## 3 PUBLIC-PRIVATE COOPERATION IS IMPORTANT, BUT TAKES TIME: BE CLEAR ABOUT INTERESTS AND EXPECTATIONS

### What went well?

During the first round of the Brabant Outcomes Fund we worked together on the business plans and results-based contracts as teams consisting of an entrepreneur, an investor, advisors and a provincial government representative. This made the entrepreneurs feel supported. Mutual understanding developed and problems were tackled together. This is extra important if you're doing something new and nothing is normal yet.

### What could have gone better?

Simultaneously, the lesson for next time is to be aware of each other's expectations and interests early on i.e. explicitly pay attention to the differences and shared interests. This knowledge will come in handy later when modifications are required and choices have to be made.

## 4 FACILITATE DIRECT COMMUNICATION. DON'T BE SCARED OF FRICTION, IT ADDS SHINE

### What went well?

Parties that had not collaborated before became partners and created something new together. Quite exciting really, because relationships are not equal in a results-based contract: after all the entrepreneur remains dependent on the outcome payer and the investor. Differences sometimes led to friction, but these truly helped move the project forward. New relationships lead to important new insights.

### What could have gone better?

During the first round of the Brabant Outcomes Fund we encountered existing interests and structures among provincial government staff, advisors, investors and entrepreneurs. It is important for people to be able to be vulnerable if you want to practice adopting new roles within these existing structures. Openness and direct communication are crucial in this respect. Direct communication should be consciously and actively stimulated and facilitated. During the process friction sometimes developed because it was unclear why a partner made particular choices and to what extent other partners agreed. This unintentionally put pressure on the relationship between the partners.

## 5 ENSURE TIME, CAPACITY AND QUALITY. MAKE JOINT AGREEMENTS ON THE PROJECT ORGANISATION

### What went well?

The Brabant Outcomes Fund was initiated by the provincial government which appointed a project leader, set up a project team and assigned staff to provide expertise and process supervision in the interaction between investors, entrepreneurs and the provincial government.

### What could have gone better?

The lack of a joint standpoint gradually became apparent (see Lesson 1). In the same vein - and also missed when attempting to bring various worlds together - were joint project control and independent, suitable process supervision.

## 6 EXPERIMENTATION = LEARNING AND THAT TAKES TIME. PAY ATTENTION TO THIS AND FACILITATE IT PROPERLY

### What went well?

Room for learning was created from the start, for example, by assigning an external party to implement action learning activities, by including reflection on the agenda for meetings, by distinguishing between learning

individually and at an organisational level as well as by explicitly emphasising learning and incorporating it in the change strategy.

### What could have gone better?

Nevertheless, the partners proved to have defend expectations with regard to what experimentation entailed to them and how much room they wished to set aside for it in the process. It is important to share expectations early on in the process and to make agreements about the latter. Because the process itself is very intensive, time pressures affected the time taken for intermediate reflection and a helicopter view. Moreover, the tools and methods that help individuals reflect and learn together could have been made better use of.



## 7

### A CLEAR, PHASED PLAN WITH DITTO DEADLINES IS PLEASANT TO WORK WITH

#### What went well?

During the first round of the Brabant Outcomes Fund four contracts were drawn up in record time in part thanks to the tightly scheduled programme. Various elements had been clearly detailed in advance and recorded in a programme booklet. This meant every team knew exactly which deadlines existed and what had to be done before each one.

#### What could have gone better?

Although the pre-determined scheduling and deadlines were clear, these should have been more mutually agreed in order to verify their feasibility among all the parties and to assess this on the basis of (internal) decision making processes. Furthermore, we learned that it is wise to always schedule space for customisation and unexpected events.

## 8

### DON'T COPY THIS FIRST ROUND – EVERY CONTEXT DEMANDS A SPECIFIC APPROACH, FOR INSTANCE, HOW YOU RECRUIT AND SELECT ENTREPRENEURS

#### What went well?

We made context-specific choices during Round 1. For example, we decided to place an open call to entrepreneurs and to utilise an intensive selection process to select suitable entrepreneurs. The open call and the selection process yielded a great deal: the selection process was transparent and the open nature of the call introduced many new entrepreneurs to the Brabant Outcomes Fund (and as a result the Provincial Government of Noord-Brabant). Even entrepreneurs who were not selected received support, were included in the Stérk. Brabant network and, in this way, reinforced Brabant's ecosystem.

#### What to watch for next time?

Next time it will be important to think about it all again. What best suits the context? Does an open call align with your goals or is there another way which would be more suitable? Defining clear selection criteria and determining in advance exactly what it is you are looking for is crucial.

## 9

### OFFER CUSTOMISATION – AFTER ALL, EVERY ENTREPRENEUR IS DIFFERENT

#### What went well?

The programme was planned in detail and set up to learn from experiences and support the entrepreneurs in the process of drawing up the results-based contracts.

#### What could have gone better?

One lesson for next time is to pay more attention to what each, individual entrepreneur needs during the process. The programme didn't always align with the specific knowledge and expertise of the entrepreneurs. Tasks and responsibilities were also not always assigned to the people or organisations with the most expertise. The process was additionally taxing because the entrepreneurs were involved in various tasks.

## 10

### CO-CREATE STRUCTURAL SOLUTIONS FOR ENTREPRENEURS

#### What went well?

The Brabant Outcomes Fund developed from the ambition to develop solutions to the challenges entrepreneurs encounter when they want to scale up their societal impact. Experimentation took place and that led to a new type of results-based contract. For the first time, the opportunity arose to scale up at a regional level.

#### What could have gone better?

A results-based contract is only a temporary solution for many entrepreneurs. They are only truly helped with structural solutions to their financing conundrums. That entails permanent funding. By national, provincial or municipal state bodies and the private financing sector. And perhaps other outcome payers can also be devised. During this phase of Round 1 there was insufficient time to connect future outcome payers. This will be done in the implementation phase.



*What we will continue to do, is learn. Always.*

*The second round will also be an exploration.*

*As it will not be a copy of the first.*

*Every context demands a new approach.*

*This also entails things not going according to plan or what we hoped.*

## LOOKING TO THE FUTURE

**And now? After all those lessons learned and insights? Now it's time to look ahead! Inspired by the entrepreneurs, investors and provincial government staff's enthusiasm, we are taking the initial steps towards Round 2 which will examine whether other themes such as energy poverty, innovative housing and the circular economy could benefit from the Brabant Outcomes Fund method.**

Point of departure for a next round is, as it was for the first, removing the obstacles stopping entrepreneurs from scaling up their societal impact. The Brabant Outcomes Fund wishes to permanently work towards the valuation of multiple value, de-compartmentalisation and access to growth capital. During the first round of this expedition we learned that it is very important for this form of financing to bring the various perspectives together. So the exploration of new themes also means we will collaborate from the very start with investors, citizens, entrepreneurs and other government bodies. It is great to see how much interest there is in our financing method. Local and regional government bodies from the Netherlands and abroad have indicated their interest. We will continue to cooperate with them, and share experiences.







**“THE PROCESS GENERATED KNOWLEDGE ABOUT VALUING VALUE, HOW TO CONVERT THAT INTO OUTCOME PAYMENTS AND HOW TO INCORPORATE THOSE AGREEMENTS INTO CONTRACTS.”**

- An entrepreneur

We will probably be confronted with the daily reality of our own organisation, our procedures and tools which are not, per definition, aligned with what we truly require to tackle a societal issue.

We will undoubtedly also be challenged to step out of our own comfort zone again. Staying curious and positive, by asking the questions no one else poses and by telling the stories that have to be heard. Challenging the status quo is precisely why we will conduct this exploration.

If it is important for us to acquire a variety of new experiences and reflect on them. Regularly looking back and listing the lessons learned – as done in this magazine – also helps us to think about the future.

Alongside, Kate Raworth’s video about the Brabant Outcomes Fund in which she states: “The 21st-century economy will be developed by learning in practice and then developing theory”. That is what we did and will continue to do with the Brabant Outcomes Fund: gather practical experience. In our opinion, the Brabant Outcomes Fund is a tool, not a goal in itself. It’s a promising tool, but only one piece in a much larger puzzle, one step in the direction we want to go: an open, inclusive and green society. That’s what motivates us. You too? Why not join us!



**Kate Raworth, British economist and author of Doughnut Economics**

View the video we made with Kate about the Brabant Outcomes Fund: “The 21st-century economy will be developed by learning in practice and then developing theory”.

# PARTNERS

The first round of the Brabant Outcomes Fund would never have been possible without a fabulous team of cooperating parties. We are proud to have worked with them.

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## Translations

Todo Talenservice

## Editor

Juul Franssen

## Photography

Marc Bolsius

## Graphic Design

maan identity.design.content

The Brabant Outcomes Fund is a Provincial Government of Noord-Brabant initiative. Would you like to know more about the BOF, the lessons learned or its plans for the future?

Keep an eye on this site or get in touch:  
bof@brabant.nl

[WWW.BRABANT.NL/OUTCOMESFUND](http://WWW.BRABANT.NL/OUTCOMESFUND)

