

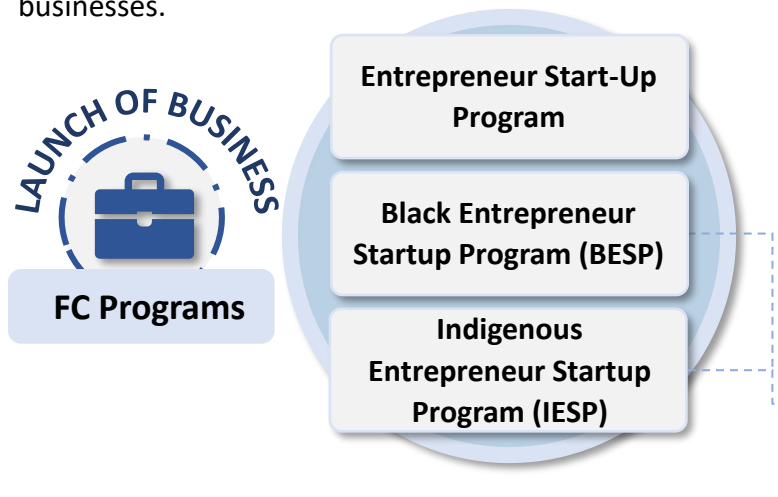
Summary of the Evaluation of Futurpreneur Canada

(2018-19 to 2023-24)

OVERVIEW

Futurpreneur Canada (FC)

FC is a national not-for-profit organization, and a recipient of ISED funding, which provides young entrepreneurs in Canada between the ages of 18 to 39 with financing, mentorship, and education to launch successful businesses.



- Start-up programs offer:**
1. Business planning support
 2. **Up to \$60,000** in collateral-free loans, including a 2:1 co-lend from the Business Development Bank of Canada (BDC)
 3. Two years of **mentorship**
 4. Additional support, such as networking and business training

Budget 2019 committed to renew funding for FC in the amount of \$38 million over five years, with an additional \$20.1 million provided in 2021-22 as part of the Government’s response to COVID-19, for a total of **\$58.1 million over five years**.

The evaluation was conducted using multiple methodologies and sought to assess program relevance, performance and efficiency. The scope of the evaluation covered the period from April 1, 2018, to March 31, 2023.

FINDINGS

RELEVANCE

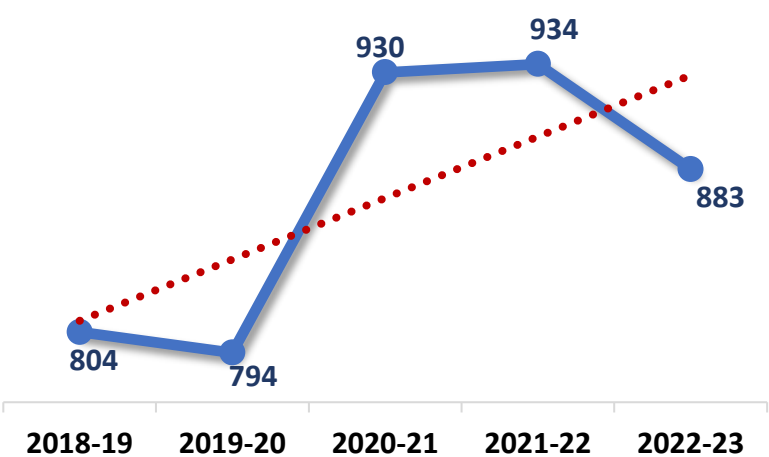
The evaluation found that FC fills a gap within the context of the Canadian entrepreneurial ecosystem that traditional banks and other lending organizations have not been able to address, and the program is in alignment with Government of Canada priorities.



PERFORMANCE

FC has effectively provided loans, mentorship, and education to young entrepreneurs across Canada which has contributed to growth and success in businesses launched.

On average, the **number of loans disbursed by FC has increased**.



Note. Loans decreased in 2022-23 due to an increase in interest rates.

ADJUDICATION MODEL

FC’s proprietary adjudication model uses a hands-on approach with each business application and takes into consideration the **strength of the proposed business plan**, as well as examining **how well a client repays their credit and the level of credit utilization**.

Since young people often **do not have a payment history and lack length of credit history**, FC’s adjudication model supports them in obtaining loans that they would otherwise face challenges in accessing.

INCREASED

number of FC loans in good-standing

DECREASED

number of FC loans written-off

2,633

volunteer mentors

2,689

entrepreneurs accessing mentorship

The mentorship program underwent changes during the evaluation period:

- Resourcing a fully-dedicated FC team for mentorship
- Increased regular mentor/mentee check-ins
- Tools and resources to onboard mentors
- Identification of mentor/mentee expectations

Overall, FC entrepreneurs indicated that the mentorship was helpful; however, the evaluation found that there are opportunities to improve the matching process to address the unique needs of entrepreneurs, particularly Black, Indigenous, and people of colour (BIPOC) entrepreneurs.


Top skills that were improved by FC entrepreneurs over the evaluation period:



The evaluation identified two key best practices by FC:

1.

The “Lived Experience Approach”
Programming is designed, led, and administered by individuals from the equity-deserving communities they are seeking to support. Through consultation and development with these communities, FC has been able to foster trust and create programming responsive to their unique needs.
2.

Knowledge Transfer
FC’s adjudication model has led to several positive outcomes. FC is sharing knowledge of its approach to credit lending with other similar programs, such as other Black Entrepreneurship Programs.
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EFFICIENCY

The evaluation found that FC programming was delivered efficiently through their extensive network of partnerships and the shift to a 5-year funding cycle.



Partnerships have been effective in reducing duplication of services and supports in the entrepreneurial ecosystem. FC has established a successful referral system in which partnering organizations refer young entrepreneurs to FC and vice versa.

Benefits of 5-year funding cycle



- ✓ Increased stability of the organization
- ✓ Partnerships increased and were more effectively leveraged
- ✓ Matching of federal funding was surpassed
- ✓ Increased scale of FC’s operations to better meet demand

RECOMMENDATIONS

ISED Small Business and Marketplace Services sector should work with FC to continue to explore ways to enhance and support its mentorship program to improve mentor-mentee matching and particularly address the unique needs of BIPOC young entrepreneurs.