

Market Readiness

The 5 Dimensions

SOCIAL FINANCE
ACADEMY



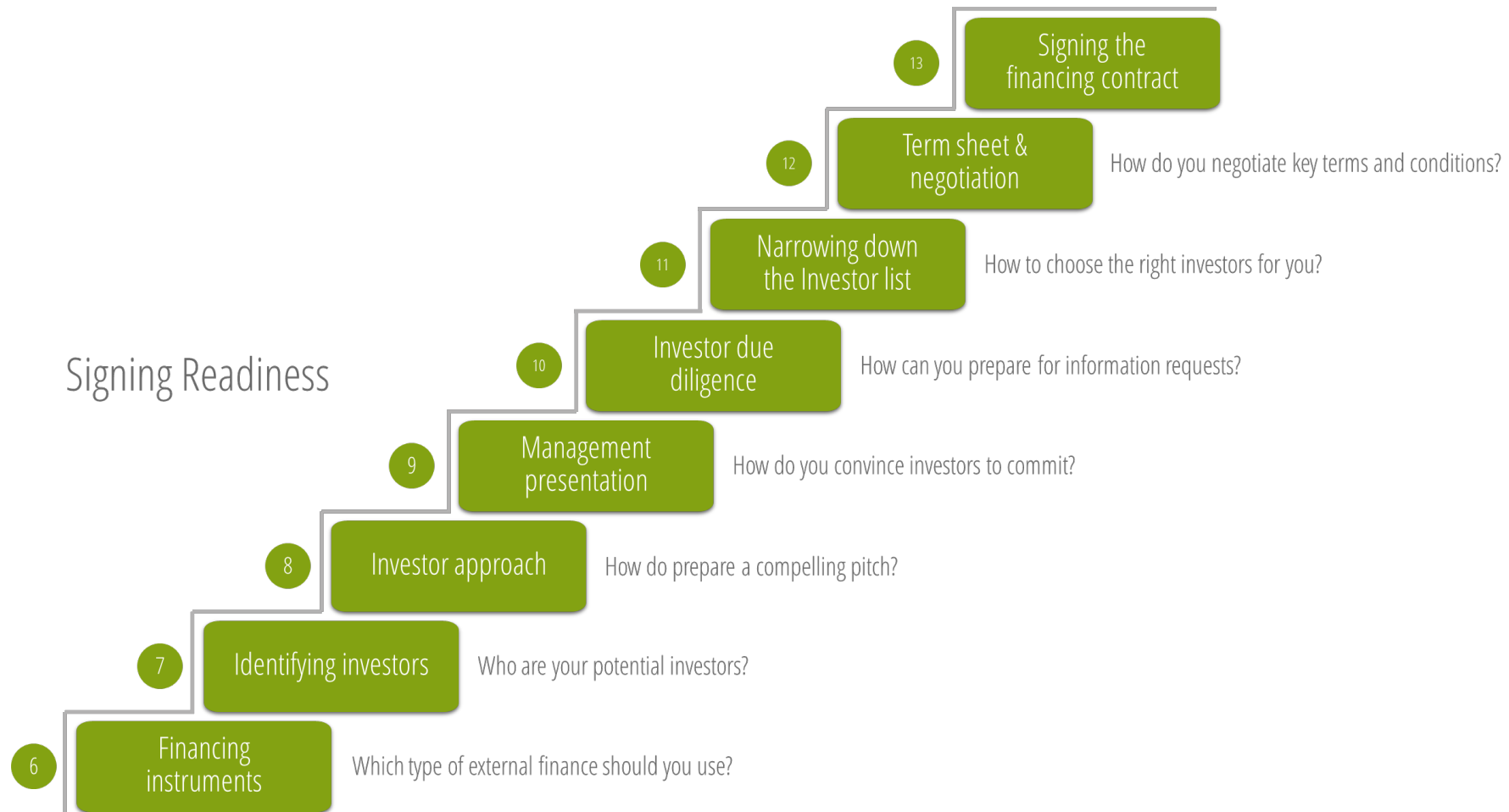
THE 18 STEPS FRAMEWORK: After Investment Readiness comes...

Investment Readiness





Signing readiness, and then.....





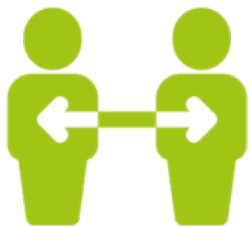
Market readiness!

Market Readiness





THE 5 DIMENSIONS OF MARKET READINESS



Investor Relations

- > **Goal:** Understanding how to build excellent relations between the enterprise and its investors, understanding the individual investors' needs (and rights) in terms of information flow and involvement, and making best use of their value adds.
- > **Key words:** Investor updates and meetings, information rights, non-financial support, etc.



Monitoring & Reporting

- > **Goal:** Being able to retrieve financial and impact data from the enterprise's business in a timely manner to successfully inform management decisions and efficiently report to stakeholders & investors.
- > **Key words:** Management Information Systems, impact reporting, impact measurement & management, KPIs, financial modeling, resource planning etc.



Mission Preservation

- > **Goal:** Ensuring effective handling of tensions between impact mission and financial sustainability as well as conflicts with important internal (e.g. team) or external stakeholders (e.g. investors).
- > **Key words:** mission preservation, legal structures, steward ownership, exit scenarios, etc.



Subsequent Financing

- > **Goal:** Preparing in time for the next financing round by investigating existing investor support, defining strategically important value adds that future investors should bring as well as building new relations
- > **Key words:** Investor funding and support capacity, scenario planning, proactive investor communication, etc.



Exit Strategy

- > **Goal:** Making sure that in case of a shareholder's potential exit (founders and/or equity investors), the impact mission of the enterprise is preserved as much as possible.
- > **Key words:** Responsible exit, share sale provisions (e.g. veto rights), exit scenarios and planning, etc.



ENJOY TESTING YOUR READINESS!

<https://social-finance-academy.org/market-readiness-check/>