

# The Accesserator Story

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## Chapter 6: Blind to the inevitable

The hardest part is to understand and acknowledge that the path we choose from the start was not the right one. Even with all the knowledge and experiences we gained, we were not yet there to see our failures. Every opportunity, small or big, we tried to hold on to, hoping that this would turn the tide and all our effort of running Accesserator over 3 years would pay-off. And importantly, that our initially designed business model was working, but that it took just a bit more time to be successful.

One of the first straws we grasped was that we transformed Accesserator into a more formal organization. We privatized our offices in Malawi to create accountability for the financial status with our local directors, weekly and monthly updates were introduced with all staff members to keep track on progress, as registering working hours to monitor the cost driven activities, creating and steering on personal KPI's, installing a company lawyer for all the paperwork, writing formal contracts with our investees and purchase expensive bookkeeping software. We called this "Project House-In-Order", while in fact we focused on executional obstacles that we now can classify as "treatment of symptoms" and not the cause of our way down to the valley. We still believed that our business model worked.

### A travellers' journey

What to do now? Looking up again we could see Big Daddy at the other side of this valley, but it seems so far away. Immediately we just gave it try to walk straight up the nearest sand dune trying to take a shortcut to the rim that seemed to lead to the top of Big Daddy. But that was pointless, three steps up meant going 2 steps back, at least. And the sun was still rising making this valley hotter and hotter.

There we were. On a blinding white plane, in burning sun, our fully geared care useless and not understanding how we could ever reach the top of Big Daddy. It seemed almost everyone else had left and we couldn't see anyone at the top from here. There was only a shoot out by a professional crew of a lady dressed up beautifully. What is this place?

In this period, we engaged with multiple companies and NGO's for providing Business Development Services (BDS). A large program came along and for \$100.000 we proposed our services to it. For months we were chasing this program as it could give us the needed momentum to avoid the Valley of Death. While chasing, we took on more cash and obligations, we were certain that this boost would get us where we needed to be. Almost there, our offer didn't materialize at the very end. That was maybe for the better, as we now have the peace of mind to do the necessary, and the main question is if we could haven been able to provide this type of services that moment anyway.

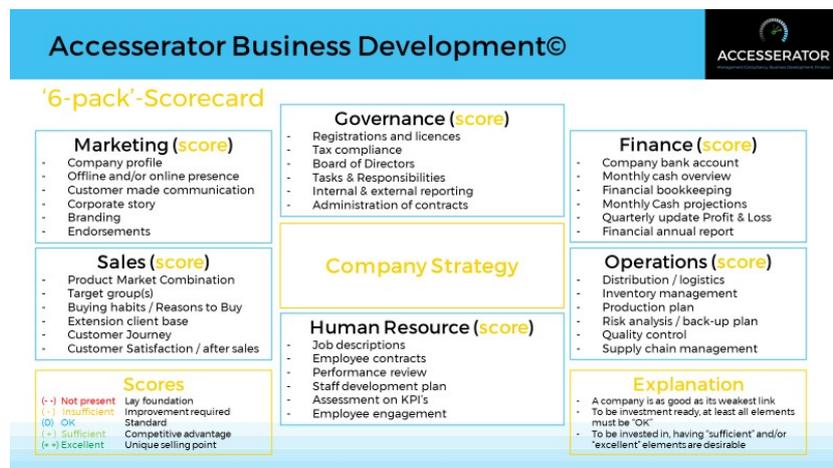
Not taking into consideration that we blinded ourselves for the inevitable, we drafted new plans based on the same concept we had sold to friends and family

the last 3 years, to raise interest at larger organizations, both public and private. If these organizations required anything else, it was a good strategy to be flexible and change our plans, even if we had to sell something we would never be able to deliver. In fact, we were building a façade of promises on the old foundation and can best be pictured by our newsletter from May 2020 with the title: "Have a better tomorrow if you refuse to fail".

It is debatable if over-promising and under-delivering might help a company to survive in the short-term. When you are with your back against the wall and in the foreseeable future failure is dooming, it sounds logic to try all possible ways to avoid it. However, in our case the fundamentals were the same and all the ballast we took on our way down would not help us in finding new routes for a way up. That became clear when we handed in our proposal at another large NGO, this time to get a grant of \$350.000. They were kind in their reaction, our ideas for starting entrepreneurs were spot on, but our organization as a whole was far from ready to perform in such assignments.

While we were looking to work together with other organisations supporting entrepreneurs, we developed a new methodology to screen possible investments and to provide insights in our current investment portfolio; the 'Accesserator 6-pack'.

Based on the rejections from NGO's, our experiences in guiding companies and theoretical knowledge from Nyenrode, it became clear that in order to be investment ready 'all six aspects' of a company should at least be sufficient, and some outstanding. However, none should be insufficient.



While doing the exercise for our investment portfolio, none of them passed our 6-pack method screening, we eventually took a peek in the mirror ourselves. The image we saw was not beautiful: a creature overloaded with historical ballast, underneath the band aid lay untreated wounds and blisters from bad decisions. We didn't pass the test either. It became clear, the way down through the sand in a bright sun had taken away almost all energy and we finally were able to open our eyes: our plan had failed, and we began to see what the Valley of Death looks like.

### Key take aways

- Not realizing you're not going in the right direction, your focus will be on the wrong direction and everything you do will make you go faster to a doomed destiny as you burn down your remaining (personal) resources even faster. "don't lower your goals, increase the effort", sounds nice but is not helpful.
- If you postpone your bookkeeping, don't create financial overview and delay your payments, (in short, it is no longer fun to do your financials and you put a blindfold on) you can be almost certain that you've arrived in the Valley of Death.
- If you get funding based on personal relations and not due to your business concept, though it sounds nice, it will not help you to avoid the Valley of Death. Logically you will feel the need to fight your way out, but watch out damaging that might be useful in a later stage: your network.
- When you are going down, don't be bothered by all the "ballast" that you gained in the first period. No matter what you do, you will take it with you anyway. Don't let fear for the inevitable guide you, but gather feedback, register the context and keep your network intact.

- Back seat driver fallacy. Driving a truck backwards: the driver cannot do better than the one guiding him standing at the back of the truck. If they change positions, it will still be the same. Best performance in this case doesn't depend on the person but on the position.

Example Partners:

Most of our partners have the same argumentation not to accept our advices: "you are not on the ground". In itself this is a legitimate argument, considering that we are in The Netherlands. But it doesn't mean our advice can never be useful. We tried all kind of different ways to approach them, but nothing seems too work. Maybe it is not that we give our services in the wrong way, maybe the other side of the table doesn't want it unless it's accompanied with cash. *"paid services": is it receiving money for your services, or bring money to give your services?*

Example Accesserator:

One of the founders made the decision in this period to work more hours in Accesserator: working harder and solve all the mistakes we made, would bring the needed success. It also would give the opportunity to chase leads and broaden our network. This extra effort took slightly 3 months and ended at the psychologist. The facade that we had built with "fake it till you make it" came down hard and was difficult to deal with.