

The social network

The Impact Hub has created a global network of social entrepreneurs to drive innovation and bottom-up development in cities. **Kirsty Tuxford** highlights the success of the model, which has founded over 6,000 start-ups



Managing a network of entrepreneurs in over 100 cities and 50 countries takes special skills but Gabriela Gandel, Executive Director at the Impact Hub, has a strong track record of advising innovative non-profit and commercial organisations. During her career, she has combined consulting for clients such as KPMG, HSBC and BP with advising art galleries and leading the world's largest youth-run NGO for leadership development.

Since joining the Impact Hub in 2011, her role has been to build a global infrastructure for catalysing and scaling social enterprises.

Gandel describes the task as a “dynamic strategy and process”, whereby alignment must be maintained between hubs in the network, along with the engagement of its 16,000 members.

Impact Hubs are a blend of co-working space, incubator, innovation centre and event venue. Members include innovators, visionaries and social entrepreneurs from diverse sectors – public servants to investors, students to freelancers. Everyone involved in the network has access to connections, resources, knowledge, talent, spaces and investments to turn ideas into action and move from intention to impact. The development of ecosystems that drive collaboration and entrepreneurial innovation is supported through locally rooted Hubs as well as partners and allied networks.

There is a rigorous selection process for Impact Hubs that can last up to two years, and those who wish to join have several conversations to ensure their values and motivations are in line with those of the network. “We’re a peer-

to-peer network, not a corporate organisation, so the quality and understanding we have for each other is important,” says Gandel. “The onboarding process is very structured and a lot of Impact Hubs are involved along the way.”

Once a new Impact Hub has been accepted as part of the network, the rules are fairly uncomplicated. “What’s most important to us is our principles and values,” says Gandel. “We have peer-to-peer governance mechanisms so we can resolve any issues.”

Management is not overly centralised and most processes are managed locally at each Hub, but there are annual gatherings and a lot of knowledge-sharing and organised engagement between Impact Hubs.

“We work with teams to start Impact Hubs, not individuals and we need diversity,” adds Gandel. “Usually people visit an Impact Hub, get inspired and then go home and promote the idea to a group who will then apply via our website. Then there will be an orientation call, and then you are put in touch with other Hubs in your region so you can get involved practically and see what is involved in running an Impact Hub. After that you get a lot of support and coaching on your journey.”

The Impact Hub model

When first established as a one-off in 2005 in London by British entrepreneur Jonathan Robinson—it was then known as just “The Hub”—members paid to use space, but the idea caught on as expat members who had used The Hub began their own versions in their countries.

The first model operated a top-down development strategy. Today Impact Hubs operate as an inverted franchise with a bottom-up economy – each local Hub owns itself and an

equal share of the organisation as a whole as well as the branding and trademark. Impact Hub entities as members of the global association pay a one-off joining fee - the amount depends on their financial projections and the purchasing power of the context in which they will operate. And they also pay a fee of 2.5% of their annual revenue to a collective pot to support back-end collective operations and enable

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Impact Hub: Fast Facts

In 2016, Impact Hubs hosted more than 11,000 events in five continents.

Between 2012 and 2016, more than 6,400 start-ups were founded.

More than 200 programmes are delivered annually, making Impact Hub among the world’s largest impact accelerators.

In 2017, 45 percent of members worked on a joint project or activity with other members and 31 percent started a new project or organisation together with another member.

Each member receives an average of three hours per month of mentoring, advice or feedback from other members – a total of approximately 400,000 hours of peer support provided by the community.



Gabriela Gandel
Executive Director, Impact Hub

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strategic development - this is paid in pro-rata monthly tranches, based on their own reporting and on the values of trust and transparency. Individual Hubs generate income through running training courses and mentorship programmes.

“As a network our latest figures on our annual turnover are €40 million,” says Gandel. “The most important revenue stream is space-based revenue which includes the membership fee, and events booked in various Impact Hubs, which accounts for about €22 million.” The other main revenue comes from programmes – working with not-for-profit, for profit, and public institutions in supporting either specific impact outcomes or a group of entrepreneurs that need help to

get from initiation to growth or other stages of development.

As a transparent organisation, Impact Hub has published an Impact Report including a five-year analysis of entrepreneurial support needs as well as their approach to partnering for impact, their strategy for the coming years, and their founding story.

They also publish an annual Community Impact Report highlighting the results of their global member survey – their main impact measurement tool.

That impact is global with Gandel highlighting success stories in different regions. In Athens, the Kypseli market initiative involved the redevelopment of a rundown area to create a more connected society by engaging people through inspiring events and by consciously creating a diverse thriving community.

“The area was home to a mix of migrants and very elderly

Greeks and it wasn’t a very safe place to be,” comments Gandel. “We’ve seen fantastic results in terms of the number of people engaged, and the number of new startups. It’s a great example of how the city and the Impact Hub were able to partner.” The development of Kypseli market was one of the projects which led to Athens being crowned European Capital of Innovation in 2018 (see article on page 6).

In Africa, Gandel highlights Impact Hub Accra which hosts the largest conference on digital society and tech innovation, re:publica Accra and where the Makerspace programme has supported the transformation of an area of Accra into an innovation district,

“The Impact Hub there is really at the heart of innovation in Accra. Most people considering starting up will be connected to them,” says Gandel.



Oana Craioveanu
 CEO and co-founder, Impact Hub Bucharest
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The importance of partnership

A key function of the programme has been to create partnerships and collaboration in particular with large corporates.

Working with PepsiCo, Bucharest’s Impact Hub developed ReUse Hub, an acceleration programme focused on supporting entrepreneurs and startups in the recycling or waste reducing industry. Over 120 applications were received, eight were selected to pitch in front of the jury and three won a €50,000 prize.

“We have very good collaborations with our partners and one example is Changeneers, a project developed together with Samsung Romania and dedicated to those who put efforts into using technology for a positive purpose,” explains Oana Craioveanu, CEO and co-founder of Impact Hub Bucharest. “Changeneers –

engineers who make a change – is built on the following pillars: Makerspace where we use Samsung to help entrepreneurs test their tech startup idea and Community where we organise meetups on different themes related to the good use of technology. In 2018, [we organised] the first edition of a competition which was won by the developers of a complex solution that connects people suffering from Alzheimers with their tutors.”

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The importance of partnering start-ups with larger organisations is highlighted by the Kickstart Accelerator programme at Impact Hub Zurich which comprises around 1,000 innovators, start-ups, creatives and techies who are active in one or more of the UN’s 17 Sustainable Development Goals.

Ray Neubauer, Vertical Lead for Smart Cities & Infrastructure at Kickstart Accelerator, explains: “Kickstart Accelerator is an initiative of Impact Hub and was launched by digitalswitzerland in 2015. The main aim of Kickstart Accelerator is, to bridge the gap between international start-ups and Swiss organisations like corporations, cities and universities to accelerate deep tech innovation.”

Kickstart Accelerator provides a conceptual, organisational and communicational framework for start-ups to work with partners on proof-of-concepts and pilot projects. Start-ups gain access to the Swiss marketplace and partners receive solutions to their innovation challenges.

One example from the 2018 programme is the City of St. Gallen’s partnership with Hivemind to integrate air quality sensors and smart street lamps on the Hivemind-IoT platform. The pilot project is being funded by the Swiss Federal Office of Energy.

“Since its foundation, Kickstart Accelerator has contributed to the successful establishment of over 75 partnerships between start-ups and partner organisations,” adds Neubauer.

As a pioneer in driving innovation and entrepreneurship, Impact Hub in fact has much to teach global companies, who are not only partners but also clients. Reflecting her previous career, Gandel points out that this has become a revenue driver for the organisation.

“We tend to do a lot of consulting – there’s a lot of interest in our bottom-up innovation,” she adds.

That interest will only increase as more and more cities learn to embrace a citizen-centric approach to innovation.

