

Being a hands on CEO, the perfect founder and the rise of RPA: meet Jenson Funding Partners' Sarah Barber

With #QVCS, Maddyness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today, we speak to Sarah Barber, CEO at Jenson Funding Partners.

Tell us about your career to date and what your current role at Jenson involves?

My career began as a chartered accountant with Deloitte and since then I've occupied every conceivable position in finance and accounting, including finance director. When I joined Jenson 16 years ago in the finance director outsourcing part of the business, it became clear how difficult it was for companies to raise funding, which inspired us to set up SEIS and EIS investment funds.

I'm very much a hands-on CEO and, like the startup founders we back, enjoy

having full oversight of projects to support the internal team and investee portfolio however I can. That outlook helps me to draw on my own experiences and provide perspective for whatever the founders are going through.

My role takes me from compliance, training, HR and financial management through to deal flow, forecasting, and business development. Just the other day, I had a meeting with the British Business Bank to discuss how we can open the VC industry to the wider community, ensuring that capital is accessible to all – which ties back to why we got into the market in the first place. It's important to Jenson that people with good ideas can manifest them.

Which industries are you working in and interest you?

Scalable problem-solving propositions are really what stand out and excite me. We're a sector-agnostic investor, so it's less about the industry a startup focuses on and more about what they have to offer. It's very common to meet a business with a bright idea that there's no market for. The ideal business for us is a growth-centric company that doesn't just have a cool concept but one that is a solution to an actual problem.

What do you look for in a founder?

The founder we'll choose to work with must be someone who understands and appreciates that we're investing in a growth solution, not just an idea. That means we're buying into the concept, the business, the roadmap and the team as a whole, so we need a founder who will listen to us, just as we're prepared to listen and support them along the way.

On the flip side, it's crucial founders do their research and find the right investor for their ambitions and stage of growth, which is something we're always transparent about from initial conversations. If the fit doesn't feel right then we'll admit that upfront because it's not just about providing some funding and disappearing into the shadows, we want to grow with the investee and be there as a resource when necessary.

Just as we're investing in them financially, we want them to invest trust back into us. Investor/investee relationships built this way will do amazing things for the reputation of the VC ecosystem.

What does your current portfolio look like?

Eclectic. From rural broadband businesses to ticketing companies and drink distribution to deeptech developments, we have a broad spread of investee companies in the portfolio. Beyond sector, we have different stages of business from seed round through to Series A.

We have a dedicated portfolio team in place who hold monthly calls with the founders, covering off progress, challenges, and requirements, all of which vary based on the stage of the business and we're very mindful of that. Building a connected network has been important for us, so we'll make introductions to people as necessary or provide guidance on governance and so on.

Encouraging portfolio companies to communicate has also been an invaluable offering for us and founders, who all have a lot of experience and knowledge to share. We've held webinars discussing areas such as crowdfunding, while investees have gone on to work together, so that collaborative community proposition is important to what we offer. We want to maximise the support network without overwhelming people.

How has COVID-19 changed the way you operate?

Interestingly, we've always been a virtual company, typically working remotely but with an office base for meetings. Therefore, the transition to working from home wasn't that difficult for the team, who have always had flexibility.

The main changes were around interactions with investee companies. Just because a founder has an incredible idea, it doesn't mean they'll enjoy standing up in a room to pitch it to a panel and seemingly the remote dynamic relaxed people to a certain degree. I got the impression that pitching through a screen in some cases helped to ease some of that tension to make founders feel more comfortable and relaxed.

Before COVID-19, would you have ever considered investing in someone if you

had never met them in person?

Although we've always operated remotely, investing in someone we hadn't seen in person and looked in the eyes would have seemed strange but, from a case of having to, this has changed. 60% of our portfolio is already based outside of London, so while some people may have preferred pitching face-to-face, having the opportunity to complete deals from a distance has opened the world up a little bit more and unlocked convenience to those further afield.

What does the future look like? What trends do you predict will boom in both the near and more distant future?

We believe that RPA – Robotic Process Automation – will be big in the near term. The need for businesses to adopt digital strategies is now accepted across most industries and the pace of digital transformation taking place across companies of all sizes is quickening.

RPA is an effective way for companies to adopt digital strategies on top of existing processes. We see this as a key driver for businesses to choose an RPA solution over a much more expensive and protracted option involving an overhaul of the entire business process.

In the distant future, we will see growth in the mobility sector; continuing with the slow adoption of mobility then we will see more mass adoption of automated cars. The change here will be incremental, firstly as more electric cars gradually get smarter, with automation eventually following.

What makes Jenson different?

Venture capital is a sector that can come across as intimidating, so we're very mindful to be an approachable VC for startups. We're a pioneer in the space, having launched one of the first and longest-running SEIS funds and have been unwavering in our commitment to support innovators through their various growth stages.

In addition to attracting many companies from outside of London, 18% of Jenson's businesses have a female founder – far greater than the 2.3% share of VC funding that women receive in the wider market. Despite being above industry average, this 18% is proportionate to the number of female founders who applied to the fund, a worrying statistic in our view and one that we would

like to help change. The change required isn't limited to female founders but applies to all underserved founders.

With a diverse senior leadership team leading our fund, we're the change that the sector needs and hopefully that's something that our startups also buy into.

What one piece of advice would you give founders?

Find an investor you can work with to maximise your chances of success – it's about finding the right investor for the specific business. This sounds easy enough, but can be a challenge if rushed, so take the time to have the necessary conversations. It's really important to have a good marriage, so both parties need to ensure they listen to each other for the duration of their time together in order for it to work.

Sarah Barber is CEO at *Jenson Funding Partners*.

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