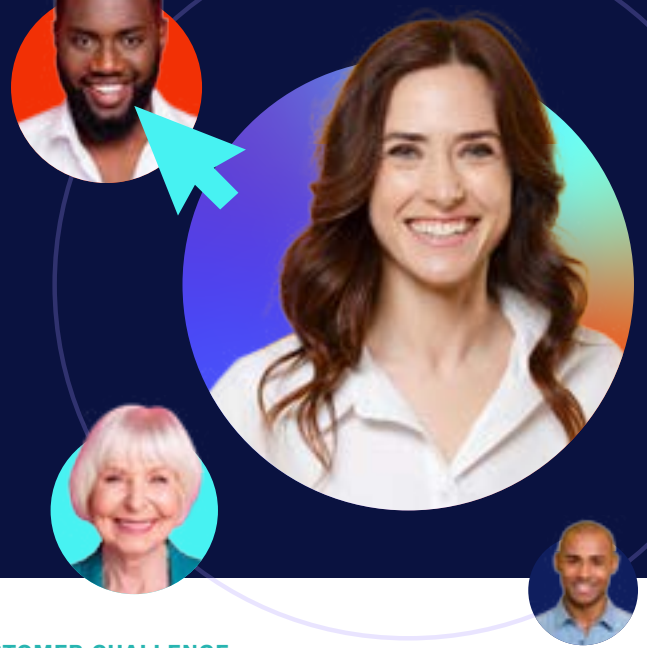




Evidity Health Capital

Making the “Special Sauce” of Venture Capital Scalable

How to accelerate the growth of a rising equity firm while preserving what makes it unique



CUSTOMER DESCRIPTION

Founded in 2014, Evidity Health Capital is a late-stage venture capital and growth equity firm that helps private companies with commercialized products grow capital to become profitable. Using evidence-based data to guide investments, Evidity has helped emerging companies developing cutting-edge medical devices, diagnostics technologies, and disruptive digital health technologies create real benefits for the healthcare system.

SOLUTION

Evidity consulted Innovative-e, a longstanding Microsoft Gold Partner whose proven approach to solving work management challenges recently made it a 2021 finalist for Microsoft Project & Portfolio Management Partner of the Year. Innovative-e began with a detailed assessment phase, gaining an intimate understanding of Evidity’s legacy tools, day-to-day processes, and unique value proposition.

After conducting a comprehensive Build vs. Buy analysis, Innovative-e recommended that Evidity refactor critical business applications using Microsoft’s low-code Power Platform. In that way, Evidity could maximize speed to market and leverage the platform’s flexibility to meet the firm’s unique needs without experiencing high licensing fees or costly customizations. By using Microsoft Power Apps, Evidity was able to position its business process for future growth without changing the methods used to analyze and vet potential investments, which differentiates the firm from others in their space. “We were able to keep their special sauce- what makes them unique,” said Matt Froelich, VP of Project and Work Engineering at Innovative-e.

DEPLOYMENT

Phase 1: Refine app used to track potential investment opportunities (Track) and develop app to record KPIs for existing portfolio assets (Manage)

Phase 2: Develop additional apps for opportunity assessment and portfolio company management

Phase 3: Develop apps for sourcing new opportunities and identifying exit options for existing portfolio companies

CUSTOMER CHALLENGE

Six years after its creation, Evidity was ready to grow, but its team was still using many of the same tools in place since the firm’s inception. Their data lived in spreadsheets and PowerPoint presentations and although these worked at first for a small team, the leaders at Evidity soon realized their manual processes could not scale. “We thought about our growth and institutional memory, and we realized things needed to be more dynamic,” said Dr. Adam Lesser, Principal at Evidity.

Tracking App:

- Modernize data model to adopt Power Apps shared data platform
- Migrate Power Apps infrastructure
- Incorporate interactive PowerBI health and pipeline dashboards
- Integrate third-party app undo feature across Power Apps

Managing App:

- Monthly flow snapshots for period-over-period reporting and trends
- Simple scoring using star rating for the KPIs
- MOIC and IRR calculations within app using Power Automate flow
- Interactive PowerBI dashboard of KPIs and managed portfolios
- Automated generation of PowerPoint decks using PowerBI

BUSINESS IMPACT

- Up to 20% reduction in initial assessment times due to data centralization
- As high as 25% increase in efficiency of team reviews due to enhanced visibility
- Instant access to portfolio company KPIs, reducing manual processes

CUSTOMER QUOTE

“There was a real effort to understand how we work and how different tools fit into what we do, which was very helpful in the initial context setting of understanding our investment process.”

- Dr. Adam Lesser, Principal at Evidity Health Capital

BENEFITS

One of the biggest advantages of using Power Apps is its existing user interface (UI), which was already functional and ready to use, enabling Evidity to save time and money on development. “Though it’s not perfect or 100% flexible, it is a piece of the puzzle you can put off to the side and decide to invest in more later,” explains Froelich.

Using applications within the Power Platform, Evidity was also able to centralize data, enhance visibility, and reduce manual activity by:

- Importing and retiring legacy data from other sources, reducing duplicate data management
- Collapsing and restructuring data tables to be more user friendly and functional, increasing overall data usage and accuracy
- Incorporating interactive PowerBI dashboards for measuring pipeline health, funnel, touch points, and top 5 types of business portfolio charts
- Incorporating interactive PowerBI dashboard to show performance of KPIs and managed portfolios
- Automatically creating PowerPoint presentations utilizing paginated PowerBI reports that deliver color indicators, KPIs, comments, and key financial stats for the portfolio and each individual managed company

RESULTS

With their new apps, Evidity has experienced reduced initial assessment times up to 20% due to having all relevant information in one place. In addition, they’ve seen increased efficiency of team reviews by as much as 25% by having a single review list and notes located in one place and provided instant access to portfolio company KPIs as opposed to needing to re-create them ad hoc.

These apps were implemented to build a shared set of data that can be expanded and pulled into other apps and reporting. This expandability is one of the key reasons Evidity chose to implement its investment management process with the Power Platform, as opposed to customizing an off-the-shelf application or creating a fully custom-coded application.

Evidity now has a consistent, scalable business model. With Innovative-e’s guidance, the equity firm is already developing four additional apps to automate and standardize a more complete set of business processes, keeping Evidity competitive for years to come.