

Start-up Loop Manual for Trainers and Coaches

by the Pro-Poor Growth and Promotion of Employment in Nigeria Programme – SEDIN

Abuja, November 2019

Published by:

**Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH**

Registered Offices

Friedrich-Ebert-Allee 40, 53113 Bonn, Germany,

Phone: **+49 228 44 60-0**

Dag-Hammarskjöld-Weg 1–5, 65760 Eschborn, Germany,

Phone: **+49 6196 79-0**

Email: **info@giz.de**

Internet: **www.giz.de**

Programme

Pro-Poor Growth and Promotion of Employment in Nigeria Programme – SEDIN

20-22 Haile Selassie Street, Asokoro

Abuja / NIGERIA

Phone: **+234 81355157249**

Email: **sedin@giz.de**

Internet: **www.sedin-nigeria.net**

Responsible

Dr. Detlev Holloh

Authors of first edition (May 2018)

Verni Vijayarajah

Supported by: **Biodun Samuel Ikuborije, Akinropo Omoware, Nosa Osunde, Beatrice Tschinkel**

Team responsible for second edition (March 2019)

Eduardo Canela, Ph.D., Biodun Samuel Ikuborije

Nosa Osunde, Dr. Beatrice Tschinkel

Team responsible for third edition (November 2019)

Eduardo Canela, Ph.D., Biodun Samuel Ikuborije

Dr. Beatrice Tschinkel

Implementing consortium

GOPA Consultants and AFC

Layout and graphic design

Boboye Onduku (Blo'comms)

Edition

Second edition, March 2019

Printing

The views and opinions expressed are strictly the authors' own and do not necessarily reflect the point of view of GIZ.

On behalf of

**The German Federal Ministry for Economic Development
and Cooperation (BMZ)**

Start-up Loop

Manual for Trainers and Coaches

Abuja, November 2019

Contents

How to Use this Manual	VIII
The Start-up Loop	1
Introduction and Background to the Start-up Loop	1
The Start-up Loop Approach and Methodology	3
The Start-up Loop Architecture	4
1. Phase 1: Planning, Promotion, Business Orientation & Final Selection of Participants	26
P1.1 Planning for Start-up Loop Implementation	27
P1.2 Start-up Loop Promotion and Pre-selection of Participants	43
P1.3 Business Orientation 1: Business Idea Testing and Validation	64
P1.4 Business Orientation 2: Introduction to Business Model Canvas (BMC)	68
P1.5 Business Orientation 3: Mini-market Survey and Final Selection of Participants	76
2. Phase 2: Business Management & Planning Training	86
P2.1 Introduction to Business Management & Planning Training	87
P2.2 Mini-Market Survey Review	91
P2.3 SWOT Analysis	93
P2.4 Introduction to Business Planning	95
P2.5 From BMC to Business Plan	95
P2.6 The Market Exercise and Introduction to Marketing Plan	97
P2.7 Product Prototyping and Introduction to Production / Service Delivery Plan	104
P2.8 Introduction to Organisation & Management Plan	108
P2.9 Introduction to Financial Plan and Business Plan Preparation	111
P2.10 Preparation for Phase 3: Business Planning Group Coaching	118
3. Phase 3: Coaching for Business Planning	120
P3.1 Coaching for Business Planning	121
4. Phase 4: Business Plan Packaging and Training on Personal Entrepreneurial Competencies (PECs)	127
P4.1 Introduction to Business Plan Packaging and PECs Training	129
P4.2 Personal Entrepreneurial Competencies (PECs)	133
P4.3 PECs Self-Assessment	136
P4.4 Successful Entrepreneur Visit & PECs Improvement Plan	138
P4.5 Risk Management Strategies	141
P4.6 Record Keeping	142
P4.7 Introduction to Finance Lexicon	144
P4.8 Financial Ratios and Break-Even Point	145
P4.9 Business Plan Packaging and Presentation	146
P4.10 Mock Business Plan Presentation (the Pitch)	149
P4.11 Preparation for Phase 5 – Financing & Linkages Coaching	156
5. Phase 5: Coaching for Financing and Linkages	158
P5.1 Financing and Linkages Coaching	160
6. Phase 6: Pitching Event & Graduation Ceremony	165
P6.1 The Business Plan Presentation & Graduation Ceremony	166
7. Phase 7: Follow-up and Final Evaluation	178
P7.1 Follow-up Group Coaching & Final Evaluation	180

List of Annexes

Annex 1.1: Start-up Loop Architecture Diagram	9
Annex 1.2: Andragogy – Principles of Adult Learning	10
Annex 1.3: The Experiential Learning Cycle	13
Annex 1.4: Coaching Methodology	18
Annex 1.5: Coaching in the Start-up Loop	22
Annex P1.1.1: The Start-up Loop Course Schedule	32
Annex P1.1.2: The Elements of Planning for the Start-up Loop	35
Annex P1.1.3: Human Resources required for the Start-up Loop implementation	36
Annex P1.1.4: Start-up Loop Theory of Change	39
Annex P1.1.5: Overview of M&E Tools and Reporting Requirements for the Start-up Loop	40
Annex P1.1.6: Reporting Format for the Start-up Loop	41
Annex P1.1.7: Planning the Start-up Loop	42
Annex P1.2.1: Sample Application Form for Start-up Loop	50
Annex P1.2.2: Must-have and Nice-to-have Criteria for Participation in the Start-up Loop	52
Annex P1.2.3: Steps and Process for Selection of Start-up Loop participants	53
Annex P1.3.1: My Business Idea	57
Annex P1.3.2: My Business Idea Validation	58
Annex P1.3.3: Creativity and Innovation	59
Annex P1.3.4: Sample Start-up Loop Selection Grid	63
Annex P1.3.5: Business Mathematics Quiz	64
Annex P1.3.6: Personal Entrepreneurial Competencies (PECs) Baseline	65
Annex P1.4.1: Introduction to BMC	71
Annex P1.4.2: BMC Template	73
Annex P1.4.3: Creativity Test	74
Annex P1.5.1: Mini Market Survey	79
Annex P1.5.2: Start-Up Readiness Survey	81
Annex P1.5.3: Monitoring & Evaluation (M&E) Form 1	82
Annex P1.5.4: Learning Diary	85
Annex P2.1.1: Phase 2 – Business Management & Planning Training Schedule	90
Annex P2.1.2: Daily Schedule for Training 1	91
Annex P2.1.3: Daily Evaluation of Training (Smiley) Chart	91
Annex P2.6.1: The Marketing Management Process	101

LIST OF ANNEXES

Annex P2.6.2: The Marketing Strategy	102
Annex P2.7.1 Production Flowchart	107
Annex P2.8.1 Key Elements of an Organisational Structure	110
Annex P2.9.1 Start-ups' Finance Tool Playbook	113
Annex P3.1.1: Introduction to Coaching Logbooks	125
Annex P3.1.2: Coaching Logbook for PHASE 3	126
Annex P4.1.1: Phase 4 – Business Plan Packaging & PECs Training Schedule	132
Annex P4.1.2: Daily Schedule for Training 2	132
Annex P4.1.3: Daily Evaluation of Training (Smiley) Chart	132
Annex P4.2.1: Personal Entrepreneurial Competencies (PECs)	135
Annex P4.4.1: PECs Improvement Plan	140
Annex P4.9.1: Packaging and Presenting the Business Plan	148
Annex P4.10.1: Role Briefing for Entrepreneurs	152
Annex P4.10.2: Role Briefing for Investors	153
Annex P4.10.3: Group Investment Data	154
Annex P4.10.4: Results Chart for Mock Business Plan Presentation	155
Annex P5.1.1 Coaching Logbook for PHASE 5	162
Annex P5.1.2 Sources of Finance	163
Annex P6.1.1: Sample Business Plan Viability Assessment Form	169
Annex P6.1.2: Sample Results Chart for Business Plan Viability Assessment	170
Annex P6.1.3: Monitoring & Evaluation (M&E) Form 2	172
Annex P7.1.1: Coaching Logbook for PHASE 7	182
Annex P7.1.2: Monitoring & Evaluation (M&E) Form 3	183

List of Acronyms

4 Ps	Product, Price, Place, Promotion
7 Ps	Product, Price, Place, Promotion, People, Process, Physical Evidence
AYEAID	African Youth Empowerment in Agriculture and Industrial Development
BEP	Break-Even Point
BMC	Business Model Canvas
BP	Business Plan
CEFE	Competency Based Economies Through Formation of Enterprise
FinTool	Financial Tool (Excel-based)
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
ILO	International Labour Organisation
IO	Implementing Organisation
LGA	Local Government Area
M&E	Monitoring & Evaluation
MSME(s)	Micro, Small and Medium Enterprise(s)
MVP	Minimum Viable Product
NGO(s)	Non-Governmental Organisation(s)
No.	Number
O & M	Organisation and Management
PEC(s)	Personal Entrepreneurial Competency(ies)
PWDs	People With Disabilities
PLASMIDA	Plateau State Microfinance Development Agency
Q	Question
ROI	Return on Investment
SADD	Sex and Age-Disaggregated Data
SEDIN	Pro-Poor Growth and Promotion of Employment in Nigeria Programme
SIYB	Start and Improve Your Business
SLE(s)	Structured Learning Experience(s)
SME Loop	SME Business Training and Coaching Loop
SME(s)	Small and Medium Enterprise(s)
Start-up Loop	Start-up Business Training and Coaching Loop
SWOT	Strengths, Weaknesses, Opportunities, Threats
TIC	Technology Incubation Centre
ToTC	Training of Trainers and Coaches
UVP	Unique Value Proposition

How to Use this Manual

This Manual is a description of the Start-up Loop and a guide to its implementation.

It addresses especially trainers and coaches who are involved in all phases of the Start-up Loop, but it is also meant as a guide for management and other staff (such as M&E staff) of organisations that choose to run or implement the Start-up Loop.

In addition to this manual, a handbook has been designed separately for Start-up Loop participants, the potential entrepreneurs. Both complement each other and are required for the Start-up Loop implementation.

In this manual, you will find the following:

-
- **Boxes** summarising the key content of each phase of the Start-up Loop.



- When you see a person reading and thinking, you will find **text with more detailed information about a topic**. This text will give you more background and a more in-depth understanding of the topics.



- When you see a person climbing stairs, you will find **instructions for Structured Learning Experiences (SLEs)**. These instructions provide a guide for trainers and coaches on how to implement the SLEs on a step-by-step basis.



- When you see a pen and ruler, you will find **tools** that will support the processes you have to go through, whether it is planning, training and coaching delivery, or monitoring and evaluation. At the beginning of each phase you will find an overview table with all tools that are relevant for that phase.



- The open book with a magnifying glass will indicate the **link to the Start-up Loop participant's handbook**. You will be directed to the relevant page in the handbook and can refer the Start-up Loop participants to the right section and part of their handbook.



- When you see two people talking, you will know this section refers to **(group or individual) coaching**.

-
- **Annexes with further information and reading** on specific topics or tools can be found at the end of the phases.

- **M&E forms** are inserted in those parts of the manual when they should be administered. For data entry and compilation, an Excel sheet and a Kobo tool are available.

- An Excel-based **Financial Tool** will help you guide the start-up entrepreneurs in doing the calculations needed for the completion of their financial plans.
-

Enjoy reading and using the manual!

Enjoy facilitating the Start-up Loop!

The Start-up Loop

Introduction and Background to the Start-up Loop

GIZ has developed the SME Business Training and Coaching Loop (SME Loop) in Sierra Leone in 2014 and has since piloted it in Sierra Leone and Republic of Benin with encouraging results. In August 2017, GIZ SEDIN in Nigeria has launched a series of SME Loop courses for existing MSMEs and start-ups in three states: Plateau, Ogun and Niger.

The SME Loop as a methodology combines training and coaching interventions. Coaching is intended to be an accelerator of the overall process to develop and then implement identified factors and courses of actions that will lead to the growth of MSMEs and place them on the path of business sustainability. The SME Loop builds on various training methodologies (e.g. CEFE, ILO SIYB, the financial literacy approach and materials developed in Nigeria, etc.), as well as on local resources available. Coaches are recruited from the market and subsequently trained on the use of the methodology. The SME Loop design so far focuses mainly on existing entrepreneurs who want to expand their business or set up additional new businesses.

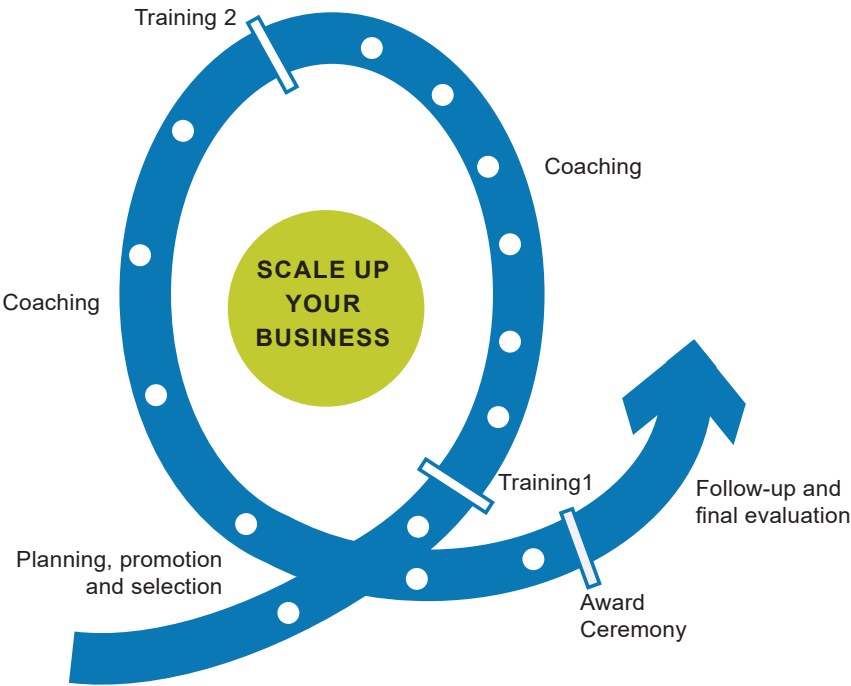


Figure 1: The SME Loop

The systematic combination of assessment and selection, entrepreneurship training and coaching cycles, with a clear and time bound structure, the demand-orientation of training and coaching modules, the use of local resources (whatever business development training modules and capacities are available locally including CEFE), the flexibility and adaptability to different country situations are considered strengths of the approach.

The GIZ SEDIN Programme initiated the process of designing a business training and coaching loop focused on start-ups in December 2017. The need to develop a modified Loop addressing the specific needs of start-ups was perceived following the implementation of the 2017/2018 SME Loop in Nigeria.

Materials and guidance designed for the purpose of serving existing entrepreneurs are not suitable to work with potential entrepreneurs who have their business ideas and are looking forward to implementing them and start their business. The challenges start-up entrepreneurs face, their needs and requirements, and the process of business start-up differ from those of existing entrepreneurs. On the other hand, supporting start-ups also varies in nature, contents and methods of provision. Potential entrepreneurs need a different set of motivation and services to identify, initiate, design and implement their new business ideas. They learn, develop and enhance their personal entrepreneurial and managerial competencies, business management knowledge and practices, work on the viability of their own business ideas, and assess the required capital and the investment. In this context, redesigning the SME Loop to fit the needs of start-ups should consider the process from a potential entrepreneur's point of view and identify the various steps they undergo. This will enable the designed approach to address those challenges and the needs of those business starters with the appropriate training and coaching sessions. Other approaches to start up promotion have their own strengths and weaknesses. Many of them do not address issues like business orientation, follow-up support, one to one support, financing and linkages development, etc.

The Start-up Business Training and Coaching Loop (Start-up Loop) is designed to support entrepreneurs in planning and kick-starting their business. Through training and coaching, it provides guidance in entrepreneurial and managerial competencies enhancement, an improved understanding of the business environment and assists in developing individual business plans. The Start-up Loop was successfully piloted by GIZ in Nigeria from March to December 2018 in collaboration with 4 organisations and scaled up in 2019 in Niger, Plateau and Ogun States.

The Start-up Loop Approach and Methodology

The core components of the Start-up Loop are:

- Business orientation and selection of participants
- Training
- Coaching
- Business planning, and
- Financing and linkage development.

The Start-up Loop is exclusively for potential entrepreneurs and new start-up businesses. Through the participation in the Start-up Loop, potential entrepreneurs and business start-ups are guided through a process of enhancing entrepreneurial and managerial competencies, as well as preparing a business plan and testing its viability. The course has training and coaching elements, which ensure that the start-ups receive continuous support through systematically integrated training and coaching sessions for a minimum of 21 weeks (5 months) as illustrated in the figure below:

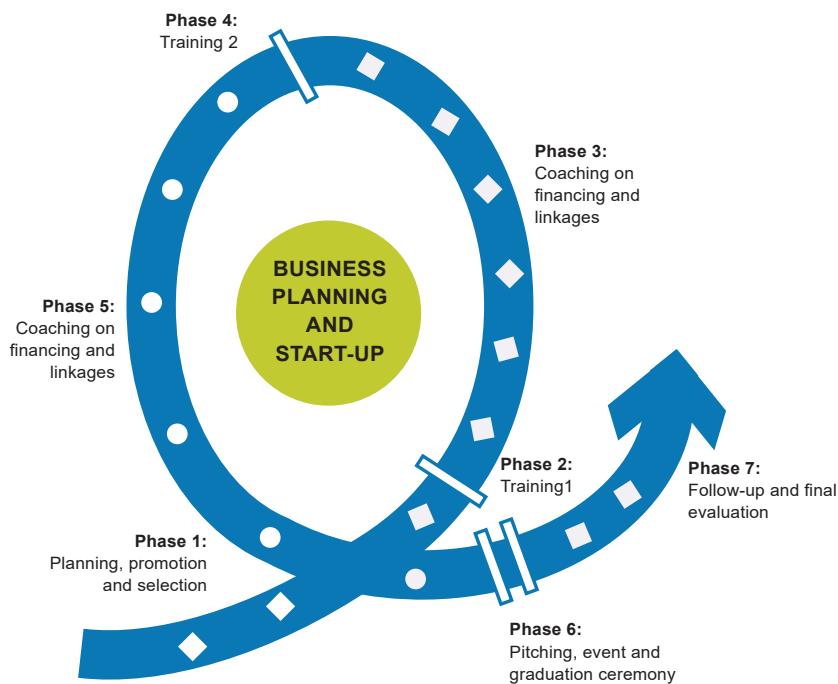


Figure 2: The Start-up Loop

The Start-up Loop consists of 7 phases:

- Phase 1: Planning, promotion and selection
- Phase 2: Training on Business Management and Planning
- Phase 3: Business planning coaching
- Phase 4: Training on Personal Entrepreneurial Competencies (PECs)
- Phase 5: Financing and linkages coaching
- Phase 6: Pitching event and graduation ceremony
- Phase 7: Follow-up coaching sessions and final evaluation

The diagram in Annex 1.1 on page 9 provides a detailed overview of the seven phases of the Start-up Loop.

The **Start-up Loop methodology is based on adult and experiential learning principles**. Course facilitation in training and coaching using such principles is designed to induce behavioural change and competencies enhancement. Experiential learning includes classroom experience through lectures and simulations as well as real life experience. Participants' learning via appropriately structured learning experiences (SLEs), role plays, group-work, and self-learning practicums is encouraged and capitalised on in the design process. Please refer to *Annex 1.2: Andragogy: Principles of Adult Learning* to learn more.

The coaching sessions are designed to capitalise on the real-life learning experience using the GROWTH coaching model in addition to Adult and Experiential Learning principles. Please refer *Annex 1.3: Coaching Methodology* for more details.

A successful implementation of the Start-up Loop guides business start-ups through a process of enhancing entrepreneurial, managerial and other needed competencies and working out the viability of their business through business plan preparation. Furthermore, coaching linkages to different business finance sources, and other business development services are developed. The steps of setting up a business are systematically worked on.

The Start-up Loop Architecture

The Start-up Loop provision includes two training phases of three days each and seventeen coaching sessions in three phases, each coaching session lasting 1.5 – 2 hours and taking place weekly. Altogether, the Start-up Loop comprises three coaching phases, two training phases, a pitching event and graduation ceremony as closing phase and a final group coaching phase for follow-up and year-end evaluation.

The table below describes the architecture of the Start-up Loop in brief, including the duration of and topics covered in each phase:

THE STARTUP LOOP

PHASE	INTERVENTION	CONTENT	DURATION
1	Planning, promotion, coaching on business orientation and final selection	Internal planning Promotion of the Start-up Loop, screening of applicants, pre-selection of participants Group coaching (3 sessions) on business orientation, creativity and innovation Final selection of participants	5-6 weeks
2	Training 1: Business management and planning	Developing the business idea using the BMC Business planning, covering: marketing plan, production plan, organisation and management plan, financial plan	3 days
3	Business planning coaching	6 group coaching sessions to cover the details of the business plan, link the BMC to the business plan and prepare for Training 2 (business plan packaging)	6 weeks
4	Training on Personal Entrepreneurial Competencies (PECs)	Identify PECs and enhancement opportunities, record-keeping, financial ratios, risk management strategies for business	3 days
5	Financing and linkages coaching	6 individual coaching sessions per coachee to follow up on linkages and entrepreneurial competencies	6 weeks
6	Business plan pitching and graduation ceremony	Business plan presentation and viability test Course completion award ceremony	2 days
7	Follow-up coaching and final evaluation	2 group coaching sessions for follow-up Final evaluation after 12 months from beginning of Start-up Loop	2 weeks

On average, a Start-up Loop requires an input of around 170 man-days for a group of 30 participants spreading over a minimum of 5 months and ending after one year with year-end evaluation. Inputs in terms of days vary depending on the trainer's/coach's implementation capacity and strategy.

To see further details related to the implementation, please refer to the table on the next page which provides an overview of the Start-up Loop Architecture.

The first column in the table names the phases of the Start-up Loop, followed by the description of session contents, duration/frequency of sessions, M&E requirements, required person-days (calculated based on 8 hours per day) and the expected outcomes of sessions and activities implemented during each phase.

The Start-up Loop Architecture

Notes

- The estimated input in terms of man-days is calculated on a basis of a group of 25-30 participants (roughly 5-6 potential entrepreneurs per trainer/coach).
- All estimates of input needed in terms of person-days includes time for preparation, the actual activity and some time for reporting or M&E-related data entry.

PHASE	INTERVENTION	CONTENT	DURATION / FREQUENCY	NO. OF COACHING SESSIONS	M & E	REQUIRED PERSON-DAYS	END OF PHASE OUTCOME
Phase 1	Planning, promotion, Business Orientation & selection of participants <u>Coaching 1:</u> (3 group coaching sessions)	Internal planning, promotion, reception and initial screening of applications <u>Group coaching (1)</u> <ul style="list-style-type: none"> • Business idea discussion, basics on creativity and visioning • Business mathematics quiz • PECs baseline <u>Group coaching (2)</u> <ul style="list-style-type: none"> • Introduction to Business Model Canvas (BMC) • Further discussion of business ideas • Creativity test <u>Group coaching (3)</u> <ul style="list-style-type: none"> • Mini market survey: introduction of template and task • Start-up readiness test • Final selection of participants 	2-3 weeks 3 weeks (1 coaching session per week)	3	Form 1 (baseline)	10 days (5 coaches and management & support staff) 10 days (5 coaches)	<ul style="list-style-type: none"> • Awareness raised on Start-up Loop • Shortlisting and final selection of participants • Business orientation and idea selection • Introduction to BMC; first draft of BMC • Mini market survey implementation • Prepared for business plan preparations and training • Baseline data collection

THE STARTUP LOOP

PHASE	INTERVENTION	CONTENT	DURATION / FREQUENCY	NO. OF COACHING SESSIONS	M & E	REQUIRED PERSON-DAYS	END OF PHASE OUTCOME
Phase 2	<u>Training 1:</u> Business Management & Planning	Developing the business idea through BMC SWOT From BMC to business plan Business Planning: - Marketing plan - Production / Service delivery plan - O&M plan - Financial plan using the excel for financials Business and management competency development and enhancement (business maths, basic Excel, innovation, creating value, etc.)	3 days			8 days (incl. preparation and reporting) (2 trainers)	<ul style="list-style-type: none"> • Understanding and drafting out each component of the BMC • Started business plan development • Enhanced business and business management competencies • Prepared for Phase 3 coaching
Phase 3	<u>Coaching 2:</u> Business Planning	Group coaching for Business plan preparation 1. Marketing plan 2. Production plan 3. O&M plan 4. Financial plan using the excel for financials 5. Financial plan using the Excel for financials 6. Packaging of business plan and Preparing for Training 2	6 weeks / 1.5 months weekly coaching sessions	6	Coaching log-books	30 days (5 coaches)	<ul style="list-style-type: none"> • Business plan development and packaging • BMCs linked to business plans • Technical inputs (Excel finance tool) • Prepared for Phase 4

THE STARTUP LOOP

PHASE	INTERVENTION	CONTENT	DURATION / FREQUENCY	NO. OF COACHING SESSIONS	M & E	REQUIRED PERSON-DAYS	END OF PHASE OUTCOME
Phase 4	<u>Training 2</u> Personal Entrepreneurial Competency (PECs) Enhancement	PECs introduction and enhancement options Risk Management Record-keeping Financial ratios & financial lexicon Practicing business plan presentation Preparations for Phase 5 coaching	3 days			8 days (incl. preparation and reporting) (2 trainers)	<ul style="list-style-type: none"> • Identified entrepreneurial competencies and assessment; PECs improvement plan • Risk management strategies for business • Improved understanding of financials • Introduction into business idea/ plan presentation; mock business plan presentation
Phase 5	<u>Coaching 3:</u> Financing & Linkages	Individualised coaching for the following: 1. Financial plan completion (if necessary); identification of relevant linkages 2. Develop suitable record keeping template for business 3. Product testing (if necessary) 4. Linkage development as needed 5. Linkage development as needed 6. Final validation of business plan; presentation skills; preparation for pitching	6 weeks / 1.5 months Weekly coaching sessions	6	Coaching log-books	90 days (5 coaches)	<ul style="list-style-type: none"> • Completed business plans ready for pitching • Linkage to business financing and other business development services • Knowledge and strategy to manage risk for business • Products and services piloted where possible • Basic record keeping knowhow • Enhanced presentation and pitching skills

THE STARTUP LOOP

PHASE	INTERVENTION	CONTENT	DURATION / FREQUENCY	NO. OF COACHING SESSIONS	M & E	REQUIRED PERSON-DAYS	END OF PHASE OUTCOME
Phase 6	Pitching event Graduation ceremony	Final business plan presentations and viability tests Wrap-up of the Start-up Loop Start-up Loop completion awards	2 days		Form 2 (Start-up Loop completion)	10 days (5 coaches)	<ul style="list-style-type: none"> • Viability of developed business plans confirmed • Start-up Loop course completion • Success story compilation
Phase 7	<u>Coaching 4 /Follow up</u> <u>Final evaluation</u>	Follow-up via group coaching Final Evaluation	2 days 1 day	2	Coaching log-books Form 3 (final eval.)	10 days (5 coaches)	<ul style="list-style-type: none"> • Necessary follow-up for actual starting of business provided • Year-end evaluation • Success story compilation
						176 days	

Annex 1.1: Start-up Loop Architecture Diagram

Detailed overview of the Start-up Loop:

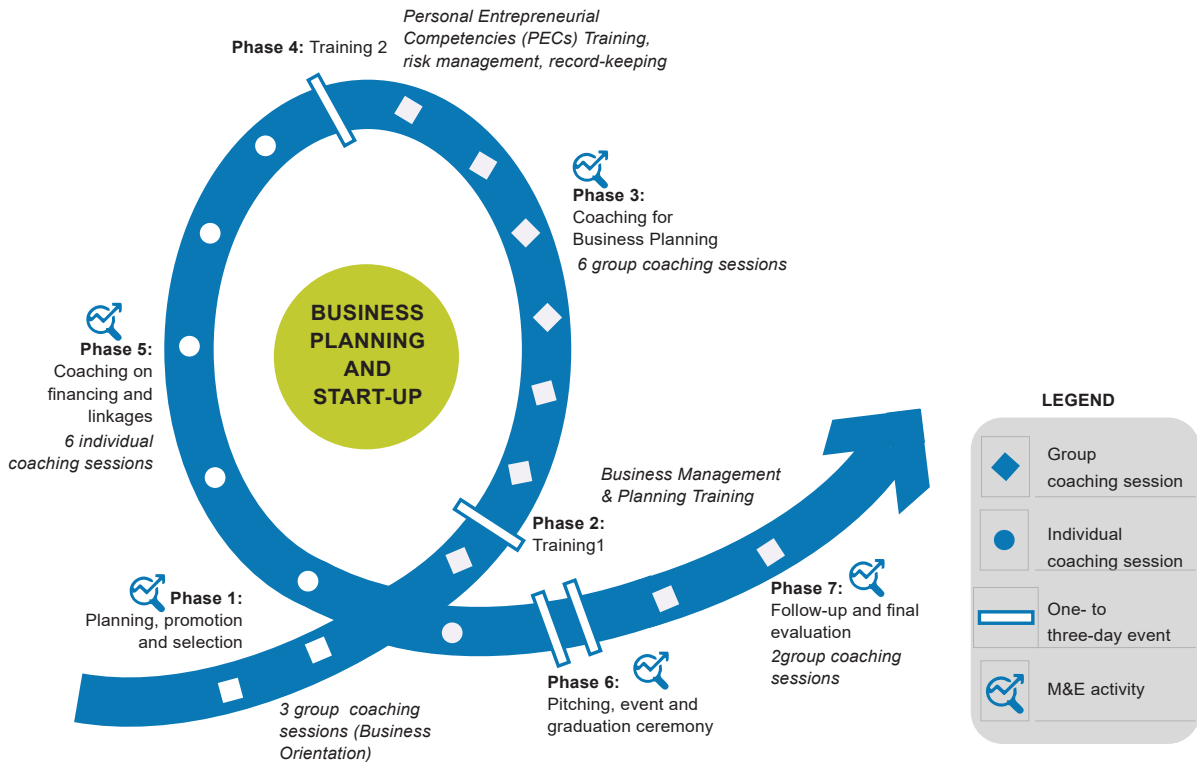


Figure 3: Detailed overview of the Start-up Loop and its 7 phases



Annex I.2: Andragogy – Principles of Adult Learning

Andragogy is built upon two central attributes: (a) learners as self-directed and autonomous; and (b) the role of the teacher as facilitator of learning rather than presenter of content.

Andragogy makes the following assumptions about the design of learning:

- Adults need to know why they need to learn something.
- Adults need to learn experientially.
- Adults approach learning as problem-solving.
- Adults learn best when the topic is of immediate value.

Andragogy means that instruction for adults needs to focus more on the process and less on the content being taught. Strategies such as case studies, role playing, simulations, and self-evaluation are most useful.

PEDAGOGY	ANDRAGOGY
<ul style="list-style-type: none"> • Formal and authoritative climate. Traditional classroom environment. • Teacher is in control of planning, diagnosis of needs and formulation of objectives. • Evaluation and progress measured by the teacher. • Subject-centred delivery of information. • Not usually conducive to increasing self-directed learning as the student look to the teacher for all learning cues. 	<ul style="list-style-type: none"> • Climate of mutual respect and collaboration. • Planning, diagnosis of needs and formulation of objectives is done with mutual cooperation and negotiation. • Evaluation and progress measured by mutual discussion between student and tutor. • Problem-solving approach to delivery of information. • Extremely conducive to increasing self-directed learning.

General principles of adult learning

- **Self-concept:** As a person matures his or her self-concept moves from one of being a dependent personality toward one of being a self-directed human being
- **Experience:** As a person matures s/he accumulates a growing reservoir of experience that becomes an increasing resource for learning.
- **Readiness to learn:** As a person matures his or her readiness to learn becomes oriented increasingly to the developmental tasks of his social roles.
- **Orientation to learning:** As a person matures his or her time perspective changes from one of postponed application of knowledge to immediacy of application, and accordingly his or her orientation toward learning shifts from one of subject-centeredness to one of problem centeredness.
- **Motivation to learn:** As a person matures the motivation to learn is internal

Application of Andragogy in the Start-up Loop

Adults need to be involved in the planning and evaluation of their instruction.

Experience (including mistakes) provides the basis for learning activities.

Adults are most interested in learning subjects that have immediate relevance to their job or personal life.

Adult learning is problem-centered rather than content-oriented.

Andragogical design factors include:

- mutual negotiation of objectives
- content sequenced according to learner readiness
- experiential, inquiry techniques
- climate characterised by mutuality, respect, collaboration and informality
- mutually planned and evaluated learning experiences.

The table below summarises the roles of learners and trainers/coaches when applying andragogy:

ROLE OF THE LEARNERS	ROLE OF THE TRAINERS AND COACHES
<ul style="list-style-type: none"> • Learners should know why they are studying something. • Instruction should be task-oriented, and it should take the wide range of different backgrounds of learners into account. • Learners should be able to relate what is being studied to their personal/professional experiences. • Learners should be motivated and ready to learn. • Learners should be involved in the planning and evaluation of their instruction. Instruction should be problem-centered rather than content-oriented. 	<ul style="list-style-type: none"> • Trainers and coaches are facilitators or resource providers rather than lecturers or graders. • Learner-centred classes will stimulate dialogue and knowledge construction. Learners will benefit from a scaffolding approach to learning where the trainer provides more support in the early stages of the Start-up Loop training and coaching phases; this support is gradually faded until learners become self-reliant. • The trainers (and coaches) must see themselves as facilitators and co-learners. They must bear in mind that the learners are individuals with different life experiences and learning preferences. Some adult learners will still prefer the traditional pedagogical approach to teaching and learning. Trainers should respect that, and at the same time gradually push the learners away from their comfort zone in the direction of a deeper approach to learning.

References: Knowles, M. S. (1950) *Informal Adult Education*, New York: Association Press. Guide for educators based on the writer's experience as a programme organizer in the YMCA.

Knowles, M. S. (1962) *A History of the Adult Education Movement in the USA*, New York: Krieger. A revised edition was published in 1977.

Knowles, M. (1975). *Self-Directed Learning*. Chicago: Follet.

Knowles, M. (1984). *The Adult Learner: A Neglected Species* (3rd Ed.). Houston, TX: Gulf Publishing.

THE STARTUP LOOP

Knowles, M. (1984). *Andragogy in Action*. San Francisco: Jossey-Bass.

Kearsley, G. (2010). *Andragogy (M.Knowles)*. The theory Into practice database. Retrieved from <http://tip.psychology.org>

The Adult Learner: The Definitive Classic in Adult Education and Human Resource Development by Malcolm S. Knowles, Elwood E. Holton III, & Richard A. Swanson, 2005, Burlington, MA: Elsevier.

- Movies:**
1. *Andragogy How Adults Learn*: <https://www.youtube.com/watch?v=vLoPiHUZbEw>
 2. *Adult Learning: Techniques for Facilitators (Parts 1 to 6)* https://www.youtube.com/watch?v=8leJYqI_dNw
 3. *How Adults Learn*: <https://www.youtube.com/watch?v=3LdEwYDDJBg>

Annex I.3: The Experiential Learning Cycle



Experiential learning is a process through which students develop knowledge, skills, and values from direct experiences outside a traditional academic setting.

Experiential learning incorporates flexible structure of classroom activities, simulation exercises, and actual experiences in “real life” situations. Learners’ acquisition of knowledge and skills related to their work is facilitated by the trainers. The primary role of the trainer is one of creating learning environments which are stimulating, relevant, and effective. This learner-centered, experiential approach toward training allows the individual learners to manage and assume responsibility for their own learning.

Experiential learning engages both the learners as well as trainers (and coaches) to go through a six-step conceptual learning cycle.

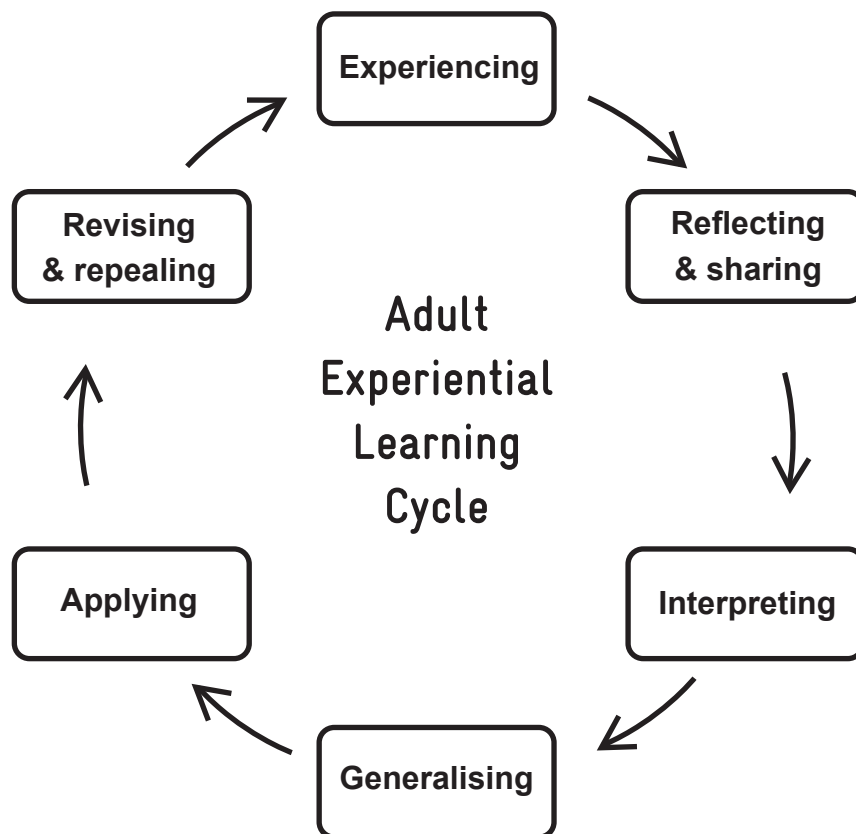


Figure 4: The adult experiential learning cycle

The Experiential Learning Cycle is summarised as follows:

<p>Experiencing / Activity phase</p>	<p>This can be a structured activity, current event, or an unexpected discussion. The experience is the thing that happens.</p>	<p>A structured activity that has been pre-planned for your session such as:</p> <ul style="list-style-type: none"> ✓ A game that you play with your participants. ✓ A video that you watch with your participants. ✓ A performance or role play by your participants. ✓ A book, article or case study that your participants have all read. ✓ An event that occurred just before your session: perhaps an argument broke out between participants in the hallway, or maybe your participants had to battle treacherous weather to arrive at your session.
<p>Reflection and sharing</p>	<p>The outcome of the activity or event is discussed reflecting on experiences of individuals or small groups.</p>	<p>Questions that can be used include:</p> <ul style="list-style-type: none"> ✓ What was that experience like for you? ✓ Was that easy or difficult? Why? ✓ What did you notice about...? ✓ What did you see or hear that was interesting? ✓ What stood out for you? ✓ What was going on for you when... happened? ✓ What words would you use to describe your reaction to...? ✓ Was that what you expected? Why or why not? ✓ Did anything surprise you? ✓ Did you discover anything new during that experience? ✓ How is your mood/energy different now than before we started?
<p>Interpreting / Processing</p>	<p>Here we reflect on the observations shared and try to make sense of what happened.</p>	<p>Questions that can be used include:</p> <ul style="list-style-type: none"> ✓ What did you think about that? ✓ How was that significant? ✓ How was that good / bad? ✓ What struck you about that? ✓ How might it have been different? ✓ What was going on there? ✓ What does that tell you about yourself/your group? ✓ What similarities / differences came up in your group? ✓ How has the group changed since before this experience? ✓ Did anything surprise you about someone in the group? What? ✓ What did you learn about someone during that experience? ✓ How did your group work together to achieve...? ✓ How did your group establish roles in order to be successful in...? ✓ How did your group decide on {a course of action}? ✓ What did you notice about the group? ✓ If challenges or disagreements arose, how did you work through them? ✓ What leadership qualities did you see someone exemplify? ✓ How did you effectively communicate with the group?

<p>Generalising</p>	<p>Knowledge gained about themselves or their group is used to create general life principles that can be used in the future.</p>	<p>Questions that can be used include:</p> <ul style="list-style-type: none"> ✓ What might we draw or pull from that? ✓ Why do you think that happened? ✓ Why do you think we did this activity? What was the point? ✓ What did you learn/relearn? ✓ Where else in your life do you have to ... (eg: work cooperatively as a group in order to achieve a common goal)? ✓ Have you had a similar experience like this somewhere else in your life? What happened? ✓ Do you think it's true that in general it's important to _____ (eg: listen first before making a decision)? Why or why not? ✓ Why is it important to think about ... (eg: how each of us play an important role on a team)? ✓ Is there anywhere else in your life where _____ could be effective (eg: taking a risk)? How? ✓ How is this experience like _____ (eg: your job)? ✓ In this game, we _____ (eg: had to let ourselves look a little bit silly in order to be successful). Can you think of any other time or place in your life where that could also be true?
<p>Applying</p>	<p>Plans are made on how to use the new knowledge gained in work, business or real-life situations. Plans are made on how the generalisations can be put into operation.</p>	<p>Questions that can be used include:</p> <ul style="list-style-type: none"> ✓ What would you like to do with that knowledge? ✓ What can you do to make sure this never happens to you? ✓ Knowing what you know now, what would you do differently the next time? ✓ Is there anything you might do differently as a result of what you discovered today? What? Where will you try that? ✓ How can you take what you learned today and apply it back at ... (eg: your job, your class, with your friends)? ✓ Is there someplace in your life that would benefit from you _____ (eg: taking a risk/sharing your ideas/trying something new)? How? ✓ What's one thing you can do today, based on what just happened here? ✓ Where else in your life can you practice _____ (eg: effective communication)? When will you try that this week? What will you do? ✓ So, the next time you're in a situation where _____ (eg: you are faced with a task that you don't know how to solve), how can you handle it, based on what happened here today?
<p>Revising and repeating</p>	<p>Through trial and error the learning becomes personalized and the behavior turns into a habit over time.</p>	

The application of experiential learning (through Structure Learning Exercises) in the Start-up Loop.

Training and coaching within the Start-up Loop are based on experiential learning. It is learning through experiencing and reflecting.

In the Start-up Loop, experiential learning is delivered via Structured Learning Exercises (SLEs). The SLEs enable entrepreneurs to get acquainted (and gain exposure) with best practices (or new developments) before applying them in their respective enterprises.

SLEs are structured, supervised activities that may take place in a “safe” learning environment like a classroom (with trainers) or even in their workplaces (with coaches). SLE experiences are designed to give Start-up Loop participants structured, supervised activities that will assist them to clarify their business goals, explore creative possibilities, develop managerial and entrepreneurial skills, or transition from employment to entrepreneurship. SLEs present the Start-up Loop participants with simulated possibilities of what could happen as they get into the learning journey.

Most of the exercises in this manual have been structured with the above principle in mind by using the experiential learning cycle. This involves a continuous four stage approach in learning:

STAGES		DESCRIPTION
1	Experiencing	Do it, concrete experience
2	Data Processing	What happened, what were the results
3	Conceptualisation	What do these results imply, how did I influence the outcome, why did this happen
4	Application in real life	Now what will I do differently in my business or when presented with similar real-life situations

SLEs in Trainings:

1. Business plans whether draft or almost final is a great project. However, entrepreneurship is not a writing exercise. Trainers cannot emphasize right writing skills but truth, completeness, and the use of proper information. Never guarantee that completion of a business plan means acceptance by the lending institutions.
2. Depending on the trainers, a seamless combination of classroom with real world learning experiences can be achieved. Select the SLEs and energisers well, then customise the processing of results.
3. Readings and lectures should be directly related to any experiential activities.
4. Ensure activities are challenging, yet manageable. When entrepreneurs are given the responsibility of devising their own projects, the trainer or coach

must then make sure that they are able to complete them.

5. Allow the entrepreneurs the necessary time to identify, clarify, and keep focused on their own expansion problems.

SLEs in Coaching Phases:

Group Coaching

- communication skills for working with people
- communications skills involving clients, e.g. marketing-related exercises to search and capture new buyers
- work with feedback from others
- plan and complete mini-projects (mini-market survey, hiring an accountant, etc.)
- learning from joint experiences, peer to peer learning
- key employability (or other) skills not easily gained elsewhere from the training phase.

Individual Coaching

- focus on the work and practices within the business
- how their specific business works or could work (or not)
- about personal work behavior patterns
- to evaluate their own performance
- about self-management (time management, productivity habits, etc.)
- family welfare and enterprise (work-life balance).



Annex I.4: Coaching Methodology

Coaching is a process in which the coachee is supported by a coach from the organisation implementing the Start-up Loop. It is the Start-up Loop's most challenging part. It is also the part that consumes the most efforts and time for both the coaches and the coachees/start-ups.

In this process, the coach strengthens the coachee by using suitable questions, techniques and instruments as well as reflecting observation to reinforce the coachee's capacities for (widely) self-reliant problem-solving, enterprise and personality development. The needs, priorities and capacities of the coachee determine content and methodology of coaching. In a coaching relationship, the coach and the coachee are equal partners. It is based on the idea that the coachee has all required resources, skills, and experiences to improve their situation and to fix a problem themselves.

A coach is a facilitator who helps the coachee to critically reflect upon actions and decisions taken or behaviours demonstrated. He/she guides the coachee to set goals and attain them. As a coach you take the role of a "mirror" or sounding board for your coachee. The coaches themselves are responsible for the results of the coaching process and the attainment of their goal(s). This sort of help is sometimes called "showing a hungry man how to fish" (rather than simply giving him a fish!). We rather call it helping the coachee discover and learn how to fish!

When problems arise, a coach does not automatically jump in and solve them. Instead, the coach challenges coachees to resolve situations. The coach provides support, challenge, feedback and guidance – but rarely answers.

The GROWTH Coaching Model

The GROWTH Model is a simple yet powerful framework for structuring coaching sessions within the Start-up Loop. In this framework, the coach is not an expert in the coachee's situation. In fact, coach act as a facilitator who helps select the best options but not offering advice nor direction. When coaching their Start-up Loop participants, they let the start-up entrepreneurs draw the conclusions for themselves. Not the other way around. The GROWTH model consists of six stages:



Figure 5: Summary of the GROWTH model

- **G is for GOAL:** What does the coachee want to achieve? Can the goal be crafted as a SMART one? Goal questions could be:
 - *What are you aiming for in the long/medium/short term?*
 - *When would you like to have reached this?*
 - *What would you like to achieve by the end of this session?*
 - *How will you know when you have achieved this?*
 - *What will it look/feel/sound like?*
- **R is for REALITY:** What is the TRUTH about the current situation? The current situation is fully explored and described. Facts are established. Coachees can describe but not evaluate. The coach can ask challenging or searching questions and to probe beneath the surface. Questions are prefaced by ‘what’, ‘where’, ‘when’, ‘who’ and ‘how’ which help the coachee to think creatively and draw out the facts. Reality questions could be:
 - *What is happening at the moment around (this issue)?*
 - *What have you done so far towards this (goal)?*
 - *What is your main concern around this goal/issue?*

- *What resources do you have to help you with this?*
- *What might be holding you back?*
- **O is for OPTIONS:** What CHOICES do you have to change your reality and reach your goal? What options are there? Generating options is a creative process that is stimulated by the coach asking the right kinds of open questions, by inviting the coachee to suspend all judgement and self-criticism, by maintaining interest and by challenging them just when they think they cannot come up with another idea. Often the best ideas come towards the end. Options questions:
 - *Option for stepping forward towards the goal?*
 - *What are all the different ways you could approach this?*
 - *What else could you do?*
 - *What if you knew you couldn't fail?*
 - *If you could think of three more things, what would they be?*

Evaluating each option narrows down the choice to which one or ones feel right and achievable for the client, this leads into the final stage:

- **W is for WILL YOU DO?:** Which option do you really enjoy doing? Which one are you willing to do, regardless of how much work it takes? Which one will you actually do because it will take you closer to your goal? This is where COMMITMENT comes in. This is the step just before ACTION or implementation. The next steps are agreed with a timetable and a commitment from the coachee. Will questions could include:
 - *Which options feels best/seems best/looks best/sounds best?*
 - *Which would take you nearest to your longer-term goal?*
 - *Which would give you the most satisfaction?*
 - *When will you do this?*
 - *Tell me what actions you will take and when to carry this out?*
- **T is for TACTICS:** How and when will the coachees do it? A tactic is a conceptual action aiming at the achievement of the goal set. Such action can be implemented as one or more specific tasks. So what are the specific actions that may be applied immediately or in the near term, say before two months? Will some of these actions require specific help from the coachees (or others external to the Loop)? The set of tactics make the commitment and will to act almost real. Tactic questions could be:
 - *What steps or activities can be done now with little effort and resources to achieve the options set?*
 - *What is the best sequence to do these steps?*

- *Who can help you?*
 - *Do you need to do other steps to achieve the option's goal?*
 - *Specify any help that the coach can provide?*
- **H is for HABITS:** A habit is a routine of behaviour that is repeated regularly and tends to occur subconsciously. It is more or less a fixed way of thinking, willing, or feeling acquired through previous repetition of a mental or physical experience. Habitual behaviour often goes unnoticed in persons exhibiting it, because a person does not need to engage in self-analysis when undertaking routine tasks. Habit formation is needed in applying better practices for higher performance. For start-up entrepreneurs, habits are yet to be built. Hence the need for coaching. Habit questions can include:
 - *Which of the tactics worked and significantly influenced/changed performance?*
 - *What habits needs to be broken?*
 - *What are the circumstances that made the tactics worked?*
 - *How can the tactic be repeated many times over?*
 - *Who or what can facilitate the sustainability of the tactic within the SME?*

Finally, on a scale of 1-10, how committed are you to achieving this goal? Anything less than 8/10, then you need to go back to the G questions to get them to re-define it so they are 9 or 10/10!

Obviously, the coachee's needs, priorities and capacities determine content and how to shape the coaching process.



Annex I.5: Coaching in the Start-up Loop

Coaching complements the Start-up Loop's training interventions.

It enables the coachee to:

- a. review the concepts gained from the training,
- b. discuss objectively how to deploy the lessons learned and planned,
- c. sustain the changes needed in the start-up process, and
- d. improve personal entrepreneurial performance.

Competencies and Role of the Coach

The ability to gain the trust of their coachee is a coach's most important competency. A coach is expected to be a "person of trust" and a trust facilitator. A coaching process always requires a trustful relationship between the parties. The coachee needs to be ready to trust the coach and vice versa. Personal issues and problems can only be shared if both trust each other well. However, the coach should guarantee to keep confidential any information shared and received. The coachee also expects you to energise and motivate them, to give encouraging feedback and provide moral support when they encounter obstacles).

A coach should possess the following abilities:

(A) QUESTIONING. Questions are the coaches' most important tools. Coaches need to put aside their own ideas about the 'best/right/obvious ways' to do something. Instead, elicit ideas by asking questions. Asking coachees questions can:

(a) focus attention, (b) elicit new ideas, and (c) foster increased commitment.

(B) OBSERVING. Observe the coachee's body language. They can tell the emotional state and the potential level of commitment. Observe also the human relationships within the coachee's SME. Body language is easy to ignore if the coach is too task focused.

(C) ACTIVE LISTENING. Give full attention. Coaches should suspend sharing ideas while listening to the coachees. By becoming genuinely interested to listen intently, the coach sends a powerful double message: (a) you are there to support, and (b) you expect them to follow through the commitments made.

(D) SHARING FEEDBACK. Giving clear, specific feedback about the coachee's actions and their consequences, then the chances are the coachee will be perfectly capable of evaluating his performance for himself. Giving 'negative feedback' is often a delicate process, but the following principles will make it easier and more effective for everyone concerned: (a) make sure you've already given plenty of positive feedback, (b) appreciate (or at least acknowledge) the PERSON, (c) focus on the FUTURE more than the PAST, and (d) avoid blame, make REQUESTS.

(E) EMPATHISING. Coaches can go inside the shoes of the coachees and feel their emotions. Understanding the feelings of the coachee during a situation can lead to engaging comments and questions that encourage discussions. This helps the coach to show support while maintaining objectivity and keeping the focus of the conversation on the coachee. Empathising can be a fascinating experience for the coaches.

(F) FACILITATING GOAL-SETTING. They should elicit clear, well-defined goals from the coachees. They should know the cues where the coachees are ready to set goals. Ability to use SMART (Specific, Measurable, Attractive, Realistic and Timed) is a must. Reframing problems as goals is another good habit. This can be done, for example, by converting a negative statement into a positive one. For example, if a coachee talks about his concerns with a “difficult” buyer, the coach might ask: “What needs to happen for you to have a workable relationship with this buyer?”

(G) CHECKING. It is always a good practice for the coach to: (a) Check understanding by asking dumb questions and summarising, (b) Check that the coachee is happy, (c) Check that all objectives have been covered, (d) Check whether the coachee has taken action, and (e) Check whether the goal has been reached.

Individual and Group Coaching

Coaching is an essential element in the success of the Start-up Loop. It keeps the Loop participants on the same page, harnesses individual strengths, fosters improvement exercises within the group and individuals, and harness potential synergies due to joint empowerment.

Individual coaching is usually one client and one coach. Meanwhile group coaching involves one coach to a group of Start-up Loop participants. The table below provides a comparison of individual and group coaching:

INDIVIDUAL COACHING	GROUP COACHING
Facilitation	
<p>The coach focuses on one coachee. The issues discussed are based on the peculiar business need of the start-up (e.g achieving business or product registration, increasing sales, accessing finance for business start-up, etc). The coach provides a general guidance and supports the coachee to develop a realistic plan of action towards achieving the stated business need.</p> <p>This is done without the coach necessarily stepping into the shoes of the entrepreneur but by helping the coachee realize the required action to do using guiding questions and sometimes hints in the right direction. Ultimately the coachee has to take credit for making the decision and own the process.</p>	<p>Here the coach works with two or more coachees. To ensure optimal attention from the coach and the coachees, the number of group session participants should not exceed 5 or 6.</p> <p>The issue is a general one (in the case of the Loop it is already defined), and the group coaching session helps to reinforce what was taught at the training. During the group coaching session, the participants have the opportunity of working on their individual templates and get feedback from the coach and their colleagues if they are open to sharing. E.g. they can design their own business model canvas or develop a record keeping template (specific to their business). Unlike in the training they can have better attention from the coach and will have the opportunity of peer learning from feedback of their colleagues.</p>

Possible applications	
<ul style="list-style-type: none"> • Individual coaching is important if coachees have challenges that may be deemed confidential. • If issues involved relate to personal or family matters. • If the support needed requires digging into the past. • Some coaches can offer e-coaching, use of e-mail, videochats, Skype, WhatsApp, Facebook or even a simple phone calls. E-coaching requires less efforts and is less time-consuming on both sides. 	<ul style="list-style-type: none"> • Coachees prefer meeting others with similar processes and issues to gain more insights and traction on selected solutions. • Coachees want to meet others on the same coaching journey thus expanding their network and access to solutions. • Coachees with similar experiences may offer insight into tried solutions. • Less expensive since it is facilitated at a group level. However, may be difficult to coordinate schedules and venues. Group e-coaching may also be used instead. • Some coachees may prefer group atmosphere.
INDIVIDUAL COACHING	GROUP COACHING
Advantages	
<p>Enhances openness to learning and development– Coaching individually helps the coachee to become more open as this takes place in their comfort zones.</p> <p>Improves individual skills and behaviors – One-on-one coaching focuses on individual skills that pinpoints specific behaviors that may need improving.</p> <p>Develop self-awareness – Learners recognize and learn more about themselves and how their actions and behaviors affect the people around them.</p> <p>Opens the possibilities for e-Coaching via <i>Skype</i>, <i>WhatsApp</i> and other online coaching tools.</p>	<p>Fosters team building – Group coaching promotes community and team building practices through different SLEs and other joint projects within the Loop.</p> <p>Improved motivation – When coaching a group of SME owners who are all focusing on the same goals (e.g., expansion of business or industry), the motivating factor is heightened, which may result in more efficient overall results. Synergy among the Loop may also develop.</p> <p>Easier to unify everyone to work for a common goal (good). If everyone is on the same page, the group is strengthened. Collaboration kicks in.</p>
Disadvantages	
<p>Hard to find a right coach that meets the coachee’s uniquely individual needs. Coaches and coachees must have an ebb and flow relationship, otherwise the relationship becomes ineffective and may cause friction.</p> <p>Individual coaching can be costly. Depending on the coachee’s needs and the goals set, these sessions can become pretty expensive.</p>	<p>Focuses on group building (macro) rather than individual development (micro) for expanding their enterprises. Groups are made up of many different personalities, that at times thrive on individual attention. This could be harmful sometimes.</p> <p>Depending on the issues discussed, sub-groups may emerge, which causes a dynamic shift and can potentially hurt the coaching process.</p>

All in all, professional development coaching is something that all entrepreneurs should make time for in some capacity. Although the effects of coaching are very beneficial, it is also important to be privy to some disadvantages.

It is clear that the coachees will have their own preferences and that the coach should accommodate them. The coach should be sensitive to the possibility that women may feel shy or unwilling to speak due to culture or religion in group coaching. The coach should consider working within socially and culturally acceptable context. For example, in some contexts, it may be more appropriate to match women entrepreneurs only with female coaches and coaches of the same religious group. Ask coachees for their preference. The coach has to be gender-sensitive through the entire process.

References Coaching guide for the “SME Business Training and Coaching Loop, GIZ 2016, pdf

and <https://www.wishfulthinking.co.uk/2007/06/19/key-coaching-skills/>

Inspirations: <https://www.thecoachingtoolscompany.com/effective-group-coaching-101-5-key-skills-group-coach-needs-jennifer-britton/>

Mentoring an Entrepreneur: Guide for a Mentor, SAGE Open, January-March 2015: 1–10©
The Author(s) 2015 DOI: 10.1177/2158244015569666 sgo.sagepub.com

Movies: GROW Model: Youtube Overview: <https://www.youtube.com/watch?v=hskye-vDNzM>

GROW Explained: <https://www.youtube.com/watch?v=NLuC029a-08>

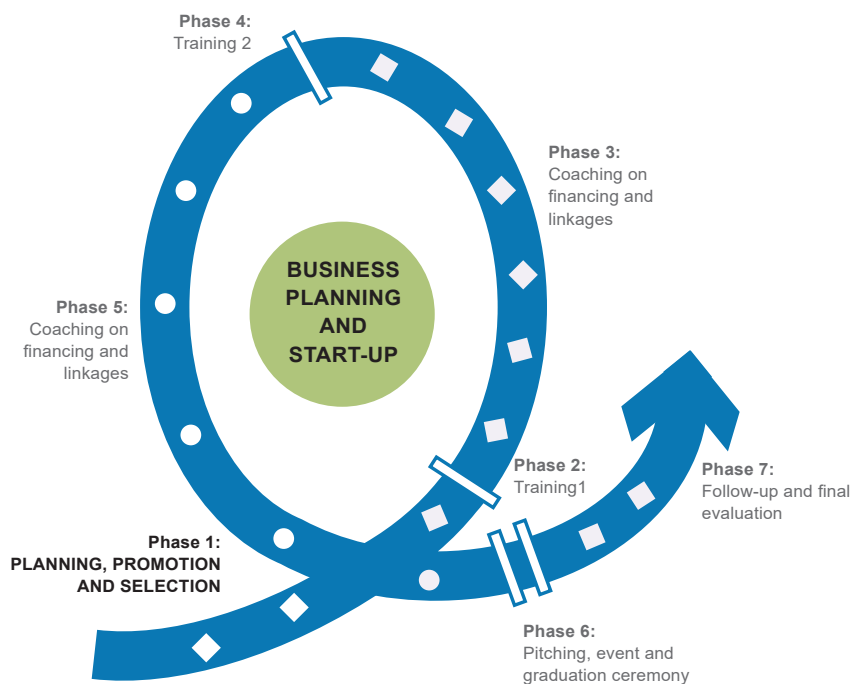
<https://www.youtube.com/watch?v=qYMW4gIF0X0>

IGNITE: <https://www.youtube.com/watch?v=MGtU-Q5C3no>

Advanced Coaching Skills: https://www.youtube.com/watch?v=XGTiSD-ux_M

PHASE 1:

Planning, Promotion, Business Orientation and Final Selection of Participants



‘Planning and Selection’ is the initial phase of the Start-up Loop and includes four stages: Planning, Promotion, Business Orientation and Final Selection.

It is key because it helps the implementing organisation to lay down their foundation for successful Start-up Loop provision. The Planning and Selection phase guides the implementing organisations and their trainers/coaches to finalise preparations and select a set of 25-30 participants to complete the remaining six phases of the Loop.

In this phase, the implementing organisations, with the Start-up Loop trainers and coaches, plan their Start-up Loop promotion, selection of participants, implementation and follow-ups. The phase guides the implementing organisations to seek required and available resources, implement preliminary activities to identify, pre-select and select the final list of participants and to organise and plan the rest of the phases. At the end of the promotion stage, the implementing organisations identify their preselected 40-50 participants by calling for and screening of applications. Then the pre-selected participants receive business orientation coaching in three group coaching sessions. The three coaching sessions of business orientation in small groups, enable both the implementing organisations and the pre-selected participants to establish a mutual understanding which in turn comprehends as the final selection mechanism.

The business orientation coaching creates an enabling climate, where both parties can be transparent, professional and clear about their intentions by building a mutual understanding on information exchanges. The implementing organisation requires a group of 40–50 pre-selected potential entrepreneurs, who qualify for Business Orientation Group Coaching to select the final 25-30 business start-ups that will participate in the loop. These three group coaching sessions are very much like a ‘Taster Session’ for potential entrepreneurs while creating a second tier-selection mechanism for the institutions. While the participants engage in their business idea review, canvass and test, they gain primary market and customer knowledge and assess whether the business idea matches with their interests/lifestyle. One of the critical outcomes of the group coaching is the readiness of the potential participants to engage in the Start-up process deliberately. On the other hand, for the implementing organisation, the group coaching sessions enables to decide on their final selection of participants. Therefore, we can conclude that the exchanges allow both parties to avoid unexpected drop-outs and waste of resources and to get an idea of what to expect in all other 6 phases ahead of them.

Phase 1: Planning & Selection enables the implementing organisations to select the right candidates and the applicants to receive more information about the Start-up Loop and eventually for both to decide whether it is something they need, can benefit from and commit to.

Note: In the group coaching sessions, the coach assesses the coachees and makes suggestions for the final selection. In addition, the M&E form 1 is completed to collect baseline information.

TOOL NO.	TOOL TITLE / NAME	DURATION
P1.1	Planning for Start-up Loop implementation	5-6 weeks (excluding the actual promotion period)
P1.2	Start-up Loop promotion and pre-selection of participants	
P1.3	Business Orientation 1: Business idea testing and validation	
P1.4	Business Orientation 2: Introduction to BMC	
P1.5	Business Orientation 3: Mini-market survey and final selection	

P1.1: Planning for Start-up Loop Implementation

In this phase, trained Start-up Loop trainers/coaches plan a Start-up Loop intervention for the target group together with management and other key staff of their organisation.

As the Start-up Loop intervention is comprehensive and passing through seven phases investing continuous efforts into training and coaching, systematic planning becomes indispensable. During this planning stage, implementing organisations assess the environment and their own capacity to implement the Start-up Loop with its key stakeholders and the target groups.

There are four critical steps in the planning for a Start-up Loop. They are:

1. Promotion & Selection
2. Organising and implementing the Start-up Loop
3. Budgeting and Financing
4. Monitoring & Evaluation

These features are illustrated in the figure below

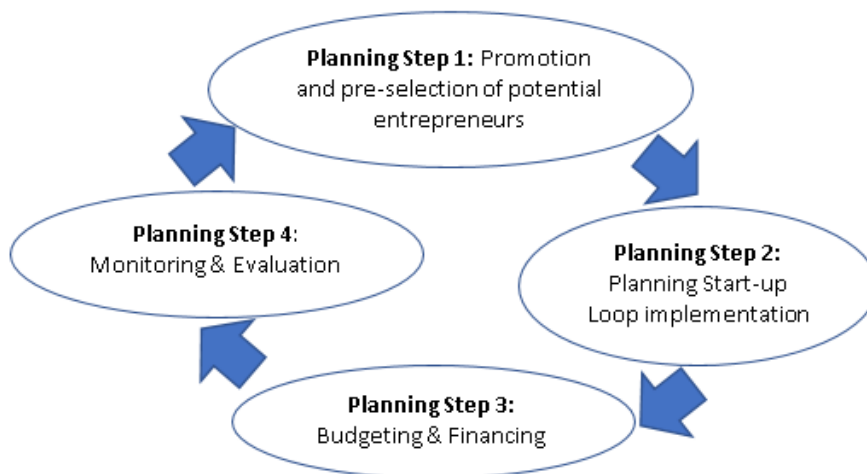


Figure 6: Four steps in planning the Start-up Loop

Each step requires a clear understanding of the seven phases of the Start-up Loop implementation. The details of the seven phases explain the various elements referred to in Annex P1.1.1: Start-up Loop Course Schedule. Annex P1.1.2: The Elements of Planning, gives the range of factors falling under various planning steps. Altogether, these tables and the figure provide an overall picture of the planning for the Start-up Loop. However, a previous understanding of Start-up Loop is necessary to understand the various phases, their contents and provisions. Each phase differs in training /coaching/ activity provisions, objectives, nature: individual /group approach, duration & frequency, and in resources.

1. Planning Step 1: Promotion and Pre-selection of Potential Entrepreneurs

Implementing organisations can have their own promotional strategy. Section P1.2 gives the details of the promotion and pre-selection. For the planning purpose and to identify needed resources several elements are identified in this section such as promotion media, posters, application distribution, participants’ contribution, etc.

Implementing organisations should ensure that the promotional strategy takes into consideration gender: e.g. posters are accessible to women and men; photos used do not depict gender stereotypes and gender-sensitive language is used.

2. Planning Step 2: Implementing the Start-up Loop

Initially, the period for starting and ending a Start-up Loop cycle needs to be set. Once this is clear, the venue for trainings, the resource personnel, the transport of the resource persons,

preparing for training and coaching implementation and the invitation of guests to the trainings and graduation follows. *Annex P1.1.3: Human Resources required*, provides an overview of key roles and responsibilities to be filled for a successful Start-up Loop implementation.

3. Planning Step 3: Budgeting & Financing

Financing and Budgeting are about the cost of Start-up Loop provision. It can vary from organisation to organisation. Start-up Loop provisions include participants' contributions. Generally, the participant's contribution is their accommodation and the transport cost. Other than these all other costs need to be identified and budgeted. This section provides a general idea of the Start-up Loop cost elements under seven headings. They are:

- (1) **Human resources:** calculated on number of days of coaching and training;
- (2) **Training materials:** the handbooks for participants and trainers;
- (3) **Training venue** for two training courses, each course running for three days with training facilities, and the pitching and graduation ceremony is for two days requiring power, public address system and refreshment; ensure the venue is accessible especially for PWDs; take into account the needs of women and nursing mothers when choosing the venue;
- (4) **Stationery** for training, coaching and monitoring and evaluation;
- (5) **The transport cost** for the resource persons;
- (6) **Administrative expenses**, mainly the data entry and record keeping on training and coaching services, logistics e.g. for feeding during trainings and invitations to partners, potential financiers, links to banks and peer learning; and
- (7) **Costs for feeding and refreshment of participants during the trainings and graduation ceremony**
- (8) **Contingencies**, any other costs.

4. Planning Step 4: Monitoring and Evaluation (M&E)

The implementation of the Start-up Loop requires constant tracking of progress to capture essential quantitative and qualitative changes taking place at the level of business start-ups. For that, it requires a systematic way to collect, analyse and use data.

The purpose of the monitoring and evaluation (M&E) system is to measure the results of the Start-up Loop and to assess the impact one year after the start of the Loop. The following are some of the questions to be answered through the Start-up Loop M&E framework:

- (1) How many of the participants (male, female, youth, etc.) have started their businesses? When? Ensure M&E data is sex and age -disaggregated; if relevant also for PWDs.
- (2) Among these starters, how many of them continue their business operations one year from kick-off of the Loop they attended?

- (3) How much employment did they create? What kind of employment (full-time / part-time / seasonal) was generated? How many employees are male/female? What positions do male and female have? What tasks do they perform?
- (4) What is their turnover?
- (5) How much income was generated?
- (6) How did the participation in the Start-up Loop impact their management and entrepreneurial skills and competencies?

The Start-up Loop M&E emphasis is on data collection at various points during the implementation cycle. The M&E responsibility lies with the implementing organisations.

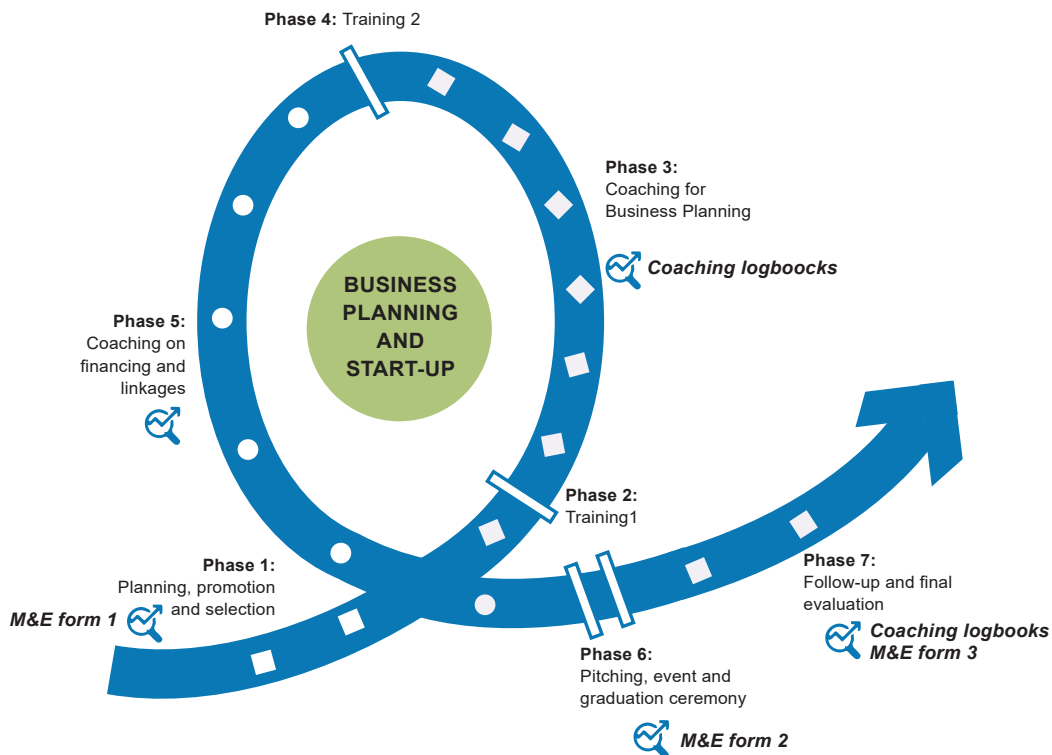


Figure 7: The Start-up Loop M&E process

The Start-up Loop M&E system consists of the following tools:

- a results chain summarising the intervention logic or theory of change of the Start-up Loop (see annex P1.1.4)
- 3 M&E forms for data collection
 - M&E form 1: baseline survey; profile of Start-up Loop participants (data collection at the end of phase 1, when the final selection of participants is done)
 - M&E form 2: business plan viability & business start-up (around the time of the graduation ceremony)
 - M&E form 3: final evaluation (6 months after graduation ceremony, approximately one year after the beginning of the Start-up Loop)
- coaching logbooks to document challenges faced by participants as well as progress made

towards business start-up, their goals and qualitative changes taking place

- a kobo tool where data is entered and compiled by the trainers and coaches.

The trainers/coaches/ officers of the implementing organisations complete the M&E forms and enter the information using the Kobo-tool, the appointed M&E Officer can download and analyses the data accordingly.

GIZ SEDIN requests all implementing institutions to send their M&E data-sheets and feedback for continuous monitoring. GIZ, as developer of the SME Loop and Start-up Loop methodologies is interested in monitoring and evaluating their implementation for further improvements and adjustments to be made.

GIZ SEDIN requires all implementing institutions to submit brief reports at the end of each phase of the Start-up Loop highlighting key outputs and outcomes, as well as including a reflection on lessons learnt. Annex P1.1.5 provides an overview of the Start-up Loop M&E tools and reporting requirements. Annex P1.1.6 provides a sample reporting format that can be used as standard for preparation of reports after the completion of each phase.

GIZ SEDIN encourages partners to conduct regular review sessions, if not on a monthly basis then at least towards the end of each Start-up Loop phase and before the beginning of the next phase in implementation. The aim of these internal review sessions is:

- review progress in implementation vis-à-vis the original goals and targets set out
- reflect on quality of service delivery, as well as success/achievements and challenges during implementation
- discuss whether any change in the strategy or approach are necessary
- agree on next steps and key activities for the next month or next Start-up Loop phase, based on lessons learnt until now.

At the end of the planning stage, implementing organisations will have a detailed plan with necessary information for a successful Start-up Loop implementation. To ensure that all essential cost elements and other elements are considered, partner organisations can use the table presented in *Annex P1.1.7: Planning the Start-up Loop*, which provides the factors for consideration across the seven phases under key planning steps. Every organisation varies in their capacity, accessing resources, training infrastructure, and in their operations. For example, some partner organisations have their training hall, equipment and facilities and some don't. This table enables the partner organisations to consider various factors in their systematic planning therefore they get a basic idea of the budgeting elements.



Annex P1.1.1: The Start-up Loop Course Schedule

PHASE	INTERVENTION	CONTENT	SECTIONS	COACHING / TRAINING SESSION TITLE	DURATION / FREQUENCY	END OF PHASE OUTCOMES
1	Planning	Planning for Start-up Loop Implementation Promotion & Preselection	P1.1		2 weeks	<ul style="list-style-type: none"> • A plan for Start-up Loop implementation • 30 – 50 preselected participants
	Promotion		P1.2		3 weeks	
1	Business Orientation coaching and final selection	Business Idea testing and validation Introduction to BMC Market and Customer Orientation Final Selection of participants	P1.3	Business Orientation 1: Business idea testing and validation	At least 2 weeks / weekly coaching sessions	<ul style="list-style-type: none"> • 20 - 30 Start-up Loop participants selected: participants with solid business ideas and treating business as a separate entity from private life • Mini-Market Survey results • Baseline data collection
			P1.4	Business Orientation 2: Introduction to BMC		
			P1.5	Business Orientation 3: Mini Market survey and final selection		
2	Training 1: Business Management and Planning	Business Planning covering - Marketing plan - Technical / production / service plan - Organisation and Management plan & - Financial plan Business and management competency development and enhancement	Day 1 P2.1 P2.2 P2.3 P2.4 P2.5 Day 2 P2.6 P2.7 Day 3 P2.8 P2.9	Introduction to Phase 2: Business Management & Planning Mini Market Survey Review SWOT Analysis From BMC to Business Plan Introduction to Business Planning The Market Exercise and Introduction to Marketing Plan The Product Prototyping Exercise and Introduction to Production /Service Plan & Preparation Product prototyping Exercise and Introduction to O & M Plan Introduction to Financial Plan Introduction to Phase 3: Business Planning & Coaching Preparations (winding up Training 1: BMP)	3 days	<ul style="list-style-type: none"> • Understanding of the commitments for business start-ups and business operation • Business plan basics • Progressing business plan development • Enhanced business management competencies

PLANNING, PROMOTION, BUSINESS ORIENTATION AND FINAL SELECTION OF PARTICIPANTS

PHASE	INTERVENTION	CONTENT	TOOLS	COACHING / TRAINING SESSION TITLE	DURATION / FREQUENCY	END OF PHASE OUTCOMES
3	Coaching 2: Business Planning	Business plan preparation	P3.1	Group Coaching 1: Marketing Management Group Coaching 2: Production Management Group Coaching 3: Organisation & Management Group Coaching 4: Financial Management Group Coaching 5: Financial Management Group Coaching 6: Packaging the business plan and preparing for the training Phase 4	6 weeks / 1.5 months Weekly coaching sessions	<ul style="list-style-type: none"> Completed business plan Technical inputs Equity, working capital and loan requirements Preparation for Phase 4
4	Training 2 Business Plan Packaging & Personal Entrepreneurial Competency (PECs) Enhancement	<p>Personal Entrepreneurial Competencies enhancement</p> <p>Improved understanding of financials</p> <p>Packaging of business plan and</p> <p>Mock business plan presentation</p>	<p>Day 1</p> <p>P4.1</p> <p>P4.2</p> <p>P4.3</p> <p>P4.4</p> <p>Day 2</p> <p>P4.5</p> <p>P4.6</p> <p>P4.7</p> <p>P4.8</p> <p>Day 3</p> <p>P4.9</p> <p>P4.10</p> <p>P4.11</p>	<p>Introduction to Personal Entrepreneurial Competencies (PECs) Training 2</p> <p>Introduction to PECs</p> <p>Review of PECs Self-Assessment</p> <p>Successful Entrepreneur Visit & PECs improvement plan</p> <p>Risk Management Strategies</p> <p>Record-keeping</p> <p>Finance Lexicon</p> <p>Financial Ratios and BEP</p> <p>Business Plan Packaging and Presentation</p> <p>Mock business plan presentation (the pitch)</p> <p>Preparation for Phase 5: Financing & Linkages Coaching and wrap-up of Phase 4</p>	3 days	<ul style="list-style-type: none"> Identified entrepreneurial competencies and assessment; PECs improvement plan Risk management strategies for business Improved understanding of financials Introduction into business idea/ plan presentation; mock business plan presentation

PLANNING, PROMOTION, BUSINESS ORIENTATION AND FINAL SELECTION OF PARTICIPANTS

PHASE	INTERVENTION	CONTENT	TOOLS	COACHING / TRAINING SESSION TITLE	DURATION / FREQUENCY	END OF PHASE OUTCOMES
5	Coaching 3: Financing & Linkages	Linking to Business financing and other support linkage sources including banks, cooperatives and other business development partners.	P5.1	<ul style="list-style-type: none"> Financial plan completion (if necessary); Identification of relevant linkages Develop suitable record keeping template for business Product testing (if necessary) Linkage development as needed Linkage development as needed Final validation of business plan; presentation skills; preparation for pitching 	6 weeks / 1.5 months Weekly coaching sessions	<ul style="list-style-type: none"> Completed business plans ready for pitching Linkage to business financing and other business development services Knowledge and strategy to manage risk for business Products and services piloted where possible Basic record keeping know how Enhanced presentation and pitching skills
6	Pitching and Graduation Ceremony	Business plan presentations and viability test Start-up Loop Course completion award Introducing follow-up mechanism (group coaching, etc.)	P6.1	Business Plan Presentation Graduation Ceremony Winding up Start-up Loop	2days	<ul style="list-style-type: none"> Viability of business plans tested and confirmed Start-up Loop course completion
7	Group Coaching & End Year Final Evaluation	Group Coaching Final Evaluation	P7.1	Follow-up 1 - Group Coaching Follow-up 2 - Group Coaching and Final Evaluation	Few hours	<ul style="list-style-type: none"> Follow-up & networking Evaluation completion Success story compilation if applicable



Annex P1.1.2: The Elements of Planning for the Start-up Loop

	PLANNING STEP 1: PROMOTION AND SELECTION	PLANNING STEP 2: ORGANISING AND IMPLEMENTATION	PLANNING STEP 3: BUDGETING AND FINANCING	PLANNING STEP 4: M & E
Elements	<ul style="list-style-type: none"> ✓ Definition of target group ✓ Area coverage ✓ Promotion media and communication strategy ✓ Applications distributions and collections ✓ Opening and closing dates for applications ✓ Start-up Loop implementation tentative dates/period ✓ Start-up Loop course description / Partner ✓ Initial screening criteria ✓ Second tier selection criteria ✓ Participants contributions and commitments 	<ul style="list-style-type: none"> ✓ Posters ✓ Coaching location and venue ✓ Start-up Loop trainers and coaches' availability, responsibility & commitment ✓ Start-up Loop training of trainers and coaches, if necessary. ✓ Start-up Loop training and coaching days and dates, etc. ✓ Training venue and access for participants ✓ Trainers and coaches ✓ Handbooks ✓ Training and coaching materials ✓ Stationery 	<ul style="list-style-type: none"> ✓ Promotional materials and media expenses ✓ Applications and processing ✓ Human resources: Loop trainers and coaches ✓ Handbooks ✓ Venue for training and coaching ✓ Training & coaching materials ✓ Transport for trainers and coaches ✓ Participants contribution ✓ Accommodation, if any ✓ Any other costs ✓ Contributions from donors and sponsors 	<ul style="list-style-type: none"> ✓ M & E Forms (3 x number of participants) and coaching logbooks ✓ Deadlines / dates for submitting forms ✓ Understanding of the forms mainly by trainers and coaches ✓ Filing forms ✓ Data entry ✓ Data analysis ✓ Responsible person

Annex P1.1.3: Human Resources Required for the Start-up Loop Implementation

The implementing organisation of the Start-up Loop will need persons dedicated and qualified to coordinate and implement the Loop. The requirements indicated in the table below are derived from the experience of the pilot Start-up Loops implemented in Nigeria. The position titles and the suggested functions and responsibilities are, however, very indicative and can vary depending on the implementing organisation's structure, mode of operation, target group and number, etc.

ROLE	MANAGEMENT STAFF	START-UP LOOP COORDINATOR	TRAINERS	COACHES	M&E FOCAL POINT
Key tasks	Responsible for coordinating and managing the overall implementation of the Start-up Loop, including: define structure, target group and objectives (together with team and funder(s)), select trainers and coaches, create and manage relevant partnerships and linkages with key stakeholders for successful Start-up Loop implementation, oversee delivery and manage resources	Responsible for overseeing day-to-day implementation of Start-up Loop; key contact point and support for partners, trainers and coaches. Tasks include: supporting trainers and coaches throughout the loop, troubleshooting, selection of trainers and coaches, pre-and final selection of participants, supervision and monitoring of Start-up Loop delivery, provide advice and feedback throughout the implementation process; close coordination with M&E focal point	Develop full training curriculum, prepare and deliver trainings (with up to 30 participants each) according to assessment and discussions with coaches	Conduct Business Orientation coaching sessions and final selection of participants; deliver group and individual coaching sessions (5 - 8 coachees per coach), support M&E, support trainer at training session (as co-facilitator)	Assist in definition of Start-up Loop, target group, incl. application and selection process; Develop M&E tools; train trainers and coaches in use of M&E tools in case they should contribute; supervise data collection and compilation; analyse data, review reports and manage overall M&E dashboard; feed results and lessons learnt into organisation's database
Employment form	Implementing organisation staff, full-time; depending on size, scope and geographical coverage of the Start-up Loop usually also works on other programmes or interventions in parallel	Implementing organisation staff, full-time; depending on size, scope and geographical coverage of the Start-up Loop usually also works on other programmes or interventions in parallel; can be one of the trainers or coaches or a representative of management	Employed or hired/contracted by implementing organisation, depending on the size, scope and geographical coverage of the Start-up Loop, as well as the organisation's structure	Employed or hired/contracted by implementing organisation, depending on the size, scope and geographical coverage of the Start-up Loop, as well as the organisation's structure	Implementing organisation staff; full-time or part-time; Ideally M&E of the Start-up Loop will be integrated into the overall M&E system of the implementing organisation and done by the organisation's M&E Officer
Needed in which phase	All phases	All phases	First and second training and graduation ceremony	All stages of implementation, including pre-selection and Business Orientation	All phases

General Orientation for Start-up Loop Implementation

- Implementing the Start-up Loop is a team effort: management representatives, trainers/coaches, M&E and support staff are willing to work together
- management, trainers/coaches, M&E are committed to high quality of outputs
- management, trainers/coaches, M&E are committed to foster innovation and creativity
- management, trainers/coaches and M&E are committed to sharing information and knowledge
- management, with support from trainers/coaches and M&E, raise awareness on the Start-up Loop approach, its benefits and its impact
- management, with support from trainers/coaches and M&E, build linkages with relevant stakeholders and help in setting up a support network for start-ups in their community/town/state
- management, with support from trainers/coaches and M&E, explore funding opportunities for start-ups from various sources
- management, with support from trainers/coaches and M&E, explore and facilitate business linkages for start-ups
- management, trainers/coaches, M&E exchange information and lessons learnt with other staff from other implementing organisations.

Trainers and Coaches

Trainers and coaches must have some experience in training.

They must have passed through a Training of Trainers and Coaches (ToTC) before participating in the Start-up Loop.

Peer learning among trainers and coaches, for example through regular feedback sessions during the Start-up Loop implementation cycle, should be encouraged.

Some tips on the Training of Trainers and Coaches (ToTC):

- Ensure all trainers and coaches have a good understanding of the adult experiential learning approach
- Ensure all trainers and coaches are familiar with the SLEs and understand how to apply them during training and coaching
- Allow room and time for trainers and coaches to practice the delivery of SLEs and (group and individual) coaching sessions, for example through inviting “real” entrepreneurs to the workshop on relevant days
- Ensure trainers are familiar with gender concepts as related to modules for implementation so as to reduce stereotypes and bias
- Prepare case studies based on real-life examples, ideally from earlier Start-up Loops, from which trainers and coaches can learn
- Allow enough time for exchange of experiences among trainers and coaches,
- Leave enough time for administrative, logistical and management issues related to the Start-up Loop implementation: such as M&E, reporting requirements

Support Staff

The Start-up Loop is an intense training and coaching programme. In each phase, logistical and administrative support is key to ensure a smooth implementation. This can be only be done to a certain extent by the core team of trainers and coaches. Ideally, logistical and administrative support will be provided by a secretary, driver, junior staff, intern or volunteers, and/or others, depending on the implementing organisation's structure and resources. Some examples of key support activities include:

- reception of applications during promotion period
- forwarding of calls and emails to relevant staff from potential applicants and stakeholders requiring more information about the Start-up Loop, e.g. during the promotion period
- scheduling appointments with key stakeholders for visits and briefings by management and/or trainers/coaches
- organisation of venues for trainings and coaching sessions, including purchase of materials needed
- sending out SMS (or other types of communication) to participants ahead of training and coaching sessions, confirming venue and time
- ensuring smooth running of large events such as launch and graduation ceremonies.

Annex P1.1.4: Start-up Loop Theory of Change

The theory of change summarises the intervention logic of a programme, project or intervention. It is a diagram that shows the hierarchy of changes or objectives and causal relationships between them. It explains how the impact of a programme, project or intervention is to be achieved. It is a “theory” because it is based on certain assumptions by those responsible for implementing the programme, project or intervention.

- impact is the wider effect or longer-term results of a programme, project or intervention (can be positive or negative, intended or unintended, direct or indirect);
- outcomes are short-term or mid-term effects of a programme, project or intervention; usually linked to the use of outputs;
- outputs are what the programme, project or intervention delivers (products, goods or services);
- activities are actions taken or work performed through which inputs (such as technical assistance, staff, funds and other resources) are mobilised to produce outputs.

The diagram below summarises the theory of change for the Start-up Loop:

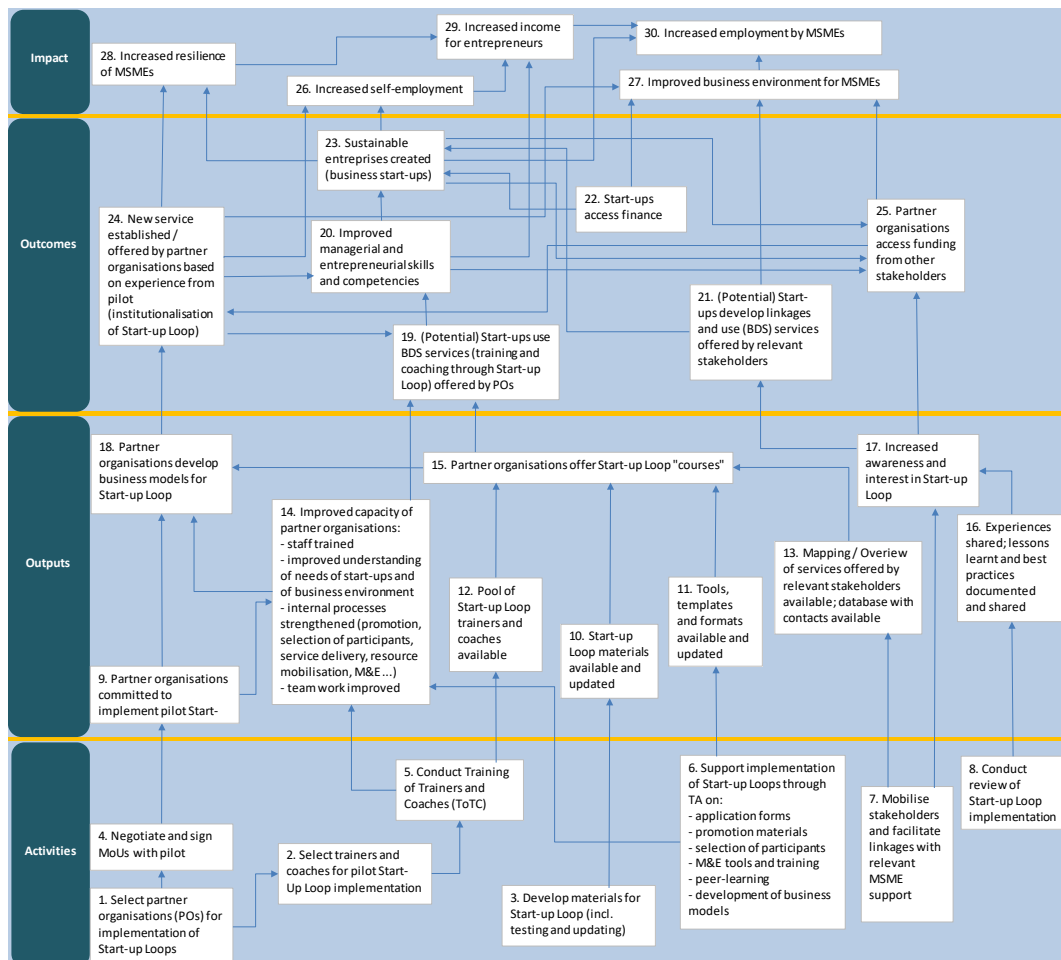


Figure 8: The Start-up Loop theory of change

Note: The theory of change refers to both male and female entrepreneurs, as well as trainers and coaches.

Annex P1.1.5: Overview of M&E Tools and Reporting Requirements for the Start-up Loop

Phase	Description	M&E Tools	Reporting
1	Business orientation (3 group coaching sessions) Final selection Baseline data collection	M&E form 1	Brief report on phase 1: <ul style="list-style-type: none"> • brief description of promotion strategy and selection approach • no. of applicants (Sex- and Age-Disaggregated Data, SADD) • no. of pre-selected and no. of final participants (SADD where possible) • overview of business ideas (SADD where possible) • contributions/inputs from implementing org. • assessment (what went well, challenges) & lessons learnt
2	Training 1: Business management & planning		Brief report on phase 2: <ul style="list-style-type: none"> • no. of trainees (SADD where possible) • daily evaluations • overview of business ideas • contributions/inputs from implementing org. • assessment (what went well, challenges) & lessons learnt
3	Group coaching on business plan completion (6 sessions)	Coaching logbooks	Brief report on phase 3: <ul style="list-style-type: none"> • no. of coachees (SADD where possible) • topics covered • progress in business plan completion • contributions/inputs from implementing org. • assessment (what went well, challenges) & lessons learnt
4	Training 2: Business plan packaging & PECs		Brief report on phase 4: <ul style="list-style-type: none"> • no. of trainees (SADD where possible) • daily evaluations • overview of business ideas • progress in business plan completion • contributions/inputs from implementing org. • assessment (what went well, challenges) & lessons learnt
5	Individual coaching sessions on competencies and linkages (6 sessions)	Coaching logbooks	Brief report on phase 5: <ul style="list-style-type: none"> • no. of coachees (SADD where possible) • topics covered • overview of packaged business plans • contributions/inputs from PO • assessment (what went well, challenges) & lessons learnt
6	Pitching event and graduation ceremony	M&E form 2	Brief report on phase 6: <ul style="list-style-type: none"> • no. of participants who pitched & of graduates (SADD where possible) • overview of business ideas & business plan viability (SADD where possible) • progress on business start-up • no. and type of participating stakeholders • contributions/inputs from implementing org. • assessment (what went well, challenges) & lessons learnt
7	Follow-up group coaching sessions (2 sessions) Final evaluation	Coaching logbooks M&E form 3	Brief report on phase 7: <ul style="list-style-type: none"> • no. of coachees (SADD where possible) • topics covered • progress on business start-up • contributions/inputs from implementing org. • assessment (what went well, challenges) & lessons learnt

Annex P1.1.6: Reporting Format for the Start-up Loop

The reports prepared after completion of each phase serve two main purposes: (internal) documentation and accountability. The specific reporting requirements will depend on the standards set within each implementing organisation, but also by potential donors or sponsors.

The standard report should have the following basic layout and structure:

COVER PAGE

TABLE OF CONTENTS

LIST OF ACRONYMS

DESCRIPTION OF STRATEGY/APPROACH FOR PHASE X

DESCRIPTION OF KEY ACTIVITIES UNDERTAKEN DURING PHASE X

INPUTS REQUIRED TO IMPLEMENT PHASE X

- Staff time in person-days or man-hours; number and type of staff involved
- Actual costs incurred in Naira, per item or activity

ASSESSMENT/REFLECTION ON PHASE X

- What went well?
- What did not go well?
- What challenges were encountered?

LESSONS LEARNT AND CONCLUSIONS

- What are the lessons learnt from phase X?
- What are conclusions in terms of necessary changes for the next phase or for the Loop in general? Does the strategy have to be adjusted or changed?

ANNEXES

Annexes could be any other documents that support your report, depending on the phase. Examples could be: list of participants, pictures/photographs, draft BMCs, draft business plans, brief success story

Some tips in relation to reporting:

- Implementing organisations should keep the reporting system and format simple, without losing key information. A good report does not have to be lengthy. Not everything has to go into the report itself: use annexes to provide comprehensive background information.
- Facts and figures should be part of the report. For data related to persons (e.g. number

of participants or number of people who have started their business), a breakdown by sex should always be included. If major differences are noted based on gender (in the sense of social and cultural differences between men and women), these should also be highlighted in the report.

- Key information and figures should be drawn from the dashboard. No parallel reporting should take place to avoid confusion.
- Linking reporting with regular team meetings (especially at the end of each phase) where successes, challenges and lessons learnt are discussed will make the compilation of reports easier.
- Implementing organisations should track the inputs required for the implementation of the Start-up Loop. This will allow implementing organisations to put the outputs, outcomes and impact in relation to the inputs (to assess value-for-money and efficiency).
- Success stories, for example on participants that performed especially well, should be documented separately. These could also be used for promotional purposes.



Annex P1.1.7: Planning the Start-up Loop

PHASE	ESTIMATED DURATION (WEEKS/ DAYS)	START AND END DATE (DD/MM/YY)	RESOURCE PERSONS REQUIRED (PERSON DAYS)	HUMAN RE-SOURCE COST	TRAIN-ING MA-TERIAL COST	TRAIN-ING VENUE (WITH FACILITIES AND ENER-GY)	STA-TIO-NERY	TRANS-PORT	ADMINIS-TRATION COST	OTHER CONTIN-GENCIES	TOTAL COST
1	1 - 4 weeks										
2	3 days										
3	6 weeks										
4	3 days										
5	6 weeks										
6	1 day										
7	2 x half-days Year-end										

P1.2: Start-up Loop Promotion and Pre-Selection of Participants

A primary and essential core element of Start-up Loop is the selection of participants which originates at the promotion stage. The promotion process ends with the pre-selection of 40-50 potential entrepreneurs (Note that the selection process extends to Business Orientation Group Coaching I, II & III which finalises with a selection of 20 to 25 participants).

Promoting the Start-up Loop among potential entrepreneurs is an extensive and comprehensive process which encompasses a range of promotional activities. The primary purposes of the Start-up Loop promotion are:

- To communicate about the Loop approach and the methodology to potential entrepreneurs, who have new business start-up ideas;
- To get the buy-in and support from key stakeholders who are relevant for start-ups;
- To pre-select a group of 40-50 potential entrepreneurs for Business Orientation Coaching I, II and III.

The Start-up Loop Promotion & Pre-Selection Process divides into three steps and they are:

- a. Setting up a promotional strategy,
- b. Promoting the Start-up Loop,
- c. Identification and screening of applications (pre-selection)

The implementing organisations can implement the Start-up Loop promotion and pre-selection for more than one batch of Start-up Loop participants. In this case, the pre-selection and final selection numbers mentioned above can vary. The figure below shows each step in the process:

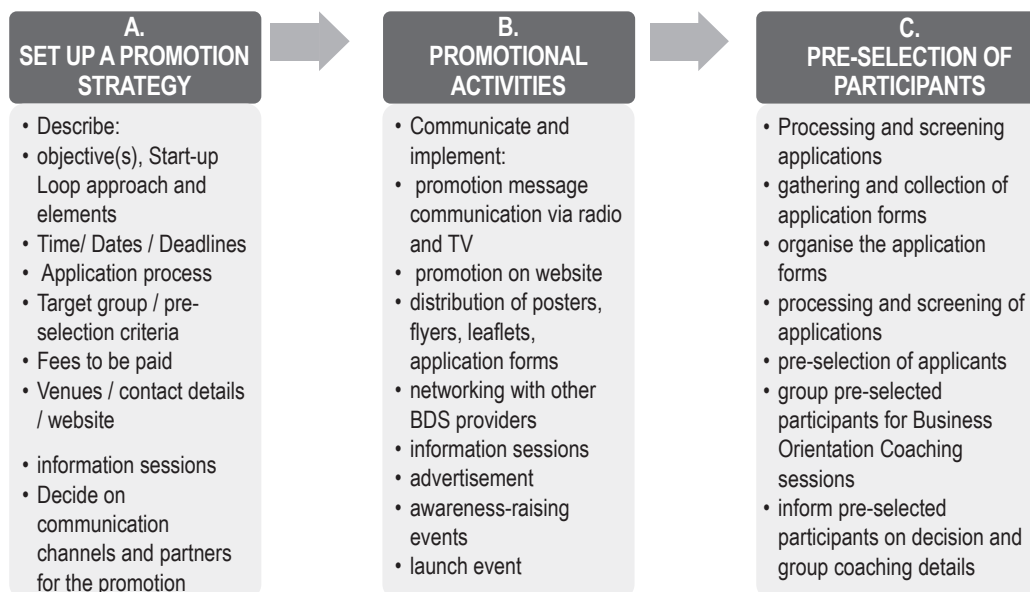


Figure 9: The Start-up Loop promotion and pre-selection process

These steps require careful and precise decisions to progress to the next level and finally to end up with a group of 20 – 25 final participants per Start-up Loop course.

a. Setting up a Promotional Strategy

Promotion means communication and networking about the Start-up Loop to pre-select potential entrepreneurs. A promotion strategy specifies the target group, the method/media, geographical coverage, and the message. It is the target group together with the area coverage that determines the contents and the media. The Start-up Loop must consider that women, youth and people with disability (PWD) will need to be deliberately targeted via different methods of reach. Target dissemination channels that are assessible to men and women (e.g TV, radio, use adverts that run in the evening when women are likely to listen). This will ensure a gender-balanced participation (adequate ratio of women and men among participants). Then only the budget allocation comes in. All these aspects in combination define the promotion strategy. To identify the Start-up Loop promotion strategy, one will answer all the 5Ws as given below:

- **What:** Objectives of the Start-up Loop with an overview of the approach
- **When:** Dates and duration details.
- **How:** Start-up Loop application process
- **Who can apply:** selection criteria, participants contribution and commitment needed
- **Where:** An address to pick the application form and where to submit it upon completion, training and (group)coaching venues

It is vital that staff understands the Start-up Loop provision to be involved in the process of promotion and pre-selection. Dedicated staff will have to set the selection criteria. A successful promotion strategy is not about the number of applications received but the right kind of applications. Furthermore, successful implementation of the Start-up Loop originates from suitable participants. The best group of participants occurs with the appropriate promotional strategy. Therefore, it is advisable to involve a Loop trainer /coach at this stage unless the institution has previous experience in organising and conducting Start-up Loop courses.

A sample application form is given in Annex P1.2.1: Sample application form for the Start-up Loop. Always ensure that applications are easy and simple to fill.

b. Promoting the Start-up Loop

This step is to implement the promotion strategy; therefore, many potential new business starters receive information about Start-up Loop courses. Promotion means Start-up Loop course details are communicated via determined media to potential participants to collect, complete, and return applications; then a screening of applications is done by the implementing organisations; and at the end, a pool of potential entrepreneurs is ready for Start-up Loop provision.

At this stage, implementing organisations also reach out to key stakeholders and support institutions that are relevant for the promotion of start-ups to brief them and raise their awareness about the upcoming loop, get their buy-in and support for the various phases (e.g. financial institutions as participants of the pitching events, successful entrepreneurs as resource persons during training or coaching sessions).

Promoting the Start-up Loop is especially important in phase 1, to ensure enough applications are received to allow for a good selection process. Nevertheless, promotion should continue throughout the implementation of the loop, already in preparation for the next loop that is coming up.

Implementing organisations can use their regular networks to display posters and flyers. Also, implementing organisations can use their websites, newsletters and systems to do promotion. All the media listed in the figure Process of Promotion & Pre-selection on the previous page (page 37) can be combined to achieve maximum reach and result.

c. Identification and Screening of Applications (Pre-selection)

The pre-selection step starts with gathering applications, and organising for screening of the applications based on the set criteria, which have already been communicated to the applicants in the promotion messages.

The task of identifying and screening participants involves assessing the participants for entrepreneurial aptitudes, attitudes, and characteristics appropriate for a new business start-up. This process also includes screening supportive environment and background suitable for the planned business idea and venture. The entrepreneurs' psychological, social, and entrepreneurial profiles can be assessed and tested using various techniques.

Please refer the table below for pre-selection and selection criteria that could be used to screen the applications. Each implementing organisation should think about their own specific 'must-have' and 'nice-to-have' selection criteria.



SAMPLE PRE-SELECTION AND SELECTION CRITERIA	
1	The applicant is clearly stating his/her new business idea, their understanding of the business and certain about starting period
2	The applicant is presenting his/her basic entrepreneurial characteristics such as self-confidence, opportunity seeking, persistence, commitment, punctuality, assertiveness, etc.
3	The applicant is presenting his/her business management skills such as marketing, sales and promotion, organising, planning, financial computation and forecasting skills, etc.
4	The applicant possesses a good relationship with cooperatives, banks, or micro-financing bank.
5	The applicant possesses the technical/knowhow skills needed by the specified business intended to start
6	The applicant has already started his/her business planning, market research and collecting information of the business
7	The applicant is experienced in conducting any kind of business in the past or is having a business family background.
8	The applicant possesses or has access to funds for equity such as a bank deposit, a promise by a family member, an asset as a collateral, etc.
9	The applicant can allocate time for Start-up Loop trainings and coaching sessions.
10	The applicant can contribute to the Start-up Loop course expenses by taking care of their transport, accommodation, a minimum fee or any other ways the implementing organisation specify.

In addition to the applications, Partner organisations can combine other selection techniques as given in the table *List of Potential Selection Techniques and Instruments* below. Sometimes application forms do not reveal or are not helpful to assess the essential entrepreneurial competencies and the business intention. To evaluate and determine these factors we need to use other techniques. To screen and select potential entrepreneurs, an organisation can pick one or more of the techniques from the list below.

Finally, the organisation informs the applicants about the pre-selection decision and invites them to engage in the Business Orientation Coaching Session I, II & III. It is essential that the implementing organisation ensures pre-selected applicants receive the information about the selection. The final selection happens at the end of this Phase 1, after the three coaching sessions. These three coaching sessions are a special second-tier selection instrument inbuilt into this phase of the Start-up Loop Provision.

List of Potential Selection Techniques and Instruments

TECHNIQUE / INSTRUMENT	DESCRIPTION
1 Screening of application forms	<ul style="list-style-type: none"> This is the initial and basic technique to get applicants' personal, educational, new business idea, capacity of equity, and their goals. Sometimes an implementing organisation can have their specific target groups such as women, youths, the displaced or any other conditions. These are set in the questionnaire in addition to the letter of invitation. There is a need to ensure proper completion of the application forms and make it simple and direct in one or two pages only. As this is an initial calling, asking for direct and basic information. Then precise answers are encouraged. Always make the application in local or target group language and precise.
2. Written test	<ul style="list-style-type: none"> Written tests provide evidence of applicants' literacy and numeracy abilities in numbers and language. Even the micro level entrepreneurs are encouraged to have a basic level of numeracy and literacy, as they need to engage in business plan preparations. Simple mathematical & business problem solving, language skills applications, business context questions, and vision writings are some of the types of written tests.
3. Activity test	<ul style="list-style-type: none"> Activity tests assess applicants' entrepreneurial and managerial competencies. We can test in groups or individual basis such as finding several brands of noodles in the market, prices of a group of vegetables, packaging strategies for ready-made meals, analysing and grouping advertisements for cosmetics, etc. Activity tests are good for behavioural tests such as opportunity seeking, confidence, team efforts, positive attitudes, and assertiveness tests.
4. Interview	<ul style="list-style-type: none"> One of the most widely used technique for entrepreneur selection for training. Interviews will be one to one or panel basis. A set of criteria (please refer to the sample pre-selection criteria on page 39 and to Annexes P1.3.4 and P1.2.3) with scoring sheets will be used to derive decisions. Sometimes, it is good to visit the potential entrepreneur to verify and witness the application data. Interviews are good because applicants' physical presence give evidence and basis for assessments.
5. Referrals	<ul style="list-style-type: none"> One of the popular methods in the combination of applications instrument. Applicants get referrals from other organisations such as cooperatives, banks, non-governmental organisations, or hubs. Reduces costs of promotion and selection very much Speed in implementation

Gender and Social Inclusion in the Start-up Loop Selection



Many women are engaged in MSMEs. However, it is important to recognise that business models are not gender neutral as women and men usually have different starting points and are presented with different opportunities and constraints in relation to their gender roles. Businesses often subscribe to stereotypes associated with women and men's involvement in certain type of business.

Gender is a social construct of what men and women's roles, opportunities, and relationships are. It varies across societies and differs according to context. Gender and social inclusion require understanding the critical needs and constraints faced by female and male entrepreneurs; people living with disabilities (PWDs) with an aim to designing a viable programme that allows businesses to becoming sustainable.

Some key terms and concepts related to gender

Gender blind: refers to policies and programs which are designed without prior analysis of the culturally-defined set of economic, social, and political roles, responsibilities, rights, entitlements, obligations, and power relations associated with being female and male and the dynamics between and among men and women, boys and girls. Gender blind programs/policies ignore gender considerations altogether.

Gender aware: refer to programs/policies which deliberately examine and address the anticipated gender related outcomes during both design and implementation. An important prerequisite for all gender-integrated interventions is to be gender aware. Gender Aware policies and programs examine and address the set of economic, social, and political roles, responsibilities, rights, entitlements, obligations and power relations associated with being female and male and the dynamics between and among men and women, boys and girls.

Gender equality: Gender equality involves equality of opportunity and equality of results for women, men, boys, girls and SGMs. It includes the redistribution of resources and responsibilities between men and women and the transformation of the underlying causes and structures of gender inequality to achieve substantive equality. It is about recognising diversity and disadvantage to ensure equal outcomes for all and therefore often requires women-specific programs and policies to end existing inequalities.

Gender equity: "Equity involves recognising that people are different and need different support and resources to ensure their rights are realised. To ensure fairness, measures must often be taken to compensate for specific discrimination and disadvantages."

Gender identity: Each person's deeply felt internal and individual experience of gender, which may or may not correspond with the sex assigned at birth, including the personal sense of the body (which may involve, if personally chosen, modification of bodily appearance or function by medical, surgical, or other means), and other expressions of gender, including dress, speech and mannerisms.

Gender norms: Gendered norms are a set of dominant beliefs and rules which are determined by a society or social group in relation to the types of roles, interests, behaviours and contributions expected from boys and girls, men and women. They are grounded in the customs, traditions and value systems that develop over time in a society or social group.

Gender analysis: A gender analysis examines the differences in women's and men's lives, their access to resources, their activities, and the constraints they face relative to each other. Gender analysis provides information that recognises that gender, and its relation with ethnicity, culture, age, disability, religion and/or other status, is important in understanding the different patterns of involvement, behaviour and activities that women and men have in economic, social and legal structures

Why gender matters:

- Including both women and men in Start-up loop increases supply of smallholders into the market.
- Financial training and good employee practices increase attendance rates resulting from fewer financial problems
- Programs with a focus on women's work and home challenges increase retention rates resulting from greater confidence and better communication skills
- Including a gender focus in social standards & policies improves working conditions of female workers and results in access to new markets, higher quality products and higher prices
- Gender programs and international social standards that include gender, result in less Gender-Based Violence (GBV) and more confidence to report GBV cases.
- Participation in gender workshops by female and male entrepreneurs results in better intra-household decision-making and higher incomes
- Access to finance and training women in improved cropping practices leads to higher yields
- Women's access to their own earnings increases household income.
- In Agri-business, training female farmers improves living conditions and increases the sector's resilience.
- Adjusting training and services leads to more skilled female smallholders and increases the products' quality.

What does a disability-inclusive engagement look like?

- Disabled and non-disabled participants learn, work, and have fun together;
- PWD involvement in the Loop architecture discussions and implementation, including implementation and the hiring them as trainers and coaches;
- A barrier-free (e.g., physical, learning, social and psychological, etc.) learning environment. Infrastructure and accommodation facilities are PWD accessibility compliant.
- Methods include adapted and assistive learning devices;
- PWDs may require special guidance in employing and managing people with disabilities that does not discriminate;
- A market-driven approach that ensures the quality of training and maximizes employment outcomes and the active involvement of employers to ensure that skills are developed in line with their needs;
- Recognition of the importance of cultivating positive attitudes – including the attitudes of non-disabled students and staff – to ensure a welcoming and supportive atmosphere for people with disabilities;
- Disability specialist support staff (sign interpreters for example) may be provided who adapt instructional methods and techniques to ensure that all participants, including PWDs develop the entrepreneurial competencies they need;
- Adequate preparation of PWDs ensure that they succeed in the Loop activities. Getting used to ramps, toilets, lifts etc. that are available in the training venue.
- People with mobility issues may need added time to move between rooms and sessions;
- Support workers may require regular breaks to ensure they do not become fatigued;
- Diabetic delegates may require more frequent refreshment breaks.
- Accessibility to toilets, lifts, refreshment areas and other venues during the Loop events and their nearness to all the meeting or function rooms.
- Ensure that participants with mobility difficulties can use the same entrance as others.
- Wheelchair users should be able to use ramped access routes independently.

<https://www.idhsustainabletrade.com/uploaded/2018/03/Gender-Toolkit-with-Guide.pdf>

https://www.igwg.org/wp-content/uploads/2017/05/FG_GendrIntegrContinuum.pdf



Annex P1.2.1: Sample Application Form for Start-up Loop

Start-up Loop Course Participant Application	Application number:
<p>1. Personal Details</p> <p>Title: _____</p> <p>Surname:</p> <p>First Name:</p> <p>Address (House number/street):</p> <p>Division:</p> <p>Town/Village:</p> <p>Mobile No:</p> <p>Date of Birth:</p>	<p>2. General Education</p> <p>What is your highest level of school education?</p> <p>Primary school not completed []</p> <p>Primary school completed []</p> <p>O/Level completed []</p> <p>A/Level completed []</p> <p>University degree completed []</p> <p>3. Gender : Male /Female</p> <p>4. Civil Status: Married / Single</p>
<p>5. Vocational/Technical Training</p> <p>Have you undergone any vocational/technical training?</p> <p>Yes / No</p> <p>If yes to question, please give details:</p> <p>Institution:</p> <p>Vocation/Course:</p> <p>Duration:</p>	<p>6. Your Future Plans/ Goals</p> <p>Please describe what do you want to do in future? Imagine the next 5 years and describe briefly, here.</p> <p>.....</p> <p>.....</p> <p>.....</p>
<p>7. Your present Occupation</p> <p>What is your occupation or are your main activities?</p> <p>Unemployed [] Student []</p> <p>Apprenticeship [] Military Services []</p> <p>Housewife [] Employed as unskilled worker/employee []</p> <p>Employed as skilled worker/employee [] Employed as professional []</p> <p>Self-employed as farmer [] Working in family business []</p> <p>Entrepreneur/ in business [] Others (please specify).....</p>	
<p>8. Your work Experience</p> <p>Total number of years of work experience either as an employee or as an employer.</p> <p>No work experience []</p> <p>Less than 1 year []</p> <p>1 year or more (total number of years):</p>	<p>9. Your present monthly income /Savings</p> <p>Approximate income per month at present</p> <p>Naira per month</p> <p>10. Savings</p> <p>Do you have any savings? Yes /No. If yes, Naira.....</p> <p>Access to family savings? Yes /No. If yes, Naira.....</p> <p>Are you willing to invest them in the business? Yes /No</p>

<p>11. Purpose of attending this programme</p> <p>You are attending this programme in order to:</p> <p>Create own new business []</p> <p>Expand/improve existing business []</p> <p>Restructure sick business []</p> <p>Take over family business []</p> <p>Improve knowledge about business []</p> <p>If other, please specify:</p>	<p>12. Information about Start-up Loop Course</p> <p>How did you get to know about this programme?</p> <p>Advertisement []</p> <p>Invitation/information letter []</p> <p>Saw posters []</p> <p>Newspaper reports/radio program []</p> <p>Through friends/relatives []</p> <p>Informed/nominated by bank []</p> <p>Informed/nominated by another institute []</p> <p>If other, please specify:</p>
<p>13. Family Business Background</p> <p>Which of the following family members is (was) in business?</p> <p>Father Yes [] No []</p> <p>Mother Yes [] No []</p> <p>Husband/wife Yes [] No []</p>	<p>14. Yourself</p> <p>Are you presently in business? Yes [] No []</p> <p>Do you have a business idea? Yes [] No []</p> <p>Are you willing to contribute / pay for the course? Yes [] No []</p>
<p>15. Your Signature</p>	<p>16. Date:</p>



Annex P1.2.2: Must-have and Nice-to-have Criteria for Participation in the Start-up Loop

Start-ups in the context of the Start-up Loop supported by SEDIN are defined as: Individuals or a group of people (partnership or cooperative)

- who have an initial business idea and/or
- who have a newly created business (i.e. have started business operations within the last 12 months)
- who (want to) produce goods or services or both.

Expansion or diversification of existing businesses are **NOT** considered start-ups: the business idea must be related to a new sector or activity the person/group is not already involved in.

For the purpose of the Start-up Loop supported by SEDIN in 2019, the following **criteria** were used **to identify and select participants**:

MUST HAVE

Pre-selection criteria: to be inserted in application form

- be based in one of SEDIN's three target states: Niger, Plateau or Ogun (in the case of the partner organisation must be in the work area of the partner organisation e.g specific LGA)
- have a concrete business idea (business operations may not have started, but the person/group must have a specific idea in mind in terms of a business opportunity they identified)
- technical know-how or skills needed to put business idea into practice
- willingness/commitment to allocate time for trainings and coaching sessions throughout the loop

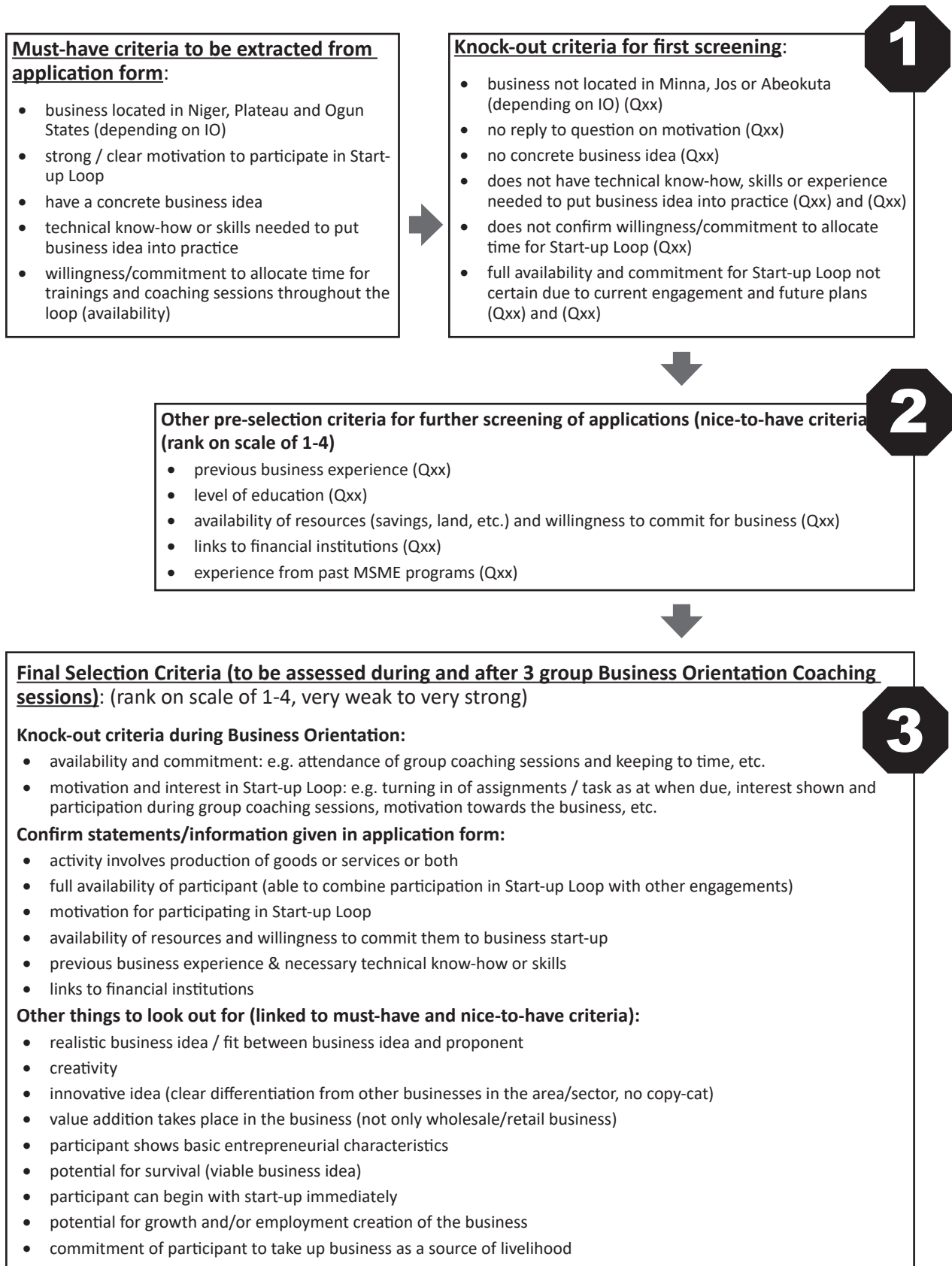
Final Selection Criteria: to be observed during Business Orientation coaching

- potential for survival (viable business idea)
- potential for growth and/or employment creation
- basic entrepreneurial characteristics (including creativity, business maths)
- activity involves production of goods or services or both (some kind of innovation or a certain level of value addition)

NICE TO HAVE

- link to one of SEDIN's sectors (Agriculture and Construction)
- previous experience as entrepreneurs (either in business that failed or in existing business in different area/sector/activity)
- have resources available, such as savings, land or others
- links to or experience with financial institutions: e.g. have a bank account, have had and paid back a loan in the past
- links to or experience with start-up and MSME promotion agencies/institutions (Government, NGOs or private sector) or cooperatives and associations: e.g. have access to start-up kits
- innovative idea (clear differentiation from other businesses in the area/sector, no copy-cat)
- value addition takes place in the business (not only wholesale/retail business)

Annex P1.2.3: Steps and Process for Selection of Start-up Loop Participants



P1.3 Business Orientation 1: Business Idea Testing and Validation

What is it?



Business Orientation means treating the business as a separate entity and orienting towards, market, manufacturing, customer, brand, employees or any other function. The orientation varies from business to business and its goals and strategies. For the Start-up Loop course at this point, the business orientation means orienting towards the market while gaining an understanding of future business commitments and demands. It is also about the preparation for business planning. But the business idea has to be right before the planning.

One does business for income generation and to serve his/her own needs as a way of career life among others. To realise these purposes, the entrepreneur needs to manage the business in a competitive environment. The only way business survival is made possible is to treat the venture as a separate entity and to separate it from other personal and family commitments. It is vital from inception that this concept is understood and practised.

Getting the right start-up supports in the early days of a new business is crucial to success in any business venture. The business orientation coaching 1 enables the participants to invest the right amount and kind of efforts in the start-up business and focuses them on testing the business idea to find out if it is worth investing in. Business Orientation 1: The coaching enables the coachee to clarify the business idea suitability, the initial viability and validity testing. The coaching ends with a check on the baseline entrepreneurial competence of the coachees.

Objectives:

1. To identify the business idea
2. To test and validate the business idea
3. To check baseline entrepreneurial competences

Aims/Results:

1. A match with the business idea
2. A validated business idea expanded into a business venture.
3. A practice of treating the business as a separate entity.

Application / Uses:

1. For business start-up support
2. In group coaching

Initial Preparations:

Read the annex and prepare for the coaching session.
Ensure that coachee invitations are sent and received by coachees.
Select venue close to coachee group.

Required Resources:

A Start-up Loop coach for a group of maximum of 10 participants, better 5-6
Handouts: Annex P1.3.1: *My Business Idea*, Annex P1.3.2: *My Business Idea Validation*, Annex P1.3.3: *Creativity and Innovation*, Annex P1.3.4: *Sample Start-up Loop Selection Grid*, Annex P1.3.5: *Business Mathematics Quiz*, Annex P1.3.6: *PECs Baseline*.
Writing boards and pencils for coachees.
Business Orientation-2 Group Coaching Session invitation for all coachees.
Ensure to select venue close to coachee group

- Checklist:**
1. Coachees may not have a clear idea of group coaching provision and the selection process.
 2. Coachees come with their preliminary business ideas.
 3. Print the handouts
 4. A copy of Annex P1.3.4: *Sample Start-up Loop Selection Grid* for coach's recording & selection purpose.
 5. Invite all coachees for Business Orientation-2 Group Coaching.

Coaching Guidance:



1. Welcome coachees for Start-up Loop Phase 1: Planning and Selection, first group coaching session and introduce yourself. You explain about:
 - The objectives of the session,
 - The stage in the selection process, and
 - The time period for the session.
2. Invite coachees to introduce themselves briefly in a minute. Ask them to briefly talk about
 - Their name,
 - Business idea
 - Their expectation for the session.
3. Write down their business ideas in your selection grid briefly at the end of each coachee's introduction.
4. Inform coachees how you are going to keep the confidentiality. (Any coaching starts with trust and credibility. Ask for commitment on confidentiality from the coachees that anything that is discussed should not go out of that circle. Make them feel comfortable to disclose things that are personal, also encourage learning from each other. Follow this through professionally.
5. Invite them also to observe confidentiality on their sides about co-coachees. Give examples (talking badly or good about others' business ideas, without co-coachee consent, peep into their notes, ask questions about their private matters, talk bad outside about one's business and details, etc.). They may know each other well, but within the group, during/after the session, they are bound to maintain confidentiality. Further, inform the coachees that anyone who wants privacy in discussions can approach the coach, who will arrange for it if necessary.
6. Distribute the handout: Annex P1.3.1: *My Business Idea*.
7. Remember your coaching rules. Allocate 30 minutes for "My Business Idea". Do not rush them to completion. For some coachees it may be too much. Let them think.
8. You need to observe them individually. Probe them right with a question and motivate them. Guide them. Let them write down the details one step at a time. Encourage and ensure each coachee's progress at his/her own pace. Ask questions and provide examples to support understanding but do not interrupt their ideas and thinking. Some may want to buy time to complete as a home work. Let them and encourage them to work on another part.

9. Summarise the work individually and group wise. Invite for questions. Answer if any.
- 10 Distribute the handout: Annex P1.3.2 *My Business Validation*. Allocate 30 minutes for this exercise. Maintain the time. If necessary, provide additional time. Explain each validation question to the group as they progress in answering.
- 11 They may not have been able to answer completely all questions in the handouts. Encourage them to work on this at home. Ask about their confidence in the business idea. Request them not to worry about anything but work on their idea. They can change or modify their business by working on the idea or approach.
- 12 Conduct a discussion in plenary about creativity and innovation. Challenge them to brainstorm on tips for creativity and innovation Allocate 20-30 minutes for this discussion. Refer them to further reading on creativity and innovation. Use reading material on Annex P1.3.3. Ask coachees to use the new learning on creativity and innovation to improve on their business.
- 13 Inform about the next coaching session and distribute the invitations. They need to bring in the handouts for the next session. Also, it is essential they come with all questions fully answered in the handouts. They may do more work on their business but not less. State that it is a requirement for the final selection. Ensure each coachee get the right kind of the motivation.
- 14 Distribute the handout: Annex P1.3.5 *Business Mathematics Quiz*. Allocate 30 minutes for this exercise. Maintain the time. This could serve as an energizer to close the session. Share answers with participants at the end to mark and encourage those with lower scores.
- 15 Take the PECs assessment baseline. Distribute handout Annex P1.3.6: *W* Participants scores are inputted into an excel based worksheet that helps to compute the aggregate PECs rating.
- 16 Discuss the selection process and answer any questions they ask. Remind them of the confidentiality agreement. Inform them that the coach will give them a call. Thank the coachees and wind-up.
- 17 Make a note in the grid across each coachee for selection assessment. You need to wait to finalise the assessment which comes in the end of Business Orientation 3.

Follow up:

1. Complete the sections for Business Orientation 1 on Start-up Loop Selection Grid and keep it private.
2. Business Orientation 2: Introduction to Business Model Canvas

Annexes:

1. ANNEX P1.3.1: MY BUSINESS IDEA
2. ANNEX P1.3.2: MY BUSINESS IDEA VALIDATION
3. ANNEX P1.3.3: CREATIVITY AND INNOVATION, CREATIVITY EXERCISE
4. ANNEX P1.3.4: SAMPLE START-UP LOOP SELECTION GRID
5. ANNEX P1.3.5: BUSINESS MATHEMATICS QUIZ
6. ANNEX P1.3.6: PECs BASELINE



Annex P1.3.1: My Business Idea



PART 1

New ideas for product and services are the life blood of all businesses. It takes a creative mind to generate good ideas around problems or opportunities. As Start-Ups you already have your business idea but it is good to know that an idea for a business is only good if it is useful to meet the customers need. The aim is not to find the best business idea but to come forward with the best possible solution the customer needs. A successful business starts with a good business idea and with a vision of what you want to achieve. Ideas are developed from your observation, education, experience, passion, talents and from analyzing competitors' businesses.

<p>1.What is my business idea? (Describe briefly the idea, type, size and the income potential you see in it)</p>
<p>2. Why have I chosen this idea? (Reason for the idea, problem or opportunity responding to)</p>
<p>3. What vision do I have for my business?</p>
<p>4. How do I want to start the business?</p>
<p>5.Who can be my potential buyers? Personal: Age, sex, life stage, occupation, financial situation, personality, lifestyle, etc. Social: Family, roles, status, reference group (club, religious group), etc. Cultural: Values, perceptions, wants, etc. Psychological: Motivation, perception, learning, beliefs & attitudes, etc.</p>
<p>6. My business name would be/is</p>
<p>7. The location/ planned location of the business is</p>



Annex P1.3.2: My Business Idea Validation



PART 2: My Business Idea Validation

Here we attempt to identify and develop promising new ideas and eliminate impractical ones. The refined idea is to be tested to determine consumer acceptance leading to a “product-market fit”. A business starter can end up with a right market but offer the wrong product. A right product for the right market will generate adequate sales (and cash) for the enterprise leading to business success.

To minimize market-product fit failures, starters should devote extra time in validating and testing their products and services before fixing a business plan (or even investing their hard-earned money).

The Validation Process

Here are questions to help you validate your business ideas. A “no response” or a half-hearted “yes” could mean that the idea is not worth pursuing or needs more refining.

1. Are you passionate? Committed? Briefly describe your passion for the business

Are you really passionate about the idea? If not, you might either give up too easily or get sidelined in other ideas (or markets), or easily toppled down by the competition. Examine your personal intention, interest and motivation. Could the idea be a mere hobby? A life-style interest? Can you picture yourself with this idea over the next ten years? How will the idea look then? Remember! The business idea should be borne out of a higher calling that goes beyond mere profitability.

2. Who are the buyers?

Sufficient markets (people with the income to buy) needing the product or service must exist. Imagining them in your mind is not sufficient. You need to engage with them. You can have two kinds of segments: individuals and institutional. It is generally easier and cheaper to sell to groups (or institutional) compared with individual buyers. Are the buyers’ entrepreneurs (business to business) or end-users (individual consumers), low or middle-income earners, males or females, young or old, students or professionals?

3. What do the buyers say?

Having the buyers determined is not sufficient either. Starters need to verify and confirm that these buyer segments will really patronize the product or services, once made available. Talk to people in this segment. You can start a Facebook (or other social media) page and start online conversations. Off line,

start with people who are closest to you: family, friends, and colleagues. Check with anyone who can provide honest feedback. Concrete suggestions. In these conversations, always check the specific needs and price points desired. Always note what customers want (male/female).

4. Can you create a Minimum Viable Product (MVP)?

If your business idea has the support of your market segment, consider building a minimum viable product (MVP). This might mean making sample products (a recipe, chemical formulation, a physical representation, a real functional product).

The MVP is a working prototype that starters can give to a small yet diverse group of end-users for testing. The goal is to observe how users are using your prototype and find out if your target buyers will definitely use (and how) what your business will sell.

5. What is your competitive edge? Can you develop your Unique Value Proposition (UVP)?

When validating your idea, don't just focus on your own business. Look also at your competitors. What are they doing and how can you do better? How will you ensure that your market segments won't go somewhere else?

Based on your findings, develop the unique value proposition (UVP) for your business. The UVP will be your competitive edge that allows you to attract and retain more customers than your competitors. It's what sets your business apart.

6. Are there ways to continuously improve the Market-Product Fit?

After conducting the dialogue with your market segment and competitor analysis, starters should be able to identify possible problems with your business idea early on. Adjust, refine, simplify the idea as necessary. Taking risks is an unavoidable part of your journey as an aspiring starter. So is failing. However, you can avoid their costly consequences. Validate your idea to know if you should go ahead, scrap, or fine-tune it before launching your business.



Annex P1.3.3: Creativity and Innovation

Creativity is the process of transforming new and imaginative ideas into reality. It goes beyond just thinking about the possibilities. It also makes the possibilities real. It looks into new ways of perceiving an object, the world. It discovers hidden patterns, hitherto unknown to many. It makes new connections between seemingly unrelated objects. Finally, it proposes new ways and solutions. In short, it involves: thinking and then producing.

To go through the journey, creativity makes significant demands and sacrifices. It requires passion and commitment. To awaken our awareness of what was previously hidden and points us to new ways, the creative person (or entrepreneurs) should be willing to take risks, become the subject of ridicule, persist under counter opinions and eventually progress through discomfort to hit the finish line.

What Is Innovation?

The journey from the creative spark to the Minimum Viable Product (MVP) and eventually to the completed product is called innovation. Innovation is the implementation of a new or significantly improved product, service or process that create the value for the enterprise. Some people say creativity has nothing to do with innovation - that innovation is a discipline, implying that creativity is not. This is not true. Creativity is also a discipline and a crucial part of the innovation journey. There is no innovation without creativity. The key metric in both creativity and innovation is value creation.

Learning to be Creative and Innovative
 Many education experts believe that we are all naturally creative. Then we become less so as we grow up

If it can be unlearned, it can also be relearned. In some cases, it might take time to relearn creativity. It requires a discipline to master a way of thinking. One can learn to be



Figure 10: The nine rules of innovation

creative by experimenting, exploring, questioning assumptions, using imagination and connecting information. To make it a discipline, it must be likened to a sport. It requires practice (lots and lots) to develop the right muscles and a nurturing ecosystem.

Studies by Clayton M. Christensen and his researchers discovered that The Innovators DNA, one's ability to generate innovative ideas is a function of five behaviours that optimize the brain for discovery:

- Associating: drawing connections between questions, problems, or ideas from unrelated fields
- Questioning: posing queries that challenge common wisdom
- Observing: scrutinizing the behaviour of customers, suppliers, and competitors to identify new ways of doing things
- Networking: meeting people with different ideas and perspectives
- Experimenting: constructing interactive experiences and provoking unorthodox responses to see what insights emerge.

The Start-up Loop provides ample time for the learners to be creative in developing their products or services and eventually, the values delivered by their SMEs. Creativity and innovation requires practice. And as one practice using these five discovery skills every day, one will emerge as creative and innovative entrepreneur.

Becoming Creative and Innovative

Here are steps to follow:

1. Ask the right questions, creatively. The very old question: “How can I build a better mousetrap?” may be reformulated as: How to get rid of the mice in my house? How can I make the outside my house more attractive to the mice? etc. Likewise, select any product you see, then debug it? How could this product be better?
2. Be informed. Become experts. Amass information and experiences to gain new insights and perspectives. Watch people’s behavior, YouTube videos, online searches, social media trends, and having a coach.
3. Proactive awareness. Aggressively look for new solutions. Cultivate awareness and mindfulness. Develop the always lucky mindset. Accidents may turn out to be blessing in disguise. Play.
4. Play and pretend. Playing makes your mind wander and your subconscious has time to work. Explore the future. Leave something undone. Become a beginner.
5. Generate and collect lots of ideas. Always free write a list (notes or in smartphones). Write them all down. Set up undisturbed idea time, regularly.
6. Fuse ideas. Combine objects (or events) that don’t normally go together. Meet strangers and discuss with them. Try to be someone else, a chef, a welder, a painter, a teacher. How do they see the object (or the world)? Connect your original ideas with theirs.
7. Choose the best ideas. Know what you are up to. Compare the ideas critically. Can they be made even better?
8. Make something out of your great ideas. Now create a prototype. You can draw, make cartoons, collect online images, create a physical model made of straws, wooden sticks, cardboards, etc. Make the idea come alive.
9. Other ways. Recent studies in psychology reveals that the following tricks that might help spark your creativity.
 - Go for a walk
 - Reward yourself
 - Create some psychological distance and take a break
 - Surround yourself with inspiration
 - Create restrictions. Go out of the usual fixations.
 - Daydream
 - Re-frame the problem
 - Get emotional
 - Meditate

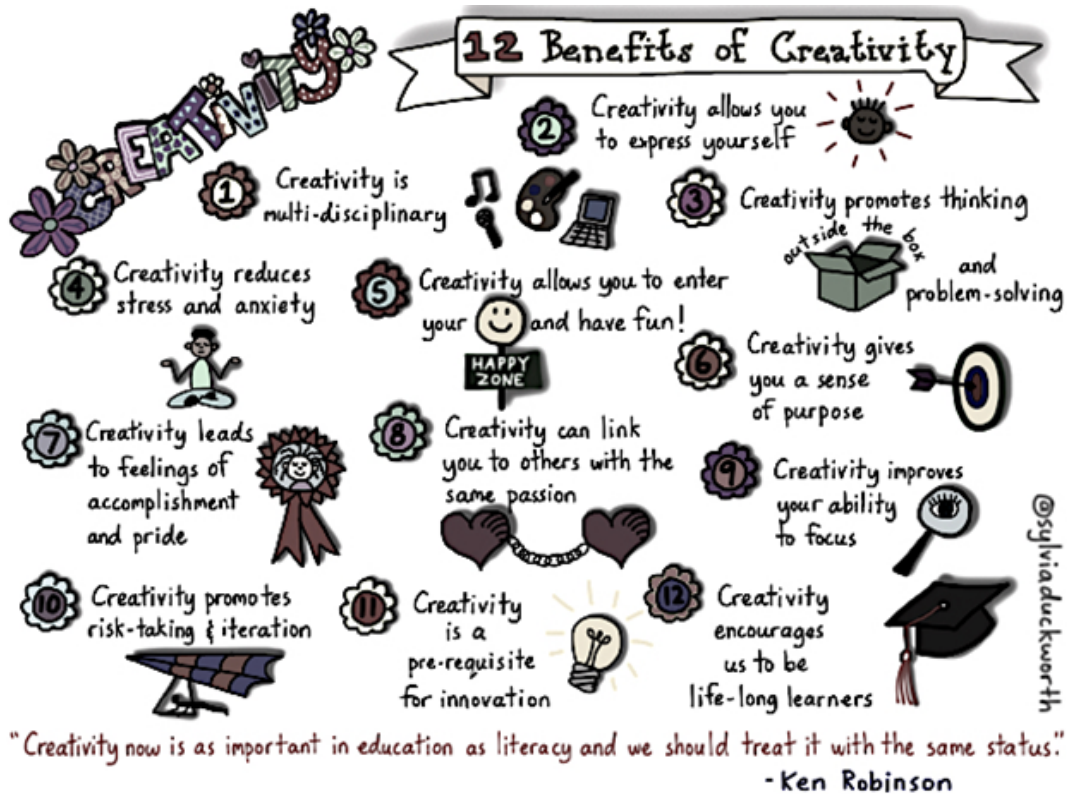


Figure 11: The twelve benefits of creativity

Methods of Generating Ideas

- Focus Groups: Groups of consumers provide information in a structured format. A moderator leads the group (8-14 people) through an open discussion to solicit participant response about new products. This is also an excellent method to initially screen ideas and concepts.
- Brainstorming: A group method for obtaining new ideas and solutions. Allows people to be stimulated to greater creativity by meeting with others and participating with the following rules:
 - No criticism is allowed and no negative comments.
 - Freewheeling is encouraged-the wilder the idea the better.
 - Quantity of ideas is desired. The greater the number the greater the likelihood of useful ideas.
 - Combinations and improvements of ideas are encouraged.
- Problem Inventory Analysis: A method of obtaining new ideas and solutions by focusing on problems. Usually the focus is on a general product category that has a particular problem. Results must be carefully evaluated as they may not actually reflect a new business opportunity.

<https://quiz.infusionsoft.com>
<https://www.mindtools.com/pages/article/creativity-quiz.htm>
 Creativity: <https://www.mindtools.com/pages/article/creativity-quiz.htm>

Source: **Creativity and the Business Idea**, Chapter 4 IN Entrepreneurship, 8th edition by R.H. Hisrich, M.P. Peters and D.A. Shepherd, Mc Graw Hill Irwin, Copyright 2010, PDF version.



Annex P1.3.4: Sample Start-up Loop Selection Grid

No.	Coachee name	Business idea in brief	Business Orientation (1 – 3) – Group Coaching Results										Total score (Minimum 1 and maximum 100)	Suggestion on selection (Yes /No) (Reason)
			(Score each coachee on 1-10 scale individually under each topic given below, with 1 – none and 10 – excellent)											
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		

- (1) Solid business idea and self-confidence portrayed
- (2) Ability to treat business as a separate entity
- (3) Entrepreneur matches with the business idea (interest, needed technical skills, knowledge, etc.)
- (4) Level of willingness and effort in seeking information & opportunities available (5) Networking skills
- (6) Business maths skills
- (7) Creativity
- (8) Personal Entrepreneurial Competencies
- (9) Interest in and motivation to participate in the Start-up Loop
- (10) Commitment to attend coaching sessions



Annex P1.3.5: Business Mathematics Quiz

Use a blank sheet for computations, indicate your answer at the end of the problems.

		Answers
1	Find the sum of your date of birth, mm/dd/yyyy	
2	Add $\frac{1}{2}$ to $\frac{3}{4}$	
3	What is 10% of 125?	
4	Add 3.4 to 4.32	
5	Subtract 1.7 from 2.4	
6	Find the interest on \$ 400 at 2 $\frac{1}{4}$ % for a months and 16 days	
7	If a man buys a motorcycle for \$ 30,000 and sells it for \$ 32,000, how much profit or loss did he make?	
8	If a person purchases a house for \$ 150,000 and sells it at 10% profit margin, what is his selling price?	
9	If an entrepreneur produces 100 chairs per month and sells them at \$ 50 and pays his workers \$ 12 per chair and his supplier of wood \$ 2,000 per month and his overhead expenses are \$ 1,500 per month, what is his profit or loss?	
10	You are starting your own small business in Ogun State. You borrow \$ 10,000 from the bank at a 9% rate for 5 years. How much interest will you pay for the loan?	

Answer Sheet for Business Maths Test

Blank or wrong answer get 0 points. Each correct answer gets 10 points.

Question	Answer
1	Do the maths.
2	$\frac{5}{4}$ or $1\frac{1}{4}$
3	12.5
4	7.72
5	0.7
6	\$ 2.65
7	Profit \$ 2,000
8	\$ 165,000
9	Profit \$ 300
10	\$ 45,000

Calculate the total score that each participant received and transfer it into M&E form 1.



Annex P1.3.6: Personal Entrepreneurial Competencies (PECs) Baseline



This questionnaire contains 85 sentences. Read each one and decide which describes you better.

Assess and score yourself on a scale from 1-4:

- (1) never, not at all, (3) usually and
(2) sometimes, (4) always.

Be honest to yourself. The questionnaire's purpose is to help you make a self-evaluation; it is no test and there is no correct/wrong answer.

No.	PECs Self-assessment	Score
1	I look for things that need to be done.	
2	I like challenges and new opportunities.	
3	When I face a difficult problem, I spend a lot of time trying to find a solution.	
4	When I begin a work or project, I gather all possible information available.	
5	I get upset when things are not done well.	
6	I make a great effort to accomplish my work.	
7	I find ways of doing things faster.	
8	I establish my own goals.	
9	I plan a big job by dividing it into several small tasks.	
10	I think of different solutions to solve the problems.	
11	I tell people when they do not perform as expected.	
12	I feel I will be succeeded in any activity I engage.	
13	I get support by others for my suggestions.	
14	I develop strategies to influence others.	
15	I compare my achievements to my expectations.	
16	I know how much money is necessary to develop my projects or activities.	
17	I listen carefully to any person who talks to me.	
18	I know what needs to be done; I don't need anyone to tell me what to do.	
19	I prefer to accomplish tasks that I dominate and feel safe doing them.	
20	I insist several times to get someone to do what I want.	
21	I search for advice from people who know about the different aspects of my business.	
22	It is important for me to do high quality work.	
23	I work for several hours and make personal sacrifices in order to finish my work in time.	
24	I don't use my time in the best possible way.	
25	I do things without a specific target in mind.	
26	I carefully analyse the advantages and disadvantages of the several ways to execute tasks.	
27	I have my mind focused on many projects at the same time.	
28	If I dislike someone's attitude, I tell him/her.	

29	I change my way of thinking if other people strongly disagree with my point of view.	
30	I convince other people of my opinions.	
31	I don't spend a lot of time thinking how to influence other people's ideas.	
32	Regularly I check how far I am from achieving the goals I have set.	
33	I know how much money I can expect in return for my projects.	
34	I get upset when I don't do what I want.	
35	I do things even before it is clear to me how they should be done.	
36	I look for opportunities of doing new things.	
37	When something hinders what I am trying to do, I try to find other ways to accomplish my task.	
38	I often do things without looking for some information concerning the task.	
39	My results at work are better than those from people who work with me.	
40	I do what it takes to have my work done.	
41	I get upset when I waste time.	
42	I do things that help me accomplish my objectives.	
43	I try to anticipate all the problems that might happen and think of what can be done in case any of them take place.	
44	Once I have chosen my solution to a problem, I don't change it.	
45	It is difficult for me to instruct people on what they should do.	
46	When I try something difficult or something that challenges me, I feel confident I will succeed.	
47	I show people I am capable of executing the task they have for me.	
48	I seek important people to help me reach my goals.	
49	I don't know how far I am from achieving my goals.	
50	I don't care for the financial consequences of my acts.	
51	I have failed in the past.	
52	I do things before they become urgent.	
53	I try to find new tasks, different from the ones I have already done.	
54	When I face a great difficulty, I look for other tasks.	
55	When I have to do a job for someone, I ask many questions to be sure that I understood what he/she wants.	
56	When my work is satisfactory, I don't spend more time trying to improve it.	
57	When I am doing something for another person, I make a lot of effort so he/ she is very satisfied with my work.	
58	I seek cheaper ways of doing things.	
59	My goals correspond to what is important for me.	
60	I face problems when they appear instead of anticipating them.	
61	I think of different ways of solving problems.	
62	I show when I disagree with someone.	
63	I do risky things.	
64	I am very persuasive with other people.	

65	When trying to reach my goals, I look for solutions that would be positive for all people involved.	
66	I co-ordinate the performance of people who work with me.	
67	I have good control of my finances.	
68	There have been times when I took advantage of people.	
69	I wait for the orders of someone else, and then I act.	
70	I take advantage from opportunities as they appear.	
71	I try several ways to overcome the obstacles that disturb the accomplishment of my goals.	
72	I look for different sources of information that could help me in my tasks or projects.	
73	I want my business to be the best in the branch.	
74	I don't let my work interfere with my personal life.	
75	Most of the money I use in my project or work is borrowed.	
76	I have a clear vision of where I intend to get in the future.	
77	I have a logical and systematic approach of my activities.	
78	If a way of solving a problem doesn't work out, I try another.	
79	I tell people what they have to do, even if they don't want to do it.	
80	I stick to my decisions, even when other people strongly disagree with me.	
81	I can't change people's opinion, even with my strongest points of view.	
82	I know who is able to help me to reach my objectives.	
83	When I work with a deadline, I check regularly if I will be able to finish my work in time.	
84	My projects include financial information.	
85	I have no problems to recognize something I do not know.	

P1.4: Business Orientation 2: Introduction to Business Model Canvas (BMC)

What is it?



Despite the long entrepreneurship training and coaching hours, one reason why many start-ups fail to launch is the premature writing of the business plans (BPs). Off-course, BPs can easily be prepared if the business ideas are copied from what already exist in the market. This is however rarely the case for start-ups having new products or services with relatively high innovation content. In these cases, the ideas may still be half-baked. They need to be proven, developed, verified, and refined to fit the precise target markets. As half-baked ideas change, so will the strategies. And with every strategic change, a new BP may be required. Having BPs prematurely written when the ideas are still in development can increase MSME's overall mortality rates. Innovative ideas need to ripen to a business model before a BP can be prepared. The Start-up Loops enable the would-be entrepreneurs to effect transition from ideas to BMC.

Business Orientation 2: the coach explains what the BMC is all about and how to expand the business idea to a BMC. The coaches can help the prospective entrepreneurs to verify (e.g., with a proof of concept), validate the prototypes, identify sales and cost streams before elaborating their respective BPs.

Objectives:	<ol style="list-style-type: none"> 1. To understand the “9” building blocks of the BMC 2. To expand the business idea into a BMC 3. To see the possibilities of making iterations with the BMC
Aims/Results:	<ol style="list-style-type: none"> 1. A practical guide on BMC development 2. A Draft of the Start-up BMC
Application / Uses:	<ol style="list-style-type: none"> 1. For business start-up support 2. In group coaching
Initial Preparations:	<ol style="list-style-type: none"> 1. Send reminder messages to participants about Business Orientation 2. Ask participants to ensure to complete previous assignment given and come along with the handouts
Required Resources:	<p>A Start-up Loop Coach for up to 10 pre-selected participants better 5-6</p> <p>Handouts: Annex P1.4.1: Introduction to BMC, Annex P1.4.2: BMC template.</p> <p>Writing boards, pencils, coloured marking pens, Stack of Post-it Notes, glue, tapes, Flipchart papers.</p>
Checklist:	<ol style="list-style-type: none"> 1. Print the handouts 2. The Start-up Loop Selection Grid used in the previous coaching sessions

**Coaching
Guidance:**



- (1) Welcome coachees to Start-up Loop Phase 1: Second group coaching session. Have a quick check up on the mood. Remind about the confidentiality.
- (2) Introduce the BMC to the coachees. Explain the importance and present the BMC's nine building blocks. Mention why SMEs could have similar products/services but different business models causing differences in growth trajectory
- (3) With the handout (Annex P.1.4.1), briefly explain each block citing relevant examples from block to blocks. The sequence of presenting the blocks matter.
- (4) Inform the participants (working individually or in groups) that brainstorming will be used in completing this task. Distribute a BMC template (Annex P.1.4.2) to each Start-up Loop participant plus a generous supply of sticky (or Post-it) notes. Inform everyone to write the ideas on the sticky notes and not on the template. Making the BMC clear and realistic are favoured over aesthetics in the first draft.
- (5) Request the Start-up Loop participant to complete the BMC using these procedures:
 - (a) Grab a Post-it Note. Write down the description of your business customer segments on the Post-it Note. (See the appropriate description and examples of each block in the Handout).
 - (b) After completing the Customer Segments block 1, move on to the: (2) Value proposition (What value do we deliver to the customer segments? (3) Channels (How do you our Customer Segments want to be reached?), (4) Customer relations (What type of relationship does each of our Customer Segments expect us to establish and maintain with them?), and finally (5) Revenue streams (How do your Customer Segments purchase your Value Proposition?). Share generous but appropriate examples along the way. Allow 15 to 20 minutes per block. Remind the participants that sequence of completing block matters.
 - (c) Summarize the steps (1) to (4). Do a "feelings" level processing. End with a marketing related energizer.
 - (d) Proceed to the next four blocks in sequence. Start with: (6) Key resources (What Key Resources does our business require?), (7) Key activities (What does your business do with your resources?), (8) Key partners (Who are your suppliers and service providers?), and (9) Cost structure (What are your most important costs?). Allow 15 to 20 minutes per block. Remind the participants that sequence of completing block matters.
 - (e) Summarize the steps (6) to (9). Do a "feelings" level processing. End with a production or operations related energizer.
- (6) Facilitate, motivate, advice and help the participants complete the initial BMC versions. Lead in the review of the BMC and ask the participants to add more Post-It Notes when needed. Let them know they will afterwards have to do individual drafts without much of your inputs.

- (7) Ask the participants to take “clear” photos of their completed BMC using their smartphone cameras. Store for reference when making future drafts. Note that Annex P.1.4.1 lists the key questions that coaches can use in guiding the coachees in verifying the BMCs.
- (8) Ask the participants again: Did you miss some elements in each block? Add more Notes, if needed. Continue for each block until everyone is satisfied with the results. Take another photo of the resulting BMC if necessary
- (9) This might be the BMC's first draft, usually these are iterated (redrawn) to include better strategies, value addition, and better elements of the nine blocks. It is easier and cheaper to change from within an illustration than in the real world. Thus, coaches must always encourage coachees to improve (and be sure of) their BMCs several times before writing the BP.
- (10) Finally, inform everyone that you will validate and verify the BMC inputs and assumptions (if any) during the next Business orientation coaching session. Verification may involve checking with key customers, partners and supply chains. Coaches can also use the questions guide in Annex P.1.4.1
- (11) Inform the coachees the date and time for business orientation 3. Inform them to each prepare for a ten-minute presentation of their BMC. As such they have time as they go home to work more on the BMC drafts to make changes that would better serve the business value proposition
- (12) Distribute the handout: Annex P1.4.3 Creativity Test. Allocate 15 minutes for this exercise. Maintain the time. This could serve as an energizer to close the session. Share answers with participants at the end to mark and encourage those with lower scores. Use this to briefly discuss again the unending importance of business creativity and innovation.
- (13) Thank the coachees and wind-up the session
- (14) Fill your selection grid (Annex P1.3.3) if need be.

Follow up:

- (1) Check the Start-up Loop Selection Grid to make additional comments on the coachees
- (2) Notify on Business Orientation 3 with time and date.
- (3) Inform of the BMC pitching taking place during Business Orientation 3

Annexes:

- Annex P1.4.1: INTRODUCTION TO BMC
- Annex P1.4.2: BMC TEMPLATE
- Annex P1.4.3: CREATIVITY TEST



Annex P1.4.1: Introduction to BMC



A business model describes the rationale of how an enterprise creates, delivers, and captures value (economic, social, cultural, or other forms of value). Constructing BMC is part of the business strategy. It is used to describe and enterprises and explains how other teams and managers can operate within. BMC is a visual template for developing new or documenting existing business models. It is a visual chart with elements describing a firm's value proposition, infrastructure, customers, and finances. It assists firms in aligning their activities by illustrating potential trade-offs. Being visual and flexible, the BMC requires less writing efforts and time but lots of strategic thinking.

Preparing the BMC

In general pictures speak louder than words, so please use as much pictures, drawings and images and less text. See the sample BMC below. A typical BMC has nine blocks as described below. Reflect and try to answer the questions under each block. The question are same and relevant for Start up businesses just at the idea stage or those that have already begun. The BMC allows for easy grasp of the relationship between the 9 blocks and how they relate to each other and the different ways these relationships can be changed to increase efficiency or effectiveness of the business. Coachees can also quickly spot opportunities for innovations.

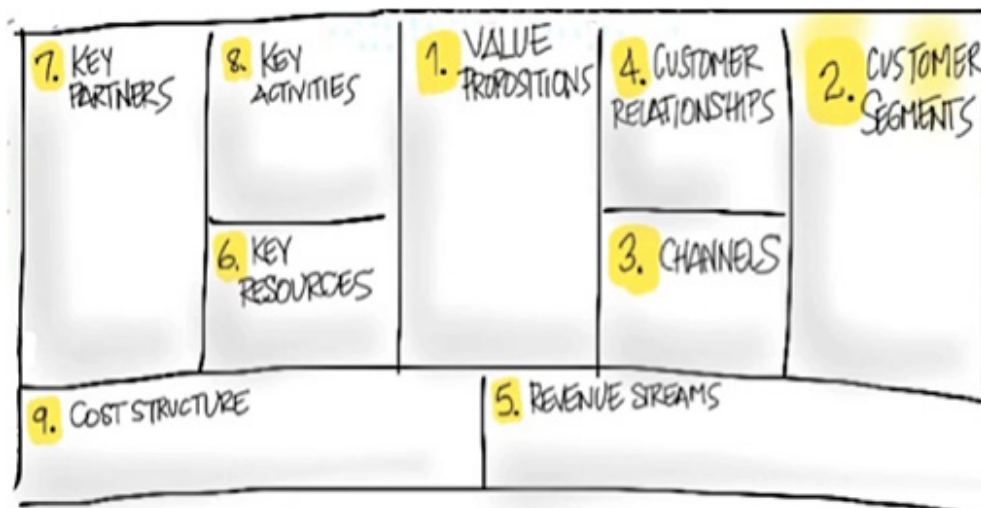


Figure 12: The nine building blocks of the BMC

Key Questions In Verifying the BMC

- To verify your **Value Propositions**, ask yourself:
 - What value do your business deliver to the customer?
 - Which customer needs are you satisfying?
 - Which one of your customer's problems are you helping to solve?
 - What bundles of products and services are you offering to each Customer Segment?

2. To verify your **Customer Segments**, ask yourself:
 - Who are they (Geographic, social and demographic)?
 - Why would they buy your products/services?
 - Who are your most important customers (for example: mass market, niche market, segmented, diversified, and multi-sided platform)?
3. To verify **your Channels** ask yourself:
 - How will the value (products/services) be delivered to the customers (Physical or web/mobile channels)?
 - Which ones work best?
 - Which ones are most cost-efficient?
 - How are you integrating them with customer routines?
4. To verify **your Customer Relationships**, ask yourself:
 - How do you get, keep and grow your customers?
 - What type of relationship does each of your Customer segments expect you to establish and maintain with them? Examples of relationships: dedicated personal assistance, self-service, automated services, communities, co-creation.
 - Which ones have you established?
 - How are they integrated with the rest of your business model?
 - How costly are they?
5. To verify **your Revenue Streams**, ask yourself:
 - How do you make money from each customer segment?
 - For what values are the customer segments really willing to pay?
 - What strategy are you using to capture this value (direct sales, license/ subscription fees, freemium model, price-based transaction)?
 - For what do they currently pay?
 - How are they currently paying?
 - How would they prefer to pay?
 - How much does each Revenue Stream contribute to overall revenues?
6. To verify **your Key Resources**, ask yourself:
 - What are the most important assets required to make the business model work?
 - What Key Resources (examples: physical, intellectual (brand patents, copyrights, data), human, financial, etc.) do your Value Propositions require?
7. To verify **your Key Partners**, ask yourself:
 - Who are your Key Partners (include market and supply chains, if appropriate)?
 - Who are your key suppliers?
 - Which Key Resources are you acquiring from your partners?
 - Which Key Activities do partners perform?
 - What are the motivations for partnerships: (a) economy and efficiency, (b) risk and uncertainty reduction, (c) acquisition of particular resources and activities
8. To verify **your Key Activities**, ask yourself:
 - What Key Activities do the Value Propositions require (production, problem

solving, supply chain management etc.)?
 What is the business actually doing?

9. To verify **your Cost Structure**, ask yourself:
- What are the most important costs inherent in the business model?
 - Which Key Resources are most expensive?
 - Which Key Activities are most expensive?
 - What are the fixed and variable costs?
 - Is your business more:
 - (a) cost driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing), OR
 - (b) value driven (focused on value creation, premium value proposition).

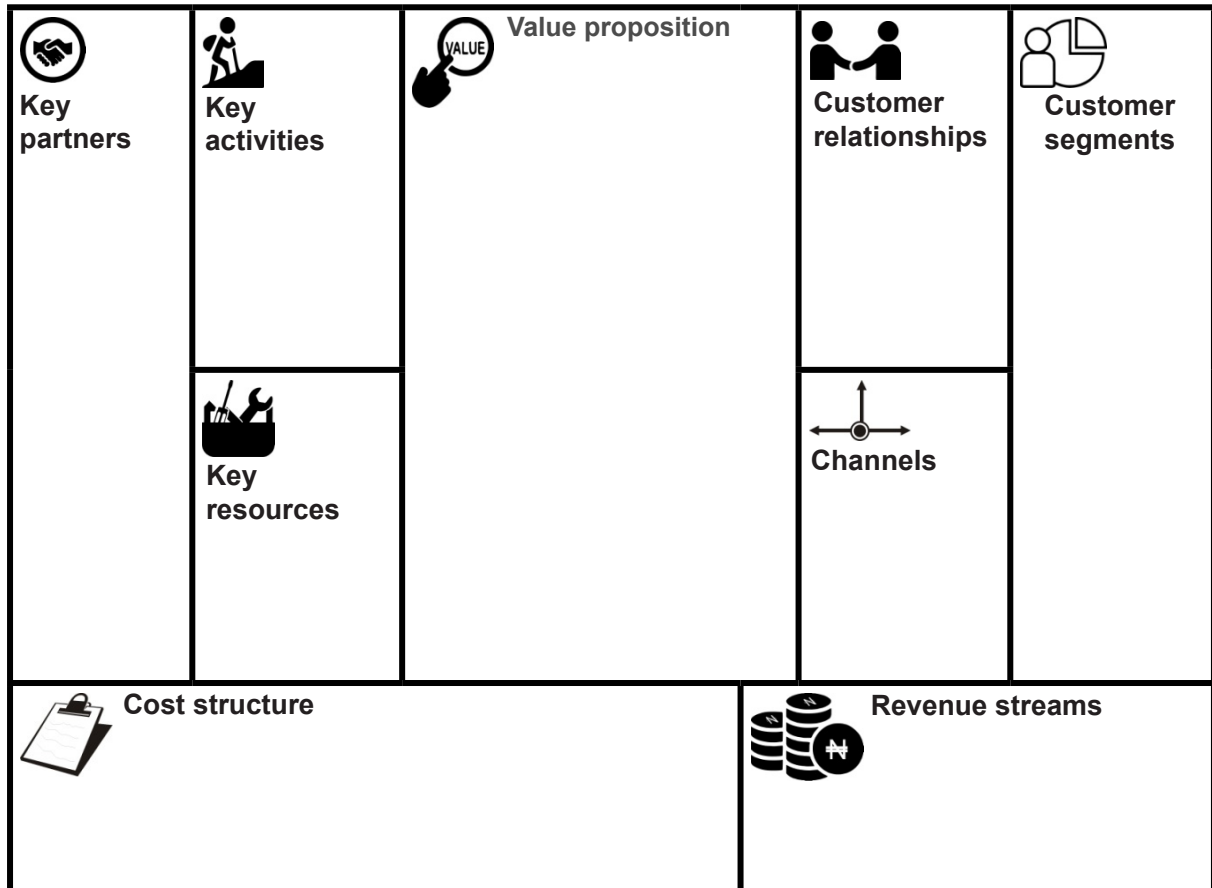


Annex P1.4.2: BMC Template



<p>Key partners</p> <p>These include:</p> <ul style="list-style-type: none"> -Your suppliers -Your Partners -Resources you need from them -The duties of your partners 	<p>Key activities</p> <p>These include:</p> <ul style="list-style-type: none"> -Production Processes -Distribution activities -Marketing activities 	<p>Value proposition</p> <p>These include:</p> <ul style="list-style-type: none"> -Pricing advantage -Packaging -Warranty -Discount -Experience/History -Performance 	<p>Customer relationships</p> <p>These include:</p> <ul style="list-style-type: none"> -Self Service -Automated Services -Quick response -24/7 Support 	<p>Customer segments</p> <p>These include:</p> <ul style="list-style-type: none"> -General Market -Specialized Market -Diversified Market -Niche Market -Multi-sided platform
<p>Key resources</p> <p>These include:</p> <ul style="list-style-type: none"> -Financial resources -Brand patents, copyright -Man Power -Physical 		<p>Channels</p> <p>These include:</p> <ul style="list-style-type: none"> -Delivery -Online Purchase -Phone Connection -Printed Ads -Physical Marketing 		
<p>Cost structure</p> <p>These include:</p> <ul style="list-style-type: none"> -Fixed costs -Variable costs -Expansion Cost 			<p>Revenue streams</p> <p>These include:</p> <ul style="list-style-type: none"> -Sales -Subscription fee -Licensing -Lending/Renting/Leasing 	

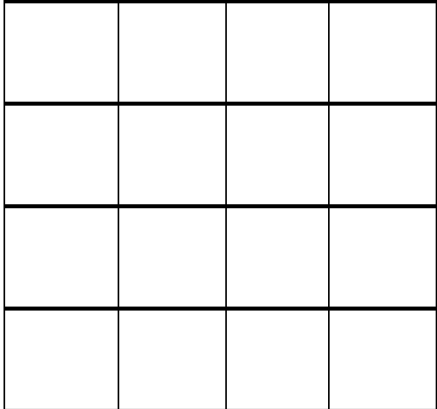

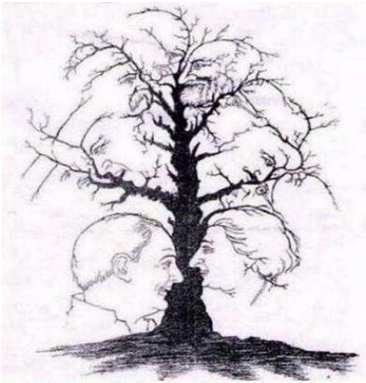
Business Model Canvas Template



Annex P1.4.3: Creativity Test

For each question, you are encouraged to try, provide or write as many answers as you deem necessary. Creativity does not have one fixed answer. Try!

Questions	Answers
1. How did the apple gets inside a premium Burukutu bottle?	
2. Half of 8	
3. Divide a cake into 8 pieces by making only two cuts?	

<p>4. How many squares do you see?</p> 	
<p>5. When you go to sleep on your bed, what is the very last thing that you usually take off?</p>	
<p>6. Rearrange these letters UNWOODSTERJ to make just one word.</p>	
Questions	Answers
<p>7. What do you see?</p> 	
<p>8. How many faces do you see?</p> 	

9. Name the one vegetable or fruit that is never sold frozen, canned, processed, cooked, or in any other form except fresh.	
10. How to make 9, a six?	

Answer Sheet for Creativity Test

Questions	Answers
1	If no answer, score is 0. If answer is "push inside the bottle or similar," score is 5. If the answer is "grow inside the bottle," score is 10.
2	If the answer is "4", score is 0. If the answer includes 20's, 3 or E, score is 5. If answer is "H," score is 10.
3	If the answer is two cuts with one straight knife, score is 0. If answer is one cut plus one sideways cut, score is 5. If answer use circular knife, score is 10.
4	If the answer is "16 or less", score is 0. If the answer is "if 36 or less," score is 5. If the answer is 72 or more, score is 10.
5	If the answer is "clothes or similar", score is 0. If the answer is "eyeglasses or other than clothes," score is 5. If the answer is "feet from the ground," score is 10.
6	If no answer, score is 0. If there are four wrong answers, score is 5. If the answer is "JUST ONE WORD," score is 10.
7	If no answer, score is 0. If there are four wrong answers, score is 5. If the answer is "LIAR," score is 10.
8	If the answer is 5 faces or less, score is 0. If the answer is 6 to 10 faces, score is 5. If the answer is 11 or more faces, score is 10.
9	If no answer, score is 0. If there are three or more wrong answers, score is 5. If the answer is "lettuce," score is 10.
10	If no answer, score is 0. If the 9 is reversed as in 6, score is 5. If the answer is "Roman numeral "IX" plus S= SIX," score is 10.

P1.5: Business Orientation 3: Mini-Market Survey and Final Selection of Participants

What is it?



Business Orientation 3: Customer and Market Orientation is a step ahead in expanding the business idea. The coaching is mainly about processing the BMC and test results and preparing for the mini market survey. The coachees come with negative and positive information. The coach needs to assess them and prepare the decision for the final selection. In the end, the PO with the coach's assessment, finalises the list of Start-up Loop participants.

Business Orientation-3 starts with pitching of the Start-up BMC and essential information collected in the market. The coachee, with the additional information obtained, can now assess, develop or modify the initial business idea into a more viable and reasonable business idea ready for the business plan. Finally, the coachee prepares a mini market survey

- Objectives:**
- (1) To learn and practice the concept of 'business as a separate entity.'
 - (2) Pitch the business idea using the BMC
 - (3) To plan and prepare for a 'Mini Market Survey.'

- Aims/ Results:**
- (1) Pitching the business idea using the BMC as a basis.
 - (2) A practice of treating the business as separate entity.
 - (3) A business idea expanded into a business venture.
 - (4) A plan for mini market survey implementation.

- Application / Uses:**
- (1) For business start-up support
 - (2) In group coaching

Initial Preparations: Coachees have tasks to do at home. If the coach has time s/he can give one follow-up call to assess or motivate the coachees.

Required Resources: A Start-up Loop Coach for up to 10 pre-selected participants
 Handout: Annex P1.5.1: Mini Market Survey
 Writing boards and pencils
 A stop-watch. (A mobile phone has a stop watch feature)
 Monitoring and Evaluation (M &E) Form 1

- Checklist:**
- (1) Print the handouts
 - (2) The Start-up Loop Selection Grid used in the previous coaching session.
 - (3) Monitoring and Evaluation (M &E) Form 1

Coaching Guidance:



- (1) Welcome coachees to Start-up Loop Phase 1: third group coaching session. Have a quick check up on the mood. Remind about the confidentiality.
- (2) Ensure all coachees have done the BMC and the testing as they planned. Ask about the idea of sharing within the group and encourage them for a BMC presentation.
- (3) Invite the coachees for a business idea presentation using the BMC
- (4) Remember the selection criteria given in the grid. At the end you need to assess and score each coachee. This is your opportunity to understand them.
- (5) Each one has a 10 minutes slot for presentation. They can use their BMC template. Explain the three phases as given below:

Presentation	-	10 minutes
Questions from colleagues	-	2 minutes.
Wrap up by Coach	-	2 minutes
- (6) The group is small. Coachees can present in their seats. During discussion time others can provide suggestions. They can also ask any questions but not 'why' questions. While colleague as listeners assume the roles of would-be customers and investors, questions asked are intended for the presenter to gain better insight into his/her BMC.
- (7) Let coachees do their presentations one after the other. Encourage healthy

discussions. Do not demotivate anyone's business ideas. Those are their own ideas. Maintain the time with a stop watch.

- (8) You can provide constructive and positive feedback to the presenters. Encourage co-coachees to provide suggestions and ask questions. This will enable you to assess everyone engaged in the discussion. Maintain an order in the discussion. Always take a look at the value proposition of the Business while exploring the other building blocks of the BMC.
- (9) Initiate a discussion on why we need to treat the business as a separate entity. Bring out these three main points:
 - It is an accounting concept which treats a business separately from its owner. It states that transactions conducted by a business are separate to those conducted by its owners. For example, if a business owner bought an asset for their personal use, the asset is not the property of the business.
 - The business entity concept is essential to measure the performance of the business in terms of profitability, cashflow and others.
 - It helps in assessing the business' financial position on a day. Verify the understanding.
- (10) Invite coachees for a mini market survey, the final part. Bring to their awareness again the need to consider the gender preference for their products. Distribute the handouts and help them prepare their mini market survey.
- (11) Explain the rules one by one. Verify the understanding. They prepare individually first. Then they can do the survey in groups helping each other.
- (12) Give them 20 minutes for preparations.
- (13) Encourage to team up if they like.
- (14) While coachees are in preparation you can start to fill your M& E form 1. This is also an opportunity to verify your understanding of the coachees. Avoid long discussions.
- (15) Take the Start-up readiness survey now. Distribute handout Annex P1.5.3: Start-up Readiness Survey. Participants scores are inputed into an Excel based worksheet that helps to compute the total score for participant's start up readiness.
- (16) Ensure that everyone is prepared for their mini market surveys. Inform participants that completion of the mini market survey is important and also a prerequisite for participating in the Business Management and Planning Training.
- (17) Inform them about the 3-Days Business Management and Planning Training. The coach can see the strong and weak participants and is able to assess their motives. Do not inform or comment now about the selection decision. It is the PO who informs the decision once the coach submits the completed selection grid. Assure them that they will get the information soon (if possible the date) on the final selection decision and if selected an invitation to the three-day training (if possible with the dates and details).
- (18) Thank the coachees and wind-up the session.

- (19) Fill your selection grid (see sample in Annex P1.3.3) and send it on time to the coordinator within your implementing organisation.

Follow up: (1) Complete the Start-up Loop Selection Grid and send it to the PO which informs the coachees and organises the training.
 (2) File the completed M&E Form 1; insert the data into the M&E dashboard.

Annexes: ANNEX P1.5.1: MINI-MARKET SURVEY
 ANNEX P1.5.2: START-UP READINESS SURVEY
 ANNEX P1.5.3: MONITORING & EVALUATION (M&E) FORM 1
 ANNEX P1.5.4: LEARNING DIARY



Annex P1.5.1: Mini Market Survey



Your market is your potential customers. Understanding the market is necessary to serve the customers and package your product/service. By answering these questions, you will understand your customers better. Understanding customers enables you to serve them better. Happy customers and many customers increase your sales and income.

You may think you know the answers and the information. Consider this as an opportunity for you to verify your understanding of your potential customers. Go out and ask them. Build around your knowledge with the right information. There are rules to follow and to help you reach good market survey results.

Rule #1: Do not argue with your customers.

Rule#2: Prepare your table in advance. Invest time and efforts in finding the features and list them by ranking. It is the key to a successful market survey.

Rule#3: Explain briefly the product/service and their features you would like to sell in your start-up business. Ask them to vote for the three best features they want to see in the product/service. Then introduce the next product and ask for voting. One customer has only three votes.

Rule #4: Use Median/Tally markings. They are easy for counting or tallying ongoing results. In the end, you count them and number.

feature	marks	totals
1	I	
2	II	
3	III	
4	IIII	
5	IIII+	

Rule # 5: Identify your interviewees. They are your potential customers. Decide on the number of interviewees. It is the number of customers you like to do business with per week or month. Make it a reasonable and significant number but not an impossible amount. Divide the customers into the categories, which you found out during the canvass and test exercise. Observe if there are gender preferences for your product. Plan your time

Rule # 6: You can do it in teams with your co-coachees or ask your family members or friends to give a helping hand.

Rule # 7: Be careful, you can share the efforts with co-coachees but not their interviewees especially when they are different from yours. And it is not advisable to ask one person about many businesses at the same time. Going for a market survey in a group makes it quicker. Do not mess around with others target groups when you help them.

Rule #8: Completion of this survey is important and mandatory for commencement of your Business Plan.

CONCLUSION:

Count and find the most voted features of your products/services. Think about how you are going to ensure those elements in your product packaging. Sometimes some features are not possible for us to include at this stage. Keep them for future reference. The experience and the data collected will help you when you prepare your business plan.

Products / Services	Write down all possible features (size, weight, price, duration, packaging, flavour, quality, gender preference etc.)	Pick five most important features and list them here	What your customers like the most (price / any features)?	Total score / Votes
Product / Service 1		1.		
		2.		
		3.		
		4.		
		5.		
Product / Service 2		1.		
		2.		
		3.		
		4.		
		5.		
Product / Service 3		1.		
		2.		
		3.		
		4.		
		5.		

Note: Add more columns and rows as you need.



Annex P1.5.2: Start-Up Readiness Survey

Please answer each of the following questions as honestly as possible.
Score yourself on a 4-point scale:

- | | |
|--|------------------------------|
| (1) Never, not at all, strongly disagree | (3) Agree a bit, usually and |
| (2) Disagree | (4) Strongly agree, always. |

	Score
1. I am willing to work 50 hours or more per week regularly.	
2. My family will support my going into business.	
3. I am willing to accept both financial and career risks when necessary.	
4. I don't need all the fringe benefits provided by conventional employment.	
5. I would like to take full responsibility for the successes and failures of my business.	
7. I feel a great deal of pride when I complete a project successfully.	
6. I would experience more financial success by operating my own business.	
8. I have a high energy level that can be maintained over a long time.	
9. I enjoy controlling my own work assignments & making all decisions affecting mywork.	
10. I believe that I am primarily responsible for my own successes and failures.	
11. I have a strong desire to achieve positive results even when it requires a great deal of additional effort.	
12. I have a good understanding of how to manage a business.	
13. I can function in ambiguous situations.	
14. One or both of my parents were entrepreneurs.	
15. I believe that my abilities and skills are greater than those of most of my coworkers.	
16. People trust me and consider me honest and reliable.	
17. I always try to complete every project I start, regardless of obstacles and difficulties.	
18. I am willing to do something even when others ridicule or belittle me for doing it.	
19. I can make decisions quickly.	
20. I have already started a business before and failed. I have learned my lessons well.	
21. I have a good network of friends, professionals, and business acquaintances.	
<u>TOTAL SCORE</u>	



Annex P1.5.3: Monitoring & Evaluation (M&E) Form 1

Start-up Loop Monitoring & Evaluation Form 1: Baseline Data Collection

1. **Date of completion (dd/mm/yy):**/...../.....
2. **Person responsible for completion (Trainer/Coach):**.....
3. **Participant's ID:**

A. PERSONAL DATA

4. First Name of the entrepreneur:	5. Last Name of the entrepreneur:
6. Gender: Male <input type="checkbox"/> Female <input type="checkbox"/>	7. Age: <input style="width: 50px;" type="text"/>
8. Address: (House number/street):	9. State: 10. LGA:
11. Phone Numbers: 12. E-mail:	13. Your Civil Status: Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed <input type="checkbox"/>
14. Have you ever lived at least one year outside of Nigeria? Yes <input type="checkbox"/> No <input type="checkbox"/>	
15. If YES, name the countries (the 3 most recent):	
General Education	
16. What is your highest level of school education:	
No formal education <input type="checkbox"/>	Primary school completed <input type="checkbox"/>
Secondary school completed <input type="checkbox"/>	Tertiary education completed <input type="checkbox"/>
Vocational/Technical training <input type="checkbox"/>	

A. BUSINESS EXPERIENCE & INCOME

17. What is your current occupation?	
Unemployed <input type="checkbox"/>	Student <input type="checkbox"/>
Housewife <input type="checkbox"/>	Househusband <input type="checkbox"/>
Employed <input type="checkbox"/>	Self-employed <input type="checkbox"/>
Others (please specify).....	
If employed: what type of employment? Unskilled worker/employee <input type="checkbox"/> skilled worker/employee <input type="checkbox"/>	
If self-employed: what type? Working in family business <input type="checkbox"/> Entrepreneur / in business <input type="checkbox"/>	
18. Your business experience	Your present monthly income
No business experience <input type="checkbox"/>	19. What is your approximate income per month at present (from employment or daily labour)?
Less than 1 year <input type="checkbox"/>	Naira.....
1 year or more – specify total no. of years:.....	

C. BUSINESS IDEA

<p>19. Briefly describe your business idea</p> <p>20. Where will the business be located? Please provide the business location address (House number/street/city):</p> <p>.....</p> <p>.....</p> <p>21. Kindly specify what goods/services you want to produce or offer?</p> <p>.....</p> <p>.....</p> <p>Sectors</p> <p>22. To which of the following sectors does this business idea belong:</p> <p style="margin-left: 20px;">Agriculture <input type="checkbox"/></p> <p style="margin-left: 20px;">Manufacturing/processing <input type="checkbox"/></p> <p style="margin-left: 20px;">Construction <input type="checkbox"/></p> <p style="margin-left: 20px;">Services <input type="checkbox"/></p> <p style="margin-left: 20px;">Trading <input type="checkbox"/></p> <p style="margin-left: 20px;">Other (please specify):</p>	<p>27. Do you earn any personal income from the business? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>28. If YES, how much is your personal income approximately per month?</p> <p>.....</p> <p>29. What are your average monthly sales?</p> <p>.....</p> <p>30. What are your average monthly expenses (Including salary expenses for staff)?</p> <p>31. How many people do you employ?</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Type of employees</th> <th style="text-align: center;">Male</th> <th style="text-align: center;">Female</th> </tr> </thead> <tbody> <tr> <td>No. of permanent employees</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td>No. of casual/seasonal workers</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td>No. of family workers</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> </tbody> </table> <p>32. Does this business belong to:</p> <p style="margin-left: 20px;">Yourself only <input type="checkbox"/></p> <p style="margin-left: 20px;">You & partner(s) within the family <input type="checkbox"/></p> <p style="margin-left: 20px;">You & partner(s) outside the family <input type="checkbox"/></p> <p style="margin-left: 20px;">Your spouse <input type="checkbox"/></p> <p style="margin-left: 20px;">Your parent <input type="checkbox"/></p> <p style="margin-left: 20px;">Your in-law <input type="checkbox"/></p> <p style="margin-left: 20px;">Other (please specify):.....</p> <p><u>If you have NOT yet started the business operations:</u></p> <p>33. Who will this business belong to:</p> <p style="margin-left: 20px;">Yourself only <input type="checkbox"/></p> <p style="margin-left: 20px;">You & partner(s) within the family <input type="checkbox"/></p> <p style="margin-left: 20px;">You & partner(s) outside the family <input type="checkbox"/></p> <p style="margin-left: 20px;">Your spouse <input type="checkbox"/></p> <p style="margin-left: 20px;">Your parent <input type="checkbox"/></p> <p style="margin-left: 20px;">Your in-law <input type="checkbox"/></p> <p style="margin-left: 20px;">Other (please specify):.....</p> <p>34. Apart from you, how many additional people will be working in this business?</p> <p>Number of people apart from yourself: <input style="width: 50px;" type="text"/></p>	Type of employees	Male	Female	No. of permanent employees			No. of casual/seasonal workers			No. of family workers		
Type of employees	Male	Female											
No. of permanent employees													
No. of casual/seasonal workers													
No. of family workers													
<p><i>Business Start-up</i></p> <p>23. Have you already started the business operations?</p> <p style="margin-left: 40px;">Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p><u>If YES, you have already started operations:</u></p> <p>24. When did you start the business operations?</p> <p style="margin-left: 20px;">Less than 6 months ago <input type="checkbox"/></p> <p style="margin-left: 20px;">Six months to one year ago <input type="checkbox"/></p> <p style="margin-left: 20px;">More than one year ago <input type="checkbox"/></p> <p>25. Is your business registered with any of the following?</p> <p style="margin-left: 40px;">Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p style="margin-left: 40px;">Registration in progress <input type="checkbox"/></p> <p>If YES or IN PROGRESS, which of the following is your business registered with?</p> <p style="margin-left: 40px;">CAC <input type="checkbox"/> State Ministry of Commerce <input type="checkbox"/></p> <p style="margin-left: 40px;">Local Government Councils <input type="checkbox"/> Other <input type="checkbox"/></p>													

D. FINANCING & LINKAGES

<p>Total Investment Cost</p> <p>35. What will the total investment for the new business be? Naira</p> <p>Equity</p> <p>36. How much will be your equity contribution to financing of the business? Naira:</p> <p>Loan</p> <p>37. Have you planned to get a loan? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>38. If YES, what will be the total amount of the loan(s) you have planned for? Naira</p> <p>Source of loan</p> <p>39. Where are you planning to obtain your loan(s):</p> <p>Family/relatives <input type="checkbox"/> Friends <input type="checkbox"/> Money lender <input type="checkbox"/> Bank <input type="checkbox"/> NGO <input type="checkbox"/> Saving and credit scheme <input type="checkbox"/> Other (please specify):</p>	<p>Linkages to support institutions</p> <p>40. On a scale of 1-10, how aware are you of support services for MSMEs and start-ups?</p> <p>41. On a scale of 1-10, how well do you take advantage of these support services?</p> <p>42. Have you benefitted from any type of support from MSME and/or start-up promotion institutions? (E.g. BoI, BoA, CBN, SMEDAN, EDC, ITF, Other Government Agencies and International Aid Agencies) Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>43. If YES, please describe from which one(s) and what kind of support?</p>
---	---

Coach score for Business Mathematics	
Coach score for Creativity Exercises	
Coach score for Start-up Readiness Survey	
PECs self-assessment score	



Annex P1.5.4: Learning Diary



The learning diary is a tool to help the Start-up Loop participants or coachees reflect on their experiences in the previous session/phase of the loop. Encourage them to take a few minutes to reflect on their experiences and fill the diary in their own words. Let the coachees do this by themselves. You can guide by explaining the subheads to them only! Writing out the diary in their own words will enrich their learning and help them retain longer and put in perspective what they have learnt.

Participants are asked to fill the first learning diary at the end of phase 1 of the Start-up Loop. Instructions for trainers and coaches in this manual highlight whenever participants should fill their learning diaries.

LEARNING DIARY FOR PHASE 1



What I learnt in this session / phase of the Start-up Loop:

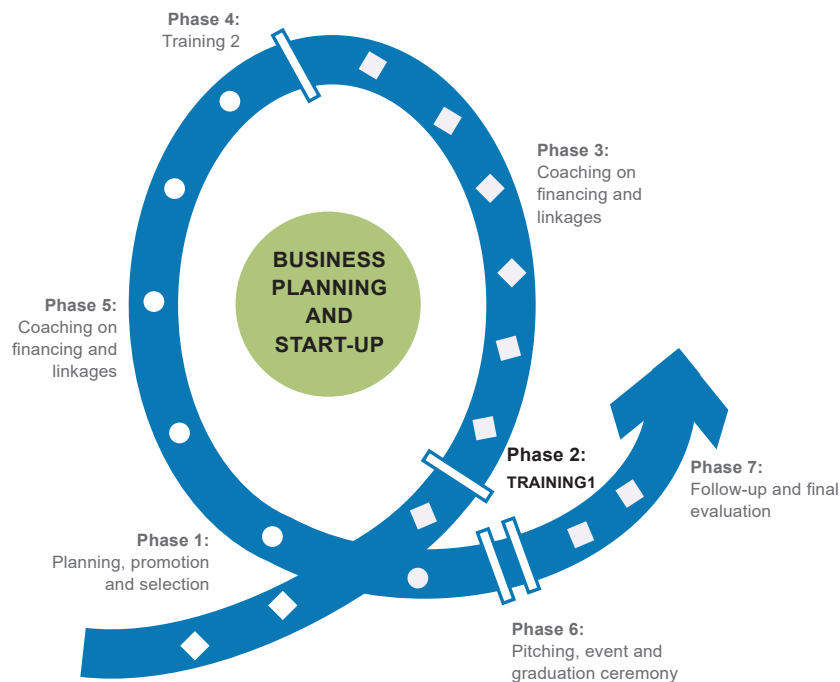
Why this is important for my business:

How I will apply this new learning in my business:

In addition, I would like to learn (in the next training or coaching session or on my own):

PHASE 2:

Business Management and Planning Training



Phase 2: Business Management & Planning Training of the Start-up Loop takes place after the final selection of participants has been completed. The 3-day training is exclusively for the final participants of the Start-up Loop. All participants have come with their expanded business idea(s) and collected market and product data through the mini-market survey.

The objectives of the phase are

- to enhance and develop business management knowledge & skills and
- to develop the competencies of participants on business planning.

In this Phase 2, the training tools are designed and set to bring in marketing, production, organising & financing business management knowledge and competencies while preparing business plans. This phase provides the essential structure and guidance for Phase 3: Business Planning, group coaching sessions. The concept behind the sequence is to ensure that each participant has his/her vital experience to impart learning and competencies and later prepare their business plan assessing the reality.

Notes:

There is a real market exercise on the first day. All trainees need to come prepared for the practice. The invitation letter of final selection should therefore include the 'market' invitation. Although the Start-up Loop coaches in Business Orientation Group Coaching 3 already informed the participants, a reminder is necessary.

Tool No.	Tool title / name	Duration
Business Management and Planning Training – Day 1		
P2.1	Introduction to Business Management & Planning Training	30 minutes
P2.2	Mini-Market Survey Review	1 hour
P2.3	SWOT Analysis	1 hour
P2.4	Introduction to Business Planning and linkage to BMC	1 hour
P2.5	The Market Exercise and Introduction to Marketing Plan	3 hours
Business Management and Planning Training – Day 2		
P2.6	Product Prototype Exercise and Introduction to Production/Service Delivery Plan	3 hours
P2.7	Introduction to Organisation & Management Plan	2 hours
Business Management and Planning Training – Day 3		
P2.8	Introduction to Financial Plan(using Excel tool)	4 hours
P2.9	Preparation for Phase 3: Business Planning (group coaching)	1 hour
P2.10	Phase 2 Business Management & Planning Training wrap-up	45 minutes

P2.1: Introduction To Business Management & Planning Training

What is it?



The tool sets guidance to accomplish several tasks primarily for setting up the 3-day training floor. The Start-up Loop Trainer introduces the complete Start-up Loop, the current phase: Phase 2: Business Management & Planning, while laying down the necessary foundation, which is essential for establishing an environment conducive for learning.

Starting from an unfreezing introductory energiser/exercise, and continuing with course expectations levelling, training course objectives introduction, house rules, day schedule and learning contract agreements to feedback mechanisms introduction, everything is high in density. Facilitating the session professionally thus requires preparations and teamwork.

The session requires efforts in preparations and implementation. All trainers come together for preparations and arrangement of visual aids. For example, prior to implementation, trainers work on their expectation statements and write down on cards. This will help to avoid repetitions and biased statements

- Objectives:**
- (1) To relax the trainees and to set an atmosphere conducive to openness and learning.
 - (2) To introduce the phase, objectives, day schedule, evaluation and house rules.
 - (3) To familiarise with the Start-up Loop Trainee Handbook.

- Aims / Results:**
- (1) A conducive environment for learning and a team spirit
 - (2) Phase 2 Objectives are clear, house rules are set and learning contracts done.
 - (3) A foundation for training tools application.

Application /Uses Phase 2: BMP introduction

- Initial Preparations:**
- (1) An energizer for introduction
 - (2) The essential visual aids (expectation levelling cards, Start-up Loop provision, Phase 2 objectives, Day schedule, and feedback (smiley) chart)
 - (3) U shape seating arrangements
 - (4) The announcement of the 'Market' in a flipchart with time and venue.
 - (5) Daily attendance signature sheet
 - (6) At the end of the Start-up Loop Completion there are awards for the best business plans and the information.
 - (7) Create a safe and conducive environment for male and female participants (nursing mothers, young women, PWDs); Conduct training to accommodate women's time and mobility constraints.

- Required Resources:**
- (1) Start-up Loop Trainee Handbooks for distribution
 - (2) Flip chart board and charts
 - (3) Pin boards with necessary stationery
 - (4) Zopp cards, pins and marker pens
 - (5) Notebooks and pens for participants
 - (6) Name cards
 - (7) Refreshments

- Checklist:**
- (1) Start-up Loop visual
 - (2) Introduction energizer
 - (3) The 'Market' announcement
 - (4) Start-up Loop Handbooks
 - (5) All prepared visual aids
 - (6) Daily evaluation copies and signature sheet

Training Steps Guidance

- (1) Welcome trainees to Start-up Loop Phase 2: Business Management and Planning. Introduce the Start-up Loop in full using the visual from page 9 of this manual and refer to the participants' handbook. Point the phase 2 and summarise the previous Phase 1.
- (2) Implement the prepared 'Introduction Energizer.'
- (3) Level the expectation – This sub-tool indirectly helps us to assess the accuracy of the selection process. In this tool implementation, participants write and share their expectations (hopes) for the Phase 2: BMP. The Lead Trainer levels each trainee's written 'expectation' with Start-up Loop and Phase 2 objectives.

Start with the 'Start-up Loop' visual. Indicate the phase 2 and share your trainer expectation(s) for Phase 2 with other trainers. Invite trainees to write down their 'expectation' on a card. They can write many expectations



but one per card with their names. Give them 2 minutes of preparation. Distribute Zopp cards and marker pens. Collect each written card and visualise them.

Read loudly and clarify with the person who wrote the card. Proceed with every card, one by one. Post on the soft board. Classify the expectations/ cards into three different columns named 'Start-up Loop', 'Phase 2', and 'Others'.

When you get many cards under the column 'Others' which are entirely different to the Start-up Loop course and business start-ups, clarify with the card owners of their expectations for the course attendance. The explanations may vary. If the trainer finds that an expectation fails to meet the course objectives and purpose entirely, it could be an indication for bad selection. Identify the owners of those cards. Discuss with them during a break privately about their participation purpose. If necessary, inform the implementers / the partner organisation about your findings and understandings.

- (4) Learning Contract – Explain in detail the Start-up Loop, course and the present stage. Refer to objectives of the phase and the relevant expectations when appropriate. Emphasise the necessity of commitment. Trainers present their contract/commitment written in cards.
E.g.: Preparations for the training session; Punctuality; Readily available; Act professionally etc. Invite the trainees to write down their learning commitments on cards. Collect, read loudly, verify and post the cards against their expectation cards. Summarise and reiterate those commitments importance.
- (5) Talk about the privacy and confidentiality policy in the course. Distribute the Start-up Loop handbook and introduce it. Encourage participants to keep it confidential and available throughout the course. Trainers will guide them in the usage. Explain the necessity for sharing the details in the handbook for learning, monitoring and evaluation purposes. Link to the house rules and obligations.
- (6) House Rules – To ensure fulfilling all parties' reasonable expectations and the course objectives, house rules are essential. Set the relevant house rules with the trainees using a participatory approach. Some clues for the house rules are therefore:
 1. Punctuality and the schedule
 2. Discussions in brief
 3. No criticism
 4. Maintaining confidentiality
 5. Evaluations and feedbacks
 6. Latecomers
 7. Handbook usage and availability
 8. Mobile phones
- (7) Introduce the Smiley Chart; the Start-up Loop Trainers feedback. Day 2 & 3 starts with evaluation summary and trainees fill their evaluation forms all three days.

- (8) Request the trainees to sign the attendance daily. Link to the next session and display the necessary visuals (Time Schedule, House Rules, List of expectations, etc.) for the rest of the days.
- (9) Verify all questions. Post the visuals (Start-up Loop Course, Phase 2 Course Schedule, Daily Schedule, Daily Evaluation, Expectations and Learning Contracts). Ensure every participant wear the name tag. Inform about the best business plans awards in the end of Start-up Loop course competition. Encourage the trainees to take part in the business planning seriously. Invite participants for refreshments and break.

Follow up: (1) Follow the house rules. When necessary refer to the expectations
(2) In the end the expectations and learning contracts will be reviewed.

Annexes: ANNEX P2.1.1: PHASE 2: BUSINESS MANAGEMENT & PLANNING TRAINING SCHEDULE
ANNEX P2.1.2: DAILY SCHEDULE
ANNEX P2.1.3: SMILEY CHART



Annex P2.1.1: Phase 2 – Business Management & Planning Training Schedule

DAY 1	Introduction to Business Management & Planning
	Collected Mini market Data Review
	Introduction to Business Planning and link to BMC
	The Market and the Marketing Plan
	Marketing Plan
DAY 2	Product Prototype Exercise
	Production /Service Plan
	Organisation & Management Plan
DAY 3	Financial Plan
	Preparations for Phase 3: Business Planning Coaching
	Winding up Phase 2: BMP






Annex P2.1.2: Daily Schedule for Training 1

	TIME (starting and ending)
BLOCK A	
BLOCK B	
BLOCK C	
BLOCK D	
END OF THE DAY	



Annex P2.1.3: Daily Evaluation of Training (Smiley) Chart

Criteria		Happy 	Undecided 	Unhappy 	Remarks
1	Session objectives and relevance				
2	Session facilitation				
3	Session Contents				
4	Handbook				
5	Logistics				

P2.2: Mini-Market Survey Review

What is it?



The Phase 1: Planning & Selection (PS) ended up with the assignment of the participants to prepare a mini market survey. The trainees have their mini market survey results. The mini market survey experience is an exercise rich in learning about customers and the market of the intended business. The trainees need to go through a professional 'processing' to convert their initial market experiences into customer and market knowledge and competencies.

Having a business idea is different to being entrepreneurial and running a business on that idea. After the mini market survey, trainees may want to change, modify and further develop their business ideas. The session is an opportunity for the trainees to do this and the trainers to get more acquainted with the trainees and their business ideas in preparation for the Business planning exercise.

- Objectives:**
- (1) To review the business ideas
 - (2) To process the 'mini market survey' experience and the collected data
 - (3) To enable participants towards market orientation.

Aims / Results: (1) Reviewed and more detailed business ideas
(2) Customer and product information

Application /Uses (1) For business start-up support
(2) Mini market survey

Initial Preparations: Visual aids

Required Resources: Start-up Loop Trainee Handbooks
Flipchart boards, papers and marker pens

Checklist: Visual aids

Training Steps Guidance: (1) Introduce the session objective. Remind the participants of the mini-market survey they did after the initial coaching phase. Ask for their feelings from this experience



Data Processing: (2) How did the trainees find the experience, conducting the mini market survey? How did they implement the tasks? Who did the survey in groups? Who got support from family/friends? Who is not happy with the survey findings? Get a general understanding of their performance. Insist on checking the survey findings of all. Anyone who has not gone for the survey must have to go back to the field or be considered dropping off the process of business plan development.

Conceptualisation: (3) Ask for the mini market survey findings. Request them to write the survey findings in the Start-up Loop Trainee Handbook (page 22). Give them 15 minutes.

Application in real life: (4) Ask participants to write down the decisions based on the findings for each product or service (page 12 of the Handbook). Explain the exercise and give them another 15 minutes for completion.
(5) Share a few trainees' findings if they are willing. Summarise briefly.

(6) Ask them in future will they do the same? What kind of data collection method will they use? (Informal discussions with customers, feedback forms, look for competitors and their methods, etc.).

(7) Trainees can design their own surveys. How many of them are now confident in conducting surveys? How do you conduct it differently?

(8) Introduce the following factors in conducting surveys:
- Key informants – customers, suppliers, wholesalers, competitors, researchers, etc.

- Questions vary on the purpose (Where do you buy? Who do you buy from? How often do you buy? What price do you pay?)
 - Methods – online, social media, event, exhibition, etc.
 - Cost – each survey has a cost
 - Timing – Business start-up, expansion, new product launching, etc.
- (9) Encourage them that customers and market surveys can be helpful, but they need to design them properly.
- (10) Link with the next session; the SWOT Analysis

Follow up: SWOT

Annex: None.

P2.3: SWOT Analysis

What is it?



The SWOT analysis consists of two parts: The external analysis of the environment to identify opportunities and threats, and the internal analysis of the organisation to identify the existing strengths and weaknesses.

The tool has four elements Strengths, Weaknesses, Opportunities and Threats, which are analysed focusing on the business idea in order to obtain right business strategies. We are using SWOT here in the context of business start-up.

Objectives:

- (1) To explore trainees' capabilities and weaknesses in terms of business start-up Strengths and Weaknesses.
- (2) To realize the importance of assessing the external environment before making a business decision.
- (3) Inclusion into the business plan to highlight potential of the business and how it will be harnessed as well as the risks associated and how it will be managed.

Aims / Results: A SWOT analysis on the business idea

Application /Uses

- (1) Business Start-up
- (2) Business orientation

Initial Preparations: Read and understand the Section on SWOT Analysis in the handbook
Preparation of visual aids

Required Resources:

- (1) One Lead facilitator
- (2) Zopp cards in 4 colours, White board/pens.

Checklist: In the end, trainees have a clear business idea.

Training Steps Guidance:

- (1) Invite participants for an exercise which will demand their analytical, creative, logical and fact-finding thinking. Open their minds.
- (2) Briefly explain the concept of SWOT analysis.
- (3) The trainer needs to do an example SWOT exercise for an imagined business idea for her/him. Start with introducing the business idea. Complete the exercise.

Experiencing:

- (4) Give participants 40 minutes to prepare their own SWOT. Refer to the SWOT Analysis in the handbook. Go around and help the trainees



Data Processing:

- (5) Process their SWOT analysis experience. Identify anyone who does not find a match with their business idea. Those that don't should be addressed in a one to one discussion in private to find out next steps.

Conceptualisation

- (6) Request the participants to assess their business idea using the SWOT template. Give them 30 minutes. Encourage them to fill it honestly and give a true reflection of their current situation.



- (7) Check their understanding on the assessment and guide them to completion.
- (8) Process the experience and summarise the outcomes.
- (9) Inform the trainees that the data collected and processed as information in this session, are useful for the business planning. They can revisit and modify anytime and use the information. Highlight that the SWOT analysis is a living and evolving document. It should be reviewed, updated and modified over time, especially whenever circumstances for the business change.

- (10) Ask participants to fill their learning diaries related to the SWOT analysis
- (11) Invite participants for the 'Market' exercise.



Follow up: Revising the SWOT, if necessary

Annex: None.

P2.4: Introduction To Business Planning

Reference to handbook: introduction to business planning



Reference to handbook: content of business plan



P2.5: From BMC To Business Plan

What is it?



The Business Model Canvas (BMC) and the Business Plan (BP) both describe a business and its operations. Both BMC and BP have similar contents. BMC is usually a one-pager, but most questions from lenders (and investors) must be considered and answered as they are in an elaborate BP.

Both begin with an executive summary and mission statement. The summary is an abbreviated description of what the proposed enterprise does and lays out a plan to make it successful. The summary shares with the readers (investors and other interested parties) a snapshot of the enterprise. A one- or two-sentence mission statement describes the enterprise philosophy.

Name, type, logo, location and starting date make up one BP section. Another section outlines the entrepreneurs' credentials and work experience (résumés). Then, the BP describes the marketing, operation (or technology), organization (and management) and financial targets and how the enterprise proposes to achieve them.

Prospective entrepreneurs needing loans must include a more detailed financial information in the BP. Lenders and potential investors want to know how much funding is needed and why. The BP must include how the enterprise plan to repay the loan (or even an investment capital).

- Objectives:**
- (1) To explore ways of linking the BMC from phase 1 to the business plan
 - (2) To further validate business idea, strategy and model before embarking on the business plan
 - (3) To provide key inputs to the business plan from the BMC

Aims / Results: Business idea is further validated
BMC is linked to the BP and provides key inputs for the development of the BP

Application /Uses (1) Business Idea Validation
 (2) Moving from BMC to BP
 (3) Development of the BP

Initial Preparations: Preparation of visual aids

Required Resources: (1) One Lead facilitator
 (2) Sticky note pads, Soft board Flipchart boards, papers and marker pens

Checklist: In the end, trainees have a clear business idea.

Training Steps Guidance: (1) Invite participants to revisit their BMCs from phase 1.
 (2) Briefly discuss the business plan contents:
 (3) Group the class into groups of 5-6. Ask each group to select a BMC to use for the exercise.

Experiencing: (4) Give the groups 20 minutes to link the nine blocks of the BMC to the business plan. Allow short presentations by each group with feedback.

Data Processing: (5) Process their presentation. Identify groups linked the same block from the BMC to different contents of the BP. Explain how this is possible.



Conceptualisation: (6) Show prepared visuals of linkage of BMC to BPs on flip chart:
 (7) Explain how the linkage work together.

Application in real life: (8) Check their understanding
 (9) Process the experience and summarise the outcomes.
 (10) Ask participants to fill their learning diaries
 (11) Invite participants for the 'Market' exercise.

Follow up: Business Plan Preparation

Annexes: None

P2.6: The Market Exercise and Introduction to Marketing Plan

What is it?



The Market exercise is a market experience to introduce the marketing management and marketing mix strategy. Ideally, the market is to sell to outside customers, the Start-up Loop trainers and co-trainees. Trainees are informed about the market in Phase 1: Planning & Selection.

The session helps to bring out learnings about marketing management such as customer identification, understanding the needs and wants of target groups, pricing and packaging the products, finding the comparable products /services to the customers, sales techniques, etc.

In this exercise, all participants act as individual sellers, trying to sell a self-made or self-owned item or a service to the trainer(s) who acts as customer. In one corner of the room, a table is prepared with materials participants can use for their production. As in real life, participants have to perform in a limited market, as only few products will be acquired by the trainer (buyer). After a short time given for preparation, the mini market is opened with the sellers offering many different products and eventually services. The buyer walks around, listening to one seller after the other advertise their items. Finally, the trainer chooses only three or less products or services he/she wants to buy and acquires them in a real selling-buying transaction using real money.

In processing the exercise, the results and marketing strategies are analysed. Many participants will recognise that they failed to start with the most important: investigating customer's needs, desires and tastes and to develop a proper marketing strategy afterwards. They also get aware of the difficulties selling in a limited market and their personal skills to negotiate. Finally, the Ps of marketing is highlighted.

- Objectives:**
- (1) To enable trainees to understand market and its sales function
 - (2) To explore customer needs and wants in a way to integrate market orientation.
 - (3) To create an understanding about marketing management process and marketing mix and the elements.

Aims / Results: Introduction to marketing plan
Fundamentals of Marketing Management

- Application / Uses:**
- (1) Business Start-up
 - (2) Market orientation
 - (3) Business planning

Initial Preparations: Read and understand the Section on marketing and the Annex P2.6.1 and Annex P2.6.2

Prior market invitations to participants

Plan and organise the market (a market setup in the training hall and invite the

outsiders and other implementing organisation staff, if possible)

Bring some money to buy products/services in the market.

Preparation of visual aids.

- Required Resources:**
- (1) Lead and co trainers
 - (2) Zopp cards and pin boards
 - (3) Flipchart board and papers
 - (4) Marker pens
 - (5) The market name board
 - (6) An instruction chart
 - (7) Materials for the participants to produce their products
- A basket containing sheets of paper, magazines, scissors, Zopp cards, pearls, scrap of cloth, buttons, threads, masking tape.

Checklist: The market arrangements and invitations

Visual aids

A basket containing sheets of paper, magazines, scissors, Zopp cards, pearls, scrap of cloth, buttons, threads, masking tape.

Real money (informed in advanced)



Training Steps Guidance:

(1) Ensure the market setup is complete. Invite participants for the market exercise. Ensure observers take notes. Look around for details of trainees' activities and take a note of their marketing, sales techniques, price negotiations and selling activities.

(2) Explain the participants' tasks: every participant has 15 min. to decide on a product or service which he will try to sell to the trainer and prepare the chosen item for selling.

(3) Explain and clarify the rules of exercise utilising the prepared chart.

The Market Instructions:

- It is a real market using real money and real exchange.
- You cannot sell a promise or others' products
- Think of a product / service and prepare your product and your shop (please do not sell products you don't have an ownership)
- Decide price of your product
- Preparation time - 15 minutes
- Buying and selling – 10 minutes

Buying and selling must not exceed 5 mins.

Request the participants to understand the rules carefully as you will repeat the instructions only once.

- (4) The two trainers are the buyers. You will buy only the product or service you find that you can make use of using real money and real transactions.
- (5) Provide 15 minutes to preparations. Do not allow participants to touch additional materials other than the basket of materials allocated.
- (6) Request the observers to observe.

Experiencing:

- (7) Invite for the Market to start. Go around and buy any real product or service interested to you. Use the real money and exchange. If you come across any products such as phone, iPad try to negotiate for a cheap price and buy them. If any product that the seller does not own, warn them that you know it is not their product.
- (8) End the market and request the observers to write their findings in brief using a flip chart. Provide some time to write their findings on a flipchart. (You can use a break if possible.)
- (9) Ensure everyone is returned and settled.
- (10) Ask for their feelings about the market. Recognise the most happy and successful people. Ask for any unhappy people. Only talk about their feelings.
- (11) Slowly move into collecting data about the market and its function. Ask who sold what and how. Make a list. Then ask for price and quantities sold.

Data Processing:

- (12) Enquire about the buyers' details. Clarify who bought what. Gather information around sales techniques, packaging, customer service and satisfaction. Post all data on flipcharts but in an organised way. Request the observers to present their observation. Avoid them concluding by providing their opinions.
- (13) Carry on discussions around each data gathered and posted.
- (14) Conclude on marketing concepts mainly on the marketing management process. Refer to Annex P2.6.2: The marketing Strategy. Include the observers' information.
- (15) Slowly move into marketing mix elements revisiting the visuals with collected data and the processing of data. Look for proper marketing mixed strategy from observers' presentations.
- (16) Ask right questions to bring out 4P's elements. Verify the understanding.

Conceptualisation: (17) Question their 4P's application for their business asking 'How do they want to do it differently? What are the new activities they want to implement?'

(18) Verify the understanding. Link to the marketing plan elements.

Application in real life:

(19) Marketing planning is the first element in the business planning process. As the businesses start from market and market understanding and grows when customers increase in numbers.

(20) Explain the marketing plan. Use the format given in the handbook (pages 40 - 45). You also can start with the process of marketing management and later expand to the business marketing plan elements.



(21) Request the trainees to complete their marketing plan. Give them time to verify that they understood all the elements of the marketing plan. Let them complete the task as homework. They need to come for Day 2 of the training with a draft business marketing plan to continue their training.

(22) Provide your assistance and invite the trainees to approach trainers for specific clarifications. Some trainees may have problems in understanding the different elements and calculations. Provide your assistance.

(23) Ask participants to fill their learning diaries related to the Marketing Plan.



(24) Wind up the session with daily evaluations and signature sheets.

Follow up:

Annexes: ANNEX P2.6.1: THE MARKETING MANAGEMENT PROCESS
ANNEX P2.6.2: THE MARKETING STRATEGY



Annex P2.6.1: The Marketing Management Process





Annex P2.6.2: The Marketing Strategy

Marketing Management is the process of planning, developing and implementing marketing strategies which includes product/service, price, place and promotion. A planned mix of the controllable elements of a product's marketing plan commonly termed as 4Ps: product, price, place, and promotion. These four elements are adjustable and controllable. An entrepreneur can modify and adjust each item in a way that he/she finds the right combination that serves the needs of the product's customers while generating maximum income. It is the right combination of these factors rather than one of it that makes for effective marketing. Hence, the MARKETING MIX.

The Marketing Mix Element

1. PRODUCT

(Commodity: Consumer wants and needs)

Customers are not buying goods or services – they are really buying specific benefits and value from the total offering. We term this total offering to customers “the offer”; it represents those benefits that customers derive from the purchase of good or services. The tangible and intangible features, attributes and benefits, which cluster around the core product. These include packaging, advertising, financing, availability, advice, warranty, reliability, etc.



Figure 13: The 4 Ps

2. PRICE (Cost)

Price plays a pivotal part in the marketing mix because pricing attracts revenues to a business. Pricing decisions are significant in determining the value for the customer and play a role in the building of an image for the firm. It also gives a perception of the quality level. Branding also allows homogeneous products to be differentiated and allows a premium pricing strategy to be adopted. Simple cost-plus price structures lose many of the advantage that can be gained, therefore, pricing needs to be viewed from a marketing-oriented perspective.

3. PLACE (Convenience)

Location is concerned with the customer convenience and the business location and the reach. An entrepreneur can use various existing channels to reach the target customers. These channels are distribution channels. Using middlemen, agents, distributors and retail chains are some of the place strategies. For example, online shops Vs Retail shop. Some questions an entrepreneur can ask

when deciding on place strategy are:

- What does the market require? Is servicing a big factor?
- What are the trends within the sector? Could a competitive advantage be obtained by getting closer to the customer?
- Does the organisation have an obligation to locate in convenient sites?

4. PROMOTION (Communication)

Promotion is the means by which the firm communicates with its target markets. Within the communications mix there are a wide variety of alternative communications and promotions tools which can be used. The steps to integrating them within a promotion and communication program consist of several key tasks.

The customer moves through stages of attention, interest, desire and action. Takes this into account when developing your promotion message.

- Message content – what to say?
- Message structure – how to say it logically?
- Message style - creating a strong presence, and
- Message source – who does the presentation?

The traditional marketing mix, built around the 4 Ps (Product, price, place and promotion) arguably discounts the breadth and complexity of current day marketing. Therefore, other Ps were added to the mix such as process, people and physical evidence which responds to crucial changes in customer service, e-commerce and social media.

5. PEOPLE

People are the key staff you recruit and train to make your business different and stand out from the competition.

6. PROCESS

Process is the way the work is organized so that you are able to offer your product to customers. Clear and well-organized processes ensure that your goods and services meet certain quality standards and are conveniently delivered to the customers.



Figure 14: The 7 Ps

7. PHYSICAL EVIDENCE

Physical evidence defines the perception of your business in the minds of customers by providing as many tangibles in interactions with them as possible.

These 7 Ps are as follows:

Product	Price	Place	Promotion	People	Process	Physical Evidence
<ul style="list-style-type: none"> • Design • Quality • Technology • Branding • Services 	<ul style="list-style-type: none"> • Strategy • List Price • Discounts • Allowances • Payment period • Credit terms • Payment methods 	<ul style="list-style-type: none"> • Trade channels • Coverage • Assortments • Locations • Transportation • Logistics • E-Commerce 	<ul style="list-style-type: none"> • Advertising • Personal selling • Sales promotion • Public relations • Direct marketing • Corporate Identity • Form of promotion 	<ul style="list-style-type: none"> • Business Culture • Recruitment Training • Assessment • Involvement • Control 	<ul style="list-style-type: none"> • Organisational core service support 	<ul style="list-style-type: none"> • Exterior/interior • Design • Cleanliness • Style • Decoration • Acoustic • Smell • Employee Appearance

P2.7: Product Prototyping and Introduction to Production / Service Delivery Plan

What is it?



Product Prototyping is very much like any production management simulation focusing on production process, value addition, production management, team decision making, leading and working with teams to create a new and innovative object.

The simulation is designed to create a learning climate where trainees can experience various production management tasks through prototyping so as to bring in specific production management knowledge and competencies.

In the end the production plan is introduced. The tool is to introduce the elements of production /service delivery plan. Production plan has many calculations. It takes longer time for preparations. Many production plans will have technical details. Trainees may find it difficult to finalize it at home.

- Objectives:**
- (1) To simulate the environment of a small production business and production function.
 - (2) To gain significant practical exposure in production management function and the process designs.
 - (3) To stimulate value creation and innovation in production

- Aims/Results:**
- (1) Production management plan
 - (2) Production process
 - (3) Quality management
 - (4) Value creation

How to use it? Application / Uses:	<ul style="list-style-type: none"> (1) Business Start-up (2) Production management (3) Production management plan preparations
---	---

Initial Preparations: Read and understand the Section 4 The Business Plan - The production plan and prepare the visuals.

Required Resources:	<ul style="list-style-type: none"> (1) Lead and co trainers (2) Flipchart (or brown paper), (3) pencils, crayons, markers, (4) Zopp cards, paper, scissors, paper clips, glue (or blu tack, sticky or tape, ruler, sewing kit (with buttons, threads and needles)
----------------------------	---

Training Steps Guidance:	<ul style="list-style-type: none"> (1) Welcome everyone and present the summary of daily evaluation for day 1. Complete all the enquiries for the day 1. Verify about the business marketing plan preparations. Ensure that everyone have their draft business marketing plan. (2) Invite the trainees for the exercise. (3) Inform all are going to engage in the business in groups. It resembles a real business, but no money involved. (4) Introduce the objectives of the exercise. (5) Introduce the exercise. Inform them it is going to be a two rounds exercise (6) Give the instruction for the initial round. Inform the time allocations. Explain the various tasks they need to implement. Verify the understanding and the order of tasks implementation.
---------------------------------	--

Experiencing: **Instructions for Round 1 - Design Stage**

- (7) Inform that the exercise is for 10minutes. After a brief grouping (max is 4 learners per group), inform everyone that the team will decide and draw an almost “real” design of a new and innovative object (perhaps, none in existence yet) that will be useful for a group of people (assign one per team, say farmers, okada drivers, street food vendors, government employees, school children, etc.). If object selected exists, the team must show new or innovative values not considered from the existing product.
- (8) Appoint a team leader who leads the team in deciding the object within a 2-minute timeline. Be strict with time.
- (9) Then when all the teams have decided, ask them to draw their objects as “attractive” as possible in two minutes. Take a picture via smartphone

Data Processing:

- (10) Variation: If you want this to be competitive, announce a set of judging criteria (creativity, “attractiveness,” functionality, easy to make, usefulness to users, etc. with specific points) at the beginning. Appoint a panel of judges too. This should be planned ahead and some participants can volunteer not be part of the teams but act as judges.
- (11) In two minutes, the panel of judges move around to determine which groups were able to complete the task and which groups did not.
- (12) In plenary, trainers then ask each group in turns why and how they decided on the prototype design.
- (13) Different points begin to come up like customer needs, innovation etc. Refer to text in handbook *Creating Value*. All points are noted on the flip chart board.
- (14) Then prepare the groups for round two Production Stage.



Instructions for Round 2 - Production Stage

Experiencing:

- (15) Inform that Round 2 is for 20minutes. The same teams are re-assembled to construct the prototypes that they designed in round 1. This Prototype is practically an almost working model of what they have earlier designed plus a “sales poster.”
- (16) After instructing the teams to create their prototypes, show the various logistics and encourage the team to: (a) improvise and (b) obtain (or borrow) additional materials (at no cost) available in the training room.
- (17) Give the teams 5 minutes to create their respective working prototypes (or mock-ups) together with a sales poster.
- (18) While the teams are working on their mock-ups, appoint from the participants the Investors’ group representatives (as assigned in Round 1) Allow for a good ratio of Investors’ to producers, maybe an investor to three producer teams. The judges from round 1 could also serve as investor’s in round 2.
- (19) When all the teams finished (take a photo, use appropriate lighting).
- (20) Announce that the investors will simultaneously go to the respective teams, listen to a one-minute presentation and provide additional suggestions to add values to the prototypes. Ask investors to take note.

Data Processing:

- (21) Allow three minutes for the producer- investor meetings.
- (22) Begin discussions in plenary.
- (23) Ask from each team what the experience was this time and publish on the board.

Conceptualisation:

- Were they able to produce the designed prototype?
 - Were they able to convince the investor?
 - How did they organize their work description, was there any specialization?
 - Did prior planning play any role?
 - Ask if given another round, what will they do differently
- (24) Ask the investor their experience with each team and publish
 - Ask if they were willing to invest in any prototype and why
 - Ask what were the value addition advice they gave to each team

- Application in real life:**
- (25) Link all the comments received so far to the production plan, emphasizing productivity. Efficiency, quality and value addition. Relate the exercise to real life production process and things they should look out for.
 - (26) Now inform participants that they need to complete their production plan. Make some explanation on the distinction between products and services making reference to the participants' handbook. Also explain the production flow chart using Annex P2.6.2: *Production Flow Chart*.
 - (27) Go through each aspect of the production plan together
 - (28) Inform participants not to forget learnings from this exercise as it will be linked with the Organisation and Management Plans
 - (29) Ask participants to fill in their learning diaries related to the Production / Service Delivery Plan.



Follow up: Production/service delivery plan preparations

Annexes: ANNEX P2.7.1: PRODUCTION FLOWCHART

Annex P2.7.1 Production Flowchart

What is it?



Procedure:

1. Select the product or process to chart.
2. Select the flow to chart. Unless otherwise specified, most flow charts show materials flow.
3. Trace the flow. In materials flow, start from raw materials storage and end in finished products storage.
4. Analyse the results. There are two ways to analyse flow charts. First, eliminate or minimise transports, inspections, delays and storages. Second, critically question a value-adding operation. Can it be eliminated or combined with other steps. If a value-adding operation is eliminated, a set of “make-ready” and “put-away” steps are likewise eliminated.



Application:

1. Gain familiarity of a manufacturing process. There is no better way to master the manufacturing process than by recording all the steps undertaken.
2. Improve the manufacturing process. The flow chart's main purpose is to effect improvements in manufacturing sequence. It is a valuable tool for identifying manufacturing inefficiencies.
3. “Sell” improvements in manufacturing process. By contrasting the flow charts of existing against improved situations, flow charts, dramatize the changes needed.
4. Identify production bottlenecks. By superimposing the estimated output of each manufacturing step in a general flow chart, you can pinpoint production bottlenecks-steps that reduce outputs unnecessarily. These bottlenecks can then be subjected to more detailed studies.

P2.8: Introduction to Organisation & Management Plan

What is it?



The session introduces the organisation and management plan. One of the significant elements of Business planning is preparing the organisational and management plan.

An organisational structure defines rules on the division of tasks, responsibilities and powers within the organisation to carry on the supporting functions of the business operation.

Also, the entrepreneur plans administration, accounting and record keeping, staff management and other general managerial supporting functions carefully for the O&M.

Another unique feature of this plan is the 'Pre-operating Activities.' This enables entrepreneurs to think and decide about their business start-up time. On the decision of business start-up date, the entrepreneurs look for essential business start-up requirements. These prerequisites transform and form into actions of a mini-plan using Gantt Chart technique. This is named 'The Pre-operating Activities/Plan'.

The prime purpose of the 'Pre-operating Activities is to bridge the present planning stage and the business start-up date and to verify & ensure that every cost and time elements concerning each prerequisite are taken care of for a steady business start-up

Objectives:	<ol style="list-style-type: none"> (1) To introduce the concepts of organisation and management plan (2) To assist the trainees to plan the business start-up in terms of prerequisites and pre-operating period investments. (3) To enable the trainees to identify various supporting general managerial functions necessary for a smooth business operation (4) To design a suitable organisational structure (5) To practice the concept of 'my business as a separate entity.'
--------------------	--

Aims/Results:	<p>Organisation and management plan.</p> <p>Pre-operating plan</p>
----------------------	--

Application / Uses:	<ol style="list-style-type: none"> (1) Business Start-up (2) Organisation and Management
----------------------------	--

Initial Preparations:	<ol style="list-style-type: none"> (1) Read and understand the Section organisation and management and the Annex P2.8.1 <i>Key elements of an organisational structure.</i> (2) Bring back the learning points on flip charts from the prototype exercise and display
------------------------------	---

Required Resources:	<ol style="list-style-type: none"> (1) Lead and co trainers (2) Zopp cards (3) Pens (4) Flip charts
----------------------------	---

- Training Steps Guidance:**
- (1) Organise the class back into groups of 4s. Same groups as with the prototype exercise. The buyers also form a group. This is to aid collective brainstorming and enrich quality of discussion
- (2) Give the groups 10minutes to reflect on the prototype exercise. Brainstorm and write out the different planning steps they used in their groups in achieving goals for round 1 and 2. Give tips for quicker understanding. (Give a brief overview of O&M and let the discussion focus in that area.
- Experiencing:**
- (3) Facilitate discussion. Inquire what happened? How did they plan? Use a board to write the key words related to organisation, planning, staffing, monitoring/control, communication, team work and leaderships.
- (4) What did go well and what did not go so well? Look for reasons. Who has used most of the materials? What happened to the ones not used to finish the task? What were strategies put in place to manage resources and staff?
- Data Processing:**
- (5) Post all the relevant data. Discuss and understand their planning and staffing functions for the artwork. Link to the business organisation and management.
- (6) Ask them for better business operations and about other necessary supporting functions, for a business to run smoothly. List all the answers. Classify the replies under three headings marketing, production and other.
- (7) Bring the trainees attention to the activities taken care of by previous two plans - marketing and production. All others are the supporting functions including the finance and recordkeeping.
- (8) How will an entrepreneur plan, organise, staff and control these functions in a business? Introduce the organisation structure (Refer to Annex P2.8.1: Key elements of an organisational structure).
- Conceptualisation**
- (9) Discuss how the exercise would benefit if they could support the production function with various supporting activities mentioned above. Can they improve quality by recruiting right employees? Is there equal consideration both for men and women, or young and old, during recruiting? Can they avoid conflicts and improve the supervision? How did the tasks divide into sub tasks?
- (10) Can trainees organise their businesses including marketing, production and other supporting functions such as recordkeeping, human resource management, and administration?
- Application in real life:**
- (11) Verify the understanding and move on to other parts in the organisation and management plan.
- (12) For the pre-operating activities, first let them think and decide about the activities they need to do to start their business.
- (13) When do they want to start the business? Can they accomplish all these pre-operating activities including finalising the business plans? Introduce the Gantt technique.



- (14) Let them work on their business plans. Ask participants to fill in their learning diaries related to the O&M Plan. Coach them and conclude with evaluations.

Follow up: Financial plan

Annexes: ANNEX P2.8.1: KEY ELEMENTS OF AN ORGANISATIONAL STRUCTURE



Annex P2.8.1: Key Elements of an Organisational Structure

The business plan's Organization & Management (O&M) section should be written after completing the marketing and production/operations sections. The O&M plan answers six key questions of any potential lenders or investors:



1. How did the startup began?
2. Who are the owners: are they qualified?
3. How will it be organized and run?
4. How will it be managed? What is the composition of the management?
5. How will the management team (and workers) be recruited, hired and trained?
6. How will the pre-operating period be managed?

The Story

This begins with the story behind the startup (How did it all begin?, How did the idea evolve?, What were the conditions, then?, etc.). Punctuate key dates and personalities (e.g., SEDIN Partner Organization and the coaches, mentors, banker, etc.). Mention also the vision, mission, annual goals (in terms of sales, employment, etc.). Omit this part if already included in the BP's Executive Summary.

Logo

Attach the startup's logo and briefly describe what it represents.

P2.9: Introduction to Financial Plan and Business Plan Preparation

What is it?



The financial plan is the final part in the business plan. The calculations made in the previous plans are taken into various accounting statements for three-year projections.

In the financial plan, entrepreneurs use ratios to analyse their business potentials and the results performed as indicators for the planned business health during the business plan presentations.

It is a prerequisite that the Start-up Loop trainers understand and possess accounting knowledge and skills to facilitate the session though the tool explains every step in details.

The financial plan can be done manually which may be very technical and time consuming and not necessarily more instructive or using the Excel Finance Tool which is part of the Start Up Loop Package. The Start Up Loop Trainer and Coach is advised to use the Excel Finance Tool along with the Coachee for the financial plan as this guarantees possibilities of easy iterations and increased learning within an automated work space.

Objectives: (1) To understand the importance of financial aspects in the business plan preparations.
(2) To test the financial viability of the planned business

**Aims/
Results:** Financial management and understanding
Total investment plan
Profit plan
Loan plan
Cashflow plan
Balance sheet statements
Financial Ratios

**Application
/ Uses:** Business Start-up
Financial plan preparation

Initial Preparations: (1) Draft and Cost Elements from Marketing, Production and O&M Plans
(2) Trainers to familiarize and always refer to the finance tool playbook, see ANNEX: P2.9.1: *Start-ups' Finance Tool Playbook*

Required Resources (1) Excel Finance Tool
(2) Computer or Tablets

- (3) Lead and Co. Trainers
- (4) Zopp cards in 4 Colours
- (5) Pin Boards and Pends
- (6) Calculators
- (7) Pencils

Checklist None

Training Steps

Guidance:

- (1) After daily recurring activities, introduce the topic; the financial plan.
- (2) Inform trainees that you are in the last but not least step in the preparation. All the planning activities include cost or income prospects will come together in the financing plan. This enables the entrepreneur majorly in the viability test of a business.
- (3) Ensure that each and every trainee has their marketing, production and organisation and management plans completed. Can they list their fixed assets, marketing, production and O&M expenses? Do they have the cost column filled for the Pre-operating Activities?
- (4) Inform the trainees that these are the important figures we need now to complete the financial plan. If the trainees are not having this information and could not complete their first three parts of the business plan, request them not to get upset. During coaching they can complete and pick up the speed.
- (5) It is important that they complete or have working drafts of their marketing, production and O&M plans to proceed for financing plan. Otherwise we will not make progress in introducing the finance tool.
- (6) It is now time to use the Start Up Finance Tool. A step by step application and use of this tool is in Annex: P2.9.1: Start-ups' Finance Tool Playbook. This provides an automation yet guarantees learning in the financial plan process.
- (7) What is most important in the finance tool is the Input sheet as this creates the work space where all assumptions and calculations are done. Required financial cost elements and figures from the marketing, production and O&M Plan are captured into the Input Sheet.
- (8) Let them now work further on their business plans. Iterations can now be done with tweaks to the earlier plans.
- (9) Ask participants to fill in their learning diaries related to the Financial Plan. Coach them and conclude with evaluations.



Follow up: Financial plan

Annexes: ANNEX: P2.9.1: Start-ups' Finance Tool Playbook



Annex P2.9.1: Start-ups' Finance Tool Playbook

This Financial Tool (FinTool) helps your clients assemble, organize all the Loop's results (from BMC, marketing, production, O&M) and assesses their financial consequences (investment, profit, etc.). With it, client can examine the decisions made earlier and rethink their options.

The Tool must be completed after: (a) business idea is fixed (perhaps after several mini-market surveys), (b) one to three BMC iterations, and (c) some notes on marketing, production, as well as organization and management have been gathered via Coaching Logbooks and verified.

Checkout the Excel FinTool (attached in the Start-Up Loop bundle).

Specifically, **this tool aims to:**

1. Provide the coach with a logical frame for collecting financial data from their clients.
2. Empower both coaches and clients to consider (or play with) various options to "start" right.
3. Enable coaches to ask more precise questions and share better advice. How do you increase sales is a good question, but by adding "by how much would you like to increase sales" is even better.

The FinTool explores the start-up's financial details. These are:

1. With the Investment Plan, "How much investment will the startup require? Will the investment require borrowing (or personal savings)?"
2. With the Profit Plan, "Will the proposed startup be profitable?"
3. With the Cash Plan, "Will the startup generate stable cash positions?"
4. With the Loan Plan, "Can the startup repay the loan (if any)?" and
5. With the Balance Sheet and Ratio Analysis, "Will the startup become more self-sustaining thereafter?"



The Playbook: What is it, Really?

As a metaphor, this "play" concept fits well with the Start-up Loop practice. With this Playbook, the FinTool becomes easier to learn and use. Playing is iterating, a search process for appropriate values for selected business parameters (e.g., investment mix, sales, profit etc.) to make estimating the startup costs easier and fun.

1. Creating the Initial Conditions

In this Playbook, a coach begins starts with the initial conditions. Taking the initial conditions is not coaching yet. It is extracting the client's vision or "dream" conditions. This means assembling all information learned by the client from the BMC, marketing, production and O&M inside the FinTool. This is done via the Input Tab (see Box 1 for content). The coach asks the clients for data about: Fixed Investment, Monthly Sales Volume, Raw Materials, Direct Labour and so on. With the initial conditions laid out, the FinTool calculates the other financial statements (InvestPlan, ProfitPlan, etc.) automatically.

The Input Tab

The Tool’s most important and active (unlocked) Tab is the Input Tab. All plays will be made in this Tab. It contains 12 data input and calculator components:	
1. Fixed Investment	7. Indirect Overhead
2. Monthly Sales Volume	8. Other Assumptions
3. Raw Materials	9. Working Capital (Direct Operating)
4. Direct Labour	10. Loans Data
5. Indirect Labour	11. Fixed Investment Interest Calculator
6. Direct Overhead	12. Working Capital Loan

2. Revisiting the GROWTH Model

The initial condition is usually “undesirable.” Non-bankable. Unprofitable. Poor cash position. Or the three together compared with the client’s Goal (e.g., from the GROWTH model). This is an appropriate time to remind the client of the GROWTH model. The coach can revisit the original Goal (e.g., should this be revised, adjusted, made more current?). Remind the client to be “Realistic,” consider “Options,” decide on the “Ways Forward,” consider doable “Tactics,” and continue building the “Habit.”

3. Digging Deeper

To dig deeper, the coach should play with the initial conditions data by making assumptions. The coach must save the FinTool’s initial conditions file. Open another file with the initial conditions before any play.

Playing is making more assumptions. For example, one assumption may require increasing the monthly sales volume (See 3. 3. MONTHLY SALES VOLUME in the Input Tab) by increasing the Average Unit Price (cell F25) of some products. Then, check if Sales actually increases in the ProfitPlan’s Cell B10. If it did, look at the Profit (Cell B41). Did it increase as well?

Each assumption generates a possible scenario for the startup client. Such can inspire them to continue the startup challenge. A change of assumption in the appropriate cell in the Input Tab ripples through the other financial documents and creates a new scenario. The more the scenarios generated, the client gathers more Realistic insights, Options, Ways Forward and Tactics. The coach should always check that each assumption is doable. Continue playing until the client is satisfied.

4. The Plays

The Tool can simulate many scenarios for making the StartUp more sustainable.

4.1. Playing with Investment Mix

All startups will eventually need funding. Perhaps a bank loan, savings mobilized, partnership, crowdfunding, franchising, etc. Even if they don’t need infusion, coaches should encourage the client to plan to borrow. The client learns about interest expenses and creation of “goodwill.” FinTool assumes that the client will have loans.

Assisted by the coach, the client can go through the list of fixed investments (land, building, etc.) and complete in the Input Tab (See Cells: C6 to C11 for the “Equity” (or what the client already owns and is willing to invest whether from personal or other people’s savings) and Cells D6 to

D11 for the “Loan” (what the lenders are expected to provide). When done, check the InvestPlan Tab for the automatic fixed investment calculations.

4.2. The Working Capital

We’re only half done. Likewise, InvestPlan needs to estimate working capital (for equity and loan). FinTool does this automatically in three steps. First, raw materials estimates. It provides cells (Cells A33 to A45) for main raw materials list. Then, it allows inputs for Months per Year Production (Cells C33 to C45), Monthly Quantity (Units, Cells D33 to D45) and Unit Price (Cells E33 to E45). Total Annual Cost is automatically calculated in Cells F33 to F45. Secondly, it calculates Direct Labour Cost (listed in Cells A50 to A56). It allows inputs for Months Worked Yearly (C50 to C56), Number (D50 to D56) and Average Monthly Wage (E50 to E56). Annual Wages is automatically calculated in (Cells F50 to F56). Finally, it calculates the monthly Direct (see Cells C68 to C76) as well as Indirect Overheads (C81 to C88). As with the above, annual costs are automatically calculated in Cells E68 to E76 and E81 to E88, respectively. Note that the Proposed Equity for Working Capital (in %) in Cell C127 governs the working capital equity to debt ratio.

4.3. The Right Loan and Equity Mix

The InvestPlan Tab estimates the proposed startup’s fixed and working capital mix. This is the minimum investment to start. Having less than this amount can be a sign of starting a “sick” SME. To play, ensure that the equity is close to 30% of the total investment (equity + loan). If needed, go back to the equity in Input Tab’s Cell C6 to C11, whichever is relevant. Then check the InvestPlan’s Cell C29. Continue iterating till equity is almost 30% (or more) of total investment.

4.4. Max Sales and Income

In the Input Tab, Sales is estimated via the MONTHLY SALES VOLUME estimator (See Cells A25 to A29). FinTool allows five products or services (or both). Months per Year Production for each are entered in Cells C25 to C29, their corresponding Monthly Quantity (Units) (Cells D25 to D29), Units (Cells E25 to E29) and Average Unit Prices (Cells F25 to F29). Annual sales volume are automatically calculated (See Cells G25 to G29).

FinTool has a ProfitPlan Tab to estimate future sales and profit (or loss!). It budgets all future expenses that match the startup’s annual sales. Then, it computes the profit (or income) using:

Sales (or Revenues) – Costs (or Expenses) = Profit (or Income)

In the ProfitPlan Tab, all the operating costs consists of direct (or variable costs) and indirect (with depreciation and interest expenses, or fixed) costs. Direct costs are estimated via the Raw Materials (Cells B15 to F15), Direct Labour (Cells B16 to F16) and Direct and Indirect Overhead (Cells B17 to F17).

Note that direct labour costs were estimated in the Input Tab (Cell F57), raw materials (Cell F46), and direct (Cell E77) and indirect overhead (Cell E89). Again, any changes in the directs costs must be done in the Input Tab.

To have “realistic” sales (and eventually profit!) plays, the FinTool maintains the principle that: “sales must always be conservatively estimated while costs are set relatively high.” Profit estimates under this principle will always be healthier than the other way around.

4.5. Average Price per Unit

The “Average Price per Unit” can increase (or decrease) sales value without affecting the production volume and raw materials estimates. To maximize sales, the Average Price per Unit is a good place to start. Increase the values in the Input Tab’s Cells F25 to F29. Then, watch the ProfitPlan’s sales values in Year 1 (see Cell B10) increases. However, the market (e.g., competitors’ prices and prices that buyers are comfortable with) will eventually capped the sales forecasts.

4.6. Production Volume (Harvest, etc.)

Playing with the MONTHLY SALES VOLUME allows the coach and the client to increase future sales. By playing with monthly harvests, production and service volumes (in Units)” in the Input Tab’s Months per Year Production (Cells C25 to C29) and Monthly Quantity (Units) (Cells D25 to D29), future sales can increase. These cells can accept higher or lower assumed values to increase (or decrease) sales and raw materials costs in the ProfitPlan Tab. Watch the ProfitPlan’s sales values in Year 1 (see Cell B10) increases.

4.7. Seasonality

For those engage with agriculture products, seasonality may be a factor. The FinTool handles this via the Months per Year Production (See Input Tab’s Cells C25 to C29) when crops are harvested. The number of months when crops are produced can be increased or decreased as the reality demands.

4.8. Increasing Sales Growth

In the Input Tab, sales annual growth for the forthcoming five years is governed by the Annual Sales Growth assumption in Cell C94. If the annual sales growth is ten percent yearly, use 1.1 for this cell. If 25%, then enter 1.25 and so on. Exercise prudence with this play by increasing costs in the same rate (See Cell C95).

4.9. Max Sales Min Costs

Sales may also be assumed to increase much more than cost increases. By assuming a 20% sales growth yearly (Input Tab’s Cell C94 and using 1.2 as value) whilst minimizing annual cost (e.g., annual cost increases in Input Tab’s Cell C95) to merely 10% yearly (e.g., by using growth figures of 1.1) will definitely increase sales (and therefore profit). However, this assumption negates FinTool’s main principle. It will be wiser to assume similar annual growth rates for both sales and costs.

4.10. Keep Costs Low

Income may likewise increase when both sales (See ProfitPlan Tab Sales in Year 1 Cell B10) and cost (See ProfitPlan’s Profit before Tax, Cell B39 for Year 1) are conservatively estimated. While this can be conveniently done, the ProfitPlan Tab’s Breakeven (See Cell B42) will indicate very low figures, say less than 20%. Low breakeven points may indicate “optimistic” assumptions. Imagine for example, that the breakeven point is 20%. This may mean that if there are 250 operating days yearly, then breakeven point will be achieved on the 50th day (or less than two months!) of every year. Low breakeven points may also indicate that startup assumptions are only good on paper, but not in reality.

4.11. Playing with Cash

Note that profit consists of cash (coins, bank deposits, notes and cheques, etc.) and non-cash (credit sales, credit purchases, unpaid expenses, stocks, and depreciation, etc.) items.

Imagine (this cannot be real!) a starter whose entire sales are given on credit. Using the formula: Sales minus Costs equals Profit, for this case yields more sales than costs. Profit will be posted in the records. But since all sales are on credit (i.e., customers have not paid yet), then this starter has a lot of profit, but no cash. Profit may be good on paper but without cash, a starter may go bust, at any time. Cash is king!

FinTool has a Cashplan Tab that estimates the ending cash balance after loan repayments (See Cell B32 in Year 0) based on assumptions in the Input Tab. It calculates the ending cash balance by subtracting cash outflows (Cell B26) from cash inflows (Cell B18). This ending cash balance after this year becomes the next year's beginning cash balance (Cell C17). Having insufficient cash balance to start the year indicates serious liquidity concerns---a sign of trouble ahead.

Preparing cash flow projection is easy and fun. Just insure that the available cash will be sufficient to meet the needs and obligations of the startup. If there are more cash outflows than inflows, then measures, such as selling more products, converting personal assets to cash, borrowing some money, etc., must be initiated.

Playing with the CashPlan only starts after achieving the right assumptions for the InvestPlan (achieving the right investment mix) and then, the ProfitPlan (say, prudent profit estimates).

4.12. Early Signs of Bankruptcy

In the CashPlan Tab, look into the Ending Cash Balance in Year 0 (time needed to collect all the investments required) in Cell B32. This figure represents the needed working capital for Year 1. Check if this working capital tallies with the InvestPlan Tab's total working capital required (See Cell D27). If so, then there is enough cash to move on to Year 1. Else, the startup cannot complete Year 1's operations successfully.

Now, check the CashPlan's Ending Cash Balance for Year 1 (Cell C32). Is this figure almost equal or higher than the working capital in Cell D27? What if, this is less?

4.13. Prudent Cash Flows

To move on, the startup's Ending Cash Balance for Year 1 (Cell C32) must be equal or more than the working capital (Cell B32). If not, play with Sales (e.g., increase price) or stricter credit control.

To restrict credit, check the Input Tab's Percent of Cash Sales in Cell C96. Can you increase the decimal figure as close to 1.0? This will create a better ending cash balance. This means that the startup should avoid too incurring sales receivables.

4.14. The Balancing Act

If all is done well, the Balance Sheet should balance (e.g., assets = liabilities + equity). Depending on time, assets and liabilities can either be current or long term. FinTool has a Balance Sheet Tab. This Tab automatically calculates the total assets, liabilities and equity. It is a "health" snapshot of a year's assets (what the startup owns), liabilities (what the startup owes).

5. One Last Service

The FinTool is a valuable learning instrument for your client. It encapsulates the coaching results of your startup Loop. So before ending your engagement, share with the client the following:

1. Startup Loop Activities. What have been agreed upon with the client which are in the coaching Logbook. A one-page summary will do.
2. Financials. The package will consist of your Input (called Assumptions), InvestPlan, ProfitPlan, CashPlan and Balance Sheet. Obviously, if all goes well, these scenarios could lead to be the financial plan in the BMC and Business Plans.

P2.10: Preparation for Phase 3: Business Planning Group Coaching

What is it?



Business Management and Planning training imparts business management knowledge and competencies while preparing the business plan. The training is for three days and trainees get to know several business management details.

In the end every trainee has a draft business plan. The details and preparations need to go beyond the classroom set up to verify data, information on various aspects covered in the plan.

In this context, the next phase (Phase 3: coaching on business planning) serves the purpose of preparing each trainee on group coaching on business plan finalization.

Objectives: To optimise the coaching benefits, preparing trainees is essential.
To prepare entrepreneurs for Phase 3: Business Planning Coaching

Aims/Results: Introduction to Phase 3 Business Planning coaching
Wrap up the Phase 2: Business Management & Planning

Application / Uses: (1) Business Start-up
(2) Business plan preparation

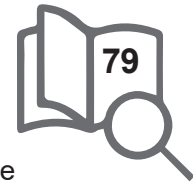
Initial Preparations: Start-up Loop Visual

Required Resources: Lead and co trainers
Pin boards and marker pens

Checklist Handbooks
Participants completed the initial assessment given on first day.

Training Steps Guidance: **Phase 3: Business Planning Coaching Preparations**
(1) Invite participants to prepare for the Phase 3, business planning coaching sessions.

- (2) Ask them to visit Phase 3.1 page 71 in the handbook. Guide them for the three step preparations. Do not invite open discussions on individual needs.
- (3) Verify understandings and give examples on your own. Remind them about their self-assessment and it also could be a source for finding coaching session goals.
- (4) Inform about the coaching session details.
- (5) Ensure everyone is ready for their phase 3.



Business Management and Planning Training wind-up

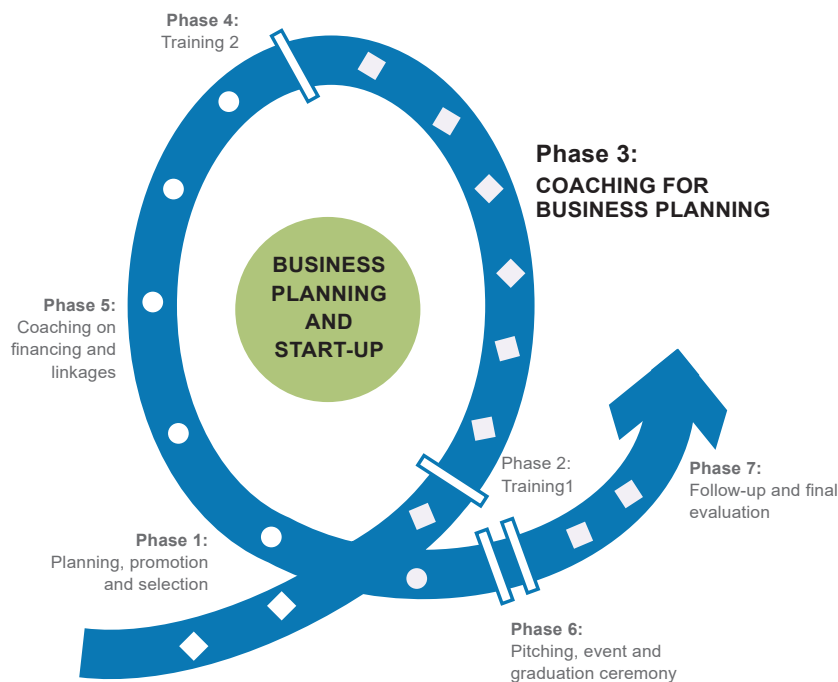
- (6) Visualise the Start-up Loop. Point out the present position to the group (end of phase 2).
- (7) Enquire for the trainees' feelings and satisfaction. Where are they in the process of starting-up? Who is going to start the business and when?
- (8) Are they progressing and gaining confidence?
- (9) Summarise the Business Management & Planning training course taking time for session details of all three days. Remind them about the first day of Business Management & Planning Training.
- (10) Distribute the Day 3 evaluation (which may differ from first two days on criteria).
- (11) Ensure everyone has signed in the signature sheet.
- (12) Wind-up the Phase2: Business Management & Planning Training with a Phase 3: Business Planning Coaching invitation.

Follow up: Phase 3: Business Planning Coaching

Annexes: NONE

PHASE 3

Coaching for Business Planning



Phase 3: Business Planning group coaching includes a series of six coaching sessions in small groups of 4 - 6 persons over a period of 1.5 - 2 months, and on a weekly basis. Potential entrepreneurs have initiated their business planning process during the Phase 2 training and are continuing towards completion. Each coachee receives six sessions in groups.

The group coaching sessions provide opportunities for coachees to learn from their coach and the group members. During group coaching sessions learning from co-participants are high and always positive. The coach encourages the group members to share their understandings with other colleagues who are a little behind in their business planning comparatively. This feature helps the coachees to learn from their group members and enables the group to continue their learning process and business plan preparations even after the coach leaves. It is the coach that initiates the sharing and learning process and monitors that no group member is left out.

The coaching sessions are to finalise the business plans and prepare the coachees for Phase 4 training; the Personal Entrepreneurial Competencies (PECs). Coaching here is done using the adult learning principles and appreciation inquiry model. Start-up Loop coaches are trained to use these methodologies and the session includes a guide on how best to structure each coaching session

Tool No.	Tool title / name	Duration
P3.1	Business Planning Coaching Session 1 – Marketing Plan	1.5 to 2 hours per week
P3.1	Business Planning Coaching Session 2 – Production Plan	1.5 to 2 hours per week
P3.1	Business Planning Coaching Session 3 – Organisation & Management Plan	1.5 to 2 hours per week
P3.1	Business Planning Coaching Session 4 – Financial Plan	1.5 to 2 hours per week
P3.1	Business Planning Coaching Session 5 – Financial Plan	1.5 to 2 hours per week
P3.1	Packaging of Business Plan and Preparing for Training 2	1.5 to 2 hours per week

P3.1: Coaching for Business Planning

What is it?



The Business Planning Coaching Session helps the Start-up Loop coach to lay the foundation for the coaching relationship. It also helps to build a mutual understanding about the potential entrepreneurs' (coachees') challenges in preparing the business plans and for their business start-ups.

The sessions are building on the Phase 2: Business Management & Planning Training experience and business management competencies. The coaching sessions are for small groups of 4-6 coachees who prepare their individual business plans.

The following coaching sessions will vary from coachee to coachee as their coaching goals and needs vary. The coaching guidelines are covering all the six sessions.

Objectives:

- (1) To prepare the coachee for a series of Business Planning coaching sessions.
- (2) To establish a coaching relationship.
- (3) To share the issues related to business plan preparations and finalise the business plan.
- (4) To prepare the coachee for the Phase 4: PECs training course
- (5) To encourage the coachee to prepare for and start the intended business.

Aims / Results:

- (1) A rapport
- (2) Coaching issues/goals are identified and agreed.
- (3) Coachee identifies a set of actions to implement to achieve the set goals.

Application / Phase 3: Business Planning Coaching Uses:

Initial Preparations: Coachees should be encouraged to prepare for the coaching sessions, even if the topics for the group coaching sessions are very much set.



Read through the instructions related to the coaching logbooks (Annex P3.1.1 Introduction to coaching logbooks) and have copies ready at the beginning of each coaching session. Encourage coaches to take notes and fill in their individual coaching logbooks, even though Phase 3 consists of group coaching sessions. These notes would be peculiar to each coachee as they are all working on their personal business plans but just in a group coaching setting to foster peer learning,

Coaching guide:



Coaching Session 1: Marketing Plan

- (1) Introduce yourself as a Start-up Loop Coach. Request them to introduce themselves too.
- (2) Establish the general code of conduct agreement with the coachees. The code of conduct covers privacy, confidentiality, punctuality and commitment from both sides. Since they are in a group assure that everyone has the privacy.
- (3) Start with the identified problems (from the marketing plan) prepared by the coachees in their handbooks. Ask right questions so the coachees explains in detail the problems one by one to you. Ask for the background details. Ensure a common understanding on the issues using rephrasing techniques.
- (4) Introduce that this session is about Marketing Management planning. You are going to coach them on preparing the marketing management plan and marketing strategies.
- (5) Look for the problems related to the Marketing Management Planning. Agree with the coachees on few of the challenges mentioned and check their completion in their own marketing plans. This is also time for them to identify needed support linkages as it relates to the marketing aspect of their business. This should also be followed up individually during the next coaching in Phase 5.
- (6) Walk through the marketing plan components one by one. Give importance to the product descriptions, identifying the target groups. Ask if there was a possible gender orientation, awareness and preference by the target market. Ensure every coachee has done this. Then move to the Marketing Mix strategies. Ask for their understanding and pick from their side of understanding. Walk through entire marketing plan with them.
- (7) Do not let any coachee to be idle. If they have completed, request them to help fellow coachee who is a little behind. Later check on both coachees' understandings and verify if necessary.
- (8) Encourage them to continue working even after you wind up the session.
- (9) Let the coachee complete the coaching schedule. Let him/her write down the activities promised. Guide him to make it 'SMART.'
- (10) Complete your coaching client record, if any. Get the signature of the coachees.

- (11) Agree for the next coaching session date and time next week.
- (12) Wind up the session with a summary.



Coaching Sessions 2 Production Plan

- (13) Greet the coachees and check on their previous working (marketing plan preparations).
- (14) Establish the general code of conduct agreement with the coachees. The code of conduct covers privacy, confidentiality, punctuality and commitment from both sides. Since they are in a group assure that everyone has the privacy.
- (15) Start with the identified problems of production management, prepared by the coachees in their handbooks.
- (16) Introduce that this session is about Production Management planning. You are going to coach them on preparing the production management plan and production process flow chart.
- (17) Look for the problems related to the Production Management Planning. Agree with the coachees on few of the challenges mentioned earlier and check their completion in their own production plans. Check for mutual understanding from Start-ups in the service industry. This is also time for them to identify needed support linkages as it relates to the production aspect of their business. This should also be followed up individually during the next coaching in Phase 5.
- (18) Check their understanding on the production process flow charts. Coach them on preparing their own process flow charts.
- (19) Walk through the production plan components one by one. Give importance to the details. Ensure every coachee has done their works.
- (20) Do not let any coachee to be idle. If they have completed, request them to help fellow coachee who is a little behind. Later check on both coachees' understandings and verify if necessary.
- (21) Encourage them to continue working even after you wind up the session.
- (22) Let the coachee complete the coaching schedule. Let him/her write down the activities promised.
- (23) Complete your coaching client record, if any. Get the signature of the coachees.
- (24) Agree for the next coaching session date and time next week.
- (25) Wind up the session with a summary.



Coaching Sessions 3: Organisation & Management Plan

- (26) Greet the coachees and check on their previous working (production plan preparations).
- (27) Establish the general code of conduct agreement with the coachees. The code of conduct covers privacy, confidentiality, punctuality and commitment from both sides. Since they are in a group assure that everyone has the privacy.
- (28) Start with the identified problems related to organising the business, prepared by the coachees in their handbooks.

- (29) Introduce that this session is about Organisation & Management planning. You are going to coach them on preparing the O&M plan and the pre-operating schedule.
- (30) Look for the problems related to the O&M Planning. Agree with the coachees on few of the challenges mentioned and check their completion in their own organisation and management plans. This is also time for them to identify needed support linkages as it relates to the organisation and management aspect of their business. This should also be followed up individually during the next coaching in Phase 5.
- (31) Check their understanding on the Pre-operating Schedule. Coach them on preparing their own Gantt charts with expenses.
- (32) Walk through the O&M plan components one by one. Give importance to the details. Ensure every coachee does his work.
- (33) Do not let any coachee to be idle. If they have completed their tasks, request them to help any fellow coachee in the group who is a little behind. Later check on both coachees' understandings and verify if necessary.
- (34) Encourage them to continue working even after you wind up the session.



Coaching session 4-5: Financial Plan

- (35) Greet and finish the formalities.
- (36) Check their initial three parts of the business plan: marketing, production and organisation & management plans. Check their expenses schedule.
- (37) Introduce the total investment cost. One after the other introduce the six components of the financial plan. Do not move to the next session if any coachee is still behind.
- (38) Initiate a discussion for the piloting of the business product/service.
- (39) Coach for a mini plan to implement the piloting of the business.
- (40) Agree on activities and wind up



Coaching Session 6: Financial Plan & preparation for Phase 4

- (41) Request the coachee to list and brief about piloting his own product(s). Finish the coaching tasks on piloting, summarising and concluding.
- (42) Invite for Phase 4: PECs training course.
- (43) Verify and summarise all six sessions.
- (44) Ensure all coaching reports are complete.
- (45) Wind up the Phase 3: Business Planning Coaching and link to Phase 4: Business Plan Packaging and PECs.

Follow up: Phase 4: PECs Training Course

Annexes: ANNEX P3.1.1: INTRODUCTION TO COACHING LOGBOOKS
ANNEX P3.1.2: COACHING LOGBOOK for PHASE 3



Annex P3.1.1: Introduction to Coaching Logbooks

The coaching logbook is a tool that helps the coach and coachee track coaching sessions, both in terms of content of the coaching sessions and for quality assurance of the coaching sessions. This applies both to the group coaching sessions and the individual (one-on-one) coaching sessions.

There is one coaching logbook for coachees (included in the handbook) and one for trainers/coaches (included in this manual). Both are complementary and follow a similar pattern. Trainers/Coaches will also use the coaching logbooks for M&E purposes, mainly to track the qualitative changes happening at the level of entrepreneurs and their business start-ups. The main points noted on the coaching logbooks will be inserted into the Excel-based M&E dashboard by the trainers/coaches.

A brief description of the main sections is below:

- **Level of implementation of action plan from last coaching session:** Include a brief assessment of the extent to which the coachee has implemented the action plans from the last coaching session. This part is not relevant for the first coaching session.
- **Major challenges militating against complete implementation of action:** If level of implementation of agreed actions is not complete, the coach tries to know the factors that prevented complete implementation. This is important to identify, discuss and resolve else these probable factors may linger and thus impede the success of the coaching process
- **Topic for this coaching session:** This is the general focus of the specific coaching session. E.g. record-keeping, access to finance, product registration process, etc.
- **Goal of the coaching session:** This is the aim or purpose for the coaching session. For group coaching sessions the topics are largely pre-defined, the goals could be either marketing, production, O&M or financial plan development or completion. For the individual coaching sessions goals should be specific to individual coachees' needs, this may not be topics covered in the trainings but issues related to the achievement of the Start-up goals of the coachee.
- **Main conclusions:** Describe the outcomes of the coaching session. What conclusions did you come to during your discussion?
- **Actions to implement:** Briefly describe the lines of action or activities required for the coachee to do (usually before the next coaching session). The actions to implement or issues to work on are based on or should address the conclusions listed previously.
- **Remarks on situation of business:** this is a brief statement on the current situation of the business e.g. not yet started but business location and equipment acquired and staff recruitment on going. Here the major issues for the start-ups are captured.
- **Overall appraisal of start-ups:** Here a brief on strengths observed and areas needing improvements is documented. This is jointly agreed with the coachee to encourage improvements. Itemised points are reviewed in next coaching meetings.

Encourage and guide coachees to fill in all required sections of the coaching logbooks included in their handbooks.

The coach and coachee both sign the coaching logbook indicating that both parties are in agreement to what has been inputted. The coachee can now always refer back to his/her handbook until the next coaching session. The coach will need to make a copy of the logbook (e.g. use mobile phone to take a snap shot).

It is important to inform coachee that the logbooks will be kept confidential and will only be used for quality assurance and M&E purposes.



Annex P3.1.2: Coaching Logbook for PHASE 3

COACHING LOGBOOK

Phase 3 – Group coaching session no.: Name of coach:

Session date: Session location: Number of participants:

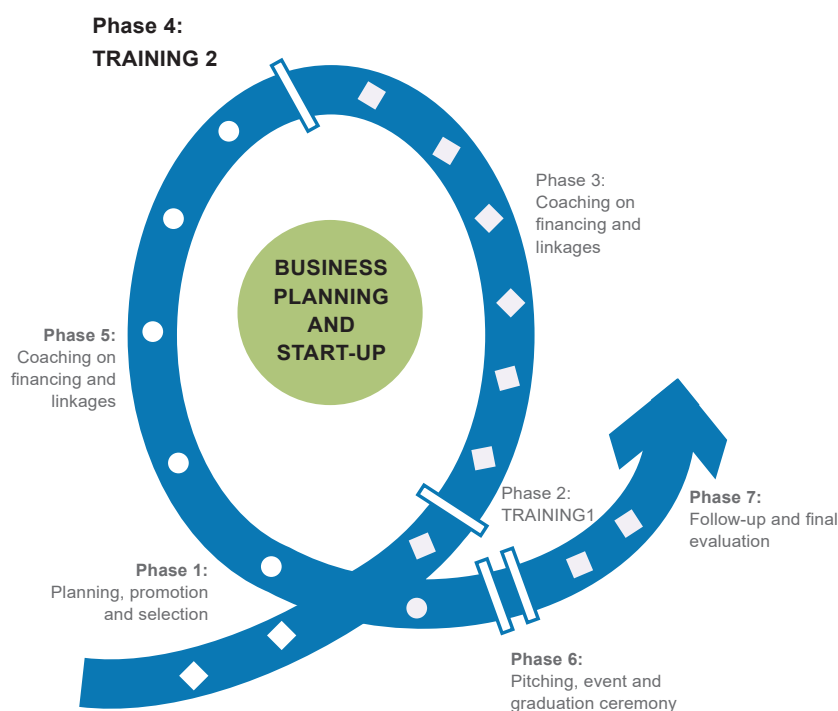
(Attach list of participants)

Level / % of implementation (of actions) from last coaching session		
Major challenges militating against complete implementation of actions		
Goal of the coaching session		
Main conclusions		
Actions to implement		
Major issues for start-ups		
Overall appraisal of start-ups	<i>Weaknesses observed</i>	<i>Strengths / Improvements observed</i>

Next coaching session (date and location):

PHASE 4

Business Plan Packaging and Training on Personal Entrepreneurial Competencies (PECs)



The second training of the Start-up Loop starts with the packaging and completion of the business plans.

The core of the second training course for Start-up Loop is designed to enhance Personal Entrepreneurial Competencies (PECs), record keeping, risk management, improvement on business financial analysis and preparing for Phase 5: Financing & Linkages Coaching and for Phase 6: Business Plan Presentation and Graduation Ceremony.

Researchers have studied entrepreneurship for decades and have found a significant relationship between entrepreneurial competencies and firm performance and have concluded that entrepreneurial competencies differentiate entrepreneurs from non-entrepreneurs. Furthermore, the findings also imply that start-up supports get a solid foundation when adopting the competency-based approach. In this way, entrepreneurial competencies, the essential personal characteristics are crucial to business growth and success also to the Start-up Loop support structure.

Entrepreneurial competencies are individual characteristics and include both attitudes and behaviours, which enable entrepreneurs to achieve and maintain business success. These entrepreneurial competencies are comprised of the entrepreneur's motives, traits, self-image, attitudes, behaviours, skills and knowledge (Bird 1995).

The most successful personal entrepreneurial features are ten in number and fall under the categories of achievement, planning and power. These are so-called Personal Entrepreneurial Competencies or PECs which are the central learning outcome for this training module. In fact, entrepreneurial behaviour is learnable through practice as competencies. With enough practice the PECs become the driving force of successful entrepreneurial ventures.

The Phase 4 training tools come in a sequence and style to reinforce and to enhance a set of competencies (PECs) with other business management skills and knowledge. The tools together with Start-up Loop training facilitation techniques set guidance that potential entrepreneurs become aware of those PECs and learn to enhance some of the PECs consciously. They can set their goals for coaching sessions to enhance several selected personal entrepreneurial competencies which they find important for being entrepreneurial.

The second training also provides space for doing a mock presentation of the business plan, in preparation for Phase 6: Business Plan Presentation and Graduation Ceremony.

Tool No.	Tool title / name	Duration
Business Plan Pitching & Training on PECs – Day 1		
P4.1	Introduction to Phase 4: Business Plan Packaging & Personal Entrepreneurial Competencies (PECs) Training	1 hours
P4.2	PECs	1.5hours
P4.3	Review of PECs Self-Assessment	1 hours
P4.4	Successful Entrepreneur Visit & PECs improvement plan	1.5hours
Business Plan Pitching & Training on PECs – Day 2		
P4.5	Risk Management Strategies	1.5 hours
P4.6	Record keeping	1.5 hours
P4.7	Finance Lexicon	1.5hours
P4.8	Financial Ratios and BEP	1.5hours
Business Plan Pitching & Training on PECs – Day 3		
P4.9	Business Plan Packaging and Presentation	2 hours
P4.10	Mock business plan presentation (the pitch)	3-4 hours
P4.11	Preparation for Phase 5: Financing & Linkages Coaching and wrap-up of Phase 4	2 hours

P4.1: Introduction to Business Plan Packaging and PECs Training

What is it?



The tool sets guidance to accomplish several tasks primarily for setting up the 3-day training floor as in the Phase 2. The Start-up Loop trainer introduces the complete Start-up Loop, the current phase: Phase 4: Business Plan Packaging and Personal Entrepreneurial Competencies (PECs), while laying down necessary foundation, which is essential for establishing an environment conducive for learning.

Starting from an unfreezing introductory energiser/ exercise, and continuing with course expectations levelling, training course objectives introduction, house rules, day schedule and learning contract agreements to feedback mechanisms introduction, everything is high in density. Facilitating the session professionally requires preparations and teamwork.

The session requires efforts in preparations and implementation. All trainers come together for preparations and arrangement of visual aids to ensure that all is in order. For example, prior to implementation, trainers work on their expectation statements and write down on cards. This will help to avoid repetitions and biased statements.

Objectives:	<ol style="list-style-type: none"> (1) To relax the trainees and to set an atmosphere conducive to openness and learning. (2) To introduce the phase, objectives, day schedule, evaluation and house rules.
--------------------	---

Aims / Results:	<ol style="list-style-type: none"> (1) A conducive environment for learning and a team spirit (2) Phase 4 objectives are clear, house rules are set and learning contracts done. (3) A foundation for training tools application.
------------------------	--

Application / Uses:	Phase 4: Training 2 introduction
----------------------------	----------------------------------

Initial Preparations:	<ol style="list-style-type: none"> (1) An energizer for introduction (2) The essential visual aids (expectation levelling cards, Start-up Loop provision, Phase 4 objectives, day schedule, and feedback (smiley) chart) (3) U shape seating arrangements (4) Daily attendance signature sheet (5) Daily evaluations (6) Create a safe and conducive environment for male and female participants (nursing mothers, young women, PWDs); Consider conducting training to accommodate women's time and mobility constraints.
------------------------------	--

Required resources:	<ol style="list-style-type: none"> (1) Flip chart board and charts (2) Pin boards with necessary stationery (3) Zopp cards, pins and marker pens
----------------------------	---

- (4) Notebooks and pens for participants
- (5) Name cards
- (6) Refreshments

Checklist:	<ol style="list-style-type: none"> (1) Start-up Loop visual (2) Introduction energizer (3) All prepared visual aids (4) Daily evaluation copies and signature sheet
-------------------	---

**Training Steps
Guidance:**

- (1) Welcome trainees to the Start-up Loop Phase 4: PECs. Briefly go over the Start-up Loop in full using the visual from page 7 of this manual (Annex I.1 Start-up Loop architecture diagram). Point at the Phase 4 and indicate where we are at present. Summarise the previous phases and the activities accomplished.
- (2) Implement the prepared 'Introduction Energizer.'
- (3) Level the expectation –In this tool implementation, participants write and share their expectations (hopes) for the Phase 4: PECs. The Lead Trainer levels each trainee's written 'expectation' with Start-up Loop and Phase 4 objectives.

Start with the 'Start-up Loop' visual. Point at the visual of the Phase 4 again and share your trainer expectation(s) for Phase 4 with other trainers. Invite trainees to write down their 'expectation' on a card. They can write many expectations but one per card with their names. Give them 2 minutes of preparation. Distribute Zopp cards and marker pens. Collect each written card and visualise them.

Read loudly and clarify the meaning with the person who wrote the card. Proceed with every card, one by one. Post on the soft board. Classify the expectations/cards into three different columns named 'Start-up Loop', 'Phase 4', and 'Other'.

When you get many cards under the column 'Other' which are entirely different to the Start-up Loop course and business start-ups, clarify with the card owners of their expectations for the course attendance. The explanations may vary. If the trainer finds that an expectation fails to meet the course objectives and purpose entirely, it could be an indication for something else. Identify the owners of those cards. Discuss with them during a break privately about their participation purpose. If necessary, inform the implementers/ the PO about your finding and understandings.

- (4) Learning Contract – Explain in detail the Start-up Loop, course and the current Phase. Refer objectives of the phase and the relevant expectations when appropriate. Emphasise the necessity of commitment.

Trainers present their contract/ commitment written in cards.

E.g. Preparations for the training session, punctuality, readily available and act professionally. Invite the trainees to write down their learning commitments on cards. Collect, read loudly, verify and post the cards against their expectation cards. Summarise and reiterate the importance of those commitments.

- (5) Reiterate again the privacy and confidentiality policy in the course.
- (6) House Rules – To ensure fulfilling all parties' reasonable expectations and the course objectives, house rules are essential. Set the relevant house rules with the trainees using a participatory approach. Some clues for the house rules are:
 1. Punctuality and the schedule
 2. Discussions in brief
 3. No criticism
 4. Maintaining confidentiality
 5. Evaluations and feedbacks
 6. Latecomers
 7. Handbook usage and availability
 8. Mobiles phones on silent mode or switched off
- (7) Introduce the Smiley Chart; the Start-up Loop Trainers feedback. Day 2 & 3 start with evaluation summary and trainees fill their evaluation forms all three days.
- (8) Request the trainees to sign the attendance daily. Link to the next session and display the necessary visuals (Time Schedule, House Rules, List of expectations, etc.) for the rest of the days.
- (9) Verify all questions. Post the visuals (Start-up Loop Course, Phase 4: Business Plan Packaging & PECs Training Course Schedule, Daily Schedule, Daily Evaluation, Expectations and Learning Contracts). Ensure every participant wears the name tag. Distribute the attendance sheet for signature.

Invite participants for refreshments and break.

- Follow up:**
- (1) Follow the house rules
 - (2) When necessary refer to the expectations
 - (3) In the end the expectations and learning contracts will be reviewed.

- Annexes:**
- ANNEX P4.1.1: PHASE 4: BUSINESS PLAN PACKAGING & PECs TRAINING SCHEDULE
- ANNEX P4.1.2: DAILY SCHEDULE FOR TRAINING 2
- ANNEX P4.1.3: SMILEY CHART



Annex P4.1.1: Phase 4 – Business Plan Packaging & PECs Training Schedule

DAY 1	Introduction to Phase 4: Business Plan Pitching & Personal Entrepreneurial Competencies (PECs) Training
	PECs
	PECs self-assessment
	Successful Entrepreneur Visit & PECs improvement plan
DAY 2	Risk management strategies
	Record-Keeping
	Financial Lexicon
	Financial Ratios and BEP
DAY 3	Business Plan Packaging and Presentation
	Mock business plan presentation (the pitch)
	Preparation for Phase 5: Financing & Linkages Coaching and wrap-up of Phase 4



Annex P4.1.2: Daily Schedule for Training 2

	TIME (starting and ending)
BLOCK A	
BLOCK B	
BLOCK C	
BLOCK D	
END OF THE DAY	



Annex P4.1.3: Daily Evaluation of Training (Smiley) Chart

Criteria	Happy 	Undecided 	Unhappy 	Remarks
1 Session objectives and relevance				
2 Session facilitation				
3 Session contents				
4 Handbook				
5 Logistics				

P4.2: Personal Entrepreneurial Competencies (PECs)

What is it?



The exercise is about listing those entrepreneurial characteristics that makes entrepreneur's successful using local entrepreneurs' lives as a basis or case study. It involves brainstorming with the participants on successful local entrepreneurs that they know. One of such successful entrepreneurs is selected and in plenary the characteristics of the entrepreneur are discussed. The aim is to highlight those characteristics that can make an entrepreneur successful and why it is important to imbibe them to become successful.

Objectives:

- (1) Identify personal entrepreneurial characteristics
- (2) Help participants reflect on their own behaviours
- (3) Identify characteristic aspects that should be improved on

Results / Aims:

- (1) An awareness and recognition about PECs
- (2) PECs enhancement

Application / Use:

PECs introduction and enhancement
PECs Assessment

Initial Preparations:

- (1) Space for participants to work in group

Required Resources:

- (1) Start-up Loop Lead and co trainers
- (2) Pictures of some popular and successful entrepreneurs
- (3) Marker pens and flipcharts
- (4) Soft board and Zopp cards

Checklist:

- (1) None

Training Steps Guidance:

- (1) Welcome Participants again
- (2) In plenary, facilitator leads a brainstorming session on the list of local successful entrepreneurs that the participants know
- (3) Ensure that success is defined by sustainability, growth of business, transparency and legality of business rather than political success or wealth gotten from other sources rather than entrepreneurship.
- (4) The type of business and source of wealth should be known to some extent

Experiencing:

- (5) Lead the participants to arrive and agree on one or two entrepreneurs to use as the case study.
- (6) Organise participants into 3 or 4 groups
- (7) Ask participants to brainstorm in their groups the characteristics that made

- the entrepreneur successful
- Data processing:**
- (8) Ask groups to present their results
 - (9) Write agreed success characteristics on a Flip chart board
 - (10) To save time, have other groups highlight only characteristics that are not yet on the board.
- Conceptualization:**
- (11) Why are these characteristics important in business?
 - (12) How can these characteristics be developed?
 - (13) Ensure participants understand how the characteristics can affect success in business and how they can develop their own characteristics.
 - (14) In which situations would you require some of these characteristics?
 - (15) Which is the most important of these characteristics for business success?
 - (16) What do you do if you lack these characteristics?
 - (17) How can you improve on these characteristics?
 - (18) Link the entrepreneurial characteristics to real live situations
- Application in real life:**
- (19) Explain and verify their understanding of each PEC. Link to annex P4.2.1 to present on the summarised 10 PECs
 - (20) Request the participants to commit with one action to improve their personal entrepreneurial Competencies.
 - (21) Inform the trainers they will be given an opportunity to identify the PECs with a successful entrepreneur
 - (22) Invite the trainees for the next session.

Follow-up: PECs Self-Assessment

Annexes: ANNEX P4.2.1: PERSONAL ENTREPRENEURIAL COMPETENCIES (PECS)



Annex P4.2.1: Personal Entrepreneurial Competencies (PECs)

Competencies can include motives, needs, wants, skills, knowledge, self-concept, values, aspirations and attitudes.

Entrepreneurial competencies can be classified in to three major categories: Achievement, Planning and Power.



A successful entrepreneur has the following competencies:

ACHIEVEMENT COMPETENCIES

1. Opportunity seeking
 - Looks for and acts on new business opportunities.
 - Seizes unusual opportunities to obtain financing, equipment, workspace and others.
2. Persistence
 - Takes repeated or different actions to overcome an obstacle.
 - Makes personal sacrifice or expends extraordinary efforts to complete a job.
 - Sticks with own judgement in the face of opposition or early lack of success.
3. Commitment to work contract
 - Accepts full responsibility for problems in completing a job for customers.
 - Expresses a concern for satisfying the customers.
4. Demand for quality and efficiency
 - Acts to do something that meets or beats existing standards of excellence.
 - Strives to do things better, faster or cheaper.
5. Risk taking
 - Takes what is perceived to be moderate risks.
 - States a preference for situations that involve moderate risks.

PLANNING COMPETENCIES

6. Goal setting
 - Sets clear and specific short-term objectives.
 - Sets clear and long-term goals.
7. Systematic planning and monitoring
 - Develops and uses logical step-by-step plans to reach goals and evaluates alternatives.
 - Monitors progress and switches to alternative strategies when necessary.
8. Information seeking
 - Personally seeks information on clients, suppliers and or competitors.
 - Consults experts for business or technical advice.
 - Uses contacts or information networks to obtain useful information.

POWER COMPETENCIES

9. Persuasion and networking
 - Uses deliberate strategies to influence or persuade others.
 - Uses business and personal contacts to accomplish own objectives.
10. Self-confidence
 - Has strong belief in him- or herself and his or her own abilities.

P4.3: Pecs Self-Assessment

What is it?



PECs self-assessment starts with a set of questionnaires the trainees answered during their Phase 1: Business Orientation. The questionnaires are processed to find out individual entrepreneur's rating on selected PECs on achievement, planning and power.

Objectives:

- (1) To assess the personal entrepreneurial competencies
- (2) To find a base for a personal entrepreneurial improvement plan

Results / Aims: PECs self-assessment

Application / Use: Phase 4: Business Plan Packaging & PECs

Initial Preparations:

- (1) The essential visual and the assessment calculations
- (2) U shape seating arrangements
- (3) Successful Entrepreneur Visit

Required Resources:

- (1) Flip chart board and charts
- (2) Lead and co trainers

Checklist:

- (1) Trainees have completed the self-assessment questionnaires.
- (2) All prepared visual aids



Training Steps Guidance: (1) Welcome trainees again to the Start-up Loop Phase 4: PECs, Day3. Finish all the daily recurring activities.

Experiencing: (2) Request the trainees to revisit the PECs Self-assessment questionnaire in the handbook. Ensure everyone has completed it. Remind coachees that they had filled this in Phase 1 Business Orientation coaching.

Print out the result of the PECs assessment for each trainee from the PECs excel worksheet

Data Processing: (3) Look for the trainees' reactions and feelings. Ask for any surprises. From the graphs, did anyone get low score in all the PECs parameters?

(4) Appreciate the high scores. Identify the PECs for achievement and high

scored trainees. Take a note of trainees' strong and weak PECs.

- Conceptualisation:**
- (5) Encourage all the trainees and inform them that regardless of their scores everyone can improve their PECs. Inform them this is the score at baseline and that improvements are already anticipated. Phase 6 ends with another PECs self-assessment.
 - (6) Inform them that participating in the training will help them to enhance their PECs and there are other ways too. They can develop their coaching goals on PEC for the next phase with coaching or without coaching they can enhance their PECs.
 - (7) To enhance the PECs, an understanding in detail of each PEC is essential. One way of understanding the PECs is identify the questions used in the PECs Self- Assessment with the PECs handout. Discussing and looking for examples is also helpful.
- Application in real life:**
- (8) Provide examples of behaviours, attitudes and skills related to those competencies.
 - (9) Help the trainees identify their strong and weak competencies.
 - (10) They can revisit their SWOT analysis in the previous BMP training. Are there any changes they would like to make? Let them take a note of it. Request them to take notes and modify the business plans later.
 - (11) Ask participants to fill in their learning diaries related to PECs.
 - (12) Inform the participants about the 'Successful Entrepreneur Visit'. It is an opportunity for them to witness and identify the PECs therefore, they can plan their improvements.
 - (13) During the 'Successful Entrepreneur Visit' the trainees have a task. When the entrepreneur presents his/her experience, trainees need to identify the PECs and take note of the part of the story depicting the PEC. In the end they present to the class in brief the three strong PECs of the entrepreneur.
 - (14) Group them in 5 members group. Ensure they are ready with a notebook.
 - (15) Inform and link to the next session 'The Successful Entrepreneur's Visit. Inform them that they do not criticise or argue with the entrepreneur; who is invited to give them an opportunity to learn. He/she is a successful entrepreneur and would like to share his/her story of starting his/her business with the trainees.



Follow-up: Successful Entrepreneur Visit and PECs Improvement Plan

P4.4: Successful Entrepreneur Visit & PECs Improvement Plan

What is it?



A successful entrepreneur is invited to the training to talk about his/her business start-up and operations to inspire the trainees. While listening to the successful entrepreneur's story trainees can recognise the personal entrepreneurial characteristics of that entrepreneur and their contribution to the entrepreneur's success.

The entrepreneur needs a briefing about what to talk and share. However, there is no need to brief about PECs.

Objectives:

- (1) To enhance and reinforce the personal entrepreneurial competencies and knowledge
- (2) To link to the successful business start-up and implementation.
- (3) To introduce a PECs improvement plan.

Results / Aims:

- PECs knowledge
- PECs improvement plan

Application / Use:

Phase 4: Business Plan Packaging & PECs

Initial Preparations:

- (1) The successful entrepreneur's visit
- (2) U shape seating arrangements
- (3) Successful Entrepreneur briefing and introduction

Required Resources:

- (1) A gift to give to the entrepreneur visiting
- (2) Lead and co trainers

Checklist:

- (1) Trainees have revisited the PECs self-assessment questionnaires and score sheets
- (2) Trainees know their strong and weak PECs based on their PECs self-assessment and scoring.
- (3) The entrepreneur understands that trainees are looking for skills and competencies especially for business start-up and successful running of business but not necessarily the list of PECs.

Training Steps Guidance:

- (1) Welcome the entrepreneur. Give a good introduction about entrepreneur's name, business, scale, details and a motivating appreciation to the entrepreneur.

Experiencing:

- (2) Tell the participants not to interrupt the entrepreneur in his/her presentation planned for 30 minutes.

- (3) The time for discussion come in the end of presentation when the trainees can ask questions.
- (4) Let the entrepreneur present and facilitate the discussion (question and answer) that follows.
- (5) Thank the entrepreneur. Present the gift and ensure he/she is happy and has left the training hall.
- (6) Maybe a break is good to have refreshments with the entrepreneur, if possible.

Data Processing:

- (7) Invite the trainees to remember all ten PECs. Ask briefly about their experience with the entrepreneur. Now divide trainees into groups for group discussion. It is the time to finalise their selected three strong PECs of that entrepreneur. Remind them, that it is not about assessing the entrepreneur but identifying the PECs. No need to talk about weaknesses. Give the group 20 minutes to discuss.

Conceptualisation:

- (8) Ask them to write on the flipchart and make the presentation. Each group has 3 minutes for presentation 1 minute per PEC. At the end of the presentation 2 minutes discussion with the class.

Application in real life:

- (9) Let the groups present their findings. Ensure that 'the end' discussion is about defining the PEC and not about the facts or criticising the entrepreneur.
- (10) Request the trainees to revisit their own PECs self-assessment questionnaire. What are their strong PECs?
- (11) Do they want to improve their weak PECs and what are they? What are the PECS that are very important for their business start-ups? On which PECS do they want to have high scores and why?
- (12) Ask them to identify three PECs of their own and write down three ways to improve those selected PECs
- (13) Provide 30 minutes. Coach them. Link to the next topic.



Follow-up:

Risk Management Strategies

Annex:

ANNEX P4.4.1: PECs IMPROVEMENT PLAN

Annex P4.4.1: PECs Improvement Plan



Instructions for Participants

You have taken the PECs assessment and seen the results. If you do not have all the desired characteristics and skills to be an entrepreneur or if your situation is not right to be an entrepreneur at this time, you do not need to give up!

Look at the assessment areas above and identify the areas that need improvement and growth, which are critical for you to start your business and succeed in it. There are many ways to improve your entrepreneurial abilities. You can:

- Learn from people who run their own business, especially those in your chosen business field and type
- Attend training courses
- Find work as an assistant or apprentice in a successful business in the field and type that you are interested in
- Read articles about businesses in your field and type in newspapers and trade journals, either on the internet or at libraries to help you think about the problems these businesses are facing and their proposed solutions
- Join a small business association in your area and participate in forums
- Set aside small amounts of money on a daily or weekly basis to help finance your new business
- Develop the skills and attitudes described below by applying them in your daily activities:
 - Increase your motivation and commitment by making a plan for your future
 - When things go wrong, analyse what happened and improve your ability to learn from mistakes
 - Accept the problems, assess the solutions and take risks
 - Become more open to new ideas and other people's views



You will like to keep improving on your PECs to become better and better in running your business.

PECs Improvement Plan		
Areas that need improvement	What will I do to improve it? How?	By when?

P4.5: Risk Management Strategies

What is it?



Risks indicate probabilities that some undesirable events can happen in the future. By itself, life is risky. Picking your kids from school, keeping your petty cash safe, and using anti-virus software are just a few indications that we are aware of some risks. Being aware and knowing how to cope with them does not change the risks. However, our acceptance, plans for future actions and how we learn to cope can go a long way to minimize or avoid them.

Starting SMEs anywhere in the world is likewise full of challenges and risks. And this is specially so in Nigeria. Fortunately, starting the enterprise is the best time to think about risks and minimizing their chances of happening. It is the best time to consider possibilities and future actions if and should the inevitable happens.

Objectives:

- To understand what Business risks are
- To appreciate risks faced by start-ups
- To develop risk mitigation strategies

Results / Aims:

- Understand possible Start up risks
- Develop Action plan for risks mitigation

Application / Use: Phase 4: Business Plan Packaging & PECs

Initial Preparations:

- Ask participants to bring out SWOT analysis of the business
- U shape seating arrangements

Required Resources: Lead and co trainers.

Checklist: None

Training Steps Guidance:

- 1) Welcome the entrepreneur. Give a good introduction to the topic with its importance

Experiencing:

- 2) Ask in plenary what is Risk and examples of business risks
- 3) Ask if start-ups also face risks in business
- 4) Allow participants to cite examples of kinds of risks that business start-ups face

Data Processing:

- 5) What could be done to reduce the effect of the identified risks giving examples

- 6) Publish the answer of above question on the board
- 7) Explain that this coping techniques to manage risks are known as *risk management strategies*



- | | |
|----------------------------------|--|
| Conceptualisation: | 8) Refer to handbook: Risk management strategies |
| | 9) Ask each participant to identify potential risks his/her business is likely to face |
| Application in real life: | 10) What are the strategies the entrepreneur hopes to use in coping with these identified risks? Brainstorming session. |
| | 11) Refer again to handbook to discuss the strategies. |
| | 12) The personalised mitigation strategies from the brainstorming are to be documented in the participants Business plan |



Follow-up: Record keeping

P4.6: Record Keeping

What is it?



Most entrepreneurs do not write down how much money comes in and goes out of their business. They keep everything in their head. As a result, they do not know exactly how much money they are earning, how much they buy and sell on credit and how they could improve their business. In Nigeria, a major cause of business failure amongst micro, small and medium enterprises is poor accounting practices. Improper and insufficient recordkeeping has become a regular feature of most small businesses in the country.

As start-ups the time to begin the practice of record-keeping is now. This topic introduces the importance and benefits of record keeping. It also gives a practical guide on how to practice record-keeping for small businesses.

Objectives: Importance of record keeping
How to use a simple record keeping template

Results / Aims: Improved competence for record keeping
Develop suitable record keeping template

Application / Use: Phase 4: Business Plan Packaging & PECs

Initial Preparations: Make available copies of record keeping template from Handbook
U shape seating arrangements

Required Resources: Lead and co trainers. Flipcharts, markers and pens.

Checklist: None

Training Steps Guidance:	<p>Welcome the entrepreneur. Give a good introduction to the topic.</p> <p>Ask participants in plenary what they understand by record keeping</p>
Experiencing:	<p>Document responses in summary on the board</p> <p>Then proceed to ask if they feel this is an important topic for business Start ups</p> <p>Divide the class into 5 groups for a 10minutes brainstorming session.</p> <p>Each group is to discuss and brainstorm on one of the questions below. Group1 discusses on question 1, group 2 on question 2.... In that order. Answers are to be written on flip charts</p> <ul style="list-style-type: none"> • Question 1: Why is record keeping important? • Question 2: What are the things (materials) you need to keep your records well? • Questions3: What records can you use to prove payments made (including electronic transactions)? • Question 4: What are best practices in record keeping? • Question 5: How do you record buying and selling on credits?
Data Processing:	<p>Each group appoints a rapporteur that presents the answers of the group in plenary.</p> <p>Give each group 2 minutes for presentation</p>
Conceptualisation:	<p>Refer to handbook: to fine tune the feedbacks gotten above</p> <p>Ask the class in plenary what steps they plan to take in introducing record keeping into their businesses as Start-ups.</p> <p>Ask if this was considered during the business plan O&M development</p>
Application in real life: Follow-up:	<p>Distribute the record keeping templates or refer to page in the hand book</p> <p>Tell participants this is just a template that could be modified to suit individual businesses</p> <p>Introduce participants also to the possibilities of E-formats and possible softwares for record keeping.</p> <p>Finance Lexicon (Inform participants to read up the lexicon in the glossary of the handbook before coming the following day)</p>
Annex:	None

P4.7: Introduction to Finance Lexicon

What is it?



The tool which comes like an energiser sets to help introduce financial terms and terminologies the start-up may not be familiar with. It provides a broad base of definitions and explanation to commonly used financial terms the entrepreneur may have been coming across with during the process of the business plan development.

This also helps to prepare and boost the confidence of the participants for the BP pitching event in Phase 6 where they meet with bankers and investors who often use these financial terms

Objectives:

- To improve the financial vocabulary of the start ups
- To create a reference for quick check of financial terminologies
- To relax participants as more topics on finance are discussed

Aims / Results:

- A conducive environment for learning more on finance
- Boost confidence of participant against pitching event

Application / Uses:

Phase 4: Business Plan Packaging & PECs

Initial Preparations:

- Divide the class into 2 groups; Package some sweets as gift for the winning group; Prepare questions for quiz from the finance lexicon
- One finance terminology per question. Each question is squeezed into a quiz box.
- Prepare 20 quiz questions from the finance lexicon, Score sheet

Required resources:

Flip chart board and charts and pens

Checklist:

Ensure participants were informed and reminded to prepare for this exercise

Training Steps

Guidance:

- Introduce the topic to the class informing them of the objectives and importance of the finance lexicon
- Ask if they all were able to read through and understand the terms in the finance lexicon the night prior.
- Divide the class into 2 groups and inform them of the quiz competition
- The competition is for 30minutes. One minute per question. Bonanza questions are for 30 seconds
- Co trainer acts as time keeper. Be strict with time.
- Questions are picked one at a time per group from the quiz box.
- A wrongly answered question goes as bonanza to the other group.
- Correctly answered question attracts 10points

- Bonanza questions correctly answered attracts 5 points
- Wrong or no answer is zero point.
- Make sure to make clarifications and further additions to every question answered before moving to the next question.
- Scores are computed into the score sheet on the board.
- The group with the highest score wins the competition and earns the gift.
- Refer to glossary page of handbook: for answers and clarifications
- Return to plenary and discuss other finance terms not covered during quiz; Conclude the session



Follow up: Financial Ratios

P4.8: Financial Ratios And Break-Even Point

What is it?



After the business plan is almost done the entrepreneur needs to take a critical look at his financials again using the microscopic lens of the financial ratios.

Financial (or accounting) ratio analysis quantify many aspects of a business unit that compares two items in the financial statements. The resulting ratio can be interpreted in a way that is not possible when looking at the items separately. Financial ratios allow for comparisons: (a) between SMEs, (b) between industries, (c) between different time periods for a SME, and (d) between a single SME and its industry's average.

The BEP calculates the point where the total sales cover all costs in doing the business. BEP can also determine various sales and cost relationships. It can establish the level of operations the MSME must maintain to recover all fixed and variable costs and to derive profitability from each sales level

Objectives: To evaluate the business plans again from the view point of an investor
To determine expected level of business operation that guarantees profitability

Aims / Results: Understanding of some basic financial ratios and implications
Calculated financial ratios for the business

Application / Uses: Phase 4: Business Plan Packaging & PECs

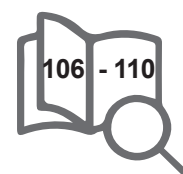
Initial Preparations: If no time pressure, a quick revision of business mathematics will be beneficial.

Required resources: Flip chart board and charts and pens
Calculators, smart phones and computers
Hand out on financial ratios and BEP

Checklist: Ensure all participants have their financial plans ready

Training Steps Guidance:

- Introduce the topic to the class informing them of the objectives and importance.
- Ask if all participants have their completed financial plans handy
- Refer to handbook section on financial ratios
- List out all the ratios for consideration inclusive of the BEP (which is not a ratio)
- Facilitate the workshop session in plenary following the sequence below for each of the ratios:
 - Explain the importance of the ratio to the class
 - Define the formula for calculating the ratio
 - Define each cost element in the formula
 - Identify and gather all cost items or elements from the financial plan
 - Input the cost items into the formula and calculate
 - Also, you can easily refer to the worksheet on financial ratios in the Excel finance tool to pick out the needed ratios
 - Discuss the implications of results and identify options for improvement. The finance tool can easily help for quick iterations if the financial analysis and outlook of the business isn't bright enough
 - Tell the participants to formulate an action plan
- After improvements are made, participants can input these ratios into the latter part of the Business plans.



Follow up: Business Plan packaging and presentation

P4.9: Business Plan Packaging and Presentation

What is it?



Participants prepared their business plans which has been initiated in Phase 2 and continued to Phase 3: Business Planning Coaching.

All these times, trainees concentrate on details in four headings: Marketing, Production, Organisation and Management and Financial Management. To present a business plan for financing requires orderly arrangement of the parts of business plan and summarise the essential details in an Executive Summary.

Packaging means more than arranging the parts of the business plan. It is also about getting ready for the pitching for external investment requirements and business loans. Key steps to a successful BP presentation are elaborated in this session and particularly what to watch out for.

- Objectives:**
- (1) To review, summarise and package the prepared business plan
 - (2) To get ready for the business plan presentation in Phase 6: Pitching Event & Graduation Ceremony.
 - (3) To prepare the potential entrepreneur for pitching experience.

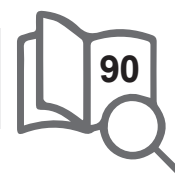
- Results / Aims:**
- (1) Business plans are packaged
 - (2) Potential entrepreneurs are aware how to prepare and face the business plan presentation in the Phase 6: Pitching Event & Graduation Ceremony.

Application / Use: Phase 4 and 5

Initial Preparations: Visuals are prepared based on Annex P4.2.1: Packaging the Business Plan

- Required Resources:**
- (1) Soft boards and pins
 - (2) Flip charts and papers

Checklist: Participants have prepared their business plans.
Refer to handbook page 90.



- Training Steps Guidance:**
- (1) Welcome, greet and introduce the session.
 - (2) Verify with participants how far they have completed the business plans. Check one by one.
 - (3) Are they ready for pitching? Do they know how much their total investment is and their financing strategies? How much do they need to borrow?
 - (4) Let them understand it is time for getting ready for packaging the business plans.
 - (5) Use the Annex P4.9.1 and introduce the business planning packaging.
 - (6) Request the participants to refer page 81 in the handbook.
 - (7) Encourage the participants to package their business plans. It is better to computerise the business plan, but it is not a must requirement.
 - (8) Ask participants to fill in their learning diaries related to Business Plan Packaging.



Follow-up: Phase 6: Pitching event & Graduation Ceremony

Annex: ANNEX P4.9.1: PACKAGING THE BUSINESS PLAN



Annex P4.9.1: Packaging and Presenting the Business Plan

The business plan presentation happens in the Phase 6: Pitching Event & Graduation Ceremony. Bank officers and other lending organisations come on invitation and assess the business plans prepared by the Start-up Loop participants. It is an opportunity for them to present their business plans for viability test and access financing.

All participants are encouraged to present their business plans. It is the time to check the details and package the business plan.



A presentable business plan will have the following:

Item	Details
1 <i>Cover page</i>	Name of the business Date Your name Contact details: address, telephone, mobile and email
2 <i>Content page</i>	Titles with page numbers
3 <i>Executive Summary</i>	One page summary of business plan.
4 <i>Marketing Plan</i>	Detailed marketing plan describing the products, marketing strategies, forecasted sales and volume, pricing list, fixed assets (if any) and total marketing expenses.
5 <i>Production/ Service Delivery Plan</i>	Detailed production/service delivery plan describing the factory/stores/ service delivery location, production process flow chart, fixed assets requirements and detailed expenses.
6 <i>Organisation and management plan</i>	Detailed organisation and management plan describing the form of the business, organisation chart, your profile, fixed assets and total expenses. In addition the Pre-operating Gantt Chart with costs.
7 <i>Financial Plan</i>	Detailed financial plan including the total investment cost, loan requirement (if any), loan repayment schedule, profit and loss statement, cashflow forecast, balance sheet and the ratio calculations.
8 <i>Annexes</i>	Any additional details that might be relevant These could be: your curriculum vitae, detailed process flow charts, fixed asset quotations and others.

Note:

Remember the business plan serves many useful functions which includes among many being a road map for operating the business and a proposal that describes a business opportunity to financing agencies or investors. Usually the prospective investors may be many with varied requirements. It is therefore important that the business plan is written to meet the most general lending requirements of the operating business environment. After the pitching events, potential investors would have shown their interests in the business plans. The entrepreneurs can then make the necessary minor adjustments in the business plan to meet other specific requirements of the interested investors and financing agencies. The most important task now is to show the viability of the business idea to the investors.

P4.10: Mock Business Plan Presentation (The Pitch)

What is it?



The session is a pitching and mock business plan presentation which is to test the viability and to package the business plans prepared so far. The Business Management & Planning training facilitated the trainees to develop their business plans covering marketing, production, organisation and management, and financial management. During Phase 3: Business Planning Coaching, trainees worked and personalised the business plans with additional details. The trainees also working on piloting their products/services. They are working with their business plans now for 6-7 weeks. There is a possibility, that trainees are enthusiastic to start or already have started their businesses. A mock business plan presentation at this stage enlightens trainees to realise the need for business plan packaging and organising with other features such as executive summary, front page, table of contents and annexes.

In this session, trainees pitch for investment. They do not have time to talk about the complete business plan. Within three minutes they need to explain everything and pitch for external investment which is different to the actual business plan presentation.

Objectives:	<ul style="list-style-type: none"> (1) To understand one's planned business from an investors' point of view and to create awareness about viability test. (2) To understand the importance of business plan packaging requirements (3) To provide a business plan presentation experience in preparation for the Phase 6 business plan presentation to bankers.
--------------------	---

Aims / Results:	<ul style="list-style-type: none"> (1) Business plans viability testing (2) Business plan packaging
------------------------	---

Application / Use:	<ul style="list-style-type: none"> (1) For business start-up support, business plan presentation (2) Business plan packaging
---------------------------	--

Initial Preparations:	<p>Two set-ups for pitching for investment 'The Business Plan Presentation'. This will save time.</p> <p>Rules written in flipchart paper (Annex P4.10.1: <i>Role briefing for entrepreneurs</i>)</p> <p>Panel of judges (3x2) briefed (Annex P4.10.2: <i>Role briefing for investors</i>) for both groups.</p> <p>Separate rooms for each group.</p>
------------------------------	---

Required Resources:	<p>A Start-up Loop trainer</p> <p>Three volunteers to role play venture capitalists (staff/volunteer)</p> <p>Start-up Loop Trainee Handbooks</p> <p>Flipchart boards, papers and marker pens</p>
----------------------------	--

A stop-watch

IN and OUT cards

- Checklist:**
- (1) Visual aids
 - (2) The entrepreneurs and the venture capitalists understand the rules clearly
 - (3) The order of presentation and timing; each entrepreneur 3 minutes presentation/ pitching and then 2 minutes for Investors to ask questions.

- Training Steps Guidance:**
- (1) Introduce the session 'The mock business plan presentation'. Inform them there are investors interested in new businesses and looking for investment opportunities. It is an exercise only to prepare them for the actual pitching of their business plan.
 - (2) The entrepreneurs are encouraged to pitch for part of the planned investment and are requested to present their businesses in front of those investors.
 - (3) Explain the rules written on a flip chart paper. Give trainees 30 minutes to prepare their presentations. Give them each a flipchart paper or 7 small cards to use in the presentation.
 - (4) Set-up the groups (Group Blue and Group Green) with a stage for pitching, Investors tables, name boards, 'IN' or 'OUT' cards and forms for each judge and the flipchart board and pin board for each group.
 - (5) Prepare the results chart and keep it away from the Dens.
 - (6) Brief the investors and explain their forms. Invite the investors to take their seats. Request the entrepreneurs to volunteer for their turns and give them number tokens (Separate each group token by colour to avoid confusion).
 - (7) All entrepreneurs sit in their groups as audience and then turn is taken to present. Follow the three- and two-minute time allocations during presentations for the presenters and investors respectively.
 - (8) On presentation completion, request the investors to brief about their experience and feedback about the presenters. Thank the investors and hand over their token of gifts, if you have arranged in advance.
 - (9) Only after the investors leave you start the processing.
 - (10) Show the completed results chart (Annex P4.8.3) prepared by the trainers and briefly explain the data. In the results chart we do not write names of the entrepreneur but the businesses.
 - (11) Ask for the feelings which may vary. Read out the reasons given by the investors for their decisions.
 - (12) Process the data around sources of financing. Inform the loans how they share the liability in a business. Discuss various sources of finances (Annex: P5.1.2: *Sources of Finance*).
 - (13) Brainstorm with the entrepreneurs for ways of improving the presentations and bring out packaging the business plan concept. This is not the real business plan presentation. It is kind of a pitching experience. Entrepreneurs experience what investors look for in a business is the viability of the business. It is an opportunity for the trainees to step back and look at their planned businesses from other investors' point of view.

- (14) Remind them about the real business plan presentation in Phase 5:
- (15) As a preparation the trainees need to package the business plans. Briefly discuss about the importance of packaging a business plan. Introduce the concept of Executive summary, front page, contents page, annexes and binding as a document.
- (16) Announce that there is awards from the implementing organisation for the best business plans (up to 3 business plans). The best business plans are selected from the bankers' evaluations and the viability test in Phase 5.
- (17) Conclude the business plan packaging.
- (18) Summarise and link with successful entrepreneurial competencies

Follow-up: Business plan preparation

Annexes: ANNEX P4.10.1: ROLE BRIEFING FOR ENTREPRENEURS
ANNEX P4.10.2: ROLE BRIEFING FOR INVESTORS
ANNEX P4.10.3: GROUP INVESTMENT DATA
ANNEX P4.10.4: RESULTS CHART FOR MOCK BUSINESS PLAN PRESENTATION



Annex P4.10.1: Role Briefing for Entrepreneurs

The entrepreneur presents his/her business to a group of investors, in this case, 'Blue and Green groups'. The investors look for new companies to invest in and partly own the business.

The entrepreneurs present their businesses on the assumption that they are looking for external investment. The investors are looking for new investment opportunities. They will look for the business viability, profitability, the entrepreneurial competencies and the return on their investment. There are basics for the exercise. The rules binding the entrepreneurs are:

Rule 1:

Each presentation starts with an introduction and it must have the detail of

- Entrepreneur name
- Business name
- Amount of venture capital or loan pitching for, and can have
- Any other unique business details and financial ratios E.g. Return on Investment (ROI) forecasted.
- Can use one flipchart paper or 7 cards

Rule 2:

Only three minutes are allowed for the presentation and pitching. The investors can stop the entrepreneur at any time but not during the initial 3 minutes.

Rule 3:

At the end of the three minutes presentation, investors may ask questions to verify details. Otherwise, they show a card telling 'IN' or 'OUT' on their investment decisions. (These results are recorded for later use.)

Rule 4:

Each entrepreneur must leave the group with at least the full amount they asked for or they exit empty handed. When an investor is willing to invest in the business, the entrepreneur also verifies the investment amount. You can accept more than one investor's offer to get your full amount.

Rule 5:

Entrepreneur's time in the group is over after all three investors have declared themselves 'OUT' or when negotiation with all investors has ended.

Rule 6:

The entrepreneur must secure at least the total amount they have asked for at the beginning of the pitch. If an investor offers less than the full amount, the entrepreneur must try and make up the total by securing an investment from one or more of the remaining investors.

Rule 7:

The entrepreneur **does not** have to answer all the questions asked, but what they do or do not choose to answer may affect the outcome.



Annex P4.10.2: Role Briefing for Investors

Entrepreneurs pitch for investment in the Den to you Dragons. There are two - three Dragons in a panel and each is willing to find viable new business for investment. You are one of the **INVESTORS**.

An entrepreneur presents the business within three minutes. You do not disturb their presentation until end of the three minutes. You have 2 minutes to clarify the details assuming you are going to invest in the business, mostly the amount the entrepreneur pitches for or less. To decide about your investment, you evaluate the business viability, the plan and cost/profit calculations. The rules binding you are:

Rule 1:

Assume you have money to invest in and are looking for new businesses. There is no limit on the amount you are willing to invest.

Rule 2:

You listen to the presentations (3 minutes) and make your own decisions about the businesses. At the end of the three minutes presentation, you can ask for additional details of the business (2 minutes).

Rule 3:

On verifying you may decide 'yes' or 'no' for your investment interest. If you like to invest in the business show your card 'IN' otherwise, 'OUT'. You also need to tell the amount that you are willing to invest (Part/Full). If it is less than the investment the entrepreneur is looking for, he/she will look for other investors too.

Rule 4:

Fill the table (next page) with the details: name of the entrepreneur, business, your decision, and the amount of investment with right reasons. **DO NOT** fill the table for businesses you are not investing in.

Rule 5:

Do not invest in businesses which are not presented well or do not have viability.



Annex P4.10.4: Results Chart for Mock Business Plan Presentation

	Name of the Business	Won an Investment (Y/N)	Investment Amount	Reasons
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

P4.11: Preparation for Phase 5 – Financing & Linkages Coaching

What is it?



The PECs training session reaches the third day and it is time to prepare for the coaching Phase 5 Coaching for Financing, Linkages. The training is for three days and trainees get to know about PECs, records keeping, risk management strategies and have re-set their business start-up goals.

This coaching session is different to other coaching phases as the coaching mainly focus on business networking and support linkage development.

To optimise the coaching benefits, preparing the trainees is essential.

Objectives: To prepare entrepreneurs for the individual coaching in phase 5: Financing and linkages

Results / Aims: Introduction to Phase 5 Financing & Linkages Coaching
PECs self-assessment

Application / Use: (1) Business Start-up
(2) PECs self-assessment

Initial Preparations: Stop Watch

Required Resources: Lead and co trainers
Pin boards and marker pens

Checklist: Start-up Loop diagram (Annex I.1)

Training Steps Phase 5: Coaching for Financing and Linkages

Guidance:

- (1) Invite participants to prepare for the Phase 5, FL coaching sessions. Ask them to visit the section on phase 5 in the handbook. Guide the entrepreneurs in preparations. Do not invite open discussions on individual needs.
- (2) Inform about the coaching session details.
- (3) Ensure everyone is ready for their phase 5.



PECs Wind-up

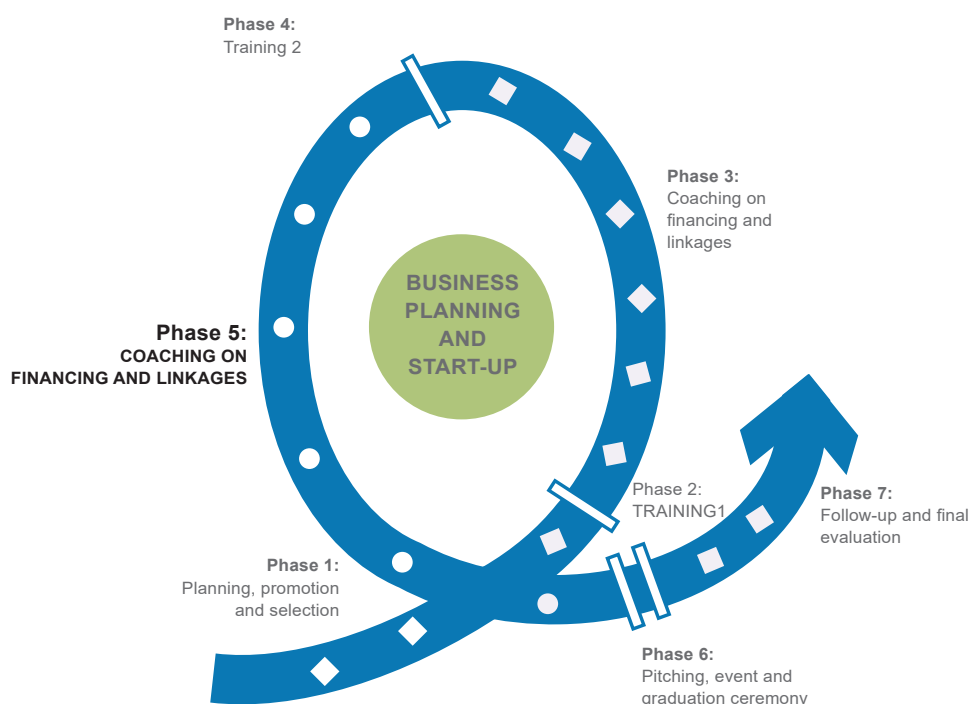
- (4) Visualise the Start-up Loop. Point the present position of the group (end of phase 4).
- (5) Enquire for the trainees' feelings and satisfaction. Where are they in the process of start-up? Who is going to start the business and when?
- (6) Are they progressing and gaining confidence?

- (7) Summarise the PECs training course taking time for session details of all three days. Remind them about the first day of PECs course sharing the visuals; list of expectations and learning contract.
- (8) Distribute the Day 3 evaluation (which may differ from the first two days criteria).
- (9) Ensure everyone sign in the signature sheet.
- (10) Wind-up Phase 4: PECs with a Phase 5: Financing & Linkages Coaching invitation. A group photograph would do the complete wind-up.

Follow-up: Phase 5: Coaching for Financing and Linkages

PHASE 5

Coaching for Financing and Linkages



Phase 5: Financing and Linkages includes a series of six individual coaching sessions. Entrepreneurs have prepared their business plans. They also have completed the Personal Entrepreneurial Competencies development training and are now getting ready to work on individual coaching sessions for financing, linkage development and working to present their business plans to investors.

Participants have been oriented in customer and market, have learnt to separate business from family commitments, business planning and business management, forecasted costs, investment and financing requirements, unlocked and enhanced personal entrepreneurial competencies and business managerial capabilities.

Still some entrepreneurs may face challenges to start their businesses due to various other reasons and factors outside of the thresholds and control of the potential entrepreneur and the Start-up Loop implementer. One example could be access to business start-up loans. There are possibilities of accessing business start-up loans via cooperatives and private sector collaborations in Nigeria. These business financing opportunities vary from state to state and business to business.

In this phase, participants receive support and information about how to access various needed support linkages, Business Development Services or sources of financing with the help of six individual coaching sessions.

Participants also receive information and support in establishing business linkages, especially if their business operations have already started.

Note:

At the end of Phase 5, during the last coaching session, the PECs self-assessment questionnaire has to be completed. It is also the responsibility of the coach to follow up on how well the coachee is doing on the agreed PECs improvement plan.

Tool No.	Tool Title / Name	Duration
P5.1	Financing & Linkages Coaching Session 1 – Introduction	1.5 to 2 hours per week
P5.1	Financing & Linkages Coaching Session 2	1.5 to 2 hours per week
P5.1	Financing & Linkages Coaching Session 3	1.5 to 2 hours per week
P5.1	Financing & Linkages Coaching Session 4	1.5 to 2 hours per week
P5.1	Financing & Linkages Coaching Session 5	1.5 to 2 hours per week
P5.1	Financing & Linkages Coaching Session 6 – Preparation for Phase 6 & M&E form 2 completion (PECs final score)	1.5 to 2 hours per week

Tool Title / Name	Suggested Topics for Coaching Session
P5.1 - Financing & Linkages Coaching Session 1	Financial plan completion (if necessary); Identification of relevant linkages for business
P5.1 - Financing & Linkages Coaching Session 2	Develop suitable record keeping template for the business
P5.1 - Financing & Linkages Coaching Session 3	Product testing (if necessary)
P5.1 - Financing & Linkages Coaching Session 4	Linkage development as needed
P5.1 - Financing & Linkages Coaching Session 5	Linkage development as needed
P5.1 - Financing & Linkages Coaching Session 6 – Preparation for Phase 6	Final validation of business plan; presentation skills; preparation for pitching; second PECs self-assessment (PECs final score)

P5.1: Financing and Linkages Coaching

What is it?



The following coaching sessions will vary from coachee to coachee as their coaching goals and needs vary. The coaching guidelines are covering all the six sessions. The coaching process here is mostly individual and not group coaching.

The coaching sessions help the entrepreneurs to focus on the various support and financing sources including savings. Entrepreneurs will end up with investment requirements, looking for various sources of finances and access to technology. Accessing financing needs to be handled with care. The coaches encourage the coachees to look for various financing options in their coaching sessions and focus more on cost free and less burden loans. E.g. borrowing from family and friends, own savings, buy materials on loan from suppliers, etc. Coaching sessions can result in financing and linkages developments but cannot guarantee or directly involve in borrowing money.

The coach in this phase provide coaching services to the entrepreneur to work withinin his/her context to the set goals and accessing external resources non-financial and financial.

General topics have been suggested for each coaching session in the coaching schedule above. This is to help give direction to the process. However, coachees still would come up with their individual needs and goals as it relates to starting the business thus making this phase individualized.

Objectives:

- (1) To prepare the coachee for a series of F&L coaching.
- (2) To prepare the coachee for Phase 6: Business plan presentation
- (3) To encourage the coachee to prepare for and start/ grow the intended business.
- (4) To share the issues related to business plan preparations and finalise the business plan.

Aims / Results:

- (1) A rapport is created with the coachee
- (2) Coaching issues/goals are identified and agreed.
- (3) Coachee identifies a set of actions to implement to achieve set goals.
- (4) Coachee implements his/her product/service piloting.

Application / Uses:

Phase 5: Financing & Linkages Coaching

Coaching Guidance:



Coaching Session 1

- (1) Introduce yourself as a Start-up Loop Coach and establish the general code of conduct agreement with the coachee. The code of conduct covers privacy, confidentiality, punctuality and commitment from both sides.



- (2) Start with the identified issues/challenges prepared by the coachee in his/her handbook. Ask the right questions so the coachee explains in detail the problems one by one to you. Ask for the background details. Ensure a common understanding on the issues using rephrasing techniques.
- (3) Request the coachee to formulate the issue into a goal statement. This is usually the positive side of the problem.
- (4) The first session is to establish coaching session goals. These are bite size goals as it relates to the topic of the coaching session. Pick the most important 1-2 goals as working goals. Here the goals are varying from coachee to coachee but fall under the umbrella of the coaching topics and business start-up in general.
- (5) Ask the coachee what their financing strategy is. Do they have a goal for it? Any linkage development goals? Let the coachee identify the support linkages needed. What is their critical success factor related goal? However, the overall goal is to start the business.
- (6) Explore the goals further and set priorities. If possible, identify minimum of three activities in reaching the goal.
- (7) Let the coachee complete the coaching schedule. Let him/her write down the activities promised. Guide him/her to make it 'SMART.'
- (8) Complete your coaching client record. Get the signature of the coachee.
- (9) Agree on the next coaching session date and time within the next week. Wind up the session with a summary.



Coaching Session 2 - 5

- (10) Work on the goals with the coachee using their challenges and bite size goals. Take this in bits covering the coaching topics.



Coaching session - 6

- (11) Continue and finalise the previous coaching goals.
- (12) Initiate discussion on the business plan presentation. Coach on business plan packaging if necessary. It is also time to check if the coachee is ready for the pitching event. Agree on activities and wind up the session reminding them that the next session is about completing the coaching sessions.
- (13) Ask coachee to fill the PECs self-assessment questionnaire again. Record the total score in the M&E form 2 (annex P6.1.3).
- (14) Invite for the Phase 6: Pitching Event & Graduation Ceremony with the Business Plan Presentation. Wind up the Phase 5: Financing & Linkages Coaching and link to Phase 6: Pitching Event & Graduation Ceremony

Follow up: Phase 6: Business Plan Presentation and Graduation Ceremony

Annexes: ANNEX P5.1.1: COACHING LOGBOOK FOR PHASE 5
ANNEX P5.1.2: SOURCES OF FINANCE



Annex P5.1.1 Coaching Logbook for PHASE 5

COACHING LOGBOOK

Phase 5 – Individual coaching session no.: Name of coach:

Name of coachee: Name of business:

Session date: Session location:

Level / % of implementation (of actions) from last coaching session		
Major challenges militating against complete implementation of actions		
Goal of the coaching session		
Main conclusions		
Actions to implement		
Major issues for start-up		
Overall appraisal of start-up	<i>Weaknesses observed</i>	<i>Strengths / Improvements observed</i>

Next coaching session (date and location):



Annex P5.1.2 Sources of Finance

Sources Of Finance For Small and Growing Businesses

Small and medium sized enterprises can be defined as having three main characteristics:

- Companies which are not quoted on a stock exchange – they are “unquoted”
- Ownership of the business is typically restricted to a few individuals. Often this is a family connection between the shareholders
- Many MSME's are the means by which individuals (or small groups) effectively achieve self-employment

Finance is needed throughout a company's life. The type and amount of finance required for a business depends on many factors: type of business, success of firm and state of the economy.

There are two main types of money that a company needs. Capital budgeting is an extremely important aspect of a firm's financial management. Although capital assets usually comprise of a smaller percentage of a firm's total assets than current assets, capital assets are long-term. Therefore, a firm that makes a mistake in its capital budgeting process has to live with that mistake for a long period of time.

Capital expenditure: Used for buying fixed assets where large sums of money are involved but they are not purchased often e.g. new premises, machines, heavy equipment.

Working capital: Day to day money required for running the business.

Why do MSMEs and Start-ups Find Financing a Problem?

The main problem faced by MSMEs when trying to obtain funding is that of uncertainty:

- MSMEs and Start-Ups rarely have a long history or successful track record that potential investors can rely on in making an investment;
- Larger companies (particularly those quoted on a stock exchange) are required to prepare and publish much more detailed financial information – which can actually assist the finance-raising process while smaller companies very often do not have the required financial documentation;
- Banks are particularly nervous of smaller businesses and start-ups due to a perception that they represent a greater credit risk because repayment rates are lower.

Because the information is not readily available, MSME's and Start-ups often only start research when they seek finance. They need to give a business plan detailing company asset, experience of directors and/or managers and come up with the required security to guarantee the finance.

Prospective lenders – usually banks – will then decide based on the information provided. The terms of the loan (interest rate, term, security, repayment details) depend on the risk involved and how the lender wants to monitor the investment.

Banks will generally be unwilling to increase loan funding without an increase in the security given (which the start-ups may be unable or unwilling to provide) and this remains a common problem everywhere.

A problem of uncertainty relates to businesses with a low asset base. These are companies without substantial tangible assets, which can be used to provide security for lenders.

When a start-up is not growing significantly, financing may not be a major problem. However, the

financing problem becomes very important when a company is growing rapidly, for example when contemplating investment in capital equipment or an acquisition.

Few growing companies are able to finance their expansion plans from cash flow alone. They will therefore need to consider raising finance from other external sources. In addition, managers who are looking to buy-in to a business (“management buy-in” or “MBI”) or buy-out (management buy-out” or “MBO”) a business from its owners, may not have the resources to acquire the company. They will need to raise finance to achieve this.

Sources of Finance for SMEs

There are two main sources of finance to meet the needs of small and growing businesses, these are internal sources and external sources.

Internal Sources Include:

- Retained profit - profit made is reinvested into the business.
- Controlling working capital - reducing costs, delaying outflows and speeding up inflows.
- Sale of assets - Assets the company owns can be sold and then leased back, which frees up a large amount of capital in the short term.

External Sources of Finance Include:

- Owner’s savings - the owners investing money into the business.
- Money from family on interest or without interest
- Bank loans - medium or long-term loans but interest is charged.
- Leasing - instead of buying.
- Increasing trade credit - delaying payments on purchases for as long as possible.
- Factoring - use a company to collect all debts.
- Overdraft - an agreement with a bank to be allowed to overdraw a certain amount.
- Grants - an agreed amount of money given for a special reason by government or other organisation.
- Venture capital - people invest in the company when it is unable to float on the stock market.
- Debentures - business equivalent of a mortgage. Loan for a set length of time at a set interest rate
- Share issues - selling of new shares to raise capital.

A key consideration in choosing the source of new business finance is to strike a balance between equity and debt to ensure the funding structure suits the business.

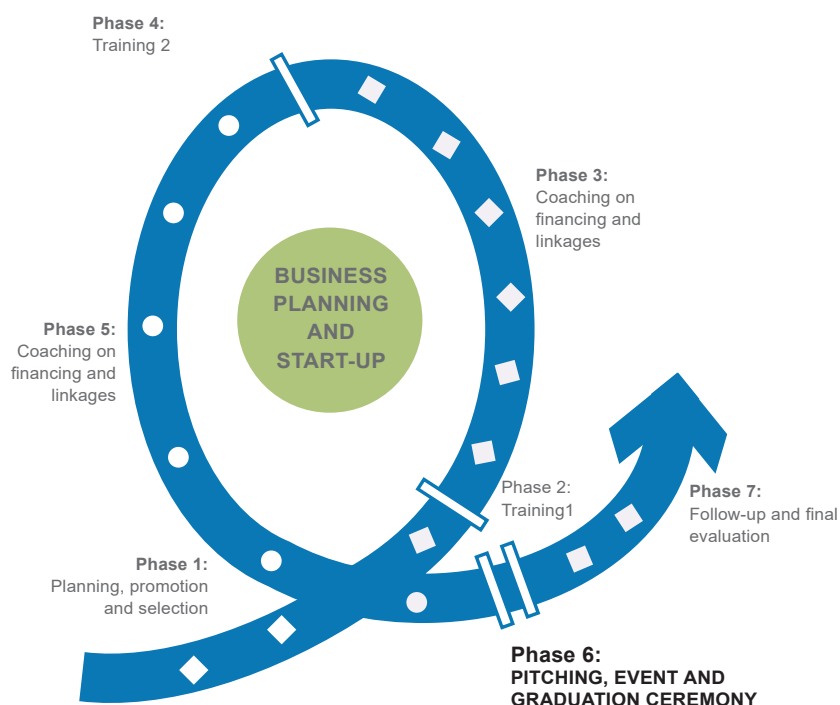
The main differences between borrowed money (debt) and equity are that bankers request interest payments and capital repayments, and the borrowed money is usually secured on business assets or the personal assets of shareholders and/or directors. A bank also has the power to place a business into administration or bankruptcy if it defaults on debt interest or repayments or if its prospects decline.

In contrast, equity investors take the risk of failure like other shareholders, whilst they will benefit through participation in increasing levels of profits and on the eventual sale of their stake.

The overall objective in raising finance for a company is to avoid exposing the business to excessive high borrowings, without unnecessarily diluting the share capital. This will ensure that the financial risk of the company is kept at an optimal level.

PHASE 6

Pitching Event and Graduation Ceremony



Phase 6 represents the Start-up Loop completion stage. It is split into two events: a pitching event, where Start-up Loop participants can present their business plans to officers from banks and other financial institutions to test and prove their business viability, and a graduation ceremony, where entrepreneurs receive their Start-up Loop completion certificates. It is important to ensure gender balance when inviting officers from the financial institutions and other partner institutions. It may be wise to consider gender desk officers as part of the invitees. It is good practice to also invite successful entrepreneurs and potential investors to the pitching event as part of the panel of judges and/or invitees.

Note:

At the end of Phase 6, M&E Form 2 has to be completed.

Tool No.	Tool title / name	Duration
P6.1	Business Plan Presentation & Pitching	5-7 hours
P6.2	Graduation ceremony	2 hours

P6.1: The Business Plan Presentation and Graduation Ceremony

What is it?



This is the final day of the training and coaching for Start-up Loop. All trainees come together to present their business plans and to receive their completion certificate. In the morning the trainees present their business plans to the officers.

The trainers process the business plan presentation experience into learning outcomes and wrap up the Loop training and coaching services.

Due to the pressure of the pitching event, the Award Ceremony can take place the next day.

Objectives:

- (1) To test and prove the viability of prepared business plans
- (2) To enable the entrepreneurs network with financing organisations and build initial relationships.
- (3) To complete the Start-up Loop and receive the Start-up Loop Training and Coaching Course completion certificate.

Results / Aims:

- (1) Viability test
- (2) Networking and relationships with banks and other financing organisations.
- (3) Course completion

Application / Use:

Phase 6: Pitching Event & Graduation Ceremony

Required Resources:

Trainers and Coaches,
 Bankers / Business plan Evaluators,
 Partners / Stakeholders, especially for graduation ceremony,
 M&E form 3 / Business plan evaluation form,
 Printed business plans (provided to evaluators before the event),
 Selected venue for event, refreshment/catering

Checklist:

- (1) Invitation to bank and other relevant micro financing organisation officers (Officers can bring with them business loan details or leaflets) and briefing about the Start-up Loop Course and business plan presentations.
- (2) Invitation to the responsible officers to the Pitching Event & Graduation Ceremony.
- (3) Business Plan Assessment Forms for Bank Officers (Annex P 6.1.1)
- (4) M&E Form 2

Guidance:

Business Plan Presentation (Day 1)

- (1) Prior to the Pitching Event invite 3-5 bank officers to evaluate the business plan presentations.
- (2) Organise the hall into separate private sections or in rooms where



- participants present their business plans.
- (3) Create a time schedule for the business plan presentation for all the participants. All the participants present their businesses whether they require business loans or not. The session is to test the viability of those planned businesses.
 - (4) The business plan presentations are necessary and helpful to the entrepreneurs in many ways. The experience of presenting business plans to bank and micro financial institutions help them to build a mutual understanding which is basic for applying for business loans. The session is also helping the entrepreneurs to understand the interest rate of those organisations and to pick or choose the right bank or organisation to apply for bank loans. The networks built with banks and micro financing organisations will help the entrepreneurs for their business growth in the long run.
 - (5) Welcome, brief and instruct the officers with the business viability test form (Annex P6.1). Ensure that officers are ready and let the entrepreneurs make their presentations individually.
 - (6) Facilitate the plan presentations and maintain privacy and order in the hall. If time permits, entrepreneurs can visit another bank officer. This will enable the entrepreneurs to understand the different banks and their interests.
 - (7) The assessed forms are for the entrepreneurs. At the end of each presentation, collect it from the officers, enter the details in the Results Chart (Annex P6.2) and handover to the entrepreneur. The entrepreneur can attach the form to the business plan and will be helpful to refer the details, modify the business plan further and use for their next bank visit.
 - (8) At the end of the presentations, invite the officers to the front and facilitate a discussion. Start from assessing the feelings of the officers and the entrepreneurs. Invite the officers to discuss about their experience in assessing those business plans. Ensure every officer gets the turn to express him/herself.
 - (9) Move on to their services and the readiness to serve these entrepreneurs. Explore on their opinions and the possibilities to lend business loans. They also can explain in brief about the loan schemes they have in their banks for start-ups and MSMEs. Ensure every officer gets an opportunity to talk about their schemes. Invite for few questions and end the sessions with a short summary.
 - (10) Thank the bank officers. Invite everyone for a lunch or refreshment. Encourage networking and individual discussions.
 - (11) Start processing the learning with the result chart. Identify and appreciate the successful presenters who have secured loans or about to secure loans.
 - (12) Identify the entrepreneurs who already have started business or about to start the business. Verify their goals for business start-ups generally.
 - (13) Wrap up the Start-up Loop with the visual (page 7 of this manual).
 - (14) Complete the M&E Form 2: Only the total scores. (Annex P6.1.3)

Graduation Ceremony (Day 2)

- (15) Welcome the guests and trainees to the event. Invite three participants to speak about their Start-up Loop experience.
- (16) Conduct the graduation ceremony with guest, key note speeches and vote of thanks.
- (17) Award the participants with completion certificates.
- (18) Award the best business plan(s).
- (19) Take a group photo.
- (20) Ask participants to fill in their learning diaries related to the Graduation Ceremony
- (21) Conclude with the follow up meeting information.



Follow-up: Phase 7: Group coaching and M&E Form 3 (Year-end)

Annexes: ANNEX P6.1.1: BUSINESS PLAN VIABILITY ASSESSMENT FORM
ANNEX P6.1.2: RESULTS CHART FOR BUSINESS PLAN VIABILITY ASSESSMENT
ANNEX P6.1.3: MONITORING & EVALUATION (M&E) FORM 2



Annex P6.1.1: Sample Business Plan Viability Assessment Form

BUSINESS PLAN VIABILITY ASSESSMENT FORM

Date:

Name of the Business:

Name of the Entrepreneur:

Name of the Panellist:		Designation:
Name of the Organization:		

Please assess the business and the Entrepreneur on the following aspects using the maximum score indicated in brackets. The maximum total/overall score is 100. The business plan is divided into 4 parts: marketing, production, organisation & management, and financial plans

1. INNOVATION and CREATIVITY of the business (10 maximum)					
--	--	--	--	--	--

	Marketing Plan	Production /Service Delivery Plan	Organisation & Management Plan	Financial Plan	Sub-total
2. CLARITY OF CONTENT (5 each)					
3. DEMONSTRATED KNOWLEDGE OF THE BUSINESS (5 each)					
4. STRATEGIC RELEVANCE & SUSTAINABILITY (5 each)					

5. PRESENTATION SKILLS and PACKAGING of the business plan (10 maximum)	
---	--

6. COMPETENCIES of entrepreneur - Entrepreneurial attitude & qualities, personal motivation and commitment to start the business, business experience (20 maximum)	
---	--

TOTAL SCORE	
--------------------	--

Comments and suggestions:

Signature: _____



Annex P6.1.2: Sample Results Chart for Business Plan Viability Assessment

RESULTS CHART A

(To be used in a situation where an entrepreneur is assessed by one judge only)

Name of the business		Total Score		Name of the business		Total Score
1				16		
2				17		
3				18		
4				19		
5				20		
6				21		
7				22		
8				23		
9				24		
10				25		
11				26		
12				27		
13				28		
14				29		
15				30		

RESULTS CHART B

(To be used in a situation where an entrepreneur is assessed by more than one judge. The average total score of the judges is computed and documented using the table below)

Name of the business		Judge 1 Score	Judge 2 Score	Judge 3 Score	Judge 4 Score	Judge 5 Score	Ave. Total Score
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							



Annex P6.1.3: Monitoring & Evaluation (M&E) Form 2

Start-up Loop Monitoring & Evaluation Form 2

Date of completion (dd/mm/yy):/...../.....

Person responsible for completion (Trainer/Coach):

Participant's name: **Participant's code:**

A. PECs

PECs self-assessment score (after phase 5)	
--	--

B. BUSINESS PLAN VIABILITY

1. INNOVATION and CREATIVITY of the business (10 maximum)					
---	--	--	--	--	--

	Marketing Plan	Production /Service Delivery Plan	Organisation & Management Plan	Financial Plan	Sub-total
2. CLARITY OF CONTENT (5 each)					
3. DEMONSTRATED KNOWLEDGE OF THE BUSINESS (5 each)					
4. STRATEGIC RELEVANCE & SUSTAINABILITY (5 each)					

5. PRESENTATION SKILLS and PACKAGING of the business plan (10 maximum)	
6. COMPETENCIES of entrepreneur - Entrepreneurial attitude & qualities, personal motivation and commitment to start the business, business experience (20 maximum)	

Note: Part B is filled by the trainers and coaches, based on the judges' scores from the pitching

C. INFORMATION FROM THE BUSINESS PLAN

1. Name of business:
.....

2. Full address of business:
.....

Sectors

3. To which of the following sectors does this business belong?

Agro-allied

Processing

Construction

Services

ICT

Trading

Media & Entertainment

Others Please specify.....

Information from the business plan

Business structure

- Cooperative
- Association
- Sole Proprietorship
- Partnership / Joint Venture
- Private Limited Company
- Uncertain

Target market of the proposed business

- Within district
- Within LGA
- Within State
- National (at least 2 States, excluding Lagos)
- National (at least 2 States, including Lagos)
- Regional (at least 2 countries, excluding Nigeria)
- Global

Total Investment Cost

What is the total investment cost according to your business plan? Naira

Equity

How much is /will be your equity contribution to financing of the business? Naira

Funding required (Loan or investment)

What is the estimated funding requirement? Naira

Potential lenders or investors?

Total Annual fixed costs (year 1) according to your business plan: Naira

Total Annual variable costs (year 1) according to your business plan: Naira

Total sales forecast (year 1) according to your business plan: Naira

Profit after tax (year 1) according to your business plan: Naira

Owner's salary (year 1) according to your business plan: Naira

D. BUSINESS START-UP

Business Start-up

Have you started your business operations? Yes No

Which of the statements best describes you?

- Started and progressing
- Just started recently
- About to start
- Stuck
- I have given up the business start-up

If NO, you have not started operations:

Why did you not yet start business operations? (please explain)

.....

If you **gave up** on starting a business, why did you give up the idea of starting a business?

- I prefer to get a job
- I got a job
- I don't have enough capital
- I don't have the necessary skills
- I 'm not sure if I would be successful
- There are too many problems which I cannot solve

Other reason (please specify):

.....

If you **still plan to start a business**, when do you plan to start the business?

Please specify the date (dd/mm/yy):/...../.....

If YES, you have started operations:

When did you start the business operation?

Please specify the date (dd/mm/yy):/...../.....

Is your business registered?

Yes No Registration in progress

If YES or IN PROGRESS, which of the following is your business registered with?

CAC State Ministry of Commerce Local Government Councils Others

If others, please specify.....

Do you earn any personal income from the business? Do you pay yourself a salary? Yes No

If YES, how much is your personal income / salary approximately per month? Naira

Have you invested any savings in your business? Yes No

If YES, how much? Naira

What are your average monthly sales? Naira

What are your average monthly expenses (Including salary expenses for staff)? Naira

Do you work in this business? Yes No

If YES, Full-time or Part-time

Did you give up your previous employment and/or source of income? Yes No

Apart from you, how many people do you employ?

Only me Total number of people apart from yourself:

Type of employees	Male	Female
No. of permanent employees		
No. of casual/seasonal workers		
No. of family workers		

Do you pay your staff salary? Yes No

If YES, what are your average staff salary monthly?.....

Have you secured a loan for the business? Yes No

If YES, what is the total amount of the loan(s) you have received? Naira

If YES, from which bank?

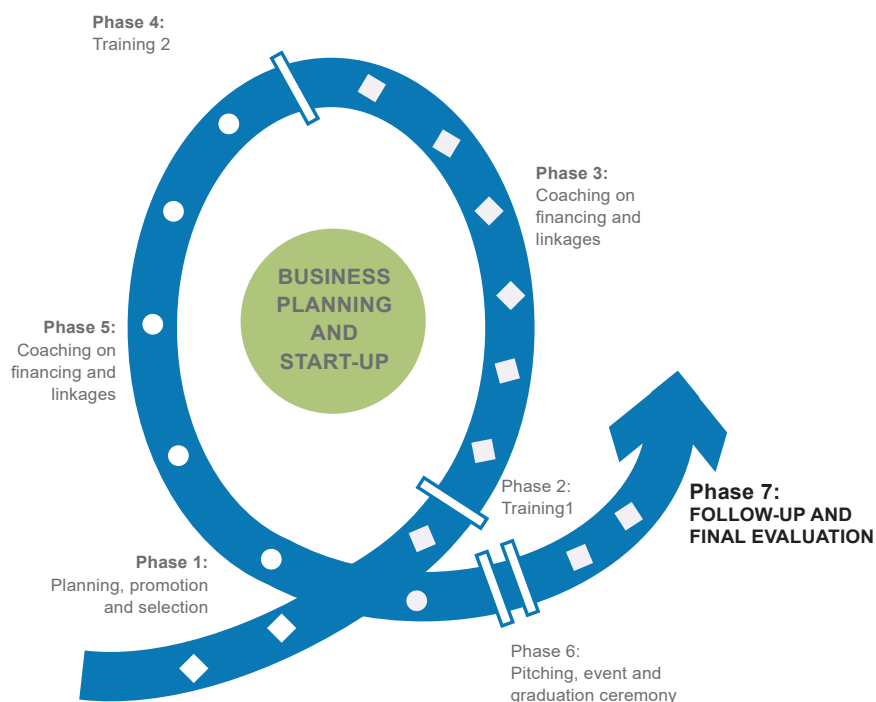
If NO, which statement describes you best in relation to your loan status?

- Completing loan application Waiting for loan approval
 Loan application declined I am not interested in taking a loan

<p>Actual access to finance difficulties and concerns encountered (please describe)</p> <p>.....</p> <p>Do you have a business account separate from your personal account? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If YES, when did you open the business account? Before joining the Loop <input type="checkbox"/> During the Loop <input type="checkbox"/></p> <p>Did any other organisation(s) support you during the Loop to set up or expand your business?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If YES, Which one?.....</p>
<p>Linkages</p> <p>On a scale of 1 to 10, how aware are you of support services for SMEs and startups?</p> <p>On a scale of 1 to 10, how well do you take advantage of these services?</p>

PHASE 7

Follow-up and Final Evaluation



The Start-up Loop ends with a final evaluation, 6 months after the graduation ceremony, roughly one year after the kick-off of the Start-up Loop. Most of the participants would have started their businesses at this point in time.

The Start-up Loop journey contributed to the business start-ups in many ways. The entrepreneurs are oriented towards their customers and market, have learnt to separate business from family commitments, business planning and business management, have forecasted costs, investment and financing requirements, have unlocked and enhanced personal entrepreneurial competencies and business managerial capabilities, looked for external linkage developments and financing sources and in the end, have tested the viability of their planned business.

Still some may not be able to start their businesses due to various reasons and factors outside of the control of the potential entrepreneur and the Start-up Loop implementer. One example is access to business start-up loans.

Phase 7 enables to implement follow-up and final evaluation. It consists of two group coaching sessions as a follow-up mechanism, both for those participants that successfully started their business operations and those who did not and ends with final evaluation after one year from kick-off of the Loop (M&E form 3).

FOLLOW-UP AND FINAL EVALUATION

The final evaluation is done by collecting information from Start-up Loop participants in a participatory approach. Implementing organisations may choose to also involve trainers/ coaches and key stakeholders involved in the Start-up Loop implementation in the process of evaluating the Start-up Loop.

Note:

At the end of Phase 7, M&E Form 3 has to be completed.

Tool No.	Tool Title / Name	Duration
P7.1	Follow-up coaching (group coaching session 3 months after the award ceremony)	2-3 hours
P7.1	Follow-up coaching and final evaluation Group coaching session - 6 months after graduation (more or less one year from Start-up Loop kick-off) Final evaluation	2-3 hours (for administration of M&E form 3)

P7.1: Follow-up Group Coaching and Final Evaluation

What is it?



Phase 7 consists of a follow-up group coaching. The entrepreneurs who have started their businesses and non-starters come for the follow-up meeting at one place. The first group coaching is to bring in motivation among course participants. The second group coaching is mainly about the final evaluation and to complete the M&E Form 4 using a participatory approach. Implementing organisations might choose to do additional interviews with key stakeholders involved in implementing the Start-up Loop to get a comprehensive picture at the final evaluation stage.

Objectives:

- (1) To motivate entrepreneurs and co-participants learning
- (2) To complete the final evaluation

Results / Aims:

- (1) Follow up on entrepreneurs' progress
- (2) Participatory Final Evaluation of Start-up Loop

Application / Uses:

Phase 7: Follow-up Coaching & Final Evaluation

Required Resources

Start-up Loop coach for group of 5-6 start-ups, follow up group coaching invitation for all coachees,
M&E form 4,
Select venue close to coachee group.

Checklist

All participants are invited for a group coaching
M&E Form 4

Coaching Guidance:



Group Coaching 1

- (1) Welcome and introduce the purpose of the meeting.
- (2) Identify the entrepreneurs who have started their businesses. Briefly discuss about their starting experience.
- (3) Check with the non-starters. Encourage them to talk about their difficulties or change of goals, status or circumstances.
- (4) Conduct a grouping energiser and group the entrepreneurs into 5-7 members group. Give them 30 minutes to discuss about their success or failure. They need to come out with three advices for non-starters and three good advices for starters.
- (5) Request them to write on flip charts and do a brief presentation.
- (6) Conclude the coaching. Inform about the Group coaching 2 and invite.



Group Coaching 2 and Final Evaluation

- (7) Welcome entrepreneurs and introduce the session.
- (8) Identify the entrepreneurs who have started their businesses and those who have not yet started. Briefly discuss about their experiences.
- (9) Invite all of them to fill the M&E Form linked to the final evaluation (M&E Form 3). Explain the M&E form 3 question by question.
- (10) Support and help them understand the form. Collect the forms.
- (11) Conclude the meeting with a thanking note. Hint them that additional follow-up might be done by the implementing partner or GIZ.

Follow-up: Phase 7: Follow-up group coaching and M&E Form 34- (Year-end)

Annexes: ANNEX P7.1.1: COACHING LOGBOOK FOR PHASE 7
ANNEX P7.1.2: MONITORING & EVALUATION (M&E) FORM 3



Annex P7.1.1: Coaching Logbook for PHASE 7

COACHING LOGBOOK

Phase 7 – Group coaching session no.: Name of coach:

Session date: Session location: Number of participants.....
(Attach list of participants)

Level / % of implementation (of actions) from last coaching session		
Major challenges militating against complete implementation of actions		
Goal of the coaching session		
Main conclusions		
Actions to implement		
Major issues for start-up		
Overall appraisal of start-up	<i>Weaknesses observed</i>	<i>Strengths / Improvements observed</i>

Next coaching session (date and location):



Annex P7.1.2: Monitoring & Evaluation (M&E) Form 3

Start-up Loop Monitoring & Evaluation Form 3

Participant's name: **Participant's code:**

Gender:

<p>To be filled by all Start-up Loop graduates</p> <p>1. Have you started the business operation? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If YES, when did you start the business operation? Please specify the date (dd/mm/yy): /...../.....</p> <p>If NO, when do you plan to start the business? Please specify the date (dd/mm/yy): /...../.....</p>	<p>2. Which of the statements best describes you?</p> <p><input type="checkbox"/> Started and progressing</p> <p><input type="checkbox"/> Just started recently</p> <p><input type="checkbox"/> About to start</p> <p><input type="checkbox"/> Stuck</p> <p><input type="checkbox"/> I have given up the business start-up</p> <p>Please explain further:</p> <p>.....</p>
--	--

A. BUSINESS START-UPS

Only for those people who have started their businesses operations

<p>3. What are your average monthly sales since you started business operation?</p> <p>Naira</p> <p>4. Over the last 3 months or the day started the business, average monthly sales have:</p> <p>Increased <input type="checkbox"/></p> <p>Remained the same <input type="checkbox"/></p> <p>Decreased <input type="checkbox"/></p> <p>5. What are your average monthly expenses since you started business operation (Including salary expenses for staff)?</p> <p>Naira</p>	<p>Business location</p> <p>6. What is the business location/address (House number/street):</p> <p>.....</p> <p>Type of business</p> <p>7. What type of business have you started?</p> <p>Sole proprietorship <input type="checkbox"/></p> <p>Partnership <input type="checkbox"/></p> <p>Limited liability company <input type="checkbox"/></p> <p>Income from business</p> <p>8. Do you earn any personal income from the business? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If YES, how much is your personal income approximately per month?</p> <p>Naira</p>
--	---

<p>Total Investment Cost</p> <p>9. What is the total investment cost thus far? Naira</p> <p>Equity</p> <p>10. How much is your equity contribution to financing of the business? Naira:</p> <p>Savings</p> <p>11. How much of your savings have you invested in the business? Naira:</p> <p>Ownership of business</p> <p>12. Does this business belong to:</p> <p> Yourself only <input type="checkbox"/></p> <p> You & partner(s) within the family <input type="checkbox"/></p> <p> You & partner(s) outside the family <input type="checkbox"/></p> <p> Your spouse <input type="checkbox"/></p> <p> Your parent <input type="checkbox"/></p> <p> Your in-law <input type="checkbox"/></p> <p> Other (please specify):</p> <p>.....</p>	<p>Loan</p> <p>13. Have you secured a loan for the business? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If YES, what is the total amount of the loan(s) you have received? Naira</p> <p>If YES, from which bank?.....</p> <p>If NO, which statement describes you best in relation to your loan status?</p> <p>Completing loan application <input type="checkbox"/></p> <p>Waiting for loan approval <input type="checkbox"/></p> <p>Loan application declined <input type="checkbox"/></p> <p>I am not interested in taking a loan <input type="checkbox"/></p> <p>Actual access to finance difficulties and concerns encountered (please describe)</p> <p>.....</p> <p>14. If you plan to get a bank loan in future, which bank do you want to contact? Please specify:</p> <p>15. Where are you planning to obtain your loan(s):</p> <p> Family/relatives <input type="checkbox"/> Friends <input type="checkbox"/></p> <p> Money lender <input type="checkbox"/> Bank <input type="checkbox"/></p> <p> NGO <input type="checkbox"/> Saving and credit scheme <input type="checkbox"/></p> <p> Other (please specify):</p> <p>Bank Account</p> <p>Do you have a bank account for the business? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If YES, when did you open the bank account? <input type="checkbox"/></p> <p>Before joining the start-up Loop <input type="checkbox"/></p> <p>During the implementation of the Start-up Loop <input type="checkbox"/></p> <p>After graduating from the Start-up Loop <input type="checkbox"/></p>
---	---

16. Do you work in this business? Yes No
 If YES, Full-time or Part-time
 Did you give up your previous employment and/or source of income? Yes No

17. Apart from you, how many people do you employ currently?
 Only me Total number of people apart from yourself:

Type of employees	Male	Female
No. of permanent employees		
No. of casual/seasonal workers		
No. of family workers		

Actual recruiting/hiring difficulties and concerns encountered in general (please describe)

Actual recruiting/hiring difficulties and concerns encountered with females (please describe)

18. Is your business registered?
 Yes No Registration in progress
 If YES or IN PROGRESS, which of the following is your business registered with?
 CAC State Ministry of Commerce Local Government Councils Other
 If YES, when was your business registered?
 Before Joining the Start-up Loop
 During the Start-up Loop implementation
 After graduating from the Start-up Loop

B. NON-STARTERS

Only those people who have NOT yet started their businesses operations

<p>19. What prevented you from starting the business after the Start-up Loop? Please explain! </p>	<p>Your present monthly income 20. Approximate income per month at present: Naira</p>
<p>If given up on business start-up 21. Why did you give up the idea of starting or expanding a business? I prefer to get a job <input type="checkbox"/> I got a job <input type="checkbox"/> I don't have enough capital <input type="checkbox"/> I don't have the necessary skills <input type="checkbox"/> I'm not sure if I would be successful <input type="checkbox"/> There are too many problems which I cannot solve <input type="checkbox"/> Other reason(please specify): </p>	<p>If you still intend to start the business 22. Is it the same type of business you planned during the Start-up Loop? Yes, there are no major changes <input type="checkbox"/> Yes, but I have modified the business plan <input type="checkbox"/> No, I have a new business idea now <input type="checkbox"/> 23. How many months do you expect it will take for you to start the business? month(s)</p>

C. LINKAGES TO SUPPORT INSTITUTIONS

24. On a scale of 1-10, how aware are you of support services for MSMEs and start-ups?

25. On a scale of 1-10, how well do you take advantage of these support services?

26. Have you benefitted from any type of support from MSME and/or start-up promotion institutions after completing the Start-up Loop? Yes No

If YES, which of the following?

Bol	CBN	SMEDAN	EDC	ITF	Other Government Agencies	International Aid Agencies
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

D. ASSESSMENT of the START-UP LOOP

27. On a scale of 1-10, to what extent has the Start-up Loop equipped you with the managerial and entrepreneurial competencies to start and run a business?

28. Please explain and give examples

29. On a scale of 1-10, to what extent has your participation in the Start-up Loop increased your self-confidence to successfully start and run a business?

30. Please explain and give examples

31. Looking back, from the beginning to the end of the Start-up Loop process, what aspect would you say is your most memorable and why?

32. What aspect of the Start-up Loop did you not like and why? How should it be improved?

33. Would you suggest to other people to register and be part of the Start-up Loop?

Yes No

34. Please explain

35. On a scale of 1-10, how do you assess the organisation that facilitated the Start-up Loop for you?

36. Kindly indicate which of the following statements applies to the organisation that facilitated the Start-up Loop for you: **Select multiple if applicable*

- Their staff are very professional
- Their trainings and events are well-organised
- Their trainers are knowledgeable
- Topics covered were relevant

37. Did you attend the follow up coaching?

Follow up coaching 1 Yes No

Follow up coaching 2 Yes No

