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Department for
Digital, Culture,
Media & Sport



HUBS



A HUB'S GUIDE TO LAUNCH LEAGUE FACILITATION

POWERED BY
 VIRIDIAN

About This Playbook

Globally, programmes are proven to be essential enablers of entrepreneurial success – enhancing entrepreneurs’ business acumen, network and confidence; and developing vibrant local ecosystems. South African hubs deliver a wide range of programmes, and these play an integral role in building local businesses and technologies, as South Africa’s response to the 4th Industrial Revolution.

A healthy ecosystem consists of a large pool of idea-stage businesses, and many activities and structures that support the generation, validation and development of ideas. This early-stage training ensures a healthy pool of candidates for later-stage incubation and acceleration programmes, and ultimately successful businesses that create local employment and opportunity!

The UK-South Africa Tech Hub Launch League idea-stage programme is an open-licence programme pack for SA Tech Hubs to leverage for their ecosystems. The programme consists of slide decks, videos, worksheets and multiple templates that are available for adaption and commercial use by hubs.

This Playbook has been created for programme facilitators at SA hubs, to better understand how to effectively support idea-stage businesses and deliver the Launch League programme locally for groups of entrepreneurs.

Please refer to the “Hub Guide for Programme Managers”, as well as the extensive resource and template bank available for free at www.launchleague.co.za.



ABOUT THE UK-SOUTH AFRICA TECH HUB

The UK-South Africa Tech Hub forms part of the International Tech Hub network delivered by DCMS (Department for Digital, Culture, Media & Sport), under the Digital Access Programme – a UK government initiative designed to build inclusive prosperity through capitalising on digital services and opportunities in partner countries.

International Tech Hubs are expert teams that work to stimulate local digital economies, build high-end digital skills, and forge innovation partnerships between local tech sectors and international businesses. The Launch League forms part of the UK-South Africa Tech Hub’s portfolio of projects aiming to support, connect, grow and mature South African tech ecosystems.

So far, the project has created an open-licence programme pack, delivered a virtual training programme for hub team members, and conducted research into hub operations and challenges. By networking and training team members from 11 Entrepreneur Support Organisations (ESO’s) from 6 South African provinces, the UK-South Africa Tech Hub Launch League has created opportunities for hub collaboration, peer learning and contributed to the success of entrepreneurs across the country.



ABOUT VIRIDIAN

Viridian designs and delivers idea-stage entrepreneur and investor programmes, research and strategy. We care deeply about achieving impact and creating thriving entrepreneurial ecosystems with our clients and partners.



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SECTION 01

Key early-stage entrepreneurship tools and concepts

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Business Types, Cycles and Funding Options

As a Launch League facilitator, you need to have a basic understanding of the entrepreneurial landscape, so that you're able to support and guide the programme participants with content that's relevant to the realities of South Africa's SMME landscape.

By knowing where the Launch League entrepreneurs are in their business journey, and by having an understanding of their challenges, you'll be able to provide them with useful pointers on their business journey. The Launch League programme is designed for South African idea-stage entrepreneurs. And, while many hubs have a clear focus on technology, the reality is that most entrepreneurs we reach are not going to be building "tech businesses" or "start-ups".

TECH BUSINESS VS TECH-ENABLED BUSINESS

Just because a business uses technology to deliver its service, doesn't mean it's a tech business.

A tech business is one that develops and delivers new technologies (e.g. hardware or software). Facebook is a good example: it created a completely new technology to deliver advertising to a social media audience.

A tech-enabled business, meanwhile, uses existing tech tools and platforms to make its solution more effective or efficient. Most modern businesses are tech-enabled: it doesn't matter which particular technology they use (it could be Slack or WhatsApp, for example), but they do rely on technology (in this case, messaging software) to run their business.

In a tech business, technology is your master. In a tech-enabled business, technology is your servant.

SMME VS START-UP

Both are founded by entrepreneurs, but each has its own objectives and ways of working.

Small, Medium and Micro Enterprises (SMMEs) are small businesses that usually provide a product or service to a small market or community. An SMME's goal is to achieve sustainability and a stable business. They're slow burners, in that they tend to stay local and focus on survival rather than growth.

Start-ups, on the other hand, are all about growth and big visions. They burn brightly and quickly, and only last a few months before either scaling up or dying out. Start-ups are temporary, and their purpose is to prove that the business model can have a big impact on the current market.

While start-ups are all about risk and experimentation, SMMEs are designed to survive by following trusted business models.

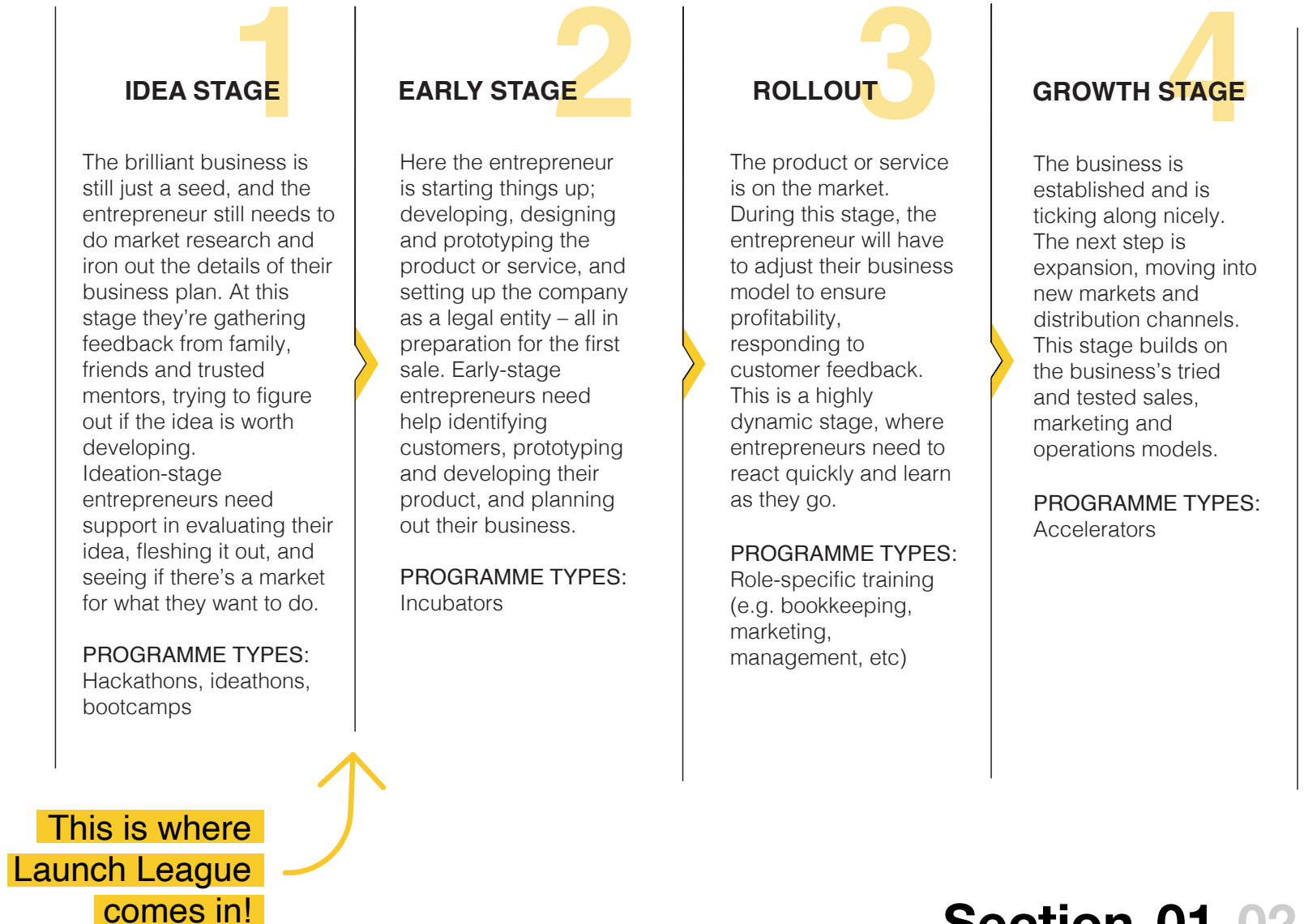


Most Launch League participants will be looking to start up a small business – but, strictly speaking, that doesn't mean their business is a “start-up”. In most cases they will want steady growth and a business that's built to last; rather than a bright idea that explodes overnight.

Bearing that in mind, let's explore the four stages of a typical business lifecycle, and see where your Launch League entrepreneurs come into the picture.

BUSINESS LIFECYCLES

Every business has a lifecycle, and each stage of that lifecycle has its own challenges. While Launch League is focused on idea-stage entrepreneurs transitioning to early-stage businesses, other programme types are available for businesses at other stages of their journeys.



THE FUNDING REALITY

In our surveys of previous Launch League cohorts, the biggest challenges idea- and early-stage entrepreneurs report facing are funding and access to markets, capital to kick-start their businesses, finding clients, and accessing mentorship. Funding and cash flow, clearly, are stumbling blocks.

It takes money to make money. No matter how careful an entrepreneur is with their overheads, when they start a business they will need some kind of capital investment – and for that they'll need funding. The hard reality is that early-stage SMEs in South Africa don't enjoy the benefits of angel investors and banks are not open to lending to businesses without proof of previous revenue; instead, those entrepreneurs will need to consider funding options like:



Bootstrapping,

where entrepreneurs “pull themselves up by the bootstraps” and self-fund their new business using their personal income and savings.



Business

partners, who lighten the bootstrapping load by chipping in with their own capital.



Friends and family,

where entrepreneurs borrow capital from loved ones – in the South African context though, most entrepreneurs' relatives will not have disposable income.



Crowdfunding

through digital platforms like Thundafund, Backabuddy, Jumpstarter or Candystick, where friends or strangers donate to the business in exchange for rewards once the enterprise is up and running.



Side hustles,

where the entrepreneur uses their day job (with its secure salary) to provide stability and income while building their business after hours.



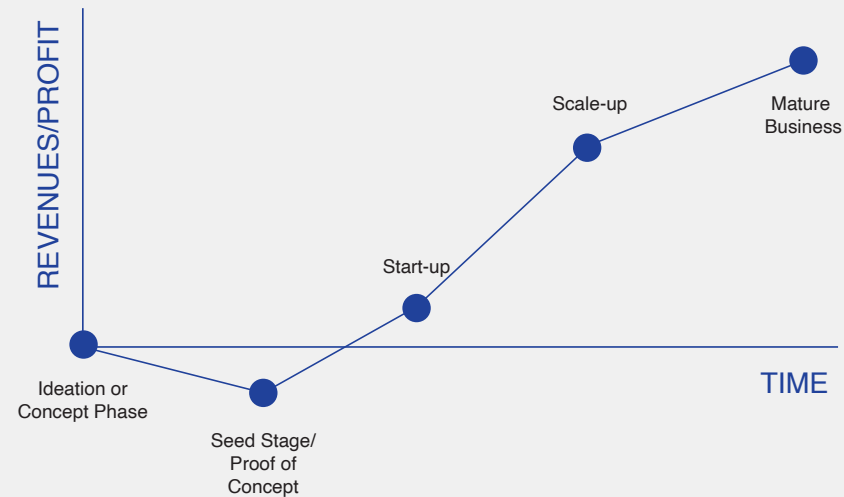
Enterprise

development funds, which are designed to support emerging black entrepreneurs, but in reality can be hard to access.

It is important to not give entrepreneurs the impression that there is any easy money. They should remain laser-focussed on getting paying customers. More reliable sources of capital like bank loans will become easier to access once their business is growing.

Know your entrepreneurs

As a Launch League facilitator, you should know where the participating entrepreneurs are at in terms of their business cycle and should understand the funding challenges that they face. This will enable you to provide guidance that's relevant to those entrepreneurs.



Ideation and Idea-Stage Businesses

Launch League is aimed at idea-stage entrepreneurs wanting to make their idea a reality. But who are they, exactly? Let's explore where idea-stage businesses fit into South Africa's economic picture, and how the programmes you facilitate can support them.

A report published in early 2020 by the Small Enterprise Development Agency (SEDA) found that nearly 20% of women- and youth-owned South African SMMEs are stuck at the idea stage. The most common reason for this is difficulty in accessing and securing finances to start a business, followed by a lack of financial and business management skills, and a lack of mentorship and guidance. Facilitators can help entrepreneurs move beyond this stage by guiding them to develop business models based on their ideas and encouraging them to test these with potential customers.

WHERE DO IDEAS COME FROM?

Business ideas are born in the entrepreneur's mind and from observing problems in their community. Ideas are the fuel of innovation, as entrepreneurially minded people take the opportunity to provide solutions that change people's lives (and that people will pay for).

Inspiration can also come from any number of places within the entrepreneurial ecosystem. Events like ideathons and hackathons are great for stimulating entrepreneurs' ideas, and for bringing some objectivity because they force participants to start planning and researching the viability of the idea before they push ahead with the execution.

The Launch League bootcamp takes this further, by making it clear to entrepreneurs that an idea can't be executed as a business without a holistic view of how the product or service will reach customers and make money. If they want their idea to work in the world, coming up with ideas for the business model is just as important as thinking up the solution itself.

WHO SUPPORTS IDEA-STAGE BUSINESSES?

Some corporates support idea-stage businesses through their corporate social investment (CSI) and B-BBEE efforts, because they recognise the important role SMMEs in general – and entrepreneurs specifically – play in socioeconomic development. Small businesses also tend to be far more agile than big businesses, so (given the right resources) they're able to turn ideas into reality much quicker, so corporates can then incorporate them into their supply chains.

Government initiatives also support idea-stage businesses because it's commonly recognised that entrepreneurs need to try out many business ideas in order to create strong and growing companies. Government is also keen to show citizens that there are alternatives to making a living than getting a job – they want to build an entrepreneurial culture to stimulate economic development.

“Innovation is the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or a different service.”

– management guru,
Peter Drucker

HOW ARE IDEAS DEVELOPED?

Moving out of the idea stage of a business lifecycle means shaping a concept into an executable plan. Early-stage entrepreneurs need to get as much advice and opinions as possible about the potential of their business idea. They'll be asked tough questions, which will help them to shape and refine the idea. These could include:

- What problem does the product or service solve?
- Will people want to pay for it?
- Is the idea already out there?
- Is there a product/market fit?

SWOT analysis is one useful tool for idea development.



A business idea could also be developed from four perspectives, as marketing professor Aaron Keller told Entrepreneur magazine:

COMPANY: What is the core promise of your business (or company)? What are the unique features of the product or service, and how do they benefit customers?

CUSTOMER: What are the needs of the buyer (who pays for the product/service), the influencers (the person or organisation that influences that purchasing decision), and the end users (the person or people who will use the product/service)?

COMPETITOR: How will the product/service be positioned when competing against other businesses that sell something similar?

COLLABORATORS: What support will come from people/groups who have an indirect interest in the business's success (eg. associations, media, etc)?

WHAT IS A SWOT ANALYSIS?

This form of analysis looks at the idea's potential strengths, weaknesses, opportunities and threats.

WHAT IS A PRODUCT/MARKET FIT?

When an entrepreneur successfully identifies a target customer and serves them with the right product.



Your role in ideating

Business ideas are born and developed in all areas of the entrepreneurial ecosystem. These ideas are essential for innovation and economic development, even though many of them will fail in execution. Programme facilitators have a vital role to play in helping entrepreneurs refine their ideas so that they're ready to take to market.



Lean Methodology and Design Thinking

Idea-stage entrepreneurs like your Launch League cohort will come to the table with the seed of a business idea. In this chapter we'll explore how design thinking and lean methodology can refine that idea into something that's ready to take to market.

As heavyweight boxer Mike Tyson once said, "Everybody has a plan until they get punched in the mouth."

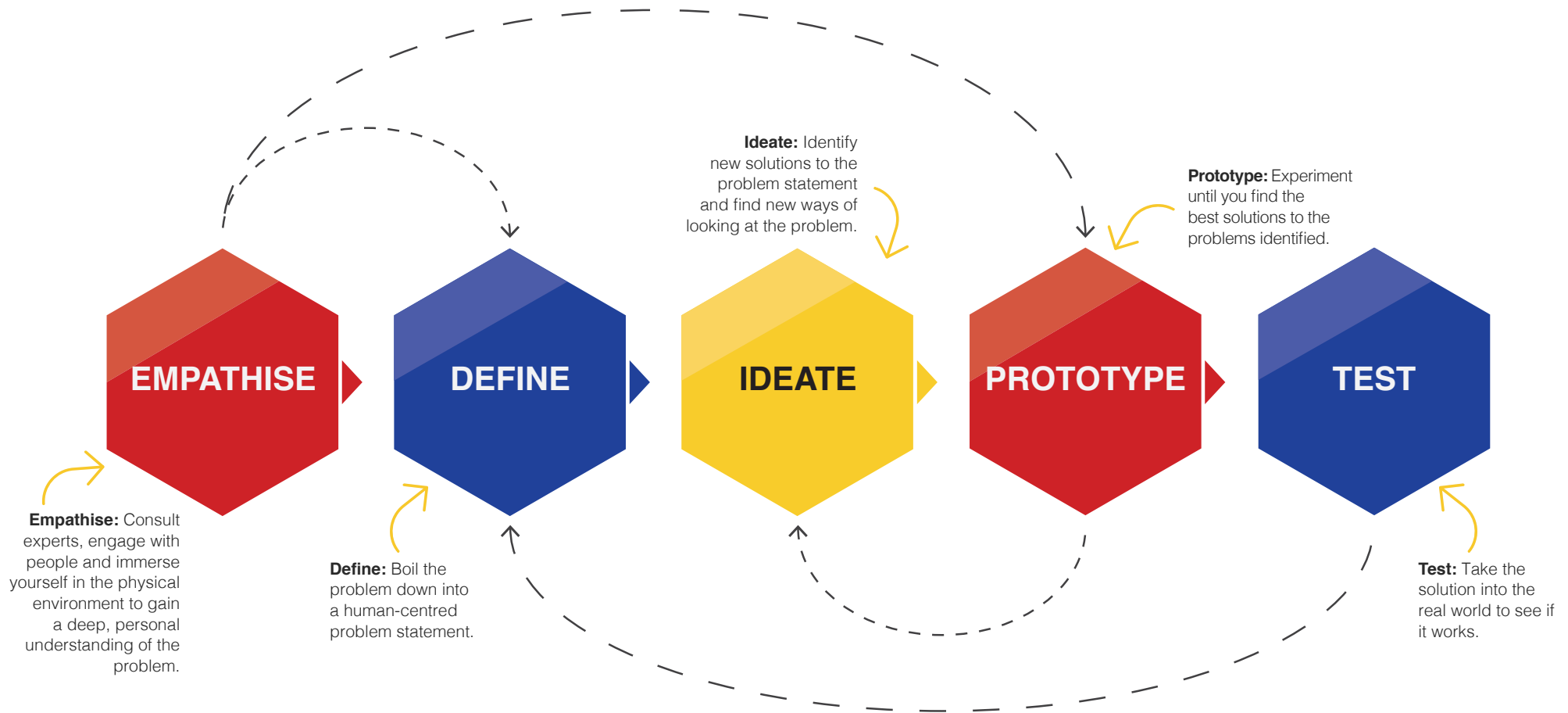
It's the same in business: every entrepreneur thinks they have it figured out, until they take their business idea to market. Then comes the punch. Design thinking and lean methodology can soften that blow by thoroughly testing and interrogating the business plan to see whether it's viable.

WHAT IS DESIGN THINKING?

Design thinking is a human-centred process for creative problem solving, which encourages organisations to focus on the people they're creating for. This leads to better products, services and processes.

Design thinking draws on the world of product design and research to solve problems by understanding the human needs involved, by creating ideas through brainstorming, and by taking a hands-on approach to prototyping and testing.

Stanford University's Hasso-Plattner Institute of Design developed a five-stage model of design thinking, which idea-stage entrepreneurs (like those in your Launch League cohort) will find useful when testing their business idea:



An entrepreneur may have to go back a step or two as they test the solution. While they build their prototype they might find themselves going back to ideation, or once they've tested their solution they might find they have to go back to their problem statement to tweak it. That's not failure; that's part of the design thinking process!

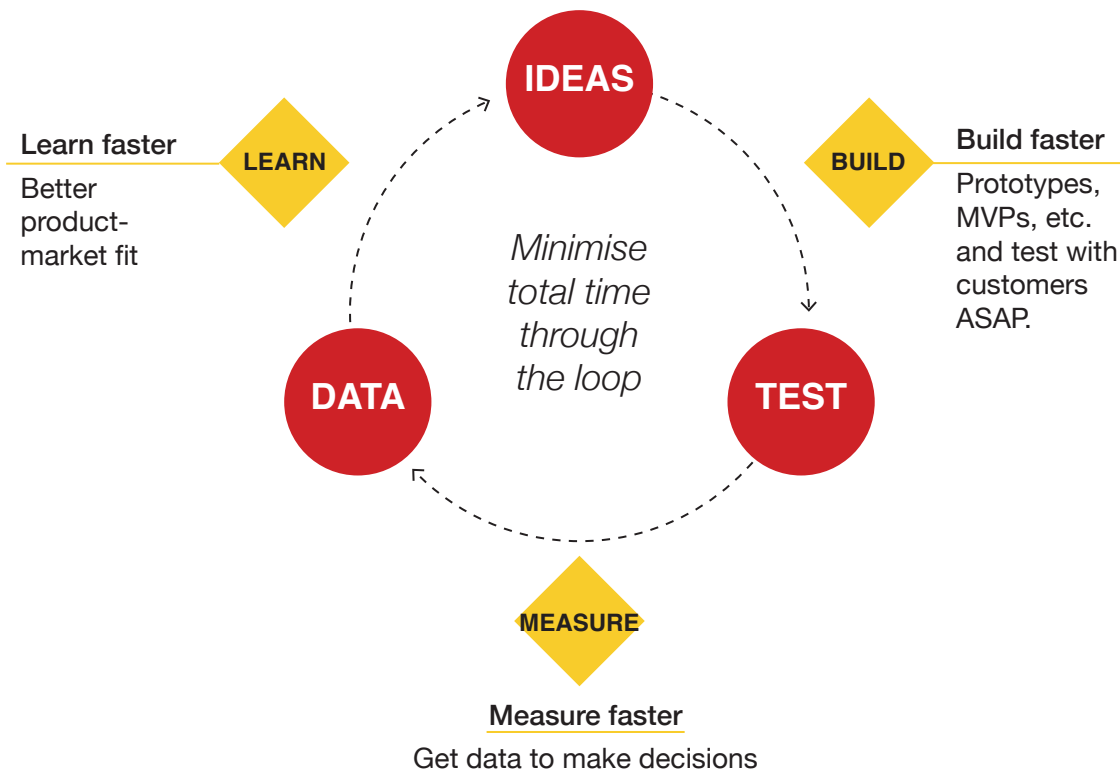
Design thinking puts the entrepreneur into the user's shoes, giving them an understanding of – and empathy for – the people for whom they're developing the product/service/solution. This is vital, as it forces them to question the problem, question their assumptions, and question the implications of every aspect of the idea. It sounds tough – and it is! – but it helps to clearly define the problem and the solution, while putting the focus on the target user.

WHAT IS LEAN METHODOLOGY?

This approach to developing a product or service aims to shorten the development cycle by quickly determining if the business model is viable. It does this by taking a people-centred, continuous testing approach.

LEAN METHODOLOGY

Lean methodology uses the principles of design thinking – specifically user-centricity – to create and test a solution (i.e. a product or service) as quickly as possible. In design thinking, the entrepreneur will first determine if there's a need for the solution; then they'll deepen their understanding of the user's problem; and then they'll test that solution. Lean methodology, on the other hand, jumps in with the prototype early, starting with a minimum viable solution or product (MVP) and making small, fast incremental changes to evolve the solution based on ongoing feedback from users.



As Eric Ries, author of [The Lean Startup](#), explains: “*The Lean Startup methodology has as a premise that every start-up is a grand experiment that attempts to answer a question. The question is not “Can this product be built?” Instead, the questions are “Should this product be built?” and “Can we build a sustainable business around this set of products and services?”*”

“This experiment is more than just theoretical inquiry; it is a first product. If it is successful, it allows a manager to get started with his or her campaign: enlisting early adopters, adding employees to each further experiment or iteration, and eventually starting to build a product. By the time that product is ready to be distributed widely, it will already have established customers. It will have solved real problems and offer detailed specifications for what needs to be built.”

HOW CAN LAUNCH LEAGUE ENTREPRENEURS USE LEAN METHODOLOGY?

Small businesses aren't simply small versions of big businesses. While big businesses have long-term master plans, small businesses (especially new ones) have shorter timelines. When an entrepreneur launches their small business, they'll adapt and improve their ideas continually as they learn from their users and customers, and as they take feedback on board.

The approaches of lean methodology – where you try something, then build it, evolve it and change it as you go – can be used by most players in an entrepreneurial ecosystem. This is a dynamic environment, where agile responses to changing circumstances aren't just useful – they're essential.

The lean methodology has three key principles:



Canvas

Instead of doing months of planning, idea-stage entrepreneurs understand that all they have to start with are guesses and untested hypotheses. A canvas (see Chapter 5) is a framework of how the entrepreneur's idea will create value for itself and its customers.



Market
validation

The next step is to get out into the world and test those hypotheses. The entrepreneur will speak to potential users, customers and partners (see Chapter 4), and use their feedback to quickly build a minimum viable product/solution.



Agile
Development

This strategy, which came from the tech industry, saves time and resources by developing the solution in increments, adding to it as more feedback comes in.

Understanding target users and customers is key

Business ideas are exactly that: ideas. To turn them into a viable reality, entrepreneurs should apply design thinking to sketch out the idea's real-world application, and use lean methodology to get that solution out into the world for testing and development. Understanding the target users and customers, and their needs and preferences, is the critical factor.



Here are some other resources that can help:

- The Lean Startup: [Principles](#)
- Interaction Design Foundation: [What is Design Thinking and Why Is It So Popular?](#)
- Collective Campus: [The Difference Between Design Thinking, Lean Startup, And Agile](#)

Market Validation

Making sure that other people are willing to buy what you're selling is a key step in turning an idea into a business. In this chapter we'll examine how you can help Launch League entrepreneurs understand the market validation process.

An entrepreneur may have a great business idea, but will it work in the real world?

The best way for them to find out is by going out into the world and see whether there is an audience for your product or service – whether there is a market.

This process is designed to understand, at the earliest possible stage, whether an idea is worth developing further.

WHAT IS MARKET VALIDATION?

Market validation is about making sure that your research is correct, and then developing a business model to reflect that, ensuring that the business solves a genuine problem. In other words, if the entrepreneur can validate their assumptions about their customers, they're likely to find the right product-market fit.

The goal of market validation – sometimes called idea validation – is to determine whether a product or service is of interest to a given target market. It should confirm that there is a problem, and people are willing to pay to have it solved!

That means doing some legwork. The entrepreneur will have to sit, face-to-face (if possible) with those potential customers and users and ask them a series of questions that will help them refine their idea. It's a continuous process. This can be uncomfortable for the entrepreneurs, especially if they're shy or if they don't like having their ideas challenged!

CUSTOMERS VS USERS

The customer is the person/organisation that pays for the product or service; while the user is the person who uses it. They're often the same person... but not always. A school is a good example: the learners are the users, but the customers (i.e. the people paying the school fees or for necessities like uniforms) are usually the learners' parents.



HOW DOES MARKET VALIDATION HAPPEN?

Market validation forces the entrepreneur to challenge their assumptions about their business idea. That requires testing and data-gathering with real people, which could be done in any number of ways, each with their own pros and cons:

SURVEYS

✓ PROS

- limited risk of moderator bias
- reduced peer pressure

✗ CONS

- no opportunities for follow-up questions
- false answers are difficult to spot

FOCUS GROUPS

✓ PROS

- immediate bulk feedback
- moderator can pick up non-verbal cues

✗ CONS

- expensive
- limited sample size
- peer pressure could influence responses

FACE-TO-FACE INTERVIEWS

✓ PROS

- opportunities for follow-up questions
- easier to pick up on non-verbal cues
- easy to spot false answers about race, age, gender, etc.

✗ CONS

- can be expensive
- manual data entry can introduce errors
- limited sample size

SOCIAL MEDIA

✓ PROS

- far greater reach, especially to people outside your ecosystem
- affordable
- built-in metrics

✗ CONS

- social media feedback tends to be polarised; either overly positive or negative
- specialised resources required to create posts
- data analysis likely to be simplistic

DON'T TALK, LISTEN

When they're gathering information for market validation, entrepreneurs should let the interview subject do most of the talking. When they do speak, the entrepreneur should ask questions rather than give their own opinion or try to sell their product!

WHAT TO ASK

The entrepreneur should start by listing their assumptions in detail, spelling out clearly what they think about:

- the problem or need for their solution
- whether customers think it's an important problem for them
- alternative solutions
- benefits of their solution
- ease of customers using their solution
- customers' willingness to pay for their solution

The next step is to rank those assumptions in order of risk. The riskiest assumption (in other words, the one the entrepreneur is most likely to be wrong about) should go at the top of the list.

Then it's time to test those assumptions by asking their interview subjects (who are, hopefully, future customers) questions about them.



WIN THE CUSTOMER FIRST

Remember the difference between a customer and a user? It's especially important during market validation. The entrepreneur should aim to understand and win over the person who'll be buying the product/service first, before focussing on the end-user.



Market validation is the first and most important step for entrepreneurs

Market validation can be difficult, especially for entrepreneurs who are convinced that their idea is already perfect and can't be improved. But that's exactly why it's so important. The goal at this stage is to know – or be as sure as possible – that the product or service will fill a market need and will attract paying customers.



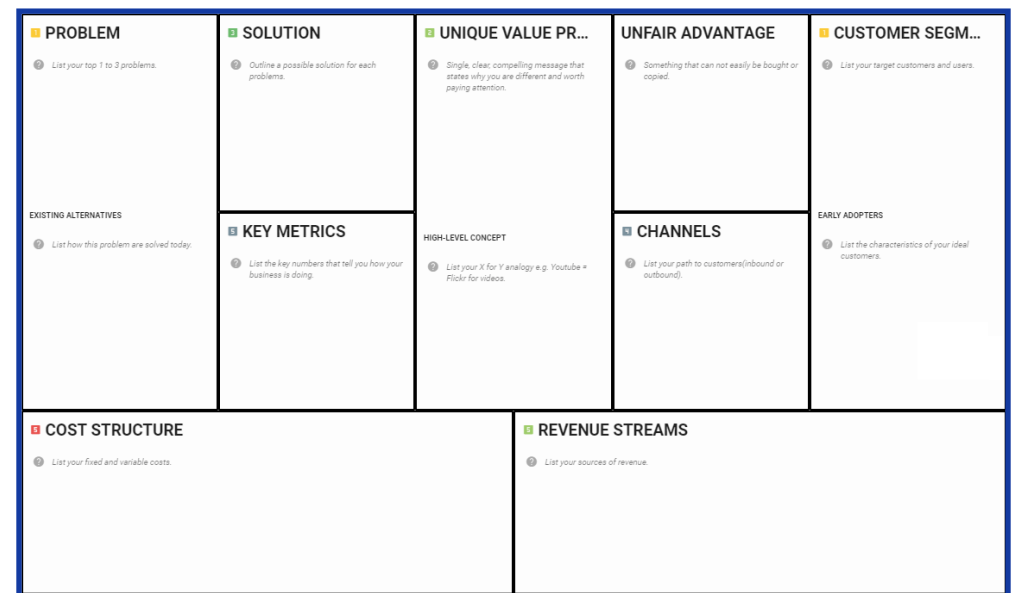
Canvases

The Launch League Canvas is the guiding element of the entire programme. In this short chapter we'll introduce the canvas and explain how to use it.

WHAT IS A CANVAS?

A strategic management template developed around 2008 by Swiss business theorist Alexander Osterwalder. It uses a visual chart to describe a business's infrastructure, customers, finances and value proposition; giving an overall view of the entire business model. It's called a canvas because it's intended to be a hands-on tool, printed out large, which is then filled in with pens and post-its.

If the entrepreneur's business idea is the What, then the Launch League Canvas provides the How, the Who and the Why. A canvas is a one-page business plan that helps the entrepreneur to understand their business as a whole.



The classic leanI canvas, templates available at canvanizer.com/new/lean-canvas

TYPES OF CANVASES

There are various types of business canvases, each made up of various elements or “building blocks”:



CANVAS TYPE

ELEMENTS

Business Model Canvas	<ul style="list-style-type: none">• activities• partners• resources• value proposition• customers• customer channels• customer relationships• costs• revenue
Lean Canvas (for startups)	<ul style="list-style-type: none">• problem• solution• key metrics• value proposition• customers• customer channels• unfair advantage• costs• revenue
Marketing Canvas	<ul style="list-style-type: none">• market• competition• trends• goal (revenue)• customers• brand• value proposition• journey• conversation• metrics

THE LAUNCH LEAGUE CANVAS

The Launch League Canvas adapts the Lean Canvas, making it more relevant to idea-stage entrepreneurs in the South African context. The language is simpler, it's easier to use, and it's better calibrated to help idea-stage entrepreneurs understand their new businesses holistically. It has nine elements, which fall into three categories:



You can find Launch League's canvas template [here](#).

THE BUSINESS OFFERING

The Problem: What is a problem that many people face, and care about?

The Solution: What is my product or service that solves the problem?




Star Quality: What's special about my solution?










THE BUSINESS OPERATIONS


Tools: What will help me to run this business?

Costs: What does my business have to pay for?

Income: How does my business make money?



THE LAUNCH LEAGUE CANVAS


THE BUSINESS OFFERING			THE MARKET	
The problem What is a problem that many people face, and care about? 	The solution What is my product or service that solves the problem? 	Star quality What's special about my solution? 	Pathways How do people find out about my solution? 	Customers Who needs my solution? 
Other solutions Who are my competitors? 				
THE BUSINESS OPERATIONS				
Resources and Tools What will help me to run this business? 	Costs What does my business have to pay for? 	Income How does my business make money? 		

The Launch League Canvas is licensed under [CC BY-ND 2.0](#) 

THE MARKET

Pathways: How do people find out about my solution?

Customers: Who needs my solution?

Other Solutions: Who are my competitors?

The Launch League programme uses this canvas as its primary tool. Each module and its exercises result in a block of the Launch League Canvas being filled in, and by the end of the programme each entrepreneur has their own completed canvas to take home and base their business on.



Use Launch League's canvas to really understand a business

A Launch League Canvas is completed by each participating entrepreneur, and it serves as their business game plan. Other canvases, like the Marketing Canvas, can then be used to build on aspects of the Launch League Canvas later on in the business's lifecycle.

Download the printable/editable Launch League Canvas template and access the explainer videos [here](#). You will use these videos during the Launch League course to introduce participants to the key concepts in the canvas.



SECTION 02

Delivery

CHAPTER 6:

Facilitation

CHAPTER 7:

Mentorship and coaching

CHAPTER 8:

Meet-ups

CHAPTER 9:

Showcase

Facilitation

Before you start the programme, you need to understand your role as a facilitator. You're not a teacher, so you don't have to have all the answers; but you do have to ensure the participants are enabled and empowered to learn from (and teach) each other.

As a Launch League facilitator, you play a vital role in guiding participants through the programme. **But you're a facilitator, not a teacher – and that's an important distinction.** A teacher is a subject matter expert, while a facilitator is an expert in the learning process. While a teacher is a 'Sage on the Stage' who decides what the group learns; a facilitator is a 'Guide on the Side' who helps the student on a self-learning journey, drawing from the knowledge in the room to help the group learn from each other.

CO-FACILITATION

As intense as the two-day bootcamp is for participants, it's even more demanding of facilitators. If you plan to run Launch League in its original two-full-days format, then it's highly recommended that you do it with a co-facilitator. Divide the modules between you and don't forget to assign who's doing activities like icebreakers too. If you don't have an admin assistant, then share out tasks like taking the register and managing the catering, so that everything runs smoothly.

TIP!

Facilitators don't have to know it all. If you're asked a question and you don't know the answer, don't try to wing it. Rather help the participants discover the answer for themselves.

FACILITATION TIPS AND TRICKS



Grouping people

- To begin with, it's usually easier to let people group themselves for an activity.
- For the second group activity, you can ask people to find other people they haven't worked with.
- For further activities, to stop people always working with the same people, you can divide teams up more randomly: if you need five teams, for example, give each person their own number from one to five, and then ask all ones to group together, all twos together, etc.



Clear communication

- At the beginning of the bootcamp, explain what the objectives are, and in each module, start with re-iterating these and what the outcome of the section will be.
- When writing on flip charts or boards, use black or blue pens wherever possible and write in large capital letters, so that everyone can see it. When talking through what's written, stand to one side and change sides if necessary, so that you're not blocking what's written.



Listen and enquire

- You are a facilitator, not a lecturer. If someone is saying something interesting during a group discussion, don't use it as an opportunity to jump in with your own opinion. Rather ask them open-ended questions, so that other participants can learn and join in the conversation.
- Open-ended questions begin with why, how, what, describe, explain, tell me about..., or what do you think about...?
- When a participant has given a long and complicated answer, it can be useful to summarise what they've just said if people are struggling to follow on. For example, say, "What I've just heard Tsepho say is that social media is not helping him reach his customers. Has anyone else here had that problem?"
- At least two or three times during a bootcamp day, take the time to pause and ask whether there are any general questions, comments or concerns. Open and close your meet-ups in the same way.
- Try not to side with people with strong viewpoints, even if you agree (or disagree!). This could send the message that certain opinions are valued more than others. Rather than saying, "That's exactly right!" try saying, "That's a really interesting perspective. Has anybody here had a different experience?"



Give different people a chance to speak

- You probably won't have time to hear from everyone in every round of group feedback, but then just make sure you call on different people the next time there's an opportunity for feedback.
- Time during the bootcamp is short. Keep reminding participants that they'll have time to explore these topics further in the meet-ups.



Read the room

- If you notice that some participants seem hot or cold (but aren't saying anything), stop and ask if you can open or close a window, drop a blind, turn up the aircon, etc.
- If people are clearly tired or hungry, and are losing concentration, consider breaking for tea or lunch earlier, so that people can refresh themselves. (Remember to adjust the schedule so that you can still keep time.)



Manage the chatterboxes

- If one participant is dominating the conversation, divert attention by asking the group for their views on the topic, before moving everyone on to the next task.
- Keep the talker occupied by giving them a task like writing people's points on a flip chart or managing time for group work.

TIP!

Stay neutral. A facilitator's role is to create the conditions that **enable the group to talk, plan and grow**. Structure the discussion, rather than allowing a free-for-all, to ensure everybody is included.





KEEPING TIME

There's no such thing as 'over-planning' when it comes to setting up the room for a Launch League programme. Go through the timing, and plan how long you have to spend on each module. Keep a copy of the schedule in front of you, and wear a watch or keep a clock in the room to help you keep track of the time. (Rather don't use a phone to check the time; you wouldn't want the participants checking their phones, so set the example!)

If you choose to run the Launch League programme as a Bootcamp + Meet-ups as per the original design, you will need to ensure excellent timekeeping as the bootcamp schedule is tight!

You can find Launch League's bootcamp schedule template in the Launch League hub resource library on www.launchleague.co.za.



TIP!

Don't go solo. If your hub has the resources, use two facilitators instead of one. This keeps the energy up, and allows one of you to watch the group (or 'read the room') while the other focuses on facilitating the discussion.



FACILITATING ONLINE PROGRAMMES

In the socially distanced age of Covid-19, you might choose to run the programme (or parts of it) through a virtual platform. While that removes many of the health risks, it also presents challenges for the facilitator. Here are a few things to be aware of:

WHAT IS A SOCIAL CONTRACT?

A social contract is a set of behaviours that the group agrees upon. These are the house rules and they usually aren't written down anywhere - it's just the expectations of behaviour.

- **A social contract** is still valuable in a virtual programme, particularly around when mics and cameras should be on or off, and participants' expectations of each other's engagement levels.
- **Connections can be unreliable**, so you might have participants dropping in and out of the call – don't let it distract you or the other participants, if possible.
- **Participants will be easily distracted**, so you'll have to work even harder to keep them engaged – try running polls and regular energisers, and be sure to ask for their input as much as possible. You can call on individuals, which will make participants aware that they should stay tuned in in case it's them next!
- **Data costs can be high**, so participants might switch to voice-only connections, which will make it impossible to pick up non-verbal cues – ask them to use emojis like the Zoom hand clap to give feedback.
- **Some participants might mute themselves** to cut out background noise, which **could limit the discussions** – ask them to unmute or even turn on their cameras for group chats.
- **Breakaway group work can be challenging to manage** if you're a lone facilitator – the better the breakaway brief, the better participants can self-manage.





ICE-BREAKERS & ENERGISERS

An ice-breaker is an exercise that you do with the group at the beginning of an event to help everybody become comfortable with each other. Here are two ideas:

WOOL-PULL: (in-person ice-breaker)

Take wool of a couple of different colours and cut into different lengths; between 15cm and 60cm. Tie different colours and lengths of wool into one long string and roll it into a ball. Take a jar with a lid (like a peanut-butter jar) and put a hole in the lid. Put the ball of wool in the jar and feed one end through the hole in the lid, before screwing the lid on. For the ice-breaker, sit everyone in a circle and give the first person the jar. They must grab hold of the end of the wool and start slowly pulling: they need to talk about themselves until they get to the first knot. Then they hand the jar on. Different people will get to talk for different amounts of time, with surprising results!

SHAKE IT OFF: (virtual or in-person energiser)

Energisers do as they're named, they bring energy into the room – whether virtually or in person. Getting everyone up and dancing to a song is a great way to make everyone launch and get the blood flowing, and can be run virtually (with cameras on) or in person. As a facilitator, you can lead the “shake” with cues – “right arm shake”, “left leg shake”, “full body shake”.

Facilitators are important guides through the process

Your role as facilitator is not to be an all-knowing teacher, but rather to guide the group as they discuss problems and learn from each other. Make sure you're well prepared so that the sessions don't run over time, and so that you're equipped to get the most out of everybody in the room.



Mentorship and Coaching

While your role as facilitator is to facilitate the Launch League programme, you'll wear other hats as well – including that of coach, and possibly mentor. Let's unpack what that means.

As a Launch League facilitator, you're not a teacher who has all the answers. Rather, your role is as a facilitator and a coach, and – in some respects – as a mentor to the idea-stage entrepreneurs participating in the programme.

WHAT IS MENTORSHIP?

Mentorship is a long-term relationship in which a more experienced person guides a less experienced person. In the context of an entrepreneurial ecosystem, a mentor creates value by sharing the knowledge and network they've built up over the course of their career. In South Africa, where most entrepreneurs are either young or inexperienced (or both!), support from a seasoned business professional is very valuable as it increases the chances of entrepreneurial success.

There are three kinds of mentors:

- **Industry expert mentors**, who provide guidance and connections with the entrepreneur's specific industry
- **Company-builder mentors**, who help the entrepreneur develop their business
- **Personal growth mentors**, who focus less on the business and more on the entrepreneur's personal development.

Your hub will want to build up a network of experienced business people, so that as entrepreneurs' companies grow you can give them access to relevant mentors. This will be a useful resource to offer once your Launch League participants have started building their ideas into real businesses.

As a Launch League facilitator, one of your roles is to encourage peer mentoring among the programme participants.

70%

of South African entrepreneurs are running their first business, according to the SME South Africa's 2019 Landscape Report.

WHAT IS PEER MENTORING?

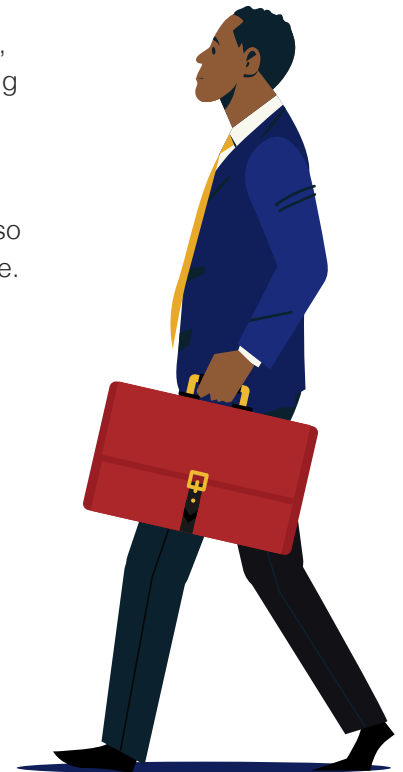
A relationship between people who are at the same career stage, but where one person has more experience than the other in a particular area. This kind of mentoring could be one-on-one or – as in the case of Launch League – in a group.



PEER MENTORING

In the Launch League programme, there is scheduled time for completing worksheets, as well as for group discussion. Use discussion time to profile participants' views and experience, rather than driving the conversation yourself. **To encourage peer mentorship, prepare leading questions or interesting examples to spark conversation, if necessary.**

During worksheet sessions, let participants talk among themselves, while you listen in as a guide, clarifying areas of confusion or posing interesting further questions. The aim of this peer mentoring is to help the entrepreneurs feel confident about their own experience and opinions, and to learn from people in the same situation as them, while encouraging them to feel more connected as a group so that they might get support from each other beyond the programme.



WHAT IS COACHING?

Coaching is what Launch League facilitators do, especially in the meet-ups. **While traditional one-on-one mentoring focuses on long-term development, coaching is a short-term, structured interaction based on improving performance.** Also, a mentor is a subject expert, and usually someone who has built up experience in the entrepreneur's specific industry or field. A coach, on the other hand, might not have the same depth of industry expertise, but is able to build the entrepreneur's confidence and self-esteem and equip them with the skills they need to grow.

As a coach, one of your roles is to create an environment (like the Launch League) where the entrepreneur can self-reflect and take increasing responsibility for their own development. By

empowering the entrepreneur to stand on their own two feet, you'll foster their confidence and their ability to take their business forward.



COACHING TIPS!

Listen actively: Make space for the entrepreneur to speak, gather information from them and summarise what they say back to them.

Set goals: Guide the entrepreneur to set their own realistic goals and hold them accountable to them.

Be curious: Listen carefully and ask questions that challenge assumptions, both yours and the entrepreneur's.

Give feedback: This doesn't mean telling the entrepreneur what to do, but give them constructive advice based on what you know about how they approach problems. Be positive and keep them motivated.



Coach and mentor the participants to greatness

Coaches and mentors play different roles in an early-stage entrepreneur's life. In the Launch League setting, your role as facilitator is to act as coach and to encourage the participants to build themselves – and each other – through peer mentoring.



Meet-ups

Entrepreneurs who have connections with other entrepreneurs are more likely to succeed. In this chapter we'll see how Launch League's post-bootcamp meet-ups are an important step towards creating that ecosystem.

The Launch League bootcamp is an intense learning experience, where participating entrepreneurs work and think together in a structured facilitation process. The meet-ups encourage connection, communication and further peer learning and mentorship between the entrepreneurs. **Creating those connections is key to developing the entrepreneurial ecosystem.**

WHAT HAPPENS AT THE MEET-UPS?

Launch League meet-ups are ideally run in person or online via a platform like Google Meet. There should be five meet-ups, to align with the five modules of the programme, held once a week for about 1-1.5 hours each. They should be held at a time that is convenient for the group, which can be agreed upon in the bootcamp.

To keep the momentum going – and to give the entrepreneurs a reason to check in – you should set a task for each meet-up. As there are five meet-ups and five modules in the Launch League programme, each meet-up's 'homework' assignment should be aligned with the themes of each module. **The objective is to let each entrepreneur deep-dive into the areas of their business that they explored in the bootcamp, and to share their experiences of how those learnings are playing out in the real world.**

THE FACILITATOR'S ROLE

Your role as facilitator changes in the meet-ups. While you would have done a fair amount of talking (hopefully not too much, though!) during the bootcamps, you won't talk very much at all in the meet-ups. Here the entrepreneurs should do most of the talking, sharing updates, experiences and feedback with each other.

You're the facilitator, so you 'hold the space' by welcoming everyone at the beginning, stating the theme of the meet-up and outlining what the key points of conversation will be. You'll guide those conversations then, making time for the participants to reflect on what they've learned and making sure the conversation stays on track. You should prepare some leading questions relating to the topic as a back-up, should the discussion lull – particularly if you are running virtually, as encouraging group discussion is much harder on a video or voice-call.

If someone gets stuck, draw on the group's collective knowledge – just as you did in the classroom. For example, you could ask, "Has anyone else had this problem? What did you do?"

TIP!

It is really important that entrepreneurs are aware of the time commitment of the meet-ups when applying, and confirming their place on the programme to ensure retention. If your budget allows, you should consider offering a travel or data stipend to encourage participation.

As the meet-up wraps up, consolidate the key points on behalf of the group, remind everyone of the following week's topic and then set out the homework activities.

THE PARTICIPANT'S ROLE

The meet-ups are all about peer mentoring, peer learning and peer support. You as the facilitator should take a step back and let the entrepreneurs teach and learn from each other. Encourage them to share their experiences – including their wins and their frustrations – of applying what they learned in the Launch League bootcamp, out in the real world.

These interactions will lay the seeds of their network, which will boost and broaden their (and your hub's) entrepreneurial ecosystem.



MEET-UP 1: Solution & Market validation

After the bootcamp, the entrepreneurs should have prepared a number of key assumptions and gone out to conduct their market validation. In this meet-up, the group will discuss the assumptions they sought to test, the process they followed, and what they learnt.



MEET-UP 2: Target Customer

The entrepreneurs started building out their customer persona in the bootcamp, but their market validation exercise should have given them an even stronger understanding of who their target customer is. In this meet-up, the group will discuss their target customer profile, what drives them and how they plan to reach them.



MEET-UP 3: Competition

They may think they know their competitors, but it is most likely that they haven't done their research. The entrepreneurs should do a thorough competitor analysis in preparation for this meet-up, where you'll discuss the process and learnings from this exercise. Make sure they understand direct and indirect competitors before they arrive, and have considered both!



MEET-UP 4: Costs & Income

The tricky part! Many of the entrepreneurs will have struggled with these worksheets in the bootcamp, so this is the opportunity for them to really dive into their costs, expenses and estimated profit. Some will find this exercise harder than others, but encourage everyone to participate and stress the importance of this meet-up!



MEET-UP 5: Resources

During this meet-up, you'll discuss the resources that the entrepreneurs have available to them already, and those they will need to source in order to launch their business. You can introduce the peer group as an important resource, as well as your hub's facilities/network. This is your final session, and you may want to revisit your social contract to agree how the group wants to engage post-programme.

Visit the [Launch League website](#) to access the suggested meet-up guides, which can be shared with entrepreneurs via WhatsApp to help with their preparation for the session.



Meet-ups build community and peer learning

Launch League meet-ups are an important part of the participating entrepreneurs' overall experience. Your role as facilitator is to let the group teach and learn from each other, laying the foundations of their new network of support.



Showcase

A showcase event is a great opportunity to celebrate what Launch League participants have learned, and to raise both their profile and that of your hub.

When does a Launch League programme end? Not at the end of the bootcamp. There's still a series of meet-ups after that. And not after the meet-ups, either. The intention is that participants become Launch League 'alumni' – a core group of entrepreneurs whose network of contacts includes each other.

There are a number of things you can do as a facilitator to promote this sense of continuity. You can set up a WhatsApp group, facilitate the post-bootcamp meet-ups, and perhaps even set up a reunion meeting a few months down the line. One of the most impactful post-programme events, however, is an entrepreneur showcase.

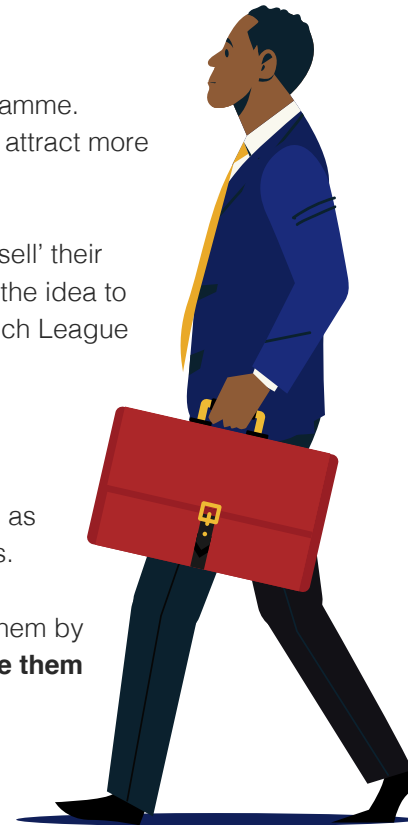
WHAT A SHOWCASE DOES

Hub partners and funders will want (if not insist on) proof of the outcomes of the Launch League programme. While the post-event report will give them the documentation they're looking for, a showcase event will attract more attention... and it will make a powerful visual addition to that report!

Your showcase can be virtual or in person, providing a platform for the participating entrepreneurs to 'sell' their idea to clients, customers and business partners – perhaps for the first time. This is not a time to pitch the idea to investors; rather, **it's about taking their new business** (which was just an idea at the start of the Launch League programme) **out to the market**.

SELLING THE IDEA

The participating entrepreneurs might need to be coached on how to sell their idea. This is where you, as the Launch League facilitator, come in. Don't do it for them; guide them to find the answers themselves. Refer them to their Launch League Canvas. Remind them what they learned in Module 2 (Who are my customers and how do I reach them?) and Module 3 (How do I get them to choose me?). Encourage them by pointing out the Star Quality on their canvas. **You're a coach, but you're also a cheerleader – so give them the confidence they need to sell their amazing idea!**



BASIC PITCH STRUCTURE

By completing the Launch League Canvas, participants will have covered all the bases to make a pitch. Entrepreneurs typically choose to speak to a set of slides called the pitch deck, but can also come up with other creative ideas to sell their product or service.

You may choose to run the showcase in an expo style, with each entrepreneur at a station where they can demo their product and answer people's questions about it. In any event, the entrepreneurs should prepare a pitch.

At a minimum, their pitch should cover the following:

- The **problem** and how this product/service addresses it
- The **target market** and how to reach it
- **Alternative products/services** and how this one is better
- The **business model** and how the company will make money
- The **ask**: What the entrepreneur needs to progress

If they have developed a prototype, a brief product demo can also be very effective.

RUNNING A PITCHING EVENT

Refer to the module on event management in The Hub's Guide to Programme Management for general advice on running an event. Aspects that you might want to consider that would be unique to a showcase would include:

Pitch training: Have a run-through of each entrepreneur's pitch with them, preferably in the room where the event will take place and using the equipment they'll be presenting with.

'Judges': It can be useful for the entrepreneurs and the audience to hear feedback on each pitch from a small panel of experienced people. These can be drawn from the hub, programme sponsors or local ecosystem (e.g. more experienced entrepreneurs). Three people is enough.

Room set-up: You'll want to set the room up cinema style, for an audience. If you have a panel, remember to set up a table for them at the front of the room.

Catering: You want to make the close of the showcase a celebration, so think about how you can make the food more festive, for example, by providing sparkling drinks and fancy cupcakes.



BUILDING A COMMUNITY

A showcase event is a perfect opportunity to call in people from across the hub's network. This will help to broaden and strengthen your hub's community, while also connecting the participating entrepreneurs to new contacts and opportunities.

As one of your final acts as facilitator on this particular programme, encourage those contacts to (where appropriate) act as mentors to the new Launch League alumni.

By facilitating that culture of mentorship, you'll help to grow the entrepreneurial ecosystem – and position your hub as a centre of connection and innovation.

Wrap the programme up neatly with a showcase

A post-programme showcase event is a good way to wrap your Launch League programme, because it ticks several important boxes: it creates networking opportunities, it demonstrates value to funders and partners, and it launches the participating entrepreneurs' new business venture into the big, wide world.



SECTION 03

Launch League Programme



CHAPTER 10:

Launch League programme
overview

CHAPTER 11:

The five modules

CHAPTER 12:

Tech tools

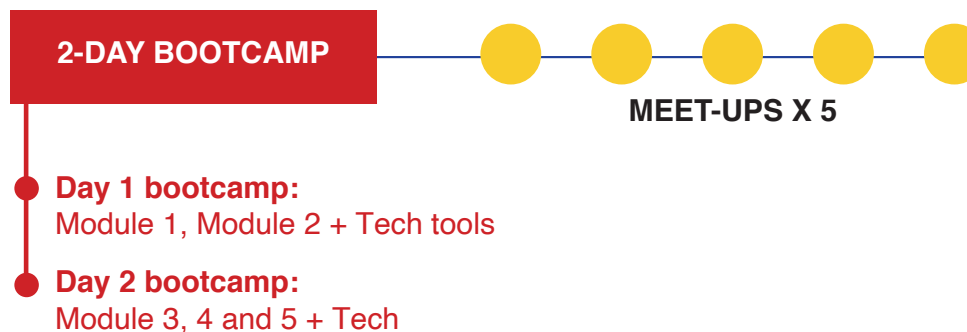
Launch League Programme

The Launch League programme is a carefully designed 5-module and tech tool programme, ideally run as a 2-day bootcamp plus five meet-ups. In this chapter we unpack that content, and explain how it leads into the post-bootcamp meet-ups.

Launch League is aimed at idea-stage business owners who have started working on their idea, but have only been operating for a few months. **The programme has been designed as a two-day bootcamp followed by five meet-ups:** the cohort has two intensive days where they get an overview of their full business model and bond as a group, and then the five meet-ups give them time to act on what they discovered in the bootcamp and deepen their learning on each of the five core modules. **This programme structure may be adapted to your circumstances, and we suggest a few ideas on page 45.**

The bootcamp is a structured and facilitated programme where participants complete their Launch League canvas while exploring the various aspects of their business idea. The meet-ups are less structured, and the focus here is on peer learning as the participants share their experiences of applying what they learned on the bootcamp in the real world.

LAUNCH LEAGUE PROGRAMME



THE LAUNCH LEAGUE GLOSSARY

A glossary of all the key terms has been created in English, and translated into Zulu and isiXhosa. These glossaries are available for download on www.launchleague.co.za, and may be useful tools to print or send to those entrepreneurs less confident in learning in English.

BOOTCAMP CONTENT

The bootcamp is made up of five core content modules, mapped to the **Launch League Canvas**: a large, printed sheet that each participant completes throughout the bootcamp. **Think of it as a one-page business plan** (see Chapter 5).

Why was it developed this way?

The reasons for using a canvas as a template are two-fold:

- The canvas helps participants see that their idea alone is not a business and helps give them a **holistic view of how they might make that idea a reality**.
- By building the content and worksheets around the parts of the canvas, the participants feel a sense of completion at the end of the bootcamp, as **they finish with a completed picture of what their business might look like**.

Each module has two worksheets, which drill down to a refined statement that can then be written into the relevant section of the canvas.

TIP!

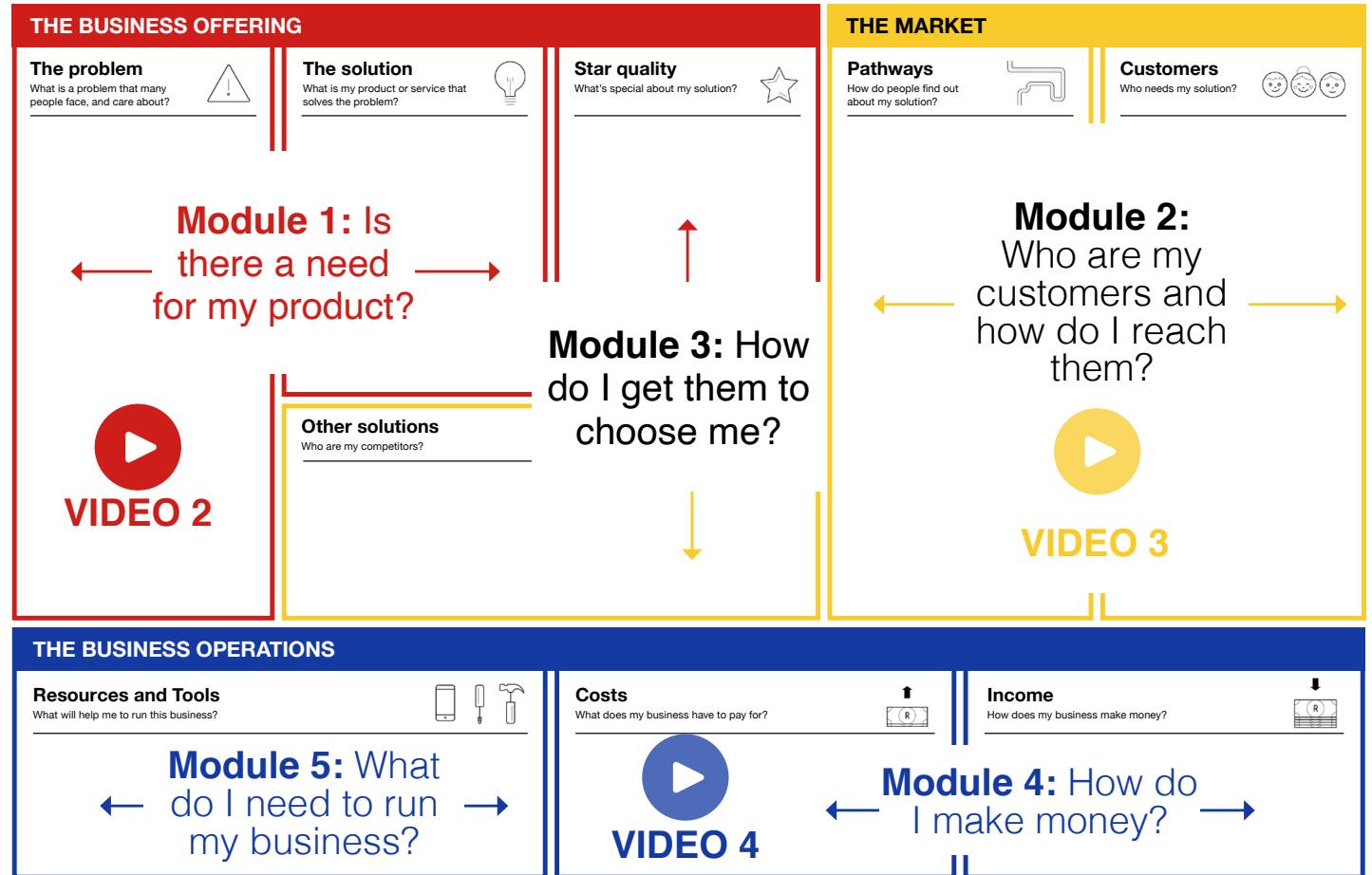
Entrepreneurs are often reluctant to write on their canvas after the worksheets, but you should encourage them to do so, so they complete the bootcamp with a completed piece of work. You may want to print extra sheets of the canvas for those who want to re-write at home.

CONTENT MODULES

Each bootcamp module consists of a participatory, **lecture-style video** that introduces key concepts, followed by **two worksheet exercises** that allow the participating entrepreneurs to apply the learnings to their business. There are **four short Launch League Canvas explainer videos**, that are played during the facilitator presentations of the Introduction; as well as Module 1, Module 2 and Module 4.



The modules map to the three sections of the Launch League Canvas, like this:



TIMING

Typically, the bootcamp will cover Modules 1 and 2 (plus the first Tech tools section) on Day 1, and Modules 3, 4 and 5 (plus the second Tech tools section) on Day 2.

The components of each module can be broken down by time to ensure everything stays on track. Here's an example of the breakdown for Module 1, with a suggested time allocated to each part of the learning journey.

MODULE 1		
TIME	COMPONENT	ALLOCATION
10.45 - 10.50	Video	5 minutes
10.50 - 11.30	Slides	40 minutes
11.30 - 11.40	Problem statement	10 minutes
11.40 - 11.50	Discussion	10 minutes
11.50 - 12	Solution statement	10 minutes
12- 12.10	Discussion	10 minutes

HOW TO CHANGE THIS UP

You may tweak and adjust the Launch League programme to suit the needs of your hub and your participating entrepreneurs. If you do, please let Viridian know how those changes were made and whether they were successful or not.

Areas that you might choose to change include:



Timing: The bootcamp is designed as a two-day event, but you could also spread it out over five Saturdays (one per module).



Content: Local case studies – especially drawn from your hub's ecosystem – might be more relevant or relatable for the participants.

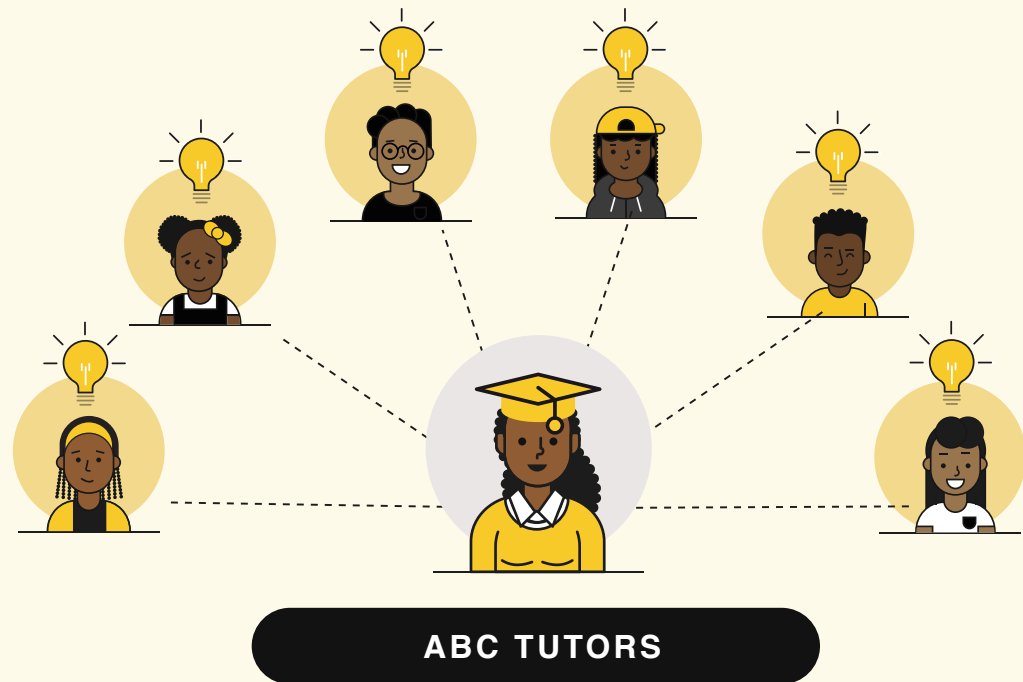
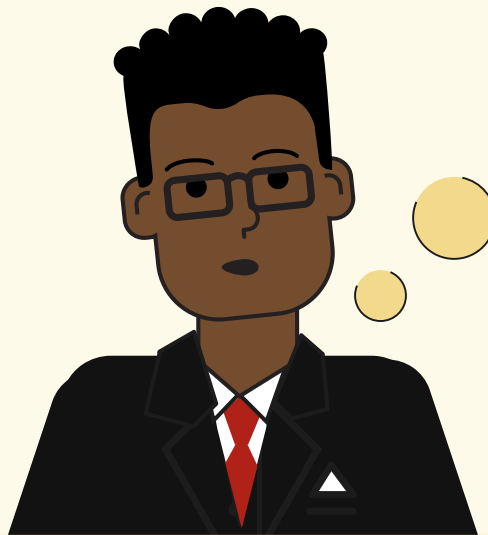


Platform: While the bootcamp is intended to be an in-person (face-to-face) event, it could shift to an online delivery. This has its drawbacks, however: data connectivity can be a challenge in rural or peri-urban areas, and engagement is not as good in a digital setting.

ABC TUTORS CASE STUDY

Throughout the Launch League programme, a fictional business – “ABC Tutors” – is referenced, to explain key concepts and demonstrate how to fill out the Canvas. At the end of each module, there is a slide with the relevant section of the ABC Tutors Canvas completed. At the end of [Module 5](#) is a completed Canvas.

You may choose to use a different fictional business or a business you’ve worked with as an example, if more relevant to the entrepreneur group.





The Launch League programme is a journey

The Launch League programme is designed to take participating entrepreneurs on a learning journey through a structured, five-module/two-day bootcamp followed by five post-bootcamp meet-ups. The content can be modified slightly, but should be delivered in full.

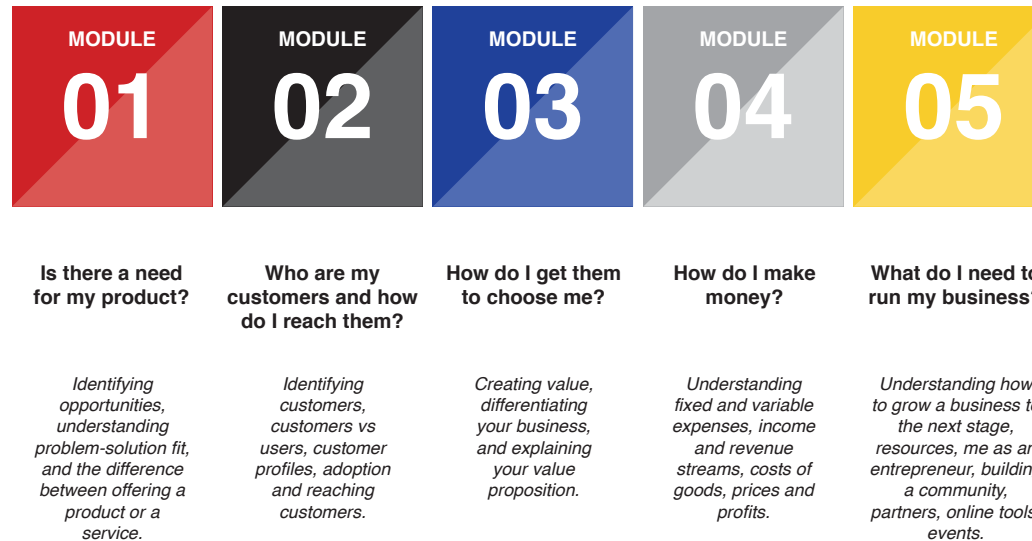


The Five Launch League Modules

Facilitators should feel confident that they are more comfortable than the participants about the key concepts and can effectively guide them through the content and associated concepts.

THE FIVE LAUNCH LEAGUE MODULES

The Launch League bootcamp includes five modules, each of which explores a critical question that the entrepreneur needs to be able to answer about their business. The learnings from these modules are fed into the Launch League Canvas, an A4 printed canvas based on a modified Business Model Canvas tool (see Chapter 5).



NOTES ON SLIDES

The slides that have been supplied to you to run the Launch League programme are well annotated with detailed notes. Familiarise yourself with these notes and feel free to adapt them to suit your style.

EXPLAINER VIDEOS

Four very short explainer videos have been created to introduce participating entrepreneurs to the Launch League Canvas, and then to each content section. These are played at the start of your bootcamp, at the beginning of Module 1 (to start Section 1), Module 2 (Section 2) and Module 4 (Section 3).

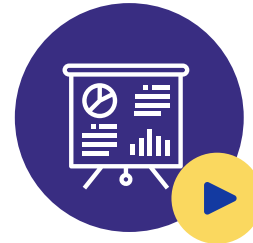
A longer Launch League Canvas Deep Dive video introduces the full canvas, and can be shared with participants before and after the Bootcamp or workshop to give a deeper explanation of the Canvas.

Facilitators should be very familiar with the content, and able to guide the programme cohort through the modules – including the concepts and the areas that the participants might struggle with.

View all four of the Launch League videos [here](#).



View the Launch League Canvas Deep Dive video [here](#).



VIDEO 1: Your Business

Played at the start of the bootcamp



VIDEO 2: The Business Offering

Played at the start of Module 1



VIDEO 3: The Market

Played at the start of Module 2



VIDEO 4: The Business Operations

Played at the start of Module 4

LAUNCH LEAGUE MODULE 1



Key question: Is there a need for my product or service?



Key concepts: A problem plus a market need is an opportunity
Product vs service



Worksheets: Problem Statement and Solution Statement

By applying a design thinking approach (see Chapter 3), participating entrepreneurs will focus on understanding the problem, rather than simply jumping to the 'solution' (i.e. their business idea). This focus on the problem and on the customer will prompt the entrepreneur to take a deeper look at the benefits their solution offers... In other words, to ask what 'job' the customer is trying to do, and how their business will help them get it done.

Every business solves a problem. Often, this problem has been experienced by the entrepreneurs or their community. Yet, it is only a business opportunity if people are willing to pay to have this problem solved.

In **this clip**, business professor Clayton Christensen explains the 'job' of a McDonald's milkshake.



Facilitation Guidelines

- One of the first things the entrepreneurs are going to need to decide in this programme is **whether their business is (primarily) a product or a service**. A product-based business sells an actual physical thing, while a services-based business sells services, like plumbing or beauty treatments. Service businesses typically require less capital to start, but may be challenging to grow, while a product business needs cash to start and good cash flow to maintain inventory, but can scale easier by selling more units to more customers.
- In this module you may want to **run through some successful businesses (local and international) to talk about the problems they solve**. As the facilitator, you should have already thought/ researched through some examples so that you are clear how to articulate the problems.
- **Problem and solution statements can be hard to get right**, but are the foundations of this programme. Use pair discussions and group discussions in this module to help entrepreneurs get their problem and solution statements right.

WHAT ARE MARKET NEEDS?

A market need arises when a segment of customers requires or desires a solution, but current providers are not effectively meeting that demand.

TIP!

Many idea-stage entrepreneurs just want to talk about their idea, without connecting to the lifeblood of the business: its customers. Remember to **keep the focus on the problem and on the benefits to customers**, and keep bringing the conversation back to that.

LAUNCH LEAGUE MODULE 2



Key question:

Who are my customers and how do I reach them?



Key concepts:

Users vs customers
B2C, B2B & NPO
Target market vs Target customer
Adoption
Market validation
Pathways to customers



Worksheets:

Target Customer
Customer Pathways

In this module, the entrepreneurs will try to get into the head of their target customer by understanding **who they are** (men, women, age, jobs, income), **where they are** (what area do they live or work in), **how many of them there are**, and **how open they are to new ideas**. Then, they need to determine **how those people could find out about their solution**. It's important that they be very specific in this exercise, and that they build empathy with their target customer.



Facilitation Guidelines

- It is important for entrepreneurs to start thinking **broadly** about the size of their target market, and then **specifically** about their fictional target customer.
- As a facilitator, make sure you understand the differences between who the customers are for different business models and have some **local examples** to illustrate this. You may have some B2Bs (business to business) and NPOs (non-profit organisations) in the room, maybe even some B2Gs (business to government), not just B2Cs (business to consumers). Remember, as an NPO, the “customer” is the funder, while your “user” is the beneficiary.
- This may seem obvious to you, but for many idea-stage entrepreneurs, reflecting on **user vs customer** for their business is a massive break-through!
- You'd be amazed how many entrepreneurs aren't sure **who will pay for their product or service**.

Facilitating this module is about identifying who will pay for the entrepreneur's product or service, mapping out what they currently understand about the customer and how they will reach them, and what they still want to find out about them.

- **Adoption is a big consideration** for tech businesses or for new business models – just because it solves a problem does not mean that people will take it up. It's important to consider why people may not adopt the solution. This provides a nice opportunity for a pair or group discussion.
- The 'pathways' referenced here are called channels in the Business Model Canvas. This exercise is usually a break-through for entrepreneurs – they usually haven't thought through all the touchpoints they have with their customer, **from marketing to delivery to payment**. You can have an interesting group discussion about payment options, for example, and how these might encourage or discourage the customer.

TIP!

Market validation (see Chapter 4) is the most important aspect to focus on with idea-stage entrepreneurs – even more so than finances. Spend time unpacking why that research needs to be correct, why entrepreneurs need to challenge their own assumptions, and how they can create a model to reflect their findings. **You should challenge entrepreneurs to go out and conduct market validation for the first meet-up.**

PATHWAYS (CHANNELS) TO CUSTOMERS

How customers hear about the product or service (marketing).

How the entrepreneur delivers their product or service.

How customers pay for the product or service.

LAUNCH LEAGUE MODULE 3

? Key question: How do I get my customers to choose me?

💡 Key concepts: Creating value
Competition: direct and indirect

📄 Worksheets: Competitor Analysis
Star Quality

Five dimensions of value creation

Most businesses aim to create more value for their customers than the competition. But how do you create that value, and what is a competitor? Value is measured by the elements of value creation:

Affordability		<i>cheaper</i>	
Quality		<i>better</i>	
Time	Is your solution	<i>faster</i>	than the competition's?
Novelty/Innovation		<i>newer</i>	
Accessibility		<i>more local</i>	

Competition Matrix

Competition, meanwhile, is anything that solves the same problem or need as your business.

For example, if you're a hip-hop musician selling songs, your competition could be another musician's song (direct competition), but it could also be Netflix or a book... or anything that people consume in their leisure time (indirect competition).

Those alternatives could be direct or indirect competitors, local or global, online or offline. Direct competitors can be tracked on a matrix, with scores or details filling in the data fields:

	Affordability	Quality	Time	Novelty	Accessibility
Your Business	R	****	Fast	5	Local
Competitor 1	R	**	Slow	2	Local
Competitor 2	RRR	****	Fast	1	National
Competitor 3	RR	**	Slow	4	Regional
Competitor 4	RRR	*****	Fast	4	National

TIP!

Help entrepreneurs understand that **competition is part of doing business**, and that they should see it, not as a threat, but as a chance to improve their offering or their positioning.



Facilitation Guidelines

- In this module, you're focussing on the value proposition, or **why someone would choose the company**. Entrepreneurs will need guidance to think through the different kinds of value a business can deliver and how this will be different for different customers. Try think through more examples than we've provided on the slides, or use one of the businesses in the group to explain the different ways it might provide value and how appealing these would be to its target customers.
- Encourage participants to consider **the ways in which they are different from their direct and indirect competitors** and how they can reframe these differences to positively differentiate themselves. (This may influence their star quality.) This could be a good discussion point for pairs.
- Work with the entrepreneurs to **get their star quality statements as clear and concise as possible**. Often entrepreneurs want to focus on every benefit of their product or service, but this doesn't help them create a clear primary message that will convince customers to choose their business over others.

LAUNCH LEAGUE MODULE 4



Key question: How do I make money?



Key concepts: Business models
Creating, delivering and capturing value
Income
Cost of sales
Overhead costs



Worksheets: Business Model
Income and Costs & Break-even Analysis

This is the toughest module in the programme, and probably the most important.

This is where the entrepreneurs learn how to achieve the goal of their business, which is to minimise costs and maximise income and profits... in other words, to make money. The key question is how to achieve this.

It starts with establishing a business model, which determines how you create and deliver value to your customers and how you capture value from them.

- You **create value** through your product or service.
- You **deliver value** through the customer value proposition or benefits.
- You **capture value** through income or revenue that exceeds your costs.

When you tick all three of these boxes, you have a business. A business model describes how those boxes get ticked.

Business Models

It is important that entrepreneurs think about the primary business model they will focus on initially, as often they will have a number of different ideas on how they will deliver their product or service, and to whom. **There are over 50 different business models, but you will likely find that most of the entrepreneurs will identify with a handful of common models.**

TYPE	DESCRIPTION	EXAMPLE
Direct sales model	The business's own employees demonstrate and sell their products directly to the end consumer.	Herbalife
Add-on business model	The business adds on fees or charges to the basic price of a product or service for additional features or benefits.	Cars, which are sold in various 'trims'
Marketplace model	The company sources products directly from brands, and sells them at a profit.	Shops
Pay-as-you-go model	The customer pays a one-time cost to access the product or service, and pays again next time they want to access it.	Cellphone airtime
Subscription model	The customer pays a recurring price at regular intervals for access to the product or service.	Cellphone contracts
Transaction model	The business facilitates sales, and charges a commission on each transaction.	Uber



Read more about 50 business model examples [here](#).

The module unpacks fundamental (and very important) business concepts, including:

- **Income:** any money that is paid to the business, whether for the sale of products or services, or for rent, or interest on money the business has saved.
- **Cost of sales:** what it costs the business to deliver the product or service to its customer.
- **Overhead costs:** unlike cost of sales, this is whatever the business has to pay to keep running, for example: bank fees, telephone costs, tax, marketing, office expenses, marketing, etc.
- **Gross profit (GP):** the business's sales (income) minus its cost of sales. Gross profit is what's left over to cover the overhead costs.
- **Net profit:** this is the 'gravy'; it's the money the business makes after it has covered all of its costs (including overheads).

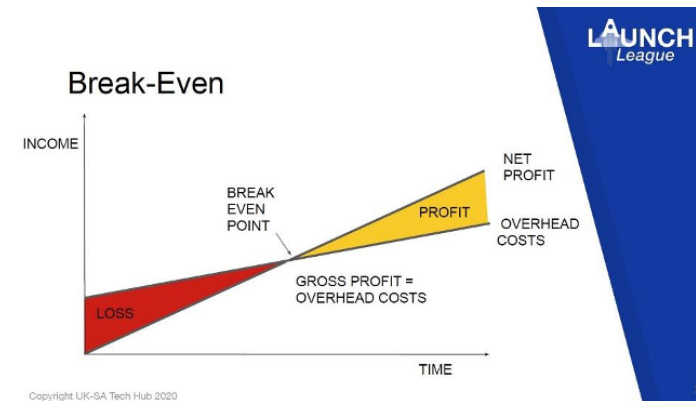


Facilitation Guidelines

- While there are dozens, if not hundreds, of types of business models, don't try to introduce too many! If possible, prep for the session by analysing the participants' application forms, and **pick three or four models that might apply to the businesses in the group**, so that you can explain them thoroughly.
- It's easy for the entrepreneurs to get overwhelmed in this module, especially the financial literacy part. Instead of getting distracted by trying to guess actual costs, **focus on communicating the principles: it's ok to use placeholder numbers just so that they can get a feel for budgeting**. Participants can work on a more accurate and detailed budget for the meet-up on this topic later.

WHAT IS THE BREAK-EVEN POINT?

This is the point at which **Total Costs and Total Revenue are equal**. If you represent it on a graph, it's the exact moment when the business stops losing money (Loss) and starts making money (Profit).



Source: Launch League Module 4 Slides

On the graph you'll notice that a business can still be unprofitable, even if its income is high. That's because of factors like cost of sales. Then, on the positive side of the break-even point, the business can be making lots of money (net profit), but its gross profits can still drop because of the business's overhead costs.

TIP!

The big question for any business is, **How do you increase profits?** The break-even graph gives us a clue. You increase the business's profits by increasing its income *and* by lowering its costs. Those **costs can be reduced by lowering the cost of sales and – importantly – by lowering the overhead costs**. Those overheads could include the entrepreneur's own salary (if they're drawing one).

LAUNCH LEAGUE MODULE 5



Key question: What do I need to run my business?



Key concepts: Resources
Tools
Partnerships



Worksheets: Resources and Tools
Entrepreneurial Characteristics

Module 5 ends the Launch League programme on a **positive, upbeat and empowering note**, by focussing on the entrepreneur themselves as their most important resource. Still, it's impossible for an entrepreneur to run and build a business on their own. **They need resources, tools and partnerships to make the business a success.**

Resources are used, when needed, to perform the activities of the business. They include supplies of money, material, staff, other assets and – of course – the entrepreneur themselves.

Tools are different; they're objects or devices that can be used to make something or accomplish a task. Tools can be physical (like a laptop or piece of equipment) or digital (like an app or piece of software).

Partnerships are often formal relationships where two or more people/businesses work together for mutual benefit. Both parties are active participants who co-operate, sharing resources, information, income and responsibilities.

Entrepreneurs should be creative and open-minded about what resources they can draw on. They shouldn't forget that they're a valuable resource too! The entrepreneur could be any one of (or a combination of) the main entrepreneurial archetypes:



- **The Innovator:** a high risk taker who comes up with completely new ideas.
- **The Hustler:** a hard worker who knows the value of networking
- **The Imitator:** a confident risk taker who'll take an existing business model and make it better.
- **The Researcher:** a problem solver who does their homework to ensure they limit their risks.

TIP!

Teams are a great business resource. As the entrepreneur grows their business, it's important that they identify their personal strengths and weaknesses. Then, as they bring team members on board (they could be employees or partners), it's doubly important that those people offer complementary skills. For example, if the entrepreneur is strong on ideas but weak on finances, they don't need another ideas person – they need someone who's good with the numbers! This is why **diversity is so valuable**: it ensures a balance of all the characteristics needed to make a business successful.



The Allan Gray Orbis Foundation unpacks the 12 key elements of an entrepreneurial mindset [here](#).



Facilitation Guidelines

- Entrepreneurs might struggle to differentiate between resources and tools. A key difference is that a **resource is something that can be depleted, and must be managed and topped up**. Again, this includes the entrepreneur and their own wellness.
- **It can take a while for participants to grasp that not all resources are cash, or cost money.** You could initiate a group discussion by asking people to come up with assets they have access to (their uncle's car, their sister's church group etc.) and then discussing how they could be useful to the business. This will better prepare them for the exercise at the end of this module.
- The entrepreneurs really enjoy talking through which archetype best matches their entrepreneurial style, so be sure to leave time for a light-hearted discussion about this.

ABC TUTORING EXAMPLE

Remember that Pathways include the ways that the service is marketed, produced and delivered!

THE BUSINESS OFFERING

The problem

What is a problem that many people face, and care about?



SA schools are overcrowded, lack resources, and pupils don't get the support they need to achieve good marks. They need additional support to get good marks and to get into university. There are limited options for after-hours tutoring that are affordable and safe for learners in Tshwane.

Problem statement

The solution

What is my product or service that solves the problem?



An affordable, group study service for high school learners held at local library venues, where they are tutored by a local university student.

Solution statement

Star quality

What's special about my solution?



The group structure allows the service to be affordable. By joining a tutoring group, pupils learn from others, receive tutoring support in person and online via a Whatsapp group.

The star quality is the business' competitive advantage, what sets it apart from the competition.

Other solutions

Who are my competitors?

THE MARKET

Pathways

How do people find out about my solution?



- Flyer & posters at taxi ranks
- Facebook pages for parents
- Referral basis between parents in exchange for a discount
- Service delivered at the local library
- Payment taken in cash from the pupils or parents can EFT or buy a bulk pack of lessons which will save them money
- Reports and communication with parents via Whatsapp.

Customers

Who needs my solution?



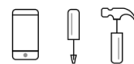
ABC Tutors' customers are working parents (both male and female) between ages 30 and 45 years old, who earn over R10,000 a month. They value education and are concerned that their children need extra tutoring. They support their child's dream of going to university. They are cost conscious, have a smartphone, and use public transport. ABC Tutors' users are high school students who want good marks and to go to university.

Customer vs User!

THE BUSINESS OPERATIONS

Resources and Tools

What will help me to run this business?



- University students
- Library venues
- Flyers
- Whatsapp for Business,
- Canva, Facebook
- Gmail, Google Drive, Sheets, Calendar, Slides and Calendar
- Youtube
- Laptop
- Partnership with local schools, university groups

All resources, tools and key partnerships to be listed!

Costs

What does my business have to pay for?



Fixed costs include the salary for the coordinator, library venue hire costs and online subscriptions.. Variable costs include internet and airtime, bank charges, printing and marketing. Cost of sales is the hourly fee to university students for tutoring groups.

Important to differentiate between variable and fixed, as well as cost of sales!

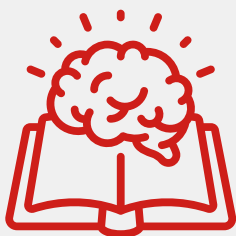
Income

How does my business make money?



Income is generated by selling packages or individual tutoring sessions to parents.

Consider all include all income streams!



Get familiar with the content

As a Launch League facilitator, you don't have to have all the answers... but you do need to have a clear knowledge of the programme's presentation slides. Make sure you know and understand what they're saying, and remember that those slides only scratch the surface of the information. You'll need to know more of the background, and be able to unpack the information that's up on the screen.



Tech Tools

Most small businesses are tech-enabled, and even those that aren't could benefit from using digital tools to promote and manage their business. Facilitators should help Launch League entrepreneurs to identify and use the tools that can best assist them.

The Launch League programme is designed to make participating entrepreneurs feel that they're in control of their business. Most will be tech-enabled businesses (see Chapter 1), which is why the programme's Module 5 looks specifically at the tech tools available to them. **Your role as facilitator is to structure or adjust the module based on the needs of your cohort.**

The cohort will be different (and will have different needs) depending on your hub's location, the group's level of experience, and various other factors. The pre-programme survey will give you an idea of which tech tools your programme's participating entrepreneurs are already using.










The two tech tools modules are designed to be discussions, adapted according to who's in the room; and a key session for peer learning, as individual entrepreneurs share how they currently use these tools. Have a conversation with them about those tools, and discuss the benefits and limits of each. This will help you understand how they use technology and will give you an idea of what you should focus on.

TIP!









Test the tech. If the venue has free WiFi, encourage the participating entrepreneurs to download and use the app in the room. Don't assume that everybody knows how to use the various apps and tools – you may know some tricks that they don't (and vice versa).

RECOMMENDED TOOLS

We have a list of recommended tech tools, which are listed below in two categories. Be sure to familiarise yourself with each of these, and/or ask the participating entrepreneurs to talk about how they use them. Select the ones that are most appropriate for your programme's particular cohort, and learn more about these tools by watching the YouTube videos suggested or many more available online.

MARKETING AND COMMUNICATION			
TOOL	DESCRIPTION	GREAT FOR...	WATCH THE EXPLAINER VIDEO
 WhatsApp Business	Like the personal messaging app, this one is built with the small business owner in mind. It lets you connect with customers, highlight products and services, and provide automated responses to messages. (It's free, but you can't use the same number for the personal and business apps.)	Connecting with customers.	
 Canva	This free graphic design app and platform lets you create slick and attractive social media graphics, presentations, posters, documents, etc – all with pre-loaded templates to make things easier. (Added functionality is available through Canva Pro and Canva for Enterprise.)	Creating marketing materials and setting up your brand.	 
 Facebook	The social media giant lets you create and manage a Page for your business, giving you a free web presence with easy messaging and product/service showcasing.	Building a customer community.	
 Instagram	Instagram is increasingly becoming a key tool for SA businesses to reach their customers... if you're using it properly.	Visual marketing and brand development.	

MANAGEMENT AND FINANCE

TOOL	DESCRIPTION	GREAT FOR...	WATCH THE EXPLAINER VIDEO
 Google Workspace	Formerly known as G Suite, this very useful collection of Cloud tools includes free email (Gmail), an online calendar, a storage drive (Google Drive), document software (Google Docs) and videoconferencing (Google Meet). It's all completely free with a Google account – which you probably already have if you have an Android smartphone.	Virtually everything!	
 Trello	The simplest project management tool for entrepreneurs starting out, and the free version allows up to 10 boards.	Project management, team workflow.	
 Yoco	This payment tool has no monthly fees (you're charged a small fee per transaction), yet it lets your business accept credit and debit card payments online and in person.	Physical and e-commerce payments.	
 Wave Accounting	A free online bookkeeping and accounting app that offers income and expense tracking, business reports, integrated invoicing, receipt scanning and (for a fee) payroll.	Financial management and bookkeeping.	



CYBERSECURITY

Spend some time discussing cybersecurity, and the basic steps entrepreneurs can take to keep their businesses safe from online criminals. These include:

- Using strong passwords (at least 15 characters, and a combination of uppercase and lowercase letters, numbers and symbols) for all accounts
- Using anti-virus software.
- Keeping your software and apps updated (those updates often include security updates).
- Backing up your files regularly.

Here is a great resource to share with your entrepreneurs to better understand cybersecurity. **This video** is from the UK-South Africa Tech Hub Launch With Tech Challenge, featuring Naadiya Moosajee from WomEng.

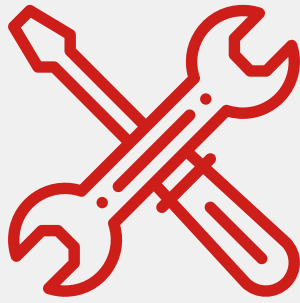


22%

Percentage of small businesses that have been hit by cyberattacks, according to Kapersky.

TIP!

Encourage the entrepreneurs to use cloud computing, where their data is stored on remote servers (Google Workspace is a good example). It's secure, and as long as you have your account linked, you can access the data from anywhere. Experience tells us that South African entrepreneurs are often very apprehensive of using cloud computing, as they see this as a security risk. You may want to dive deeper into cybersecurity through an additional workshop or bringing it up in the final meet-up.



Tech tools can help any business

Not every small business is a tech business, but virtually everyone can benefit from free technology. Launch League facilitators can empower participating entrepreneurs by introducing them to tech tools that can help them promote and run their businesses.



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When you use the Launch League programme, you should reference the UK-South Africa Tech Hub for programme design and development, but you can use your own branding across programme material. We do also ask that you please inform Viridian if the programme content is to be used; in order for us to track programme impact measurement. Email launchleague@viridian.africa with all your enquiries.





Supporting idea-stage entrepreneurs is arguably the most important role that hubs can play. It all starts with ideas, and we want lots of them, and we want people to keep trying! To develop a culture of entrepreneurship, where we celebrate ideas and failure, we need to do everything we can to support entrepreneurial people to develop and test solutions to the problems they're experiencing.

As hub facilitators, you do such amazing work! It can be incredibly rewarding, but of course at times frustrating. But remember, the programmes you run have a big impact.

We hope that this Playbook and the Launch League programme pack are useful tools for your hub. Use the programme in its original design, or change it up so it works for your hub.

Please keep in touch with us and let us know how you use the programme, or if you need any support when you do. You can contact us at launchleague@viridian.africa.

Good luck!



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