

6. WORKING WITH BUSINESS DEVELOPMENT SERVICES

Business Development Support services (BDS) from Business Support Organisations can provide valuable advice and coaching that can save you much wasted time and effort, and avoid rejection of financing applications for basic errors – accelerating business growth.

When to reach out to Business Development Support (BDS) services:

BDS providers enables enterprises to:

- Raise funding, especially alternative funding such as supplier credit and equity funding
- Write a clear business plan
- Create a marketing plan
- Get general business advise
- Effectively manage their cash flows
- Better understand and comply with existing standards and regulations
- Conduct feasibility studies
- Apply for local tenders
- Successfully start a business
- Get training on some technical business aspects
- Access mentorship or coaching

6.1 What to prepare before contacting BDS service providers

Business development services and business support organisations receive numerous requests for help. To make the most efficient use of the time of an adviser or encourage support services to work with you, please prepare the following basic information about your business before you reach out:

- Issues or challenges your business is addressing, and how important these issues are to the success of the business
- Understand your skills or knowledge in relation to the issues or challenges you are trying to solve for
- Briefly describe your business, its maturity and current financial situation
- Define whether the business will require an ongoing engagement with BDS providers
- Understand the skills, experience and reputation are you looking for in a BDS provider
- Clearly define whether the costs of engaging the BDS provider attractive for your business, and whether you can pay without over-stretching your business cash flow
- Ensure confidentiality for the BDS provider to avoid giving away unnecessary information to anyone outside your business
- Ensure that you carefully read a contract for services to be rendered, that the contract provides clear deliverables, timelines, cost estimates and potential reasons for cost overruns and decision points about deeper engagement
- Avoid scope creep by asking the provider to repeat back to you what he or she has understood from your conversations. Otherwise, mistakes or misunderstandings can lead to cost escalation and unnecessary conflict with the BDS provider
- You can research BDS/BSO providers in your country in the Annex or by visiting the Financing Gateway to see which BDS provider match your needs: www.kenya.financinggateway.org

Country and sector Insights, links, and references

The hyperlinks and references below show where you can find more information on COVID measures, enterprise advice and assistance:

Country	Link or reference
Burundi	Business development services, Burundi
Rwanda	Business development services, Rwanda
Tanzania	Business development services, Tanzania
Uganda	Business development services, Uganda
Kenya	Business development services, Kenya

6.2 Types of business development services and business support organisations

Business development support (BDS) services are provided by individual advisers or Business support organisations (BSOs). Some financing providers and investors also give business development support, but this may not be fully independent of their financing interests. Business development services help entrepreneurs manage their businesses more effectively by providing missing skills or knowledge.

Often, entrepreneurs are forced to juggle many roles for which they have no experience due to such reasons as lack of resources, poor planning, or even very rapid business growth. As a result, business owners may end up making costly operational and business errors, falling foul of regulators such as Revenue Authorities and Bureau of Standards, incurring financial losses and missing out on market opportunities. This is where BSOs prove to be a key resource of business development advice. Small business owners who have used BSOs are likely to enjoy the following benefits:

- Different perspectives about their businesses' opportunities and challenges
- Objective health check of the entire company including its operating environment
- Business growth ideas including managing and coping with growth
- Ideas on how to improve or set up systems and processes to prepare for growth
- Knowledge transfer through training or coaching
- Business strategy development
- Support in fundraising
- Product and market development ideas

Many countries maintain public subsidised business support organisations particularly for SMEs, women and young entrepreneurs, and start-ups to provide affordable or free and accessible advice. Seek out these services that are close to your business. They may include sector or industry associations, government agencies, and international development projects.

Incubators

Incubators provide services or premises for nascent businesses to get fundamental advice on starting a business and proving the business concept can be viable. Some may also provide workshops, secure storage, Internet services, e-commerce facilities or equipment sharing; while others provide connections to financing providers or government schemes to support young entrepreneurs.

Normally businesses will "graduate" from an incubator when they start to make regular sales and can afford to rent premises and get equipment of their own, though some may stay in an incubator facility for several years.

Accelerators

When a business start-up gets to the stage of needing investment financing or longer-term loans to grow it may apply to join an accelerator programme to get concentrated advice and coaching to prepare investment proposals, communications and, ultimately, a “pitch” to attract investors of different types. Investors may provide long-term financing and business know-how or network connections. Business Angels are a particular form of investor that favours start-up enterprises in which they believe their own experience and connections will improve a start-up’s growth and performance.

Acceleration usually lasts for between three to six months. Typically, acceleration includes one or two “Boot camps” of three to five days in which an enterprise’s management team participates without a break to resolve specific issues or concentrate of proposal development.

Mentors and Business angels

SME’s can as well look out for support from these categories of adviser and investors often combining financing with business development support. Table 8 below, summarises what they offer.

Table 8: Examples of Mentor and Business Angel Services

Service Category	What is involved	Where to seek advice
<p>Mentorship</p> <p>A one-to-one relationship which helps entrepreneurs to learn and develop their business.</p>	<ul style="list-style-type: none"> Experienced professionals sharing insights, resources, and connections. Building leadership skills by motivating and encourage mentees. Passing on hands one experience to SME managers to help their businesses grow and development <p>Note Expert, impartial, sound business advice is priceless and will be critical to business, but a mentor will not do your work for you</p>	<ul style="list-style-type: none"> Enterprise Uganda Uganda Investment Authority
<p>Business Angels Invest or link you to investors who provide money and ideas at the same time</p>	<ul style="list-style-type: none"> Invest their time in the business Provide connections to their larger network Bring management experience. 	<ul style="list-style-type: none"> Angel Investors networks could be a good starting point https://kain.co.ug/for-investor/
<p>Crowd financing advisers</p>	<ul style="list-style-type: none"> Advise on crowdfunding platforms on which to pitch projects and deliver the best results for your business. Help pitching a project or business through the online platforms 	<ul style="list-style-type: none"> No specific institution has taken lead role in this. Advisable to check numerous online resources