



BIZCUBATION PROGRAM CONCEPT NOTE

Business development support as a catalyst for the success of startup businesses in Malawi

Expected date to start: 1st June, 2019



P.O Box 20094, Mzuzu
Nuat Plaza, First Floor, Left wing, Room 2
(265) 994 209 263 | 885 235 233 | 881 420 207
hello@mzuzuehub.org | mzuzuehub@gmail.com
www.mzuzuehub.org

ENTREPRENEURSHIP AND INNOVATION HUB

BACKGROUND

Most start up and early stage businesses display stagnant growth or failure due to lack of direction and knowledge on how to grow their enterprise with a 90% rating the throughout Africa. Mzuzu E-Hub has been a major support system for startups at seed and early stage levels and we have identified some of the key challenges that lead to stagnant growth for startups in Malawi including; market research, limited knowledge on financial management, lack of leadership skills and professional etiquette, limited access to business development support services and access to financing. In the past year Mzuzu E-hub supported 18 startups who in enrolling into our incubator demonstrated lack of knowledge on the fundamentals of business management including business planning, business modelling, marketing and branding, leadership, fundraising mechanisms and understanding the importance of being apart of a community and networking.

Bizcubation aims at nurturing startup businesses through business development support for growth and success. Through the program we shall build the capacity of the enterprises with focus on their networking skills, openness and willingness to learn and passion to grow their enterprise. Through the program, participants will undergo three months intensive training and three months implementation support which include a 7-day bootcamp on pitching and investment readiness, one on one coaching and learning visits to existing successful enterprises.

The program will cover in depth the following modules;

1. Leadership Development
2. Vision, mission and 3-year strategic plan.
3. Developing your business idea, business model and business plan.
4. Your team/Human Resources
5. Financing plan, financing model and fundraising plan
6. Marketing and branding

ABOUT MZUZU E-HUB

Mzuzu E-Hub is an entrepreneurship and innovation hub providing shared working space and technical assistance to start up and early stage companies by linking them to a network of services for success. We believe that growth in the number of small businesses formed, job creation, establishment of an entrepreneurial environment, and contribution to the diversification of the economy will lead to a better Malawi.

Mzuzu E-Hub is a pioneering organization created with one central objective for the Bizcubation program to build a community of youth led quality start up businesses that provide innovative solutions for socio-economic problems within Malawi.

Program Structure

The program will achieve the above objective through the following:

Output 1.0: Enhance the skills and knowledge of innovators and entrepreneurs in northern Malawi

Activities:

- Preliminary site visit for startup and early stage companies.
- Trainings which will cover the following topics; business ideation, strategic planning, business planning and business model canvas, leadership, financial management, marketing and communication and team building (human resources)
- Coaching and mentorship sessions

Output 2.0: Enhance networking and collaboration amongst entrepreneurs

Activities:

- Business Expo- Local innovators and entrepreneurs will showcase their products and services every once a month. #EnterpriseExpo
- Learning visits for startups to existing successful enterprises.
- Pitch events -startups will pitch their enterprise to an stakeholder at a platform called Mzuzu Pitch night and #Pitchday to identify potential of customers, angel investors and partners

- Annual entrepreneurship forum- a networking event that takes place once a year bringing together ecosystem players to discuss how to transform the sector and showcase case studies from the entrepreneurial community.

Output 3.0: Enhance access to information on entrepreneurship opportunities in Malawi

Activities:

- Business information sessions on business registration, taxation, financial plan, acceleration programs and banking (financial literacy)
- Bootcamps
- Mentorship and coaching session

Output 4: Increased access to financing and fundraising mechanisms

- Startup Grants- Upon graduating from the incubator, enterprises that demonstrate to be most viable, profitable and job creators will access these grants for their market research, prototype testing, purchasing of resources
- Enterprise Development Fund – The hub will utilize these funds to invest in enterprises that undergo the incubation as well as from within the community through equity investment as an income generating activity as well as an investment channel to accelerate the enterprises from within the community.
- Revolving Fund- This fund will provide access to soft loans to entrepreneurs registered under the hub community to boost their enterprise operations and access to resources
- Bootcamp on investment and pitching

Expected outcomes:

- ✓ Leadership growth
- ✓ Viable business growth
- ✓ quality business growth

Expected Impact and Indicators:

The expected impact indicators are as follows:

- ✚ Increased knowledge, focus and direction on entrepreneurship opportunities in Malawi
- ✚ 150% Increase in productivity of startup entrepreneurs in a period of 2 years
- ✚ establishment of new 40 businesses ventures every year from 2021
- ✚ Creation of 140 new job opportunities every 2 years through the startup enterprises in northern Malawi
- ✚ Increased partnership and client base among entrepreneurs
- ✚ Improved access to financial support
- ✚ Increased investments through the established angel investors network as well as the enterprise development fund

Impact Measurement:

The Bizcubation Program success will be determined by:

- ✚ Number of jobs created
- ✚ Capital reinvested into the business
- ✚ Generated revenue to determine upscale of the business
- ✚ Feedback from participants
- ✚ Feedback from the community

Expected Participants

1. Start-ups (Seed and early stage) less than 2 years
2. Based within Northern region of Malawi
3. Youth led (18-35 yrs. old)

Sustainability of the program

- ✚ Membership fees
- ✚ Grants
- ✚ Partnerships
- ✚ Interest generated through the revolving fund
- ✚ Profits generated through start up investments
- ✚ Revenue from the media/PR company

Our current partners

- ✚ Technical, Entrepreneurial and Vocational Education training Authority (TEVETA)
- ✚ Segal family foundation /Social Impact Incubator Malawi
- ✚ Kuwala Energy
- ✚ Social Enterprise Academy
- ✚ SEED
- ✚ mHub