



UNINOVA: BUSINESS PLAN COMPETITION IN UNIVERSITIES

Guidelines for implementation

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OBJECTIVES

General objective

Stimulate the creation, support and financing of innovative entrepreneurial solutions for the rural environment, contributing to the creation of innovative sustainable start-ups with potential for job creation and sector transformation.

Implementation approach

1 Contribute to the development entrepreneurial education in Universities in Mozambique.

2 Facilitate links between the private sector and young students to promote employment/self-employment opportunities for young people through innovative solutions.

3 Bridge the initial start-up funding gap of innovative business ideas led by young people, to trigger private sector investment and financing products.

4 Contribute to the design of innovative business ideas for agriculture value chains and their implementation.

5 Support the transfer of green technologies to their rural beneficiaries, benefiting rural communities with increased income and productivity.

6 Facilitate young graduates to identify/see opportunities that are available in the rural communities.





STRUCTURE OF THE INITIATIVE

The business plan competition is implemented in the partnering universities, through a cascading capacity building process that benefits local Universities and their students.

UNINOVA organizes Training of Trainers sessions with the objective to prepare selected lecturers of the institutions to deliver these trainings to their students. The training program is focused on a) human centered design process, b) business modelling and c) business planning.

UNINOVA supports the partnering institutions (mainly universities) to promote the opportunity to participate in these training sessions to their students, with the goal to develop sustainable business solutions for agriculture in rural Mozambique.

Youths interested to participate register to join the training program in their University. The training program is designed to be delivered over 4 weeks, including classroom sessions and individual work. During the training program, youth have access to

- a) Theoretical and practical sessions on design thinking.
- b) Theoretical sessions and teamwork on business modelling.
- c) Theoretical sessions and teamwork on business planning.

At the end of the training sessions, the UNINOVA and its partnering universities invite an evaluation panel to assess the business ideas developed by the students. All the ideas will be reviewed, and the best teams are awarded a stipend to sustain the costs of piloting their business idea with the support of a coach for the following 3 months. This period will be useful for the team to test the viability of the plan, collect data from the market and test the commitment of the members to establish a real business.

At the end of the piloting period, the evaluation panel of each university will convene again for the final event of the business plan competition. Here, the teams selected present to the panel their business plan; defending its viability with the data collected during the pilot phase. The evaluation panel will rate each business plan and award the best, according to the budget available.

The winners receive seed funding to establish their business and start growing their activity, as well as on-going support from a pool of mentors invited from a national network of professionals.

The professionals invited to mentor the youth are invited to receive a mentorship training session of 8 hours and will then be matched to the most suitable profile of youth, whom they mentor for 9 months while the startups are being established.





TARGET GROUP

The initiative is aimed at young students and recent graduates from universities. Each university autonomously decides how many young students participate and benefit from the training intervention. Universities can offer the content in preparation to the competition to all students enrolled in project management or project design courses, or hosting ad-hoc bootcamps guiding the students to the preparation of their business model idea and business plan.



IMPLEMENTING PARTNERS

UNINOVA is intended to develop partnerships with universities that have Faculties of Economics, Management, Engineering and Agriculture that have an interest in promoting entrepreneurship among their students. These are invited to participate in the implementation of the initiative.

UNINOVA!



ACTIVITIES

Activity	Summary of Implementation Settings
1 Formalization of partnership	UNINOVA signs MoU with partnering universities.
2 Training of Trainers organized for lecturers	One physical ToT is organized for selected trainers from each University. One virtual ToT is organized by the master trainer for up to 3 trainers invited from faculties of the universities that are based in other provinces. Logistics costs are covered by UNINOVA.
3 University training program	Universities promote the initiative among students, adopting UNINOVA materials. UNINOVA creates the portal for registration and supports Universities in promoting to students. Each university organizes the schedule of the classes to be offered to the students registered for the competition. Classes will be delivered by trained lecturers who participated to the ToT according to the setting that best suits the faculty.
4 Pilot test of business ideas	UNINOVA supports universities to invite the panel of evaluators and send out invite letters. Universities organize the Business Idea Presentation event. UNINOVA manages disbursement to the selected business ideas that must be pilot tested for 3 months. Universities organize recurring peer-coaching sessions for the youth during their tests, to support them in preparing their business plan.
5 Organization of the final event in each university	Universities organize the final pitch event and Award ceremony. UNINOVA team coordinates all the processes and payments for costs associated with the event in UniZambeze.
6 Financing of grants to youth led businesses	UNINOVA team signs contracts with selected entrepreneurial team, collects financial plans and agrees on disbursement plan.
7 Monitoring and Mentoring: Technical and administrative assistance to the winners	UNINOVA Team provides admin support to the recipients to report on their expenses. UNINOVA invites a pool of private sector specialists to support the youth as mentors. UNINOVA organizes the mentorship training. Mentors volunteer their time, receiving a symbolic reimbursement of costs, offering support to the youth matched with them.
8 Additional funding windows	UNINOVA Team can decide to implement multiple funding windows, re-starting the process from the training program by the universities.

1

Formalizing the partnership

The partnerships are formalized via the signing of a Memorandum of Understanding, which in Mozambique is considered a paramount document to align objectives and the rules of engagement of two parties. The MoU can be followed by a service contract, through which UNINOVA outsources management of implementation to the university, in the cases when the partnering university is a private entity or a public entity with autonomy on budget. If, instead, the university is a public entity, it is advisable that all the expenses for hosting events and reimbursement of costs will be covered directly by the UNINOVA team, considering the complicated set up of a service contract with a public institution and the lack of budget control.



2

Training of Trainers organized for lecturers

UNINOVA organizes a training of trainers for the partnering universities, to build their capacity in implementing the training program with the entrepreneurs. Topics covered by the training of trainers include:

- **Human Centered Design** design of entrepreneurial solutions based on the needs identified in the communities.
- **Business modelling** definition of a sustainable business model for the identified solution (Business Model Canvas).
- **Business Planning** definition of a business plan, basic financial projections, idea-testing with customers.

The training of trainers is conducted by a Mozambican educational institution, to create the conditions to leave a legacy of sustainability. The institution will be contracted by the project as a service provider. An example of a qualified trainer to deliver the ToT is the São Tomas University, and

its Entrepreneurship Center in partnership with the E4I Foundation (Entrepreneurship for impact) that already implements a similar program in other countries and is establishing itself in Mozambique.

The Training of the trainers is conducted in modules: Initially a common training for all the trainers, followed by simulations in the respective universities. Details of the ToT agenda should be finalized with the partners.

Each university must appoint 3 participating trainers to the physical ToT, whose participating costs are covered by UNINOVA. The universities can also appoint up to 3 trainers to attend the virtual ToT. The trainers will therefore be equipped to be able to organize the training program for their students in successive months. Following the ToT, the master trainers will supervise one day pilot training implementation in each university, providing feedback and further guidance to the trainers.

University training program

After participating in training sessions for trainers, universities are responsible for organizing training sessions with their teachers and students, following the training plan agreed in the ToT. Students are invited and incentivized to team up, to share responsibilities and tasks for build the business.

During a period of 4 weeks, the students will participate in the training program which will include:

Human Centered Design

Design of entrepreneurial solutions based on the needs identified in the communities. For 2 weeks, the students will attend theoretical

sessions and then be invited to engage with communities to gather data, understand their potential future customers and identify opportunities for sustainable agriculture business solutions.

Business modelling

For the following 2 weeks, students will work on the definition of a sustainable business model for the identified solution and basic financial assumptions.

Business Planning

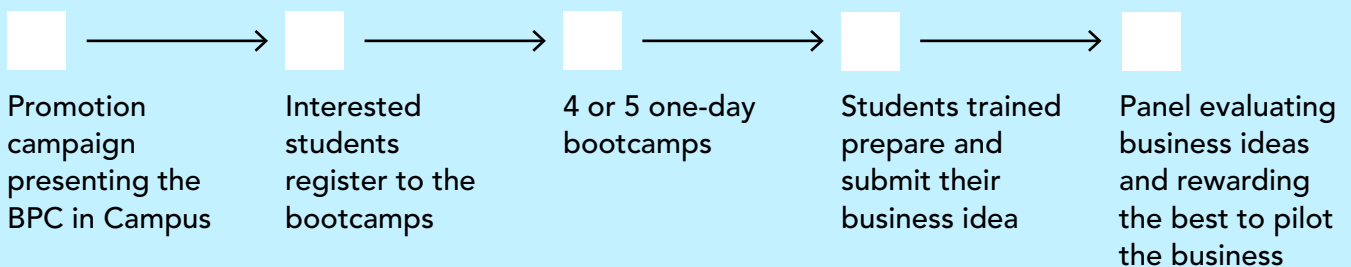
This will be covered in theory, presenting the tool to complete, which will be used by the youth to present to the evaluation panel for access to funding.



The delivery of this content is organized by each university. Two alternative approaches are recommended to the universities:

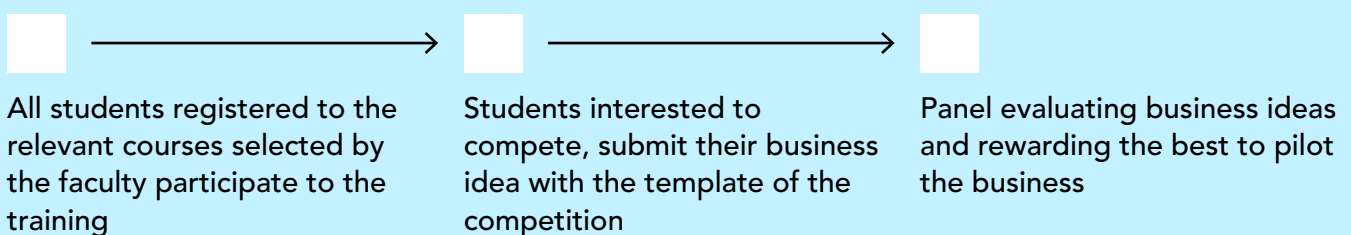
Organize 4 or 5 ad-hoc one-day bootcamps for students interested to enter the competition.

In this case, it is necessary that the faculty organizes a registration process for students, prior to the beginning of the bootcamp. Only those students who attended the training will be able to enter the pitch competition.



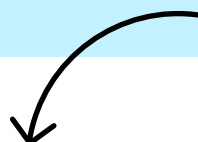
Embed the content of the training in existing project management/ project design courses.

In this case, all students already enrolled in the course will be exposed to the training. Among all the participants, only those that are interested to enter the competition, will prepare their business idea presentation and enter the competition.



For both approaches, it is recommended to incentivize the university to minimize ad-hoc costs associated to the delivery of the training sessions. This is feasible by supporting them to organize the training in blocks of 2-3 hours, to avoid implications of catering costs. It will also be important for the project to include a budget to reimburse teachers, with a symbolic "subsidy", to appreciate the extra

time and effort they invest in the project. As reference, the Emprega Project paid the engaged lecturers a subsidy of 30% their standard hourly rate, to ensure they would be incentivized but there would be no need to engage in a formal contractual process, which would not be possible for lecturers teaching in public institutions.



4

Pilot test of business ideas

A panel composed of representatives of the university, private sector organizations, banks, UNINOVA and INEP will evaluate the business ideas and business models presented and select the best projects who deserve to receive financial support to move forward with the pilot phase in the following 3 months.

It is estimated that the pilot phase will be funded with $\pm$ 30,000MZN per team as a form of stipend. At the beginning of this pilot phase, each team will present an action plan on how to pilot test their idea. The funds should be used by the team to cover their expenses to visit their target communities, to develop a product prototype or even to start the registration process for the venture. The nature of stipends for this pilot phase one-off lump-sum to cover travel, communication, internet and small and recurring procurements needed by the teams. They will be small enough to not compete with an income

but big enough to cover one-off or recurring small-scale costs in an administratively efficient manner.

This pilot phase is considered key to primarily testing the attitude, commitment, management abilities and practical skills of young proponents. During this period, the youth will engage with future customers to produce a detailed market study to analyze the pricing model for their service or product, define the supply chain for the production of their product, or developing a route-to-market strategy identifying distributors of the product. It is expected that at the end of this phase, the teams may have collected data and experiences to validate the business idea and edit the business plan accordingly. During this period of testing their model and experimenting on-boarding clients, they are supported by their university teachers who volunteer their time to organize peer-coaching sessions.

5

Organization of the final event in each university

At the end of the pilot phase, young people present their business ideas by submitting a simplified business plan and a PowerPoint presentation of max 10 slides. The event is funded by UNINOVA and the organization of the event is the responsibility of the university.

Each team funded, who have successfully managed the funds according to their action-plan during the pilot phase can present their complete business plan and present their business with a pitch presentation in the final event. Each team will have 20 minutes slot, to present its plan (approx 10 minutes) and address questions from the panel (approx. 10 minutes).

The panel of judges should be composed of a representative of the university, private sector organization, UNINOVA, INEP and possibly other financial institutions or financial development programs, evaluates (based on pre-determined and communicated criteria) the previously received business plans and presentations and decides the winners of the competition.

The main criteria for evaluation will measure 1) current and potential employment creation of the business, 2) viability of the solution based on customer feedback received during the pilot, 3) innovation of the solution proposed (medium term), 4) financial management. Winners are announced at the end of the event.

6

Financing of grants to youth led businesses

The total amount allocated for grant funding is dependent on the budget available by each window of UNINOVA. It is advisable to consider amount of at least 200,000MZN (approx US\$ 3,000), as these can allow for small size business operations to be formalized and for the acquisition of small equipment. The amount of the grant is fixed and needs to be publicly communicated since the beginning of the initiative. It is important that this amount is disbursed in 2 or 3 subsequent phases, defined according to the business and financial plan presented, as this helps the youth to a) learn to manage its finances, b) learn to make a financial and cash flow plan, c) account for expenses, d) feel accountable for its own business establishment, despite being based on a grant.

It is the responsibility of the UNINOVA team to constantly follow up with the youth to obtain updates, reports and organize disbursements.

The project will sign agreements with each of the winners with the specifications for the disbursement and the management and justification of the amounts. These seed-grants will be allocated based on a pre-determined financial-format, sub-divided in categories such as inputs, materials, rent, trainings, etc. (to be defined by the project steering committee). They will be paid in instalments and assessed against an implementation plan and measurable milestones. Voucher/ receipt production as well as competitive procurement will be part of the management to foster business administration skills and qualify beneficiaries for potential future financing.

7

Monitoring and Mentoring: Technical and administrative assistance to the winners

In the 6 to 12 months after the award, the selected entrepreneurs are mentored by selected and trained mentors who have extensive experience in the local private sector and have been trained under UNINOVA for the task, so that they can help the youth develop the business and deal with the challenges of the Mozambican business environment.

These mentors are selected among a pool of experienced private sector representatives, invited to participate in a 3 day mentorship training, where they are familiarized with the concept of mentorship, the tools they could use to manage their relationship with mentees and

communication styles to adopt. At the end of the training, each mentor is assessed for a potential match with funded young entrepreneurs.

Furthermore, the UNINOVA team is responsible to engage financial and angel-institutions, as well as other development projects to appreciate the program itself, potentially pre-identify bankable/ financeable prodigies and provide their expertise from an investment and financial sustainability perspective.

Every 6 months, the project should assess the status of the business, its stage of development and implementation, turnover amounts, employment created, plans for growth and challenges faced.

8

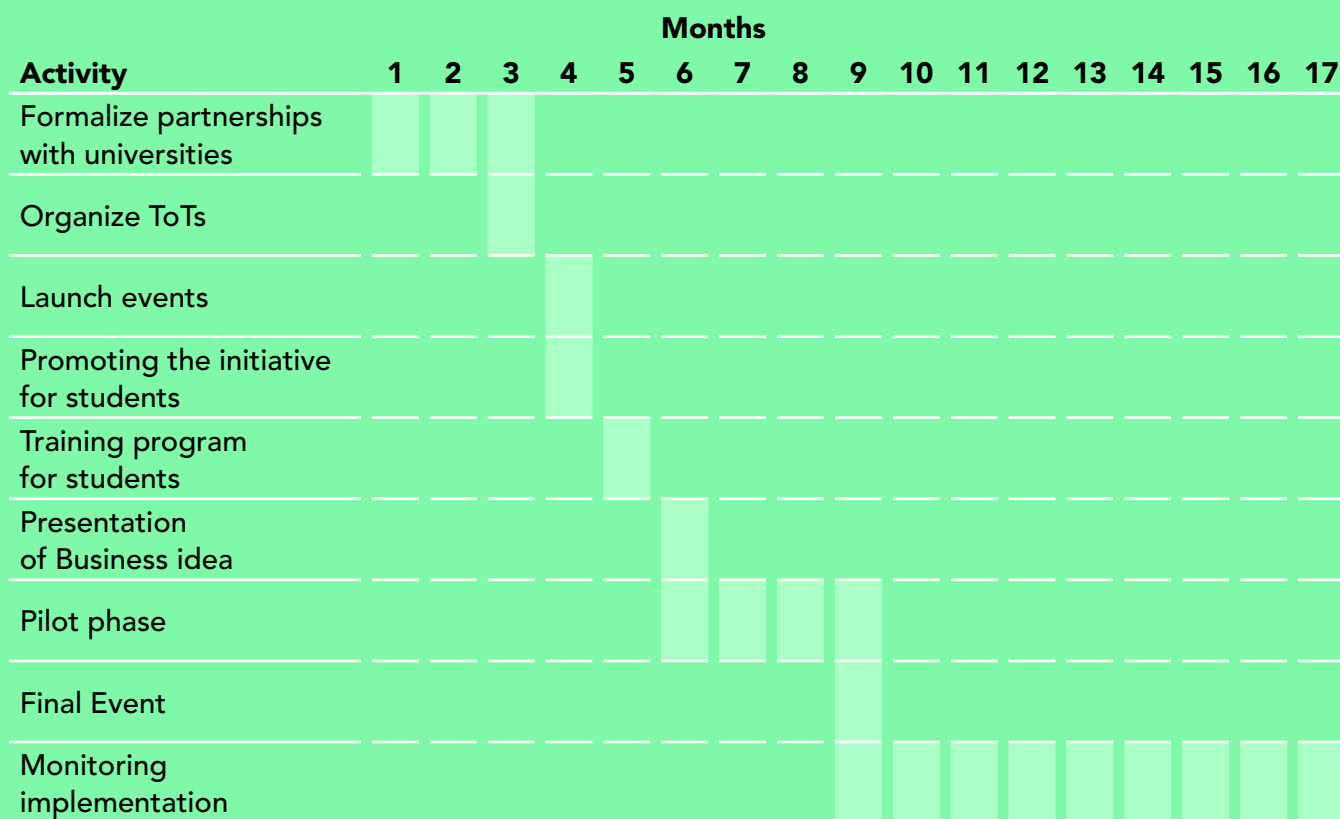
Additional funding windows

Based on budget allocation and commitment of the partners, UNINOVA Team can decide to

implement multiple funding windows, re-starting the process of the training program by the universities.



IMPLEMENTATION SCHEDULE



MORE INFORMATION

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