

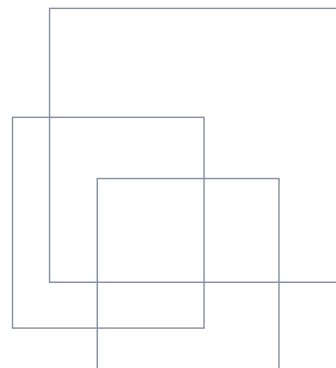


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# GETTING ENTREPRENEURSHIP CONTESTS RIGHT

A Guide for Business Plan Competitions





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A Guide for Business Plan Competitions

Elyssa Majed

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## LIST OF ACRONYMS

<b>BDS</b>	Business Development Services
<b>BPC</b>	Business Plan Competition
<b>CBO</b>	Community-Based Organizations
<b>CEO</b>	Chief Executive Officer
<b>CSO</b>	Civil Society Organizations
<b>GET Ahead</b>	Gender and Entrepreneurship Together
<b>GYB-SYB</b>	Generate Your Business-Start Your Business
<b>ICT</b>	Information and Communication Technologies
<b>ILO</b>	International Labour Organization
<b>KAB</b>	Know About Business
<b>M&amp;E</b>	Monitoring and Evaluation
<b>PO</b>	Partner Organization
<b>SCORE</b>	Sustaining Competitive and Responsible Enterprises
<b>SIYB</b>	Start and Improve Your Business
<b>SME</b>	Small and Medium Enterprise

# Foreword

The International Labour Organization (ILO) promotes the concept of *sustainable enterprises* as one of the key objectives for achieving decent work worldwide. Through the Decent Work Agenda, the ILO encourages entrepreneurship development in many ways from supporting emerging and new enterprises, male- and female-run enterprises, green enterprises, social enterprises to well-established enterprises. The goal is to create inclusive and sustainable businesses that lead to more and better jobs for all. In many low-income and lower middle-income countries, micro, small and medium enterprises (MSMEs) create the bulk of employment and contribute significantly to GDP.<sup>1</sup> At the same time, MSMEs face a series of challenges such as non-conducive business environments, high degrees of informality, lack of entrepreneurship and business skills, lack of access to finance, low levels of productivity and poor working conditions. Finding ways to help enterprises overcome these challenges is critical in achieving decent work for all.

In line with this view on entrepreneurship, the SME Unit has developed and implemented a range of programmes and tools to address the above-mentioned challenges. These include training programmes such as Start and Improve Your Business (SIYB), Gender and Entrepreneurship Together (GET Ahead) and Sustaining Competitive and Responsible Enterprises (SCORE).

The aim of this guide is to provide guidance to practitioners and partner organizations from public and private sector on how to run a business plan and similar competitions in a simple and straightforward manner. Over the years, Business Plan Competitions (BPCs) have been widely used and implemented by the ILO in different countries and this guide draws on experiences from Egypt, Kenya, South Africa and Yemen as well as on external literature.

The target audience for this guide are enterprise development practitioners who would want to practically implement a business plan competition or a similar contest.

The guide was written by Elyssa Majed during her time in the SME team and received substantial inputs and guidance from other ILO Enterprise Department colleagues in the field and at HQ. This includes Jens Dyring Christensen, Rania Bikhazi, Alice Vozza, Nadja Nutz, Marlen de la Chaux and Charleine Mbuyi-Lusamba.

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<sup>1</sup> International Labour Office (2015). *Small and Medium-Sized Enterprises and Decent and Productive Employment Creation*. International Labour Conference, 104<sup>th</sup> Session, Report IV. Geneva



# Opening remarks

## **Sprint-Challenge, Pitching Competition, Business Plan Competition: how can this guide be useful to you?**

Whether you are planning to organize a sprint-challenge, a pitching competition or a business plan competition, as suggested in the guide's title, you might find yourself confronted with similar questions during your preparation phase. Indeed, all three competitions have a common denominator: entrepreneurship. Sprint-challenges bring together individuals with an entrepreneurial drive and ask them to come up with a market-driven solution to a problem under time pressure. Pitching competitions give start-ups and aspiring entrepreneurs the chance to pitch their business project in front of a jury with the aim to win a prize that will boost their business or help them turn their idea into something concrete. Business plan competitions have similar objectives to the contests cited above. They are intended to instil an entrepreneurial mindset at the local level, showcase the best business ideas and award established or aspiring entrepreneurs based on their business plans and additional criteria. In all three cases, this guide has been designed to provide you with a flexible and customizable outline to help you throughout the contest planning and implementation. Depending on your objectives, you may draw from the good practices and lessons learned and which are compiled in this guide based on Business Plan Competitions organized by the ILO in various contexts.

Specifically, this guide draws from four BPCs implemented in Egypt, Kenya, South Africa and Yemen. It outlines a flexible framework on how to design and execute competitions in the most effective way while being mindful of your impact on enterprise development and job creation as the ultimate goal.

Section 1 & 2 define what a business plan competition is and what it hopes to achieve. Section 3 offers guiding questions for BPC implementers to better prepare for and plan the competition. This includes defining the objective of the BPC, selecting the target groups as well as identifying the organizations with whom they seek to partner. Section 4 addresses the implementation up to the awards and emphasizes the importance of adapting the outreach strategy and training modules to the needs of the target groups. Finally, the guide concludes with a few recommendations on how to make business plan competitions as sustainable as possible. Rather than viewing these competitions as one-time events, it is strongly encouraged to embed them in a broader overall process of entrepreneurship promotion. To this end, sustainability can be ensured at three levels: 1) at the institutional level by building partner organizations' capacity to use this tool strategically and maximize its long-term effects; 2) at the beneficiaries' level by following-up with winners and designing a valuable aftercare phase; 3) at the monitoring and evaluation level to identify the strengths and weaknesses of the pilot BPC and fine-tune the next ones accordingly.

For each section, examples drawn from the ILO's past experiences in running BPCs are provided as to illustrate what can be regarded as good practice. The guide aims to provide the readers with concrete cases of what has worked in the past. In doing so, it offers a baseline for both adaptation and possible replication in other contexts.

**Figure 1: Outline of the Guide and Roadmap for BPCs**





# 1 What is a Business Plan Competition?

A BPC is a contest in which business plans are compared and judged according to a set of criteria, which usually include innovation and uniqueness, entrepreneur's experience and management skills, business idea and demonstration of market demand, job creation potential and working conditions, growth potential, and financial sustainability of the business. The overall aim of a BPC is to encourage entrepreneurs to explore new business ideas, start up their own company or bring to scale a business, which is deemed to have considerable potential to boost the local economy and generate employment. In recent years, Business Plan Competitions have been gaining significant momentum, even prompting some political scientists to refer to them as “the most effective development programme in history”<sup>2</sup>.

However, a BPC is often much more than a one-off round of judging. Rather, it is a process that also involves awareness raising, capacity-building of trainers and partner organizations, training and coaching of entrants, and considerable after-care and support to the winners to ensure maximum impact and return on investment. BPCs are therefore used as an instrument to foster and disseminate the entrepreneurial mindset among the local population so as to create a virtuous cycle for innovation and job creation. When planning a BPC, organizers are encouraged to keep in mind the concern for sustainability, which is one of the main focuses of this guide.

## Box 1: What is a “Business Plan”?

A business plan is a written document that describes the nature of the new business and provides a detailed account of how it intends to achieve its goals. It generally includes an analysis of market opportunities, a business strategy, as well as a summary of key operational and financial objectives. The business plan therefore serves two purposes, which are ultimately interrelated. First, a business plan acts as a road map that guides the entrepreneur throughout the business development process. Second, a business plan can also be a prerequisite for businesses to seek out loans and attract investment capital.

For tips on drafting a solid business plan, you may refer to the **SIYB Business Plan Booklet**.

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<sup>2</sup> Blattman, Chris (2015). *Is this the most effective development program in history?*



## 2 Why should I organize a Business Plan Competition?

As a BPC organizer, you should clearly define beforehand the reasons “why” you wish to organize a competition and “what impact” you want to achieve. Asking and reflecting on these questions and the context in which you want to organize your BPC will help you develop a clearer understanding of what the BPC aims to achieve, considering these contextual elements.

From the ILO’s perspective, the aim of a BPC is to create jobs and employment opportunities, responding to the needs of emerging, new and established entrepreneurs. These are entrepreneurs that might not otherwise have access to financial and non-financial services, whereas a BPC would provide that opportunity. By encouraging potential, emerging, new and existing businesses to come up with innovative business ventures that exploit market opportunities, sustainable enterprises with economic, social and environmental outcomes are created in the process.

A BPC can be run in any context where the need for enterprise development and job creation has been identified. This includes community development initiatives where giving small business the opportunity to grow and contribute to community and local economic development is crucial to creating a win-win situation for both entrepreneurs and the communities within which they operate. Other reasons could be to promote a specific type of entrepreneurship, such as green entrepreneurship or social entrepreneurship or to promote entrepreneurship for a certain target group, such as young entrepreneurs, women entrepreneurs or entrepreneurs living with disabilities.

In fact, there may be many reasons why an organization opts to run a competition. The table below gives you a few examples of factors that could motivate the BPC organizer’s decision.

**Table 1: Objectives for launching a Business Plan Competition**

1. To promote an entrepreneurial culture	BPCs can excite people by competing for prizes, whether this is money or technical support. BPCs that are promoted through TV, radio or social media and talk shows make the general population more aware of entrepreneurship as a possible career choice.
2. To identify high-growth entrepreneurs likely to spur long-term economic growth	BPCs can help governments and development actors identify which firms they should invest in based on their ability to boost the local economy. BPCs allow relevant stakeholders to identify growth-oriented enterprises that have high prospects for job creation and wealth generation.
3. To promote a specific type of entrepreneurship	BPCs can offer prizes in certain categories to promote enterprises that are seen as important for a society or a community, such as green entrepreneurs that combat climate change, social entrepreneurs that address societal problems and challenges, or women entrepreneurs to promote gender equality.
4. To create market linkages and scale up small business opportunities	BPCs can also be a strategic way of highlighting regional talents and giving visibility to outstanding business ideas. This can create market linkages between BPC entrants and other entrepreneurs and investors, thereby allowing these entrepreneurs to start up or expand their business.
5. To showcase winners as champions and role models for other entrepreneurs	The winners of the BPC can inspire other people – especially young men and women – to become entrepreneurs by sharing their success stories. This contributes to the overall objective of promoting entrepreneurship among a specific target group or a local population.
6. To build the capacity of local institutions	BPCs can be used as long-term strategy for entrepreneurship promotion in a country, a city or a community. From the outset BPC organizers involve and develop the capacity of local institutions to independently organize future challenges and provide support to winners and runner-ups once the competition is over.
7. To foster a vibrant entrepreneurial ecosystem	Rather than putting the emphasis on the final prize, organizers should see BPCs as a process through which the entrepreneurial ecosystem is strengthened, and an innovation mind set instilled in the local population.

### Social Business Plan Competition in Egypt as a way to raise awareness about social entrepreneurship

In Egypt, the ILO together with other UN agencies, launched the “Human Security through Inclusive Socioeconomic Development in Upper Egypt – Hayat” project with the aim to create new economic opportunities and develop skills for youth within the Upper Egyptian Governorate of Minya. The ILO’s role was notably to foster decent work for young women and men by combining vocational and entrepreneurial skills training with activities designed to increase their civic engagement and their contribution to improving community life. The Social Business Plan Competition was one of the project’s key interventions, aimed at introducing the concept of social entrepreneurship in an environment where unemployment rates are particularly high among those between 18 and 35 years old. The BPC proved to be successful in fostering social entrepreneurship and supporting the inclusion of young people in marginalized communities. Before launching the formal selection process, the intervention model first developed the skills and capacity of youth platforms to conduct social initiatives and serve as vehicles for change. Overall, the BPC in Egypt was inscribed in a larger intervention model and used as a tool to achieve the broader goal of social entrepreneurship promotion.

While the Business Plan Competition is designed to serve the broader objective of entrepreneurship promotion at the local/community level, you may wish as an organizer to prioritize one of the **two following goals**:

- Identify already established high-growth entrepreneurs and give them the visibility they need to grow their businesses, with the ultimate aim of spurring local economic growth;
- Showcase specific types of enterprises, either because they seek to achieve significant social and environmental returns, in addition to the expected economic returns, or because they are run by marginalized groups: women- or youth-run enterprises, social enterprises, rural enterprises, among others.

Of course, this distinction is not clear-cut and leaves you with considerable room to manoeuvre while you plan for your competition. Depending on where you find yourself in the entrepreneurship spectrum, which ranges from mission-driven enterprises to growth-driven enterprises, you may want to plan your competition differently and adapt it to the needs of your target audience.



# 3 How to plan a Business Plan Competition?

## 3.1 Outlining the objectives

After having a clear understanding of why it is important to launch a BPC, the organizer might also want to define short-term objectives to better plan the competition with the view to achieve them, for example developing the skills of potential and existing entrepreneurs in terms of business planning and long-term thinking, building the capacity of partner institutions, fostering collaboration among local institutions etc. These short-term objectives should serve as a roadmap to be followed throughout the implementation process. The coordinator needs to make sure that he/she has met these objectives before the end of the competition, as they will most likely act as a guarantee for a successful BPC and for longer-term sustainability. The objectives you set yourself, especially when it comes to the groups you intend to promote, will have implications on the remaining elements of your BPC, more particularly on your outreach strategy and the involvement of partner organizations and other relevant stakeholders.

## 3.2 Defining the target groups, partners and other stakeholders

### ■ Target groups

Defining the target groups on which you want to have an impact is crucial as it will inform all the stages of the competition and guide the implementation process. For instance, it could help the organizer better customize the type of entrepreneurship support to be provided before, during and after the competition and better select the appropriate business development service providers to deliver this support.

Below is a set of questions that should help you narrow the scope of the competition and define your target groups:

- Who will be eligible to enter the competition (e.g. women entrepreneurs, social entrepreneurs, rural entrepreneurs) and what type of enterprises will be eligible (e.g. start-ups, emerging enterprises, established enterprises)?
- What are the priority sectors (e.g. construction, tourism, agribusiness, renewable energy, waste management)?
- Will the competition cover a certain geographic area, community or city?

The questions that arise when defining the target audience of the competition will generally inform the way you select partners. It will also help you find the right partnerships with actors from the private sector, such as young entrepreneurs, successful CEOs and investors searching for high-potential businesses to place their capital in and support (e.g. seed invest-

tors, angel investors, venture capital firms). Collaborating with private sector actors, either in the form of sponsorships or by having them as part of the judging panel, will constitute a key driver for aspiring entrepreneurs to participate in the competition.

It is therefore recommended to start by defining the groups you wish to target. Your target groups are the entrepreneurs that you want to have competing and where the BPC could contribute to inclusive business development and job creation. The BPC can be targeted at a single group, but it may also seek to reach out to entrepreneurs operating in a variety of economic sectors or who exhibit distinctive features that may be perceived as unusual for traditional entrepreneurs. In the first case, it might be best to broaden the scope of the competition as much as possible so as to encourage participation. Otherwise, it is important to choose the categories through which people would apply based on the nature of their businesses and/or personal characteristics. These categories may be related to a specific economic sector (e.g. agribusiness, waste recycling, ICT...), to a specific beneficiary group (e.g. young entrepreneurs, women, individuals with disability...), or to a specific type of business (e.g. start-ups, cooperatives, established businesses...).

### Targeting youth with the Mubadara Competition in Yemen

In Yemen, the ILO launched a business plan competition together with the Yemeni SMEPS (Small and Micro Enterprise Promotion Service) as part of a Youth Entrepreneurship Programme. The competition's aim was to target youth across universities in Sanaa specializing in different fields of study and to give them the opportunity to present a pilot project for launching their own business at the end of the semester. The competition was intended to endorse students with diverse backgrounds to participate in the challenge. A few requirements were specified to help organizers choose the participants: 1) to have at least five years of professional experience in their field, 2) to have effective communication skills, 3) to have experience in volunteer work, 4) to be ready to dedicate a significant number of hours to the project, 5) to be enrolled in universities geographically distributed across the city.

Identifying your target audience will facilitate the task of selecting the partner organizations and private sector actors that will create an incentive for participation. You must be able to get partners on board that are deemed appealing, from a networking perspective, to each of the categories you have predefined.

#### ■ Partners and other stakeholders

Your partners are the institutions you need to work with to execute the BPC and achieve the desired impact on the target groups. Different partners will assist you at different stages of the implementation process. Below you will find a table of potential partners and the reasons for seeking them out. You should look for partners that are able to execute the following functions:



**Table 2: Getting partners and other stakeholders on board**

Partners and stakeholders	Motives
Local stakeholders (e.g. government authorities, CSOs, service providers)	<ol style="list-style-type: none"> <li>1. Better understand the needs of your target community</li> <li>2. Knowledge and proximity with competition entrants</li> <li>3. Increase the credibility of your endeavour</li> <li>4. Direct your BPC towards targeted beneficiaries</li> <li>5. Reach out to target community once BPC is launched</li> <li>6. Build capacity to reproduce future initiatives</li> </ol>
BDS institutions	<ol style="list-style-type: none"> <li>1. Provide trainers and business coaches who are familiar with the needs of the target groups and/or have worked in close contact with these groups</li> <li>2. Build capacity to replicate and/or support such initiatives in the future</li> <li>3. Participate in screening of entrants and in judging events</li> </ol>
Private sector	<ol style="list-style-type: none"> <li>1. Sponsorships and financial contributions to the competition by providing funds or in-kind resources as prizes to the winners (e.g. grants, loans, business development services, coaching...)</li> <li>2. Source of motivation for aspiring entrepreneurs to participate</li> <li>3. Source of inspiration if championing a certain cause that is dear to one of the categories (e.g. entrepreneur with disability, woman CEO, rural innovator...)</li> <li>4. Sit on the judging panel and secure additional expertise to assess the business plans</li> <li>5. Opportunity for networking and finding investor(s)</li> </ol>
Governments and social partners	<ol style="list-style-type: none"> <li>1. Strengthen linkages and collaboration between the private and the public sector with a view to maintaining a trust-based relationship</li> <li>2. Secure funds as sponsorship or prizes for the winners</li> <li>3. Enhance sustainability by creating a win-win situation where governments also share an interest in running these competitions</li> <li>4. Contribute to the creation of an enabling environment for the target enterprises</li> <li>5. Share information on business matchmaking and other business opportunities</li> </ol>
Media partners	<ol style="list-style-type: none"> <li>1. Boost the event's outreach (for instance, through traditional media, social media, broadcasting...)</li> <li>2. Bring visibility to the winners during the awards ceremony by putting them in the spotlight and disseminating their success stories</li> </ol>

### Competition judges

Competition judges are responsible for independently and objectively evaluating the business ideas and plans against a set of objective and transparent criteria. In addition, potential candidates generally weigh the pros and cons of participating in the BPC. Who is sitting on the judging panel is an important parameter that can tilt the balance in favour of their participation. You must, therefore, carefully choose your judges during the planning phase, as they will play a critical role in motivating your target groups to compete.

Below are some guiding questions to help you choose the *right* judges for your competition:

- What are the reputable organizations, banks, consultancy companies and corporate firms that are seen as important actors in private sector development?
- Who are the well-known individuals that might motivate aspiring entrepreneurs to participate in the competition?

- Who are the best-placed individuals to judge a successful business plan in a certain sector or technical areas and its market potential?
- Which investors would be interested in learning more about innovative ideas and establishing contact with the competition participants?
- How can you convince experts from local organizations to give up some of their time to participate as judges?
- Which local organizations might have an interest to market the BPC to their own target group and therefore participate?

### Box 2: Establishing a selection committee

Forming a selection committee composed of the *right* people is an essential component of the competition's planning stage, notably because of three main factors:

Firstly, choosing the right individuals to sit on the judging panel is key because it will strongly determine if your Business Plan Competition will attract participants, and most importantly, which type of participants it will attract (i.e. high-growth entrepreneurs, aspiring entrepreneurs, start-ups, social entrepreneurs, among others.). As previously mentioned in section 3.2, you should establish your selection committee based on the groups you wish to target. If you wish to target women entrepreneurs, for instance, you should make it a point to form a selection committee that upholds gender parity and that is composed of successful women entrepreneurs or *gender champions*. Similarly, if you organize a BPC that seeks to give visibility to people with disabilities, you might want to have a successful entrepreneur with a specific disability sit on the judging panel or a representative of an organization that supports their cause. Overall, you should strive to gather a judging panel that is as representative as possible of the individuals you are trying to attract and champion, so that they feel both represented and motivated throughout the competition. The members of the selection committee should serve as a source of inspiration and an impetus for potential contestants to partake in the competition.

Secondly, depending on your objectives, you may want to invite high-level professionals and experts to sit on the judging panel, as they can be useful for the contestants from both networking and financial viewpoints. In some cases, judges and sponsor may even be the same people. This may be particularly useful should you organize a BPC that aims to give visibility to high-growth entrepreneurs. Given their wide network of private sector actors, judges are well placed to help put competition winners and high-potential candidates in touch with prospective investors and incubators.

Finally, it is also recommended that you diversify your panel of judges so as to confront different opinions and assessments of the competing business plans. Having people with different backgrounds and expertise sit on the same panel should give unusual profiles an equal chance of winning the competition, if your aim is to go beyond high-growth entrepreneurs who tick all the traditional boxes. The makeup of the selection committee panel should be dependent on the types of entrepreneurs you wish to target.

### Sponsors and the broader business community

To run a successful competition, you will need to get sponsors and the broader business community on board. This can be well known corporate firms in the country, city or community, business schools from the local university, consultancy companies and business development services providers, financial institutions as well as a local government department with a mandate in economic development. The key is to make the BPC look like a massive collective effort that has “buy-in” from key firms and institutions since this will show to entrants that the BPC is “serious business” and something “not to miss out on”.

Of course, in some cases, finding sponsors might turn out to be harder than expected. This is especially true in a case when the organizer seeks to launch a competition in challenging contexts where the contest and, more specifically the targeted groups, cannot get and do not have visibility. For this reason, it is important to keep in mind that finding sponsors for specific BPCs (e.g. a BPC for refugees in remote areas and/or difficult contexts) may not always be feasible. Getting the private sector to buy into the contest will generally be an easier task when the BPC seeks to target profit-oriented and growth-driven entrepreneurs. Investors will find an interest in sponsoring these events if the competition allows them to identify high-potential businesses in return. This is not to say that you should give up on supporting your desired target groups. Instead, just be aware of the challenges you might face and plan accordingly.

- The 1<sup>st</sup> step is to do a mapping exercise where you identify key firms and institutions with a stake and interest in private sector development. Write down a long list of potential sponsors you want to get involved from the public and the private sectors as well as the civil society and discuss in your organizing team the ones that are well known and have a credible name in the community. You want reputable firms and institutions to join you.
- The 2<sup>nd</sup> step is then to decide “how” you want them to participate. Sponsors can participate in different ways; don’t only focus on getting money from sponsors. Some sponsors might want to give cash, others might want to give equipment to a winner, while others might be able to help promote the BPC by printing flyers and competition materials for free. A local radio or TV station might come on board as the media partner and raise awareness through TV and radio shows. Other possibilities might include a well-known CEO of a market leading firm may offer free mentoring sessions to a winner, and/or the local university might offer a venue where you can train entrants and have the judging event. These are all valuable contributions and you should identify how sponsors can participate in the competition to support activities and efforts that might otherwise be a cost to you.
- The 3<sup>rd</sup> step is then to develop a “sponsor pitch” to get your identified sponsors on board. You need to “sell your vision” and why it is important for these sponsors to participate. You can argue that the BPC is the most innovative and most exciting BPC for start-ups and existing businesses with a unique partnership model. You can further argue that by participating, a sponsor can play a leading role in encouraging innovation in their business sector. This is notably the case if the sponsor focuses on entrepreneurs with unique and winning business ideas, which advance their enterprise development or corporate social responsibility agenda. You must tailor each pitch to the particular firm or institution. Most importantly, you must convince a potential sponsor about the visibility they will get by supporting and participating in the event and how this will also improve their reputation.
- The 4<sup>th</sup> step is to start “knocking on doors”. Don’t just send e-mails and expect a favourable reply. As the organizer, you must take the time to set up meetings with your potential sponsors, carefully explain the vision and expected impact of the competition, how you would like a sponsor to participate and how they will benefit in terms of visibility. You should explain how you will promote their name and involvement throughout the competition and how they will be regarded by the general population as a responsible business that also contributes to society’s development. If you are running a 2<sup>nd</sup> or a 3<sup>rd</sup> edition of a competition, demonstrating the impact of previous competitions is important.

- The 5<sup>th</sup> step is to sign a separate sponsorship agreement with each institution that comes on board, outlining how the sponsor will contribute and what you will do as organizer to involve them and promote their role in the BPC. It is crucial to get a “key sponsor” on the project early in the process. Sponsors with a good name, reputation and a recognizable logo, such as for instance a well-known tech company, will attract other and smaller sponsors that would like to be associated with this key sponsor. Sometimes you may just want to have an important company name on board. The actual sponsor contribution could therefore be smaller since the most important consideration is that this name serves to attract other sponsors.

### 3.3 Drafting a workplan

Before turning to the implementation phase, the organizer should make sure to develop a workplan together with the partner organizations to keep track of what has been achieved and what is yet to be completed. To do so, you should lay out a timeline that lists the deadlines associated with each milestone you will need to achieve to ensure the smooth implementation of the competition.

Below, you will find a template of a tentative workplan, including a checklist of tasks to complete.

	OCT	NOV	DEC	JAN	FEB	MARCH
Secure sponsorships for awards						
Launch the Business Plan Competition						
Start your outreach campaign: “roadshow” to different towns, adverts in traditional and social media...						
Plan preliminary training workshops (using GYB, SYB or GET Ahead)						
Get partner organizations on board: training partners, sponsors, judges...						
Close registrations and collect submissions						
Pre-select candidates based on business ideas						
Train (short-listed) candidates on business planning						
Judging round based on business plans						
Organize awards event						

### 3.4 Securing in-kind and financial resources including prizes

The organizer should develop a budget that will cover the different costs associated with the organization of the BPC and identify which cost items might be covered through different types of sponsorships. The organizer should factor in competition partners, who are expected to contribute financially or through in-kind assistance such as the provision of training venues, the distribution of marketing materials and advertisement to the public and support to winners in the post-competition stage.

Up front expenses to start raising awareness about the competition and to start attracting sponsorships are as follows:

1. Developing the “look and feel” of the BPC through graphical design
2. Conception of promotional materials such as a website, flyers and posters
3. Outreach activities and registration process.

Setting up the promotional materials and outreach activities might require additional costs especially with regards to disseminating information about the competition. You might want to use social media, publish advertisements in the local newspaper or place an advertisement on the radio. Similarly, the registration process may require you to mobilize people from outreach organizations such as community-based organizations and BDS providers to register candidates. This can also be done by phone or through the internet, in which case you would have to create an online system to register competition entrants. Choosing between these two approaches would depend on the availability of resources and the context in which you are operating.

4. Catering for workshops and the final awards event
5. Prize fund (e.g. financial support, access to BDS assistance...).

This component of the budget is crucial as you have to determine how many awards you would like to give out depending on the number of categories for which entrepreneurs will be competing and the resources that partner organizations are willing to offer. The prizes awarded to the winners may encompass small grants, office space and hardware, Internet access, sponsored training and coaching at partner institutions, support services and preferential loan funding.

Once the budget is established, the coordinator should develop a strategy to secure the funding necessary to cover these costs. It is crucial for the coordinator and the sponsors to jointly agree on the total value of cash prizes and in-kind contributions that sponsors are willing to provide.

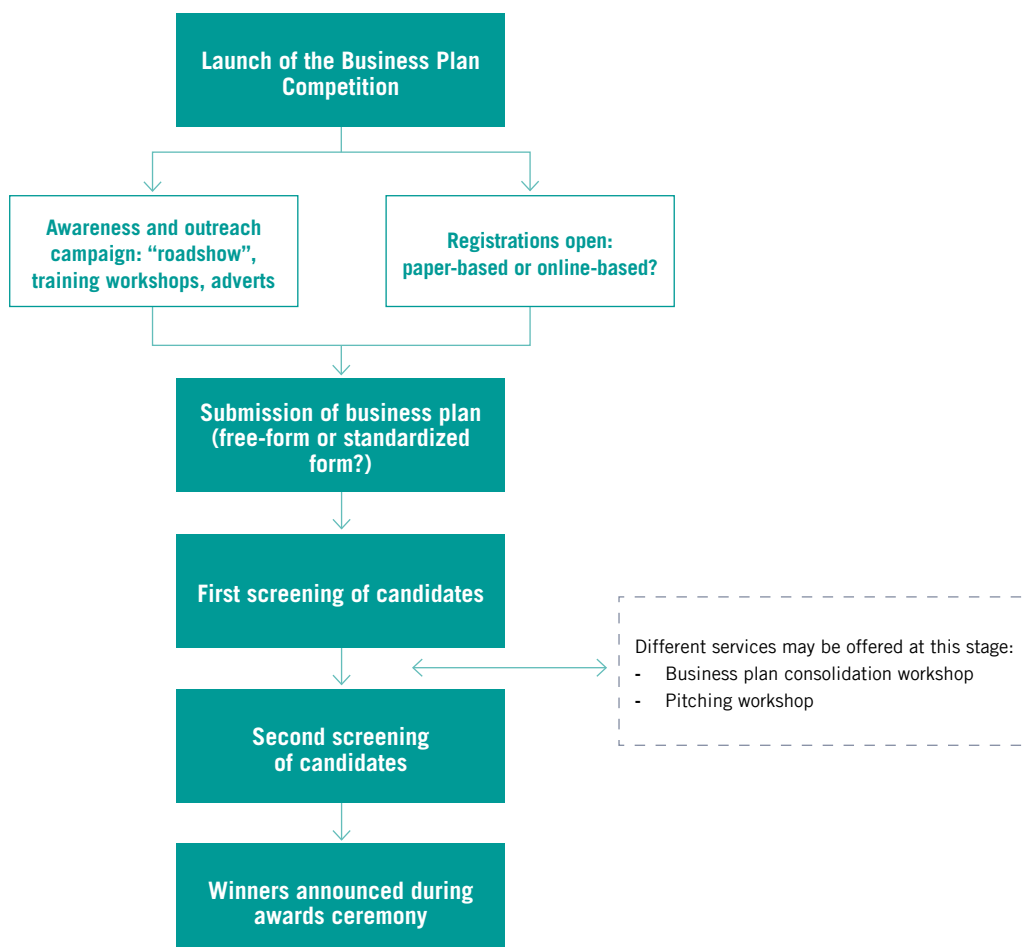
# 4 How to implement a Business Plan Competition?

Once the organizer has gone through the different preparatory and logistical steps the next step is the implementation process.

## 4.1 Implementation flow

Now that you have designed and planned your competition and the detailed tasks that you will need to fulfil for each step, you can turn to its implementation. Below you will find a suggested implementation flow to help better visualize the different steps of your process. The next sections will provide a detailed account of each implementation step with some recommendations to guide you in the execution.

Figure 2: The implementation flow



## 4.2 Outreach and marketing

First, a call for applications should be broadcasted. The announcement could be spread once, or it can be conducted in several stages to ensure that all potential candidates have access to information about the competition and thus an opportunity to participate. There are different ways to launch the BPC and promote this among the public:

1. An official launch event with invited media and newspapers
2. Adverts in local newspapers
3. Adverts on TV and radio stations
4. Adverts on social media, depending on your target group (e.g. young entrepreneurs)
5. A “roadshow” to major towns and cities to inform the public about the BPC and how to participate
6. An awareness campaign with training workshops in major towns

You are now at a stage where you can mobilize the media partners you have by coordinating an outreach and marketing campaign, which should both inform and capture your target audience’s attention.

Secondly, you will have to develop the application templates and procedures as well as the promotional materials. These need to be prepared in a rigorous manner to make sure that participants are well-informed of what they are signing up for and what they are expected to produce for each stage of the competition (i.e. business plan, pitch...). Moreover, your promotional material should clearly inform participants about the prizes they could expect to receive if they were to win the competition. This is intended to prevent candidates from having high expectations regarding prizes that might not be met during the awards ceremony.

Depending on the context and your objectives, you may opt to use one of the two options stated below when you set up the registration process.

- You may ask applicants to submit a **paper-based application** either by post or through the partner organizations. Depending on your target group, you may provide candidates with more or less guidance on how to submit their application. If your competition puts a stronger emphasis on inclusiveness and seeks to reach out to marginalized groups, you may want to develop standardized registration forms (using the SYB Business Plan Booklet, for instance). Local organizations will distribute these forms and applicants will have to fill them out and submit them before the given deadline. In this case, you may only request candidates to submit a business plan skeleton. However, when targeting high-growth entrepreneurs, you may require candidates to submit full-fledged, thorough business plans, as judges’ expectations will most likely be higher and selection criteria more stringent. This will give candidates more leeway in drafting their business plans following their preferred structure.
- You may instead want to develop an **online-based application** procedure where candidates will have to submit their application through an online portal. This is usually the case when the competition targets better equipped entrepreneurs with easy access to the needed technology and services.

As explained above, there is no right or wrong answer regarding the application process. The ILO and its counterparts have adopted both options in organizing BPCs. You should make

this decision based on the profiles you wish to target for the competition. An online-based application process is convenient, as mentioned previously, when you know that potential candidates have access to the internet and the necessary skills to submit their application online. The IT expertise you have on your team to develop this type of platform should also play into your decision. A paper-based application, be it free-form or standardized, is suitable if you know internet coverage is weak and digital literacy is low among potential candidates. In such contexts, choosing paper would ensure inclusivity and give non tech-savvy applicants an equal chance to participate.

### Box 3: How to tailor my outreach strategy to specific target groups

When defining your target audience, you might have decided to target specific beneficiary groups with specific characteristics. It is therefore key to think about how you can adapt your BPC to your specific target groups at each stage of the implementation phase.

Below, you will find some guidelines to help tailor your communication strategy and dissemination and awareness-raising activities to your specific target group.

1. **Call for applications.** When launching your call for applications, make sure that the channels used to disseminate this information is suited to your target group, taking into account their daily habits and environment. For instance, if you wish to target young entrepreneurs, you might want to spread your message on social media platforms, as this will give you a higher chance of tapping into a pool of young people. If you wish to attract rural entrepreneurs, it might be more appropriate to broadcast the call for applications on the local radio. If you want to make women participation a priority, you might want to liaise with women associations and get them on board so that they can circulate your message. Being present at a community event in which your target audience is likely to participate may also increase your chances of outreach. You might also decide to launch an online platform or use one of the partner organizations' website to publish information on the competition. Of course, this depends on the availability and extent of internet coverage.

2. **Promotional material.** Marketing is key when your goal is to encourage as many people as possible to participate. To attract the "right" groups, your promotional materials should be customized to match their expectations. This means that you should both frame your message in a way that would appeal to your target group and come up with a layout that would get your target audience's attention. For instance, if you wish to target young entrepreneurs, you might want to design a brochure that looks "modern" and "eye-catching", but also use the appropriate business vocabulary. Determining where to distribute and how to best make promotional materials visible is also a strategic decision: flyers might be handed out by partner organizations, especially during SIYB and other entrepreneurship trainings, or displayed in public buildings such as community centres and municipal offices. The knowledge you have of your target audience should help you tailor your dissemination strategy accordingly.

3. **Application process.** If you want as many people as possible to participate in your BPC, you must simplify the application process and make sure that your target groups have a clear understanding of the different elements they need to submit for their application to be considered. Explicitly outlining the eligibility and competition entry requirements will help you maximize the number of applications received. Applications may be submitted in person, by phone, on the internet, or through an outreach organization such as SIYB associations, Trainer networks, CBOs and BDS providers. You may also decide to incorporate a tear-off registration form as part of your competition flyer to be handed in by the applicant. You can pick the appropriate application procedure based on what you see is the most convenient for your target audience. For instance, if you wish to target rural entrepreneurs, you might want to favour applications by phone or through local institutions, given that they might have very limited access to internet. If people with physical disabilities are your priority, you might want to launch an online application system so that they can avoid traveling to the community centre. Registration timing is also crucial as it needs to match your



target audience's availabilities. Otherwise, you run the risk of filtering out people who might be interested in participating, but who do not have the time or resources to go through the application process. For instance, if you want to target women, you might want to keep registrations open in the evening to make sure that they can free themselves from other obligations.

4. **Awareness campaign.** The BPC is also an opportunity for people with very little knowledge of entrepreneurship and limited capacity to grow a business to take part. In order to bridge the information gap between already established entrepreneurs and potential entrepreneurs, you may want to first set up training workshops to give potential candidates basic entrepreneurship and business management skills. This should help them better grasp the purpose of the competition and decide whether they would be ready to participate. The awareness campaign should therefore serve the dual purpose of both attracting competition entrants and raising public awareness on entrepreneurship. These workshops are an opportunity to explain to potential candidates how the competition is structured, how it could help them develop a business, and why starting an enterprise could be advantageous. At this point, all competition documents should be ready for distribution, including the competition entry forms (if you decide to go for a paper-based application process). Those who are interested in participating may fill out the entry forms on the spot. Depending on the beneficiary groups you wish to target, you may also want to organize these workshops in a range of locations to maximize public access. The locations you opt for should be wisely and strategically chosen so as not to discourage your target groups from attending.

#### South Africa's outreach strategy: workshops and roadshows to attract participants

In South Africa, the ILO launched, in collaboration with the Department of Economic Development, Tourism and Environmental Affairs and the Small Enterprises Development Agency, two consecutive Free State enterPRIZE Job Creation Challenges in Bloemfontein. The 2013 Challenge attracted more than 500 eligible applications from aspiring and established entrepreneurs throughout the Free State Province. To attract candidates, the competition developed an online-based application process, requiring candidates to submit online applications forms. At the same time, the organizers launched a vast outreach campaign, promoting the challenge in news and media to raise awareness of the competition. Media briefings were also arranged to involve partners and competition sponsors. The 2013 Challenge, in a second phase, carried out awareness and business plan introductory workshops to give applicants the skills needed to submit their business proposals. More innovative was the planning of a "Roadshow" during the 2014 Challenge, which included holding informational sessions in selected towns across the Free State for two weeks to showcase the competition and increase participation.

### 4.3 Training candidates

Drawing from experience, it is highly recommended that potential candidates undertake the GYB-SYB training modules of the Start and Improve Your Business entrepreneurship training package or the GET Ahead training programme before closing registrations. As an organizer, you may not necessarily have the resources to carry out entrepreneurship trainings as part of the project. It is therefore crucial to go beyond training delivery and directly refer candidates to the SIYB networks operating in the given country.

Delegating this task to partner organizations and SIYB trained and certified trainers should help ensure greater sustainability and impact, as local partners are generally better equipped to “spread the news” and adequately prepare candidates. Overall, the BPC should serve as a platform to make use of and consolidate what candidates have learned throughout these trainings. It is also an opportunity to put theory into practice.

Of course, GYB-SYB trainings are not a requirement for participating in the competition challenge. Nonetheless, it may be useful to have competition entrants go through these trainings for two main reasons. First, trainings are designed to provide participants with the tools necessary to generate new business ideas and start their own venture. Having applicants go through these trainings should guarantee that the submitted business plans meet certain standards of quality. Second, trainings are also intended to help trainees draft their business plan, and by doing so, to acquire a certain methodology on business plan design. This would therefore make it easier for judges to screen standardized applications that adopt the SIYB business plan format rather than to assess free-form business plans.

However beneficial, you should not automatically exclude applicants who have not undergone these trainings. Again, they are not a prerequisite. To avoid this, it is recommended that you plan your challenge ahead of time to give potential candidates with little knowledge of business planning, or simply no predefined business idea, the chance to prepare and take part in the challenge. Organizing entrepreneurship trainings beforehand is therefore a good strategy for making your competition as inclusive as possible.

Below you will find additional information on the training modules you may wish to deliver to improve the quality of business plans submissions and increase the value the process provides to candidates involved in the competition.

## 1. Introduction to entrepreneurship

In most cases, competition entrants will need training in core entrepreneurship and business skills to formulate a viable and solid business plan for their business idea. Sometimes, potential candidates may not even have a defined business idea but simply be driven by a desire to take part in the challenge and test themselves. Depending on the competition’s objectives, it could be in your interest to make the competition as inclusive as possible by delivering basic entrepreneurship trainings to potential candidates. If one of your key goals is to foster an entrepreneurial mind set among the local community, inclusivity is vital.

The trainings that would support an inclusive competition are as follows:

### ■ **Generate Your Business Idea (GYB from the SIYB training package)**

Generate Your Business Idea is a training programme for people who want to start a business but are not sure of what business idea to pursue. It is intended to give trainees the skills they need to come up with various business ideas, to analyse them by considering their viability, feasibility and growth potential, and to select the most promising one. GYB can be seen as the backbone of starting a business as it allows aspiring entrepreneurs to develop a clear and viable idea of the business they hope to start, notably one that aims to fulfil a specific customer need.

- **GET Ahead (Gender and Entrepreneurship Together), one of the Women's Entrepreneurship Development tools**

GET Ahead is a training programme that aims to address some of the barriers women face to starting and running a business, such as a lack of experience, knowledge, skills, self-confidence and family expectations and responsibilities. The programme bridges the gender gap by offering business management skills as well as soft skills, including leadership and effective communication. GET Ahead uses the Business Plan as a practical way to make sense of the importance of each skill being developed. By starting the discussion on potential business ideas and business planning, women are able, using their own idea, to consider, develop and apply what they have learned while in the training and when there is still significant amount of support available to them.

## **2. Business plan training**

If, after mapping potential candidates, it appears that most have a business idea but insufficient skills in business planning, you may want to offer a business plan training using the SYB Business Plan booklet (Start and Improve Your Business package).

The SYB Business Plan Booklet is designed to give trainees the skills they need to develop a rigorous business plan based on their existing business idea. You should expect trainees to have developed a complete business plan by the end of the training. If need be, you may give candidates additional time to fine-tune their plan. During this period, one-on-one coaching by relevant experts may be provided to answer pending questions and help candidates refine their business plans. Business plan trainings are crucial as they give candidates who would have normally been disadvantaged due to unequal access to business support services (e.g. women entrepreneurs), the opportunity to consolidate an innovative idea and put it to the test. Without such business plan training, high-potential entrepreneurs with limited expertise in business planning, lower education levels or limited resources would be automatically filtered out.

#### Box 4: Adapting your entrepreneurship trainings to the needs of your target group

Training candidates is often part of a business plan competition. Indeed, having candidates undergo a training, be it on how to come up with a viable business idea or how to draft a solid business plan, is crucial because it levels the playing field and allows all competition entrants access to practical knowledge.

Of course, organizing a training without having considered how to make it attractive for your target group would defeat the purpose of the training. For this reason, elements to keep in mind when organizing these trainings, so as to tailor them as much as possible to the needs of your target group, follow:

- **What is your outreach strategy?** As mentioned previously, the goal of the training is to help your target group better familiarize itself with entrepreneurship and business planning. Therefore, your outreach strategy must strive to attract as many of your end beneficiaries as possible. You might also want to target priority individuals with limited exposure to entrepreneurship. In this case, designing promotional materials that have a clear and straightforward message and that include a short description of what to expect could be helpful.
- **Where should you organize the trainings?** Your answer to this question will determine whether or not your target group will be able to attend the workshops. You should aim to choose locations that are accessible to your target group. For instance, if you wish to target rural entrepreneurs, it may be more strategic to organize the trainings in rural villages rather than in the city, to prevent participants from travelling long distances. Similarly, if you wish to target women, you may want to choose a convenient location that would not require a lot of time commuting, as they often need to juggle between their professional obligations and family commitments.
- **How do you make sure that the participants will attend all training days?** You will need to create a mechanism that encourages competition entrants to partake in the whole training cycle. For instance, if your target group is women and the training workshop extends over several days, you may want to offer childcare services so as to enable them to engage in the training for a longer period without worrying about their family commitments. Of course, as mentioned previously, attending trainings is not mandatory for those who wish to participate in the BPC. If a candidate feels his or her application is strong enough, then he or she may submit the business plan without prior training in GYB-SYB or GET Ahead.

## 4.4 Short-listing candidates

Once competition entrants have had sufficient time to develop their business plans, you should set a submission deadline for the application. After that, the judging process can start. You should first screen out all ineligible entries (according to the criteria set out for competition entry) before passing on the remaining business ideas to your panel of judges.

A few steps are required to facilitate the judging process. After having established a selection committee (see box 2 for tips on how to form a suitable selection committee), the organizer should ask the panel of judges to shortlist the best candidates within each prize category. In the interest of time and depending on the competition's objectives, you may wish not to overburden judges with too many selection criteria for this first step, and rather allow them to focus on some of the following: the extent to which the business idea is "out-of-the-box", the solidity and thoroughness of the business plan, the extent to which the

business plan reveals the candidate's motivation and entrepreneurial spirit, and so on. You should determine in advance how many candidates will go on to the final round (e.g. 15-20) depending on the number of prizes you intend to give out. You may bring the judges together to deliberate on the scores awarded and discuss potential discrepancies or you could carry out the judging on a virtual basis.

### Examples from Kenya and South Africa on the short-listing process.

In Kenya, the Enablis Entrepreneurial Network East Africa, the East African network of Enablis member entrepreneurs, launched the annual Chase Bank Enablis Business Launchpad Competition 2010, one of the country's biggest business plan competition for entrepreneurs. The competition aimed to give aspiring and existing entrepreneurs who face obstacles in securing conventional commercial funding, the chance to be considered for financial and technical assistance to start or expand their business. Once the 887 business plans had been submitted, a panel of judges reviewed the executive summaries of all entries to identify the top 100 business plans that would make it to the final round. The selected finalists were invited to an intensive one-week training session before presenting their business plans in front of an experienced panel for final judging and ranking.

In South Africa, the ILO and its competition counterparts went through a first screening of the applications to assess whether they met the challenge's criteria. This first short-list was then transmitted to judges with sector expertise in the different competition categories who were requested to make recommendations to the ILO and its counterparts on the five best applications per category. Ultimately, the ILO, Detea and Seda had the discretion to decide on the final short-list. The finalists of each category were subsequently invited to a one-day training on how to refine their business plans and make a convincing presentation to a panel of judges. Although optional, the training was strongly recommended to increase participants' chances of being among the top three winners of their category.

Before moving on to the final judging round, you may want to offer shortlisted candidates complementary support services based on their needs and the areas for improvement they identified. Support services may include coaching, mentoring, business plan workshops and pitching workshops. It's important to consult the finalists before offering any services so as to ensure their relevance and usefulness. Services offered should help finalists feel more confident about their business project and to be in a position to convincingly defend their idea during the final presentation.

In the second and final step, the shortlisted candidates are invited to pitch their business ideas in front of the panel of judges. If the judges had primarily focused on specific criteria such as the innovativeness of the business idea, the strength of the business plan and the candidate's entrepreneurial mind set, this time the judging should be undertaken in a more comprehensive and rigorous way, assessing both the quality of the business plan and the persuasiveness of the presentations.

You might want to identify specific criteria that will guide the judging process. Below are a few criteria that are typically used to evaluate a candidate's business project, but you can find a more detailed standard scoring sheet in the annex at the end of the guide.

**Entrepreneurial spirit:** Does the candidate have the drive and personal assets to make the business work?

**Market opportunities:** Are there sufficient market opportunities for the business to grow and have they been identified by the candidate? Did the candidate articulate a strategy to seize these opportunities?

**Innovativeness:** Does the candidate offer a relatively new and unique business idea?

**Operations:** At the same time, is the business idea feasible and does the business plan clearly outline what it will create?

**Job creation:** Does the business idea have enough potential to create decent and long-lasting jobs? Does the candidate demonstrate a concern for gender equality and fair working conditions?

**Viability:** Is the business financially viable and does it have a realistic prospect of earning a significant share of its income through trade?

**Environmental sustainability:** Does the business idea adopt a responsible attitude towards the environment and set up mechanisms to reduce any negative impact it could have, such as pollution, greenhouse gas emissions, degradation of natural resources...?

Determine when and how the final presentations should take place. Typically, the pitching component of the competition should be no more than two days in total. You should also have decided beforehand how the presentation will be structured (e.g. 10 min presentation followed by 10 min of Q&A). Remember to then give ample time for the panel to score the finalists and deliberate to reach a consensus on the winners of each prize category.

## 4.5 Awards ceremony

The final stage consists in a public ceremony where winners are announced, and prizes are awarded.

Below are a few elements that you will have to keep in mind when organizing the awards ceremony:

1. It is important to determine beforehand the nature of the prizes awarded and their total value. Typically, the prizes that you allocate to the winners can range from cash grants and preferential loans to sponsored incubation package comprising office space, internet access, administrative support, coaching and so forth. Usually, BPCs offer an attractive alternative to borrowing from banks at very high interest rates and give a boost to financially-constrained entrepreneurs. From a sustainability viewpoint, you may prefer to give the winners access to preferential loans rather than offering them a cash amount, given that one-off cash injections may distort the business' balance sheet and create an unrealistic temporary operating environment for the entrepreneur. Loans or loan guarantees are more likely to contribute to the establishment of long-lasting businesses. This should also allow the funder to play a well-intentioned role in guiding the entrepreneur's business decisions while assisting growth.

The terms and conditions of the preferential loan may thus be negotiated on a case-by-case basis, depending on each individual business' needs. The funding partner is encouraged to work closely with the winners to reconcile their requested funding requirements with its own funding criteria. Sometimes, it may occur that, after the business plan has been professionally evaluated, the funding received by the winners is higher or lower than initially estimated. For this reason, it is important to inform competition contestants beforehand that, although winners might be given special consideration and "fast track" status, the competition is not a guarantee of funding. Rather, it must lead to an open process whereby the funding partner and the winners come to a mutual agreement.

2. You should have also prepared the terms and conditions of each prize before the award ceremony, in case you need to refer to them. For instance, grants can only be used for investment in the business, whereas preferential loans might only be awarded once the lender has undertaken its own due diligence process.
3. You should also take the opportunity to acknowledge the roles that partners played in the competition and invite sponsors as well as other institutional partners to the ceremony. You may also distribute certificates to all trainers who delivered training to competition entrants, to ensure that the business plan competition only serves as the start of a collaborative endeavour among the BPC stakeholders.
4. The awards ceremony is also an opportunity to have finalists showcase their business ideas, before announcing the award winners. You may either invite finalists to briefly present their business ideas at the event or showcase a video compiling short interviews with each of the finalists.
5. Some prizes may be distributed to the winners during the awards ceremony, whereas others will be delivered to them in the post-competition phase. In the latter case, you should prepare certificates confirming the prize that could be handed over at the ceremony.

## 4.6 Post-awards ceremony phase

While the awards ceremony is intended to publicly announce the winners and the prizes they will receive, the post-awards ceremony phase is key to ensure the good use of these prizes. Below you will find a table specifying the different financial and non-financial prizes you may want to offer to the winners, the reasons why you may want to offer a specific prize and guidelines for implementation. This table should help you better grasp the pros and cons of each prize type and allow you to make your decision based on the winners' needs.

**Table 3: Competition prizes and their implementation**

Type of prize	Motive	Implementation guidelines
<b>Grant</b>	To help emerging entrepreneurs kick-off their business. Acts as seed funding.	<ul style="list-style-type: none"> <li>- Identify sponsors capable of offering these grants.</li> </ul>
<b>Preferential loans</b>	To build and ensure a sustainable long-lasting relationship between the winners and the financial institution. To avoid the distortion of the business' balance sheet.	<ul style="list-style-type: none"> <li>- Identify financial institutions interested in providing preferential loans.</li> <li>- Build the business case for providing preferential loans: financial institutions acting as indirect advisers.</li> <li>- Negotiate the terms and conditions on a case-by-case basis.</li> </ul>
<b>Complementary business support services</b>	To help winners further develop their entrepreneurship and business management skills.	<ul style="list-style-type: none"> <li>- Identify partner organizations interested in offering their business support services.</li> <li>- Partner organizations will assess the winners' needs and choose the most suitable support service accordingly (e.g. coaching, mentoring...). Greater focus should be put on the way these services will be delivered (e.g. one-on-one, group sessions...).</li> </ul>
<b>Incubation packages</b>	To provide the winners with the necessary equipment for the development of their business	<ul style="list-style-type: none"> <li>- Design the incubation package based on a needs assessment of the winners and on the context in which they operate.</li> <li>- Incubation packages may include access to the following: internet, equipped workspaces, customized business support services and so on.</li> </ul>
<b>Networking events</b>	To give the winners visibility and the chance to meet potential investors.	<ul style="list-style-type: none"> <li>- Before organizing the networking event, assess the needs of the winners. This will inform the type of sponsors you invite and the format of the event.</li> <li>- Build the business case for private sector actors to join the networking event.</li> <li>- If winners are looking for investors, organize the event in a way that will give them visibility. Options include pitching the project on stage, holding a booth or speed-networking exercises.</li> </ul>

### The Chase Bank Enablis Business Launchpad: thinking out of the box for competition prizes

In Kenya, the winners of the competition were awarded both in-kind and cash prizes. The prizes included notably:

- Internet access and other related services;
- Free Enablis membership for a year: access to customized business support services, exclusive access to the Enablis Genie portal which included business linkages, peer-to-peer forums, virtual coaching and strategic information;
- Sponsored training at Inoorero University;
- Cash prizes for selected categories whose proposals were community-based, reflecting, targeting and impacting a group that is broader than an individual entrepreneur with Ksh 500,000 for agri-business and agri-processing, and Ksh 500,000 for green and ecological business.

With regards to funding, Enablis and the competition funding partner, Chase Bank, managed to make available a loan and loan guarantee facility to support the competition winners. The organizers were reluctant about injecting cash into a business as this could distort its balance sheet and create unsustainable operating conditions for the entrepreneur. Instead, they favoured loans and loan guarantees as a more sustainable long-term option. They insisted that the funding would have to be subject to each individual business case meeting the criteria of the competition's funding partner. Funding partners would have to dialogue with the winners to determine how they could fill their funding gap adequately.

However, although winners were given special consideration and "fast track" status, winning the competition was not an automatic guarantee of funding. Rather, the competition was intended to open up a process of negotiation where funding partners and high-growth potential entrepreneurs could come to a mutually convenient agreement.



# 5 The Business Plan Competition is over, what's next?

Running a Business Plan Competition should not be perceived as an end in itself. Rather, the ILO and partner organizations from both the private and the public sector should use BPCs as an entrepreneurship skills development tool to achieve the broader goal of creating an entrepreneurial ecosystem within a certain community. For this reason, it is important to reflect upon the sustainability of the initiative before launching the BPC.

The coordinator should strive to layout a strategy for sustainability that is embedded in the planning and implementation processes to avoid running the BPC as a one-time event with no follow-up mechanisms or long-term perspectives. The guidance note will therefore conclude with some aspects of sustainability that are worth keeping in mind when organizing this type of event.

**Table 4: Ensuring post-competition sustainability**

Sustainability...	Questions to reflect upon
At the institutional level	Which partner organization (PO) has the capacity and will to ensure continuity once the BPC is over? Should this organization be a public institution or a private local actor?
<b>Measures</b>	
It is important to involve local actors (relevant local authorities, social partners, CBOs, NGOs, associations...) in the planning of the BPC right from the start, as these will become the main champions of the competition and help support the continuation of activities on the long-run.	
To do so, you may want to conduct an initial mapping of local stakeholders and service providers. This will help you build and strengthen the ownership of local stakeholders of the BPC while informing its design through participatory planning processes.	
In addition, collaborating with local actors allows you to better understand the local context and helps you reach out to your target group. Therefore, the key is to wisely select POs that are actively engaged with the beneficiaries you wish to target. This should help you achieve better results as the POs should provide you a platform to connect with your beneficiaries and glean a better understanding of their needs.	
Capacity needs assessments are also useful tools to identify the capacity deficits of POs and tailor your capacity-building strategy accordingly (e.g. deliver training of trainers if necessary...).	
Sustainability...	Questions to reflect upon
At the beneficiaries' level	How can contestants remain involved in entrepreneurship once the competition is over? How do I ensure that the winners have the skills and the motivation to pursue their competition goals (i.e. will they use the prizes for the intended purpose or will they be tempted to invest them elsewhere)?

## Measures

As mentioned previously, a key starting point is to collaborate with POs that already work closely with your target group so that they can take over the mission of promoting entrepreneurship once the competition has ended. For instance, if you wish to target young entrepreneurs, you may want to partner up with youth associations and the relevant ministries, or even local incubators targeting young people. The goal is to use the BPC as a springboard to strengthen their capacity and ensure that they have an incentive to pursue activities that will keep the beneficiaries engaged in the entrepreneurship sphere.

First, the coordinator and the POs should ensure that the disbursement of prizes is aligned with the conditions attached to them and that these prizes are used for the intended purpose. It is therefore key to support the winners in planning how they will use their awards and to ensure that they use them appropriately. Accordingly, you should also facilitate the disbursement of the awards. In the case of preferential loans, you should facilitate contact between the winners and the lending institution.

Just as important is the establishment of a follow-up system where the winners could receive further coaching support and business counselling. Business plans may be further improved and winners could also undertake additional training in specific areas before launching their business. This should be negotiated with partner organizations, which should take the lead on setting up these aftercare measures to push for more sustainable businesses.

Finally, POs should ensure on-going advice and support to the winners of the BPC by being responsive to their needs in terms of administrative guidance, legal support and facilitating interactions with financial providers. Trainings that give entrepreneurs negotiation skills and tips on how to obtain financing have also proven more valuable than cash prizes and serve as a stronger guarantee of sustainability. Even more, they should be ready to organize smaller-scope activities aimed at nurturing the entrepreneurial drive, especially through networking events. The goal is to create spaces where both aspiring and established entrepreneurs can get together and exchange good practices, as well as foster dialogue around issues such as how to scale up businesses and seize market opportunities.

### Sustainability...

### Questions to reflect upon

At the monitoring and evaluation level

How can I track the implementation process and make sure that I am meeting the targets I set for myself since the beginning?

How do I evaluate the impact of the Business Plan Competition on the beneficiaries as opposed to individuals who did not take part in the challenge?

How do I identify which components of the BPC have helped achieve the desired results?

## Measures

If your budget allows, you should make sure to set up a monitoring system to keep track of your achievements and gather participant data, which could serve as a basis for an eventual evaluation in the years following the competition.

You should set up a spread sheet or database to collect information on all competition entrants and recipients of training throughout the challenge, which could be of good use to partner organizations in the future.

The recorded data should feed into an overall evaluation of the competition process, which aims to examine its impact on aspiring and established entrepreneurs in terms of businesses started and grown, number of workers operating in the business, jobs created, profits increased and innovations achieved.

The evaluation should become more telling and results more significant over the longer run, or one to three years after the competition. You should therefore give businesses time to start operating to measure the full-fledged impact of the BPC as accurately as possible.

For the sake of sustainability, and in the event that you intend to have partner organizations run business plan competitions annually, data collection could become systematized as a means to assess the impact of previously held competitions. You should therefore ensure that you are collecting reliable information.

Overall, to determine if the BPC is worth being reiterated or replicated elsewhere, you should make it a point to undertake an impact evaluation of the competition. This will help you identify what parameters of the business plan competition have had the strongest impact on the beneficiaries and which measures allowed you to achieve the desired outcomes. Were aspiring entrepreneurs able to start their business thanks to the cash-grants or the trainings received? Did the survival rate of a business increase thanks to additional funding or connections and professional advice? These questions are all worth reflecting upon to refine the design of future BPCs and achieve better results.

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– **2015b.** *What happens when you give \$50,000 to an aspiring Nigerian entrepreneur.* The World Bank. Washington, D.C.

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## **ILO internal documents from several Business Plan Competitions have been used:**

- the Chase Bank Enablis Business Launchpad in Kenya;
- the 2013 and 2014 Free State enterPRIZE Job Creation Challenge in South Africa;
- the Mubadara Competition as part of the Youth Entrepreneurship Programme in Yemen.

# Annex

## Sample scoring sheet

The scoring sheet below should serve as a template. Depending on your objectives, some of the below-mentioned criteria may be removed, while new criteria may be added. It is important to adapt the scoring sheet to the nature of the competing businesses and the judges' needs.

### Business Plan Competition

#### Judge's scoring sheet

Name of the business .....

Name of the entrepreneur .....

	Criteria	Possible score	Actual score	Comments
A. The Business Idea	<b>A1. Innovation</b> Is the business idea new and/or innovative?	5		
	<b>A2. Feasibility</b> Is the business idea feasible and can it be executed?	5		
	<b>A3. Market potential</b> Does the idea have market potential and did the candidate identify growth opportunities?	5		
	<b>A4. Decent employment</b> If materialized, will the business create decent employment and economic growth?	5		
	<b>A5. Financial sustainability</b> Is the business financially viable and is there a realistic prospect of generating sufficient revenue to exceed costs?	5		
	<b>A6. Social impact</b> Will the business have a significant social impact and can this impact be measured?	5		
	<b>A7. Environmental impact</b> Will the business have a significant environmental impact and can this impact be measured?	5		
	<b>A8. Entrepreneurial spirit</b> Does the candidate have the entrepreneurial spirit and personal drive to make the business work?			
Total score (A)		<b>40</b>		

B. The Business Plan	<b>B1. Executive summary</b> Does the business plan provide a solid and convincing overview of the business proposal?	5		
	<b>B2. Business idea description</b> Is the business idea clearly described?	5		
	<b>B3. Market and competition</b> Have competitors been identified and is there a clearly articulated strategy for market growth?	5		
	<b>B4. Marketing and sales</b> Is there a convincing marketing plan and are sales forecasts realistic?	5		
	<b>B5. Staffing and legal requirements</b> Are staffing needs identified and does the business comply with legal requirements?	5		
	<b>B6. Seed capital and financing sources</b> Have capital needs been carefully assessed and have potential sources of finance been identified?	5		
	<b>B7. Financial estimates</b> Have financial estimates been carefully calculated?	5		
	<b>B8. Implementation</b> Is the implementation schedule realistic	5		
	<b>B9. Clarity and formatting</b> Has the business plan been clearly drafted and laid out?	5		
Total score (B)		<b>45</b>		
C. The Business Pitch	<b>C1. Presentation</b> Was the business plan convincingly presented?	5		
	<b>C2. Motivation</b> Did the candidate demonstrate a real motivation to pursue the business idea?	5		
	<b>C3. Applicability and usefulness of prizes</b> Would the prizes awarded substantially help the business?	5		
Total score (C)		<b>15</b>		
<b>Combined total score</b>		<b>100</b>		

<p><b>Overall comments</b></p>	
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Name of judge .....

Signature ..... Date .....



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