OAS More rights for more people

Women's Economic Empowerment

ACCESS TO FINANCE TRAINING FOR MSME SUPPORT INSTITUTIONS IN THE EASTERN CARIBBEAN

OAS Women's Empowerment Project

Enhancing Access to Finance for Women-led and owned MSMEs in the Eastern Caribbean

Session VI: October 10, 2024

DevSolutions Consulting, LLC

Welcome

Recap – Business Financing: Part I

- **Financing Options & Stage of Business Development**
- **Factors to Consider When Exploring Financing Options**
- **Grant Financing**

Business Financing: Part II

Business Financing Options: Key Topics

- Pitching for Financing
- Accessing and Managing Credit
- Managing a Relationship with a Financial Institution

Pitching for Financing

Breakout Exercise: 10 minutes

Your client comes to you to help them work on a pitch deck for grant funding.

List the key elements of the pitch deck that they should include.

Toolkit Review

Accessing Grant Funding

Pitch Deck – Contents and Rationale

Content	What to include in the slide	Why?
Cover	Company Logo and Compelling tagline which highlight your mission. **Use effective design elements.**	**Capture attention** and/or arouse curiosity of investors.
Problem	Present the industry status quo. **Simply state the customer pain.**	**Create empathy** with funders. **Avoid questionable statements.**
Solution	State 3 or 4 core functions of your product or service and it's benefit in relation to the problem identified.	Show that your solution addresses the customer pain while delivering better value. **This should resonate with funders with industry knowledge or experience.**
Product Demo	Live or video demonstration of the product if relevant.	Demonstrate that you have a Minimum Viable Product (MVP) (i.e. product with enough features to satisfy early customers). **Action makes it real in the mind of the funders.**

Toolkit Review

Accessing Grant Funding

Pitch Deck – Contents and Rationale

Content	What to include in the slide	Why?
Market Size	Size matters, so make sure to define the: Total Addressable Market (i.e. the total universe of possible customers), Service Addressable Market (i.e. the part of the market that can actually be reached) and your immediate Target Market.	**Establish that you are an ideal candidate for funding** by demonstrating that you are serving a huge market.
Business Model	You can use a business model canvas; or Summarize your revenue streams and the other aspects of your business model.	**Show how you will make money by delivering value** to the Target Market with a price point that offers an attractive profit margin.
Competition	Compare your company position against the competitors. You can use a grid approach or a strategy canvas	Show that your solution addresses the customer pain while delivering better value. **This should resonate with funders with industry knowledge or experience.**

Toolkit Review

Accessing Grant Funding

Pitch Deck – Contents and Rationale

Content	What to include in the slide	Why?
Your Competitive Advantage	Highlight technologies, intellectual property (IP), and value innovation development to make your product or service unique.	**Explain the underlying magic of your strategy/innovation /business model.** ***Remember innovation can apply to any aspect of your business model and not just the product.***
Go-to market	Plans to acquire mass market penetration. **Use a growth slide if possible.**	**Define what makes your business model scalable**
Team	Show experience and expertise. Demonstrate diversity.	**Why are you the right person to execute the business model** and grow the business.
Traction:	**If you have sales:** Just one revenue growth slide will do. Otherwise: Show proven direct market validation, customer acquisition, purchase order or letters of intent, etc.	**This is a crucial part of the pitch for giving credibility to your venture.** ***Without sales/customers, think twice about pitching at this stage of your business development.***
Why Now?	Explain why you think the timing is right.	**Create a sense of urgency** to invest now by using the "Fear of Missing Out (FOMO)" strategy.
Financial Plan and Objective	How much money you want? Explain how you will use the funds	**Present a realistic funding strategy** that will give funders confidence that the funds will result in the growth of the business

Pitching for Financing

Question:

What are the key elements of a winning pitch?

Toolkit Review

Accessing & Managing Credit

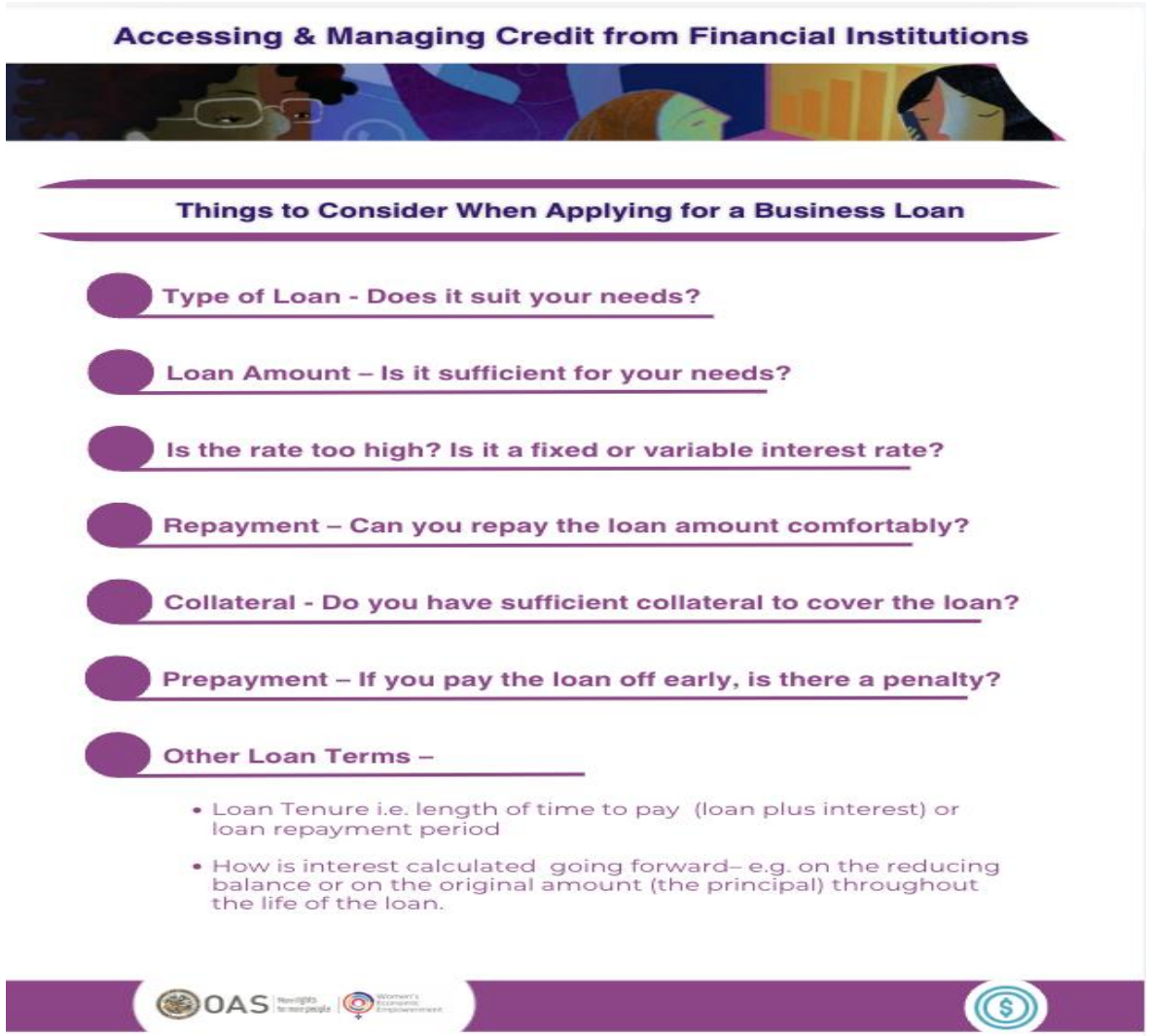
Breakout Exercise: 15 minutes

Your client wants to apply for a loan.

What COACHING QUESTIONS would you ask to support the client in the process?

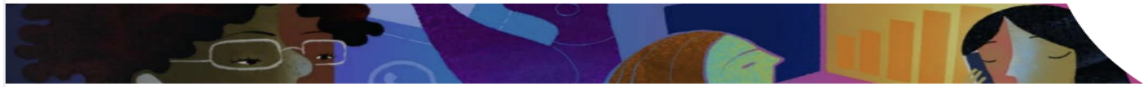
Critical Coaching Skills & Coaching Model

Toolkit Review



Toolkit Review

Accessing & Managing Credit from Financial Institutions



Checklist For Your Business Loan Application

These are the key elements of a loan application – the documents that will be reviewed by the loan officer.

- **Personal background information:** You will need to provide basic information on your background. This will include a personal profile.
- **Business plan:** Banks will want to see a business plan, to help assess whether your business should receive funding. The Business Plan should include:
  - **Your business model which explains how you provide value for your customer and how you generate revenue**
  - **Your growth strategy for the business**
  - **Details on the Management Team**
- **Credit history:** Lenders will look at your credit history early in the application process
- **Financial statements:** The bank will review your financial records – income statement, cash flow and balance sheet - to determine if you can repay the loan
- **References:** The bank might reach out to individuals who can attest to your character

Navigating the Loan Process

1. Do an Honest Assessment of Financing Needs

- Why is funded needed? How much? Should be in Business Plan.

2. Critically Examine the Current Financial Situation of Your Business

- Can cash flow service the loan over time? Examine credit/repayment history/credit score.

3. Look at Loan Options

- Explore the different types of business loans. Compare lenders and the loan terms.

4. Choose the Right Lender

- Select the right lender based on your financial situation and the ability to repay, the terms that you are comfortable, and customer satisfaction.

Navigating the Loan Process

5. Prepare the Application

- Gather all the necessary documentation.

6. Submit the Application & Communicate with the Lender as Needed

- Follow Instructions, and review thoroughly before submitting application.

7. Review the Response from the Lender

- Make sure you're comfortable with the loan agreement, or if rejected, find out why.

8. Manage Loan Payments

- Establish a loan repayment schedule. Keep a record of all documents & transactions.

Managing a Relationship with a Financial Institution

Breakout Exercise: 15 min

In your breakout rooms:

1. **Discuss what challenges have women business-owners told you they face when building a relationship with a financial institution? What strategies have you used to help these clients overcome the challenges?**

2. **Which strategies have been most successful?**

Building A Banking Relationship

EXAMINE YOUR GOALS

EXPLORE YOUR OPTIONS

OPEN AN ACCOUNT

COMMIT TO BUILDING A RELATIONS

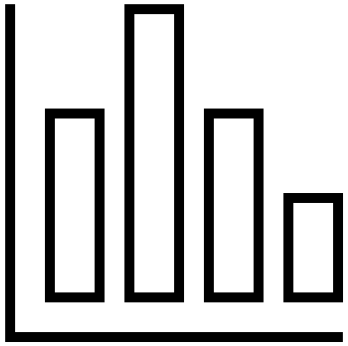
BSO Training Sessions: Topics

- Coaching and Mentoring
- Managing Business Finances
- Financial Planning
- Financial Reporting & Evaluation
- Digital Financial Tools and Services
- Financing Options

Closing Reflection

What is the one thing that you would do differently in coaching your clients, as a result of this training?

Poll



Thank You!