



Company Profile 2016

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Incubation | Mentorship | Training

COMPANY OVERVIEW

Hands On VBI is an independent virtual business incubator specialising with mentorship, consultation, capacity building and business development. We provide professional business support services to individual clients and small business owners. The virtual incubation is privately funded and operated.

OUR OBJECTIVE

The objective of Hands On VBI is to tackle barriers affecting small businesses from succeeding. The barriers are as follows [not limited to listed]:

- Lack of managerial experience
- Lack of industry exposure
- Lack of capital for small businesses
- Compliance matters

WHY WE FOCUS ON BUSINESS INCUBATION

Success and failure is a normal part of business processes but effective networking, adequate skilling, mentoring, developing good business acumen, sound principles and practices coupled with a high degree of business integrity will ensure that the prevalent environment does not perpetuate a culture of failure but rather a winning culture. That is why we are involved in the incubation space with the aim of identifying factors that directly contribute to the success of the small business sector.

It is widely agreed that policy-making in the field of entrepreneurship development is hampered by a lack of information. We need to know more about what is actually happening in the economy. How are South Africans responding to new opportunities? What SMME sectors are growing, and why? Which supportive measures work, and which don't? How can we encourage the private sector to provide support services to developing entrepreneurs?

What is the best way of providing aspiring entrepreneurs with access to finance? How can aspiring entrepreneurs best be matched with corporate partners requiring services? And what is the best way of monitoring the outcomes? Besides these questions, we need to know far more about the rates of conversion from informal sector to formal. What are the qualities that distinguish enterprises that have made this conversion, both in South Africa and in other developing countries?

To clarify sound policy directions across the whole economy, we need to know more about the relationships between black economic empowerment, sector charters, and entrepreneurship.

CHALLENGES FACED BY SMALL BUSINESSES IN SOUTH AFRICA

Macro environment

Management can exert no control over exogenous problems that manifest themselves in the economic, sociodemographic, political, technological and international spheres. The most prominent problems influencing SME success in this environment are the state of the economy, compliance with legislation, resource scarcity, HIV/AIDS, crime and corruption and rapidly changing technology. The entrepreneurs in the previously disadvantaged townships, for example, experienced problems with understanding the impact of technological development and the state of the economy on the success of their business.

Market environment

As with the macro environmental issues, management has little or no control over external market factors such as market size, competitors, low demand and intermediary accessibility. In the previously disadvantaged townships, for example, the entrepreneurs experienced problems with low demand and not enough knowledge of competitors, which was also due to the fact that they hardly ever conducted any marketing research on their competitors and the needs of their customers.

Internal market

Deficiencies in the internal environment are the major cause of SME failures, and revolve around management skills, financial knowledge, and lack of expertise in functional areas such as marketing, human resource management. Some of the problems emanating from these factors include specific management issues such as a lack of business management training and skills as well as a limited family business culture in South Africa. Other reasons for failure include the inability to act as entrepreneur, to control business growth and overemphasis on financial rewards.

Management actions and behavior which are lacking are inability to set strategic goals, plan forward, reluctance to seek advice, lack of management commitment and unwillingness to adapt to change.

Marketing factors

Marketing factors such as poor location, insufficient marketing, inability to conduct marketing research, misreading the market, poor products or service, poor service, misreading customer trends and needs also impact on the success of SMEs.

Human resource issues

The labour market in South Africa is highly regulated with a high level of labour market rigidity. In this regard problems experienced include the inability to attract and retain suitable staff, loss of key employees, low productivity and inadequate training and development of employees.

Production and operational issues

The following operational aspects may impact on the success of SMEs: lack of proper quality control in the production process; lack of capacity planning, problems with suppliers of resources and limited attention to developing suitable products or services.

Financial issues

Financial management is a crucial field within the endogenous environment of SMEs that presents numerous potential obstacles. Management competence is often determined by the availability of management and financial information. Lack of financial sources is often reported as the major obstacle experienced by businesses. Financial issues important for business success are capital requirements, bookkeeping, financial planning, financial control, management of working capital and income generation.

KEYS TO SUCCESS

Constant Communication

We believe that informed decisions are powered by constant and frequent communication. Our incubatees enjoy unlimited communication with their mentors.

Expert Advice

Our pool of knowledgeable advisors is available to tackle the challenges your business is facing. They have extensive experience on different industries hence exposed to all elements of a business. Your company will gain first-hand information on business matters.

On-going Training

Our programme offers training in Financial Management, Sales, Marketing, Internal Controls and more.

Business Support

Our incubator has strong partnerships with credible service providers who are available to provide your company with services which are aligned to your needs and goals.

WHAT WE OFFER ENTREPRENEURS

Our Virtual Business Incubation programme is tailored for new and existing entities. The Programme runs for 12-18 months and entails the following:

- Undertake evaluations and due diligences of entrepreneurial ideas, with particular emphasis on feasibility and economic viability as well as potential to impact on the Gauteng economy
- Advise SMEs on various aspects of their business plans, with particular emphasis on strategy, marketing, distribution channels, human resource management, operations/supply chain management, finances and fundraising, and the international business environment.
- Assist entrepreneurs in proposal writing, fundraising as well as relevant linkages to established companies for business development opportunities
- Oversee business mentoring support and ensure that support is tailored to the specific business needs of each SME on a case-by-case basis
- Ensure tight management of the milestones and progress of SMEs
- Ensure that appropriate records are maintained to allow for monitoring and reporting the progress of incubation activities and ensure that contracted targets are met
- Establish relevant stakeholder network linkages to facilitate market access opportunities
- Facilitate collaborations, business development and market access opportunities.
- Institutions which have systems and governance in place tend to attract more donors and greater awareness within the communities they serve.

Non-profit organisations, just like businesses, need to focus on building the capacity of their entire organization if they want to maximize their social impact. Both board and staff need to dedicate themselves to raising capacity building to the same level of importance and attention as program development and management – to think early and often about strengthening the organization in lockstep with implementing programs.

HOW WE RUN THE PROGRAMME

Once the incubatee has accepted our service offering, a dedicated mentor will be assigned to the new mentee. The incubatee will have access to his/her mentor via email, phone, Skype and arranged One-on-One meetings. The mentor and mentee will work together towards a common goal of making the business a success.

Hands On Start Up

The Elite programme entails the following:

- Access to mentor via unlimited phone calls, email, Skype
- One hour training every three months
- Invitations to business events
- Access to our referral list

Hands On Premium

The Premium programme entails the following:

- Access to mentor via unlimited phone calls, email, Skype
- Two hour training every three months
- Invitations to business events
- 4 hours per month Face-to-Face meeting with your mentor
- Access to our referral list
- Direct access to networking events in Gauteng

Hands On Pro

This programme entails the following:

- Access to mentor via unlimited phone calls, email, Skype
- 4 hour training every three months
- Invitations to business events
- 4 hours **per week** Face-to-Face meeting with your mentor
- Access to our referral list
- Direct access to networking events in Gauteng

Company overview: Eyitha Tours (Pty) Ltd is black owned tourism company which specialises with walking tours in Sophiatown and Soweto. The company also offers team building to small businesses and corporate clients.

Industry: Tourism

Brief: Our valued client requested us to assist her with proper invoicing solution and writing business proposals.

Outcome: Invoicing

A training session was booked with the owner of Eyitha Tours. We firstly explained the importance of proper invoicing either using specialised software or a web-based online invoicing. All the benefits were explained to the client. We also explained the risk of using Microsoft Word as a tool for creating an invoice. On the training we focused on the benefits of using a statutory-driven online invoicing, how easy it works with banking systems and also how the client will be able to do invoicing using a tablet and smartphone.

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Company overview: The Bonhomme Group (Pty) Ltd is young black owned consulting firm which specialises with company registration, advisory, digital marketing and business directory

Industry: Consulting

Brief: To prepare a comprehensive business plan, proposal letters to funders and Human Resources processes.

Outcome: Invoicing

Two sessions were booked for the management of The Bonhomme Group. All the steps involving writing up a bankable business plan were explained. The financials were also comprehensively explained and the proposals were written up and sent to funders with the finalized business plan.

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Company overview: Letlotlo Khabane (Pty) Ltd t/a Letlotlo Consulting is an Enterprise Development firm which assist SMEs to procure from blue chip companies and get mentored at the same time.

Industry: Enterprise Development

Brief: To set up internal controls, administration and King Code III Corporate Governance.

Outcome: Invoicing

Three training sessions were booked for Letlotlo Consulting where her dedicated mentor explained the importance of having proper systems internally. Because the Letlotlo Consulting team comes from a corporate background it was easy for them to grasp the training and the importance of the King Code III on Corporate Governance. The Hands On VBI mentors still work closely with the Letlotlo Consulting team to monitor all the progress they are making.

LEBOGANG MAKOLA - MANAGING DIRECTOR has 7 years' experience in the banking industry having worked for First National Bank, ABSA Limited and Nedbank Retail. He holds a National Diploma in Cost and Management Accounting which he obtained at Vaal University of Technology in 2004. His vast business experience includes sales, cash management process, business compliance, due diligence, client support & retention and business incubation.

Industry Experience

Retail Banking
Enterprise Development
Payroll

Industry Exposure

Sales Development and Training
Marketing
Client Service and Support
Internal Controls
Online Invoicing and Training
Cash Management and Solutions
Fraud and Loss Prevention

Directorships:

IED Consulting – Executive Director and Founder
Hands On VBI – Executive Director and Founder
MBC Group (Pty) Ltd – Non Executive Director

Business Mentor:

Mara Mentor
Venture Capital 4 Africa