



USAID
FROM THE AMERICAN PEOPLE

Smart-X Entrepreneur Book



The content of this publication was prepared by Presentense and its publication was made possible by the generous support of the American people through the United States Agency for International Development (USAID). As the prime contractor, the contents are the responsibility of The Kaizen Company and do not necessarily reflect the views of USAID or the United States Government.

The Kaizen Company is an incubator for innovative, scalable solutions that address emerging market challenges and opportunities. As an international development consultancy, Kaizen is equally committed to development impact and improving the lives and livelihoods of people around the world. In this spirit, Kaizen is implementing the USAID-funded Smart-X program, a unique approach to conflict mitigation that brings together Israeli and Palestinian entrepreneurs from both sides of the Green Line to share ideas, common experiences, and build innovative companies. In partnership with Presentense Israel, Kaizen is working through Smart-X to close social distance between these conflicting groups and establishing a precedent that demonstrates the mutual benefit of collaboration. Kaizen is excited to present this Accelerator Book as an important tool in building the key skills and capacity of entrepreneurs looking to bring their ideas to market.

What is Smart-X?

Smart-X is a USAID-funded, technology-oriented, start-up accelerator focused on competitively funding and supporting start-ups co-founded by Israeli and Palestinian entrepreneurs from both sides of the Green Line. Under the Smart-X program, competitively selected start-ups have received an intense, cohort-based fixed-term acceleration program challenging political and cultural barriers to demonstrate the value of collaboration and the power of ideas.

Who are our Start-ups?

Our cohort is comprised of 10 co-founded, ICT-oriented startups, each of which successfully completed our competitive accelerator program that included validating their product or service, refining their business model, mentoring from regional and international business executives, and access to legal and financial counsel.

Each start-up has mastered the ability to articulate their solution, traction to-date, addressable market size, and growth strategies in front of large and business savvy audiences and are poised to take their companies to the next level. Not only is Smart-X excited about the successful completion of our first cohort, but we are honored to have worked with such an amazing, courageous, and talented group of entrepreneurs. This book celebrates their hard work and future success!

Rateb H.Rabi

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Acceleration & Investment

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Welcome to the Presentense!

What is the Presentense you may ask?

The Presentense is the Journey you are on right now, the journey to turn your big idea into a big reality, making a massive impact!

It is a special journey – as you know where it begins, but you don't actually know where it ends – and that's okay. Along the way you will learn a lot, face challenges and have a lot of fun, all while gaining the tools and networks to help you succeed.

We believe that entrepreneurship has the power to grow local economies, enrich community life and solve core society problems. Over the past 10 years we have helped entrepreneurs make smart phones accessible to quadriplegics, launch an online platform for young mums and create the world's first electric bamboo bicycle.

Now it is your turn. As Gandhi said, "Be the change you want to see in the world."

Good luck,

Guy Spigelman, CEO, Presentense Israel

How to use this book

The Smart-X Entrepreneur Handbook is designed to accompany the core seminars and workshops that are delivered during the Accelerator. Each major area of the curriculum is covered in the handbook.

Each section includes an introduction and article providing some background to the topic, as well as major tools and examples/case studies.

The back of the book has a folder for worksheets and a laminated copy of the business model canvas for your use.

Please bring the book with you to seminars and workshops, as we will often refer to the content.

Case Study - Mobile ODT

"Seven billion people across the world have access to a mobile phone, but five billion of them don't have adequate access to a doctor. MobileODT leverages the native capability of smartphones to make visual diagnoses that enable every healthcare provider, in every place in the world, to perform visual tests at the level of a world expert. As more health providers are able to perform increasing numbers of these tests, the result will be wider accessibility of medical treatment and a reduction in costs for healthcare.

We introduced our first product, which scans for cervical cancer, in some of the harshest environments on the planet, and after we received our CE marking in May 2015, we sold 137 EVA (Enhanced Visual Assessment) systems to suppliers in 12 countries. They scanned about 4,000 women to detect cervical cancer. With more than 480 orders, and orders for thousands more systems in 2016, we are gearing up to respond to this demand and expand the supply of the successful model to additional geographic areas. At the same time, we are preparing to address additional visual apps, such as: forensic colposcopies, wound care, ER documentation, mouth diseases and more, that require visual imaging, and that our advanced algorithms can relate to so as to create objective tools to replace subjective impressions."

Ariel Beery, CEO and co-founder

David Levitz, CTO and co-founder, with 14 years' experience in bio-medical optics

Ariel Beery

Ariel Beery is the CEO of MobileODT, a medical device company committed to transforming the discovery of cancers in epithelial tissue. Previously, he was the co-founder and Global CEO of the Presentense Group.

Smart-X is a technology startup accelerator funding and supporting startups with co-founders from both sides of the Green Line.

Smart-X Program in Detail:

>> Smart-X is providing 10 selected startups an intense acceleration program. 5 of these startups are receiving a \$10k grant via USAID and secured funding for another 2.

>> Smart-X is the 1st program of its kind, this untapped opportunity is leveraging upon the synergies of two currently disconnected ecosystems & their startup teams' networks & varied experiences.

>> The startup companies are serving as catalysts to tackle reduced social distance forming the basis of communications and outreach campaigns for entrepreneurs and their communities.

Smart-X Acceleration Program Includes:

Early seed funding , Structured Startup Education, Access to follow-on investment, Physical hosting, Access to networks & connections, Mentoring from an expert network of professionals



GraviLog is a bilingual and intelligent healthcare / medical mobile app for pregnant women.



Indiepush enables independent artists to distribute their music with the help of their fans, incentivizing them to share/promote/discover & purchase music through a rewards-based sharing system.



UBCard is a mobile app that allows users to convert paper business cards into digital e-cards and seamlessly manages them by the contact's mobile number.



SIRIUS+ is an innovative operating system that uses a transparent heads-up display on your car's windshield to safely turn your car into a smart and entertaining device by combining the world's newest technologies into one.



Waepoint is developing an online platform that integrates geographical, equipment, and nancial data to enhance solar energy distribution and reach those in need.



Tanweer is a platform that will enable people in Arab countries to consume courses that allow them to work online and generate income from internet-based jobs such as software development, data entry, or freelance research.



Linkage provides event planners & advertisers with an integrated online media production service. Through Linkage's platform, customers can virtually access teams of talented & qualified youth that work in a shared workspace & submit orders/tasks that can be done piecemeal or as part of a larger production package.



Micro Tuna is creating education and production tools for microtonal music (Arabic music scales).



Bidi-Job is a digital platform that helps companies easily find talent through social media and filter / organize job applications. It also helps job seekers grow their skills and find jobs that align with their career interests and goals.



Youth Friends is a One stop shop for studying abroad through our specialized search engine matchmaking algorithms for the best solutions in Acceptance, Scholarship, Accomodation, Airline, Transportation, Insurance.

➤ Orientation and Tools - Introduction

In this chapter we introduce you to the core concepts and professional language that we use in the Accelerator: we'll learn how to use this handbook and about the requirements of the course. We'll provide an overview of the curriculum, theories, models and soft skills that you'll develop as you participate in the Accelerator. We'll get acquainted with two methods which constitute the most basic tools upon which the learning is based – Design Thinking and the Business Model Canvas. Finally, we'll take the first steps on the path to the realization of the next trail-blazing venture. Please pay attention!

» Concepts

Accelerator Manager

The Accelerator Program is managed by the Smart-X project that has partnered with Presentense to deliver entrepreneurial content, training and other aspects of the accelerator. The Presentense program manager is responsible for the entrepreneurial element of the Accelerator. The Presentense Program Manager is part of the Smart-X team and together they build and plan the Accelerator, and to support the entrepreneurship process for the duration of the Accelerator program. The Smart-X team works to connect between the different parts of the Accelerator, organizing and overseeing one-on-one meetings with you, the entrepreneurs, and managing the Accelerator Trainer and business consultants.

Accelerator Coordinator

The Accelerator Coordinator is part of the local community partner organization. He or she is the "power" behind the accelerator during the Accelerator's phases of community building, planning, and Demo Day. The Coordinator's job is to maintain the framework of the program, and to push and support you so that you will succeed. He or she is the first person to turn to about any issue related to the Accelerator.

Lead Trainer

The Lead Trainer of the Accelerator is a certified Presentense Trainer. The Trainer leads the seminars and is the first person to turn to for questions about content and deliverables/materials. The Trainer provides orderly feedback about deliverables at the conclusion of each seminar.

Business Consultant

Each Accelerator includes two Business Consultants. These consultants work with you on the business seminars and focus on the program elements that deal with business models and budget planning. The consultants join you during the final third of the Accelerator and provide at least two hours of one-on-one consulting about how to build the business model for your venture.

Steering Committee

The Smart-X Team, comprised of the Project Director, Accelerator Associate and Presentense Program Manager is the "Think Tank" that guides the Accelerator. The team is involved in recruiting applicants, selecting candidates and recruitment and supervision of Mentors. At the conclusion of the Accelerator, the team works together to plan the investor Demo Day. The Smart-X entrepreneurship accelerator is community-based, and it is the Smart-X team's job to connect you to the surrounding community. As such, the Team is well connected within the Israeli and Palestinian and broader Middle East ecosystem and is networked within the Accelerator's target markets.

Mentor

The staff at Presentense and Smart-X work together to recruit a Mentor for every venture – a volunteer who is a leader in his/her field. The Mentors are members of the Presentense- Pro community and draw on their professional and personal experience to work with you on strategic and tactical levels. The Mentor's contribution focuses on the values and operational levels. On a values level the Mentor provides inspiration and assists you to build shared values. On an operational level, the Mentor helps you to build contacts, create an infrastructure and solve strategic dilemmas. Mentors attend at least three meetings during the course of the Accelerator.

Seminars

In order to provide tools and knowledge about the world of entrepreneurship Smart-X has partnered with Presentense to provide professional Seminars based on its core curriculum and adjusted together to customize it for the needs of the Smart-X. Each Seminar focuses on tools and theories that enable you to develop your venture. The Seminars are led by a senior trainer from the Presentense staff, and supported by members of the Smart-X team. This trainer is the first person to turn to with questions about content, while the Smart-X Project

Director will be the point person for key deliverables as you progress through the program. The Seminars are held on average once every week and they are the curriculum that guides you as you develop your venture.

LABTIME

LABTIME refers to meetings that take place once every two weeks during the course of the Accelerator, alternating with the Seminars. During LABTIME you practice what you learn in the Seminars. LABTIME sessions comprise guest lectures with entrepreneurs and others who are leaders in their fields, time to practice deliverables, the opportunity to discuss dilemmas in a group forum, and the opportunity for every participant to practice pitching his or her venture.

Boot Camp

About a month prior to Demo Day you participate in Boot Camp, during which you review your presentations and materials. Boot Camp is tailored personally to your needs and its purpose is to tie up any loose ends with respect to business model, marketing, vision, branding, and more.

Mock Demo Day

Close to the end of Boot Camp a Mock Demo Day is held to simulate what will take place on Demo Day, to rehearse the different stages, and practice with the materials that will be presented and distributed. To stand in for the attendees who will be present at the event, guests are invited: Mentors, members of the Steering Committee, Accelerator staff and members of the community.

Demo Day

Each Accelerator ends with Demo Day: a gala event attended by hundreds of guests, where you present your venture to the community. Each participant in the Accelerator has 15-seconds to pitch his or her venture, and afterwards you continue to promote your venture at your own stand, where you can distribute marketing material, recruit new supporters and expand your network from among the attending crowd.

» Course Requirements

Participation

You are obligated to participate in every meeting of the Accelerator. If for any reason you are unable to attend a meeting, you must inform the Coordinator in advance and be sure to cover the material on your own.

Pre-Seminar Assignments

Before each seminar you will receive assignments. The purpose of these assignments is to refresh your memory, immerse you in the material you covered in the previous seminar, and bring into sharp focus the content of the upcoming seminar. At the start of each seminar we will refer to these assignments and it is extremely important to be up-to-date. The assignments are very short (up to ten minutes for each one) and will not be checked.

Post-Seminar Assignments

At the close of each Seminar you will receive assignments to be completed at home. These assignments will help you to create deliverables/materials vital to the success of your venture. Each deliverable relates to the subject of a professional Seminar that you attend at the Accelerator. Once you have completed the assignment, you must send it in via the online curriculum platform (email) in accordance with the schedule that was determined so that the Trainer can check it and provide feedback. The deliverables are built in such a way that they follow naturally from each other so that by the time you have completed the Accelerator you will have a clear and solid operational framework. You are required to submit all deliverables, and to submit them on time. If you need to submit an assignment after the deadline, you must check in advance with the Coordinator.

Working with your Mentor

You are responsible for coordinating and setting the time to work with your Mentor (except for the pre-set times when Mentors are invited to the Accelerator), at a time and place that is convenient for both of you. The Mentors have chosen to volunteer at the Accelerator to help you to advance by providing ongoing guidance as a kind of coach. Treat both their time and yours with respect. Plan your meetings in advance, and come prepared with questions and focused comments. Make sure to attend the first meeting with clear and defined objectives vis a vis the Mentorship process. During the initial weeks of the Accelerator you will receive an email introducing and connecting you to your Mentor. Take advantage of this opportunity; it's in your hands!

Working Groups

Working Groups are small groups of three to five participants in which we utilize the "hotseat" methodology to discuss your challenges with your group. The Working Groups are integrated with LABTIME. We recommend that you meet in small groups like these in addition to those scheduled during the Accelerator.

Pitch

The Pitch is the brief summary about your venture that you use to describe it to an audience. Each of you will be assigned a LABTIME meeting during which you will deliver your Pitch according to the "hotseat" methodology, to give you the chance to practice your Pitch in front of an audience. Your pitch should be no longer than three minutes and must be accompanied by a presentation. Your presentation must be sent to the Accelerator Coordinator one day before the meeting.

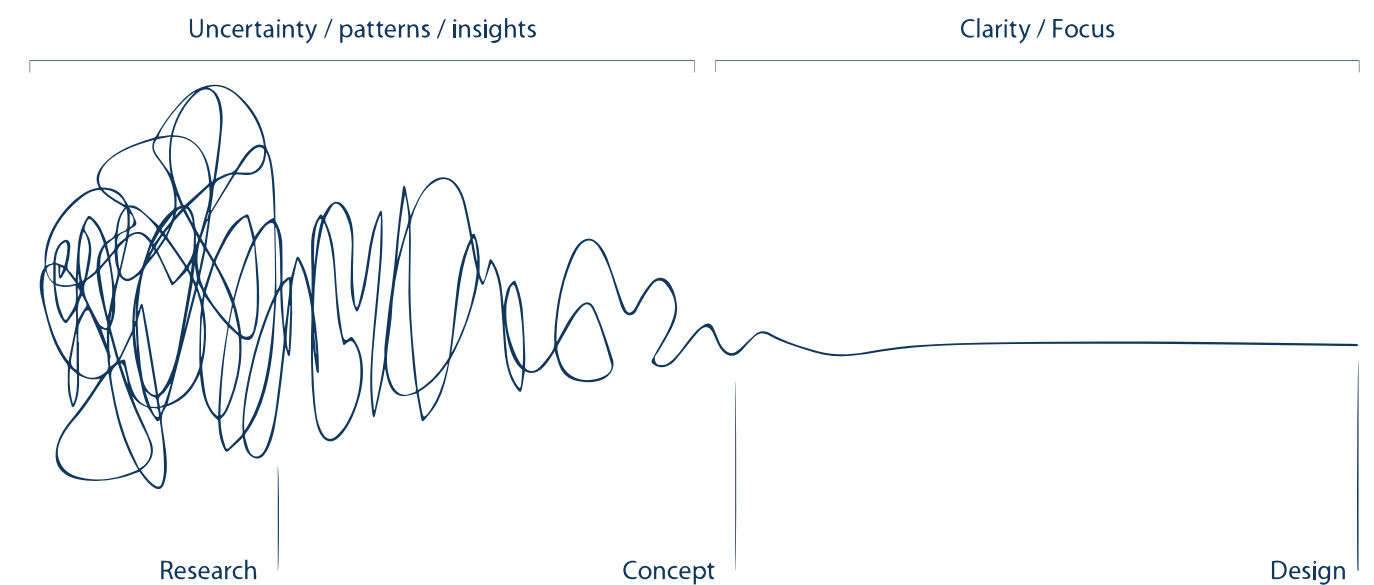
Curriculum

➤ Introduction

The Smart-X Accelerator is built to expose you to the core theory and tools new ventures needed to bring a high value product or service to market. During the core Seminars the Trainer introduces key concepts, trains you in practical tools and provides numerous examples. We also practice using the tools during the Seminars and during the LABTIME that follows the Seminars.

After each Seminar we expect you to work with the tools – whether it be fleshing out your business model or conducting competitor research – and we also expect you to "get out of the building" and check your assumptions with the marketplace. The only real way to know if your product will sell and create impact is if you deeply understand your customers and the wider environment.

As your journey begins, we will introduce you to the basic tools you need along the way, including the Business Model Canvas, which serves as a "map" of your venture. We will also train you in some basic soft-skills, such as pitching and talking about your venture. From now on you are an entrepreneur – and everyone, we mean EVERYONE, should know about it (yes including your aunt and your neighbor).



The Squiggle

See the drawing above - this is the convoluted nature of the journey that you are embarking on - and it is okay!

➤ Theoretic Models

Design Thinking

Design Thinking is a methodology that brings the thought processes and creativity that characterize the world of design to the business world. The approach allows for a new, results-oriented way of examining problem-solving processes. It focuses on results as opposed to the problem, and facilitates fast and efficient breakthroughs.

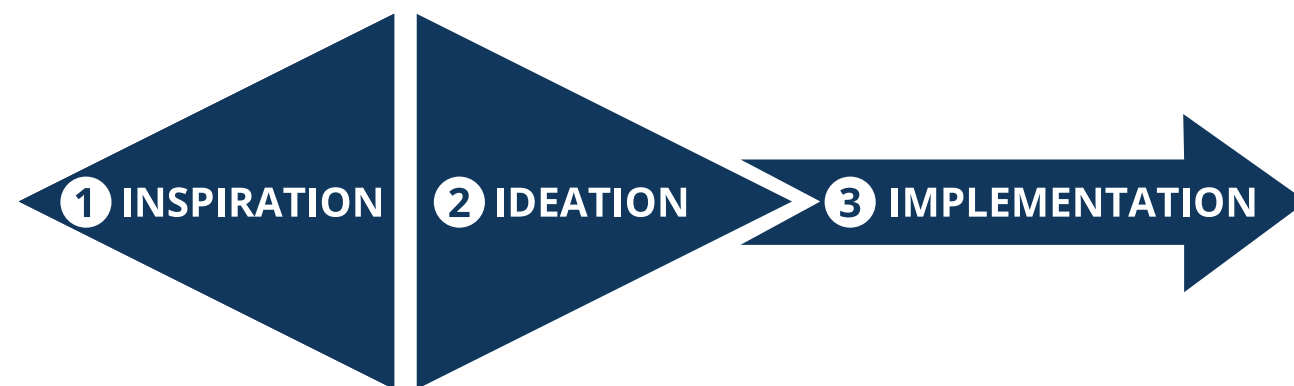
The design perspective is based on three stages: inspiration, ideation and implementation. The three stages comprise a complete and total process that attempts to solve problems – or in other words, to tailor the product or service to the customer.

Inspiration >> The first stage of the process, in which we learn by observing the current situation. What's happening in the field? How do things work? What is the user experience? At this stage we try to derive inspiration from the prevailing mindset, using observation.

Ideation >> During this stage we come up with as many ideas as possible to solve the problem. At this stage, quantity counts. We try to brainstorm as many ideas as we can, and include people from a variety of disciplines, to reach maximum diversity in the range of ideas.

Implementation >> During the implementation stage we examine the feasibility of the solutions that seem the most promising. We create a prototype to determine the suitability of the product or service to the target market, also known as the product-market fit. We can also investigate this issue at very low cost by carefully choosing defined segments of the population that reflect various target markets.

Design Thinking allows us to gather large amounts of information and extrapolate from it to arrive at numerous insights, by taking a broad overview approach to a problem. For most of the duration of the Accelerator we will be in the inspiration and ideation stages, although we will also plan steps to be taken toward implementation.



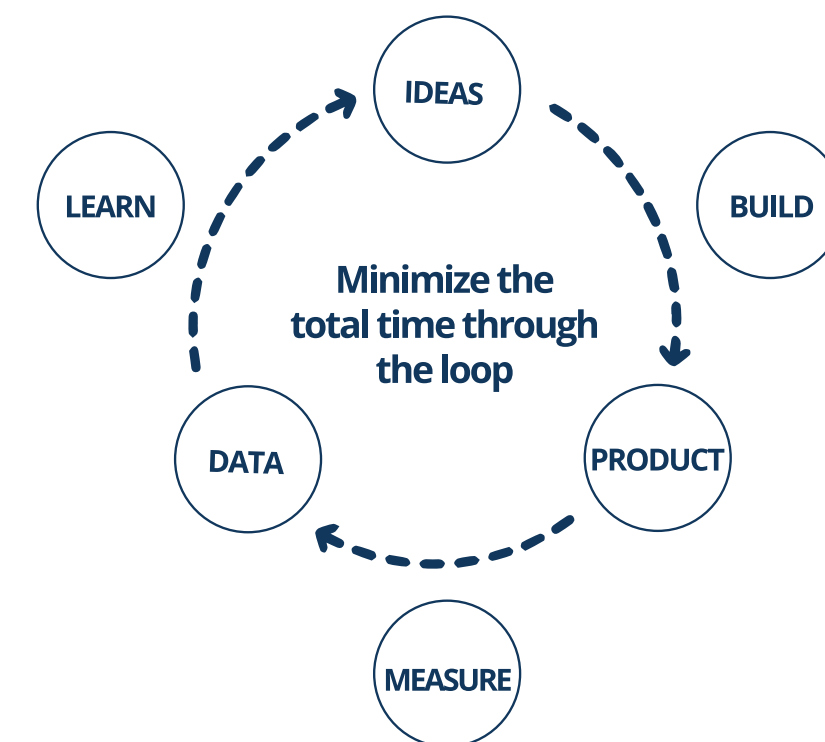
The Lean StartUp

During the past decade the concept of the “Lean StartUp” has been popularized by two leading figures in the world of entrepreneurship: Steve Blank from Silicon Valley and Eric Ries from Scandinavia.

The basic idea behind the Lean StartUp is that in order to build a new venture successfully, we should start by building small, key components of the product/service, release these to market, test how they are received by customers, learn what works and what doesn't, fix and improve, and then start the cycle again.

The Lean StartUp process is full of so many unknowns, and much of the time we are experimenting – with regard to the product we are building, or the market we are addressing. This means we will make many mistakes and this is okay. By investing minimal resources and acting fast, these mistakes will serve to make our product and service better and not risk the entire venture.

Integrated into the Lean StartUp concept is the idea of "customer-led" development, where everything we do addresses real customer needs. Within this concept, the only real criteria to determine whether our product/service is any good is to find out if customers like it, and more important, are willing to pay for it.



Knowing How to Pitch Your Venture from Day One

As an entrepreneur, pitching your venture is one of the most common tasks you face. And, it is a task that requires many skills. In every situation where you are interested in telling people about your venture, you must have a clear and focused goal. Every conversation about your venture may very well advance your entrepreneurial idea, open doors, lead to collaborations and generate buzz. We are all involved in numerous and varied encounters and in each one you can make use of different techniques to pitch your venture to others.

Basic soft-skills

From Day One of the accelerator, you are an entrepreneur. This means that at every opportunity, it's up to you to promote your venture – in your social, business and community settings. Every meeting or encounter may be an opportunity and therefore it is important to develop some basic soft skills.

Let's survey various possibilities and review basic points that are important to know:

Structure of the Claim/Argument:

In a debate, arguments are built on three elements: ethos, pathos and logos. First it is important to introduce the person who is speaking and his or her relevance as a speaker with respect to the subject being presented (ethos). Second, it is important to utilize emotional arguments (pathos), and finally to present your logical reasoning (logos).

Structure of the Pitch:

The structure of the Pitch is also comprised of three elements – the problem, the solution, and the "ask." First, it is important to present the problem that your venture seeks to solve. Next, you present the solution (and its uniqueness) and finally you make a request – an "ask." What is the significance of the "ask"? Although the first, intuitive response is money, the correct response is – it depends. What you ask for should be tailored to the person to whom you are making the pitch. Of course sponsors may be able to provide funding, but many can volunteer time, provide useful connections, share good advice, and more. It's important not to ask for the same thing from everyone you talk to, but rather to tailor your pitch to each person and to ask for the most appropriate type of help, taking into account that person's abilities and sensibilities.

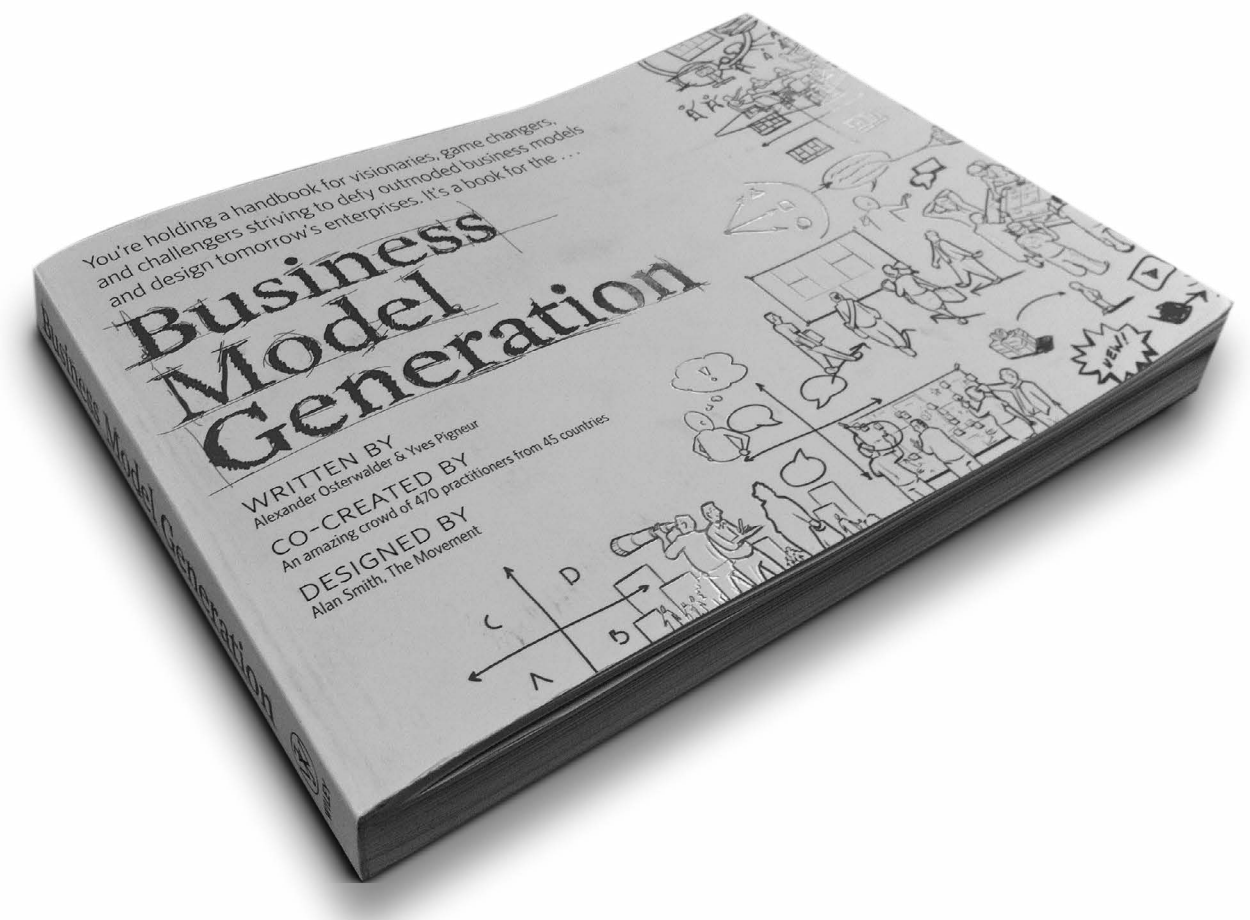
Structure of the Conversation

Although first impressions are all-important (so they say), it is very important to understand that the conversation is also composed of three elements: getting acquainted, the conversation itself, and follow up. Many people know it's important to make a good first impression, and almost everyone understands the importance of the conversation itself, but few are expert at the art of follow up. This includes sharpening your message in a follow up email, which should not only be informative and relate to your venture, but also have emotional value for the person to whom you are writing. Be sure to listen and pay attention to what the other person is saying during that first conversation, and not only with respect to your venture. Remember what interests him or her and relate to it in your email. Even if this involves Google research or taking the time to watch a video or TED talk on the topic, it is better to invest some time so that you will have something to say that is of interest to the other person than to send a generic email. The investment will surely pay off in the long term.

Business Model Canvas

➤ Introduction

The building of a business or social business model is of supreme importance for businesses, social businesses, and non-profits. The Business Model Canvas has become a hot trend in the world of entrepreneurship and intrapreneurship as a tool that allows us to break down every venture, business or company into components (customer segments, partnerships, revenues, and more) by providing answers to leading questions. By reconnecting those components we create one big picture that represents the entire venture. The most meaningful change in the social world that occurs when the Business Canvas Model is used is the significance given to the customer segments. In the business world, the main customer segment is generally the customer, who is also the consumer of the product/service and the one who pays for it. But, when it comes to non-profits, social organizations and social businesses, there is frequently a wide range of customer segments, and consumers are not always the ones who pay for their services. Therefore, it is important to understand the complexity of a model of this type. It is also important to mention that businesses can also have complex business models. One example is Google, where internet users searching for information are the main consumers, and their use is funded by advertisers.



ACCELERATORS 2016










The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

| | | | | | | | |
|---|---|---|--|---|---|--|--|
| <p>Key Partners </p> <p>Who are the key partners? Who are the key suppliers? Which key resources are we acquiring from partners? Which key activities do partners perform?</p> <p>MOTIVATION FOR PARTNERSHIPS Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities</p> | <p>Key Activities </p> <p>What key activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams?</p> <p>CATEGORIES Production Problem Solving Platform/Network</p> <p>Key Resources </p> <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>TYPES OF RESOURCES Physical Intellectual (brand patents, copyrights, data) Human Financial</p> | <p>Value Propositions </p> <p>What value do we deliver to the customer? Which one of our problems are we solve? What bundles of services are we each Customer satisfying? Which customer needs are we helping to products and offering to Segment?</p> <p>CHARACTERISTICS Newness Performance Customization "Getting the job done" Design Brand/Status Price Cost Reduction Risk Reduction Accessibility Convenience/Usability</p> | <p>Customer Relationships </p> <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they?</p> <p>EXAMPLES Personal assistance Dedicated Personal Assistance Self-Service Automated Services Communitites Co-creation</p> <p>Channels </p> <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our channels integrated? Which ones are most cost-efficient? How are we integrating them with customer routines?</p> <p>CHANNEL PHASES 1. Awareness How do we raise awareness about our company's products and services? 2. Evaluation How do we help customers evaluate our organization's Value Proposition? 3. Purchase How do we allow customers to purchase specific products and services? 4. Delivery How do we deliver a Value Proposition to customers? 5. After sales How do we provide post-purchase customer support?</p> | <p>Customer Segments </p> <p>For whom are we creating value? Who are our most important customers?</p> <p>Mass Market Niche Market Segmented Diversified Multi-sided Platform</p> | | | |
| <p>Cost Structure </p> <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p>IS YOUR BUSINESS MORE Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing) Value Driven (focused on value, premium value proposition)</p> <p>SAMPLE CHARACTERISTICS Fixed Costs (salaries, rents, utilities) Variable costs Economies of scale Economies of scope</p> | | <p>Revenue Streams </p> <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues?</p> <table border="0"> <tr> <td data-bbox="1527 1564 1769 1740"> <p>TYPES Asset sale Usage fee Subscription Fees Lending/Renting/Leasing Licensing Brokage fees Advertising</p> </td> <td data-bbox="1775 1564 2071 1740"> <p>FIXED PRICING List Price Product feature dependent Customer segment dependent Volume dependent</p> </td> <td data-bbox="2077 1564 2373 1740"> <p>DYNAMIC PRICING Negotiation (bargaining) Yield Management Real-time-Market</p> </td> </tr> </table> | | | <p>TYPES Asset sale Usage fee Subscription Fees Lending/Renting/Leasing Licensing Brokage fees Advertising</p> | <p>FIXED PRICING List Price Product feature dependent Customer segment dependent Volume dependent</p> | <p>DYNAMIC PRICING Negotiation (bargaining) Yield Management Real-time-Market</p> |
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DESIGNED BY: Business Model Foundry AG
The makers of Business Model Generation and Strategyzer

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Business Model Canvas (BMC) and Social Entrepreneurship

The Business Model Canvas Model (developed by Alexander Osterwalder & Yves Pigneur) has become a very popular tool used in development of both startups and large businesses across the world. The BMC is a wonderful tool to develop and present the way that a business creates, supplies, and captures value (and gives back).

How can we work with the BMC and adapt it for social ventures, whether they are social businesses or innovative non-profits, while ensuring that all stakeholders profit from it, starting from the end user, moving to the government, other entrepreneurs, foundations, and society at large?[S6]

For non-profits and those that supply them with financial backing, the Theory of Change model has become the standard methodology and is most useful when an organization wants to present the social influence it aims to achieve. In other words, details of the Inputs, Outputs and Outcomes of the organization's activities.

Inputs >> are the organization's resources and activities: what the organization does and how it does it. To use PresenTense as a test case, we run accelerators with local partners and the help of our staff of professional instructors, and so on.

Outputs >> are the immediate results of the organization's activity. For PresenTense, that includes the 15 entrepreneurs who are trained and launch their ventures.

Outcomes >> relate to the social change that the organization hopes to achieve.

The Smart-X program relates to making entrepreneurship in order to grow local economies and enrich community life. Most of the time we start at the end and move toward the beginning – in this instance we first identified the change or social outcome we hope to achieve in bringing together members of the Israeli and Palestinian entrepreneurship ecosystems. From there we defined the results of successful planning and implementation that can help us to determine the resources and activities necessary to achieve the hoped-for outcome. One of the challenges inherent in this model is that it does not allow entrepreneurs to actually apply it or to transform it into a detailed work plan – something that is possible when using the Business Canvas Model.

The Business Model Canvas divides a business into nine clear building blocks that are very easy to work with, while focusing on the first stage: Value Propositions tailored to different customer segments.

Dr. Ingrid Burkett, from the Australian company KNODE (Knowledge Design; research and design for social innovation www.knode.com) developed a practical outline and guide to enable a social venture to integrate the desired social change using the Business Model Canvas.

She begins by mapping the canvas with colorful sticky notes, according to the standard business model (in accordance with the BMC methodology). Next, in parallel with the business mapping and with the aid of different-colored sticky notes, she uses the canvas to map the sections that focus specifically on the desired social impact: the Customer Segment is the government or the philanthropist, and the Value Proposition is the social impact that they are willing to invest in financially.

Let's use an example: A café that also employs youth at risk. The BMC maps out the usual business model for a café, and focuses on its customers (people interested in excellent coffee, good prices, polite service, local suppliers and partnerships, etc.). Then the social impact part of the BMC defines the government as a Customer Segment – and for the government, the Value Proposition is the training and employment of youth at risk, which they pay for through government funding, and in so doing supply another income channel for the café.

One could also argue that the beneficiaries of the non-profit – the youth it employs – are themselves a Customer Segment, despite the fact that they are a central resource in the functioning of the café as they perform a large part of its daily activities (preparing and serving the excellent food and coffee). On a certain level they are customers, as are all those who participate in a training program, but in the preceding case they (the youth) "repay" the suggested value of their training by receiving a lower than market salary. The use of the BMC works well when the customer is sometimes also a Key Resource. Consider Google – without the billions of people who use the search engine every day, Google wouldn't be able to sell ads.

An important complement to Burkett's methodology is the defining of community/society/economy as a customer, where the social impact (similar to the way it's defined in the Theory of Change Model) must be defined as the Value Proposition for the upgraded version of "the client." In this case the customer doesn't provide the funds required for the Value Proposition, so that the question arises: How, then, do we define the income in this instance?

Rather than define the social impact as "measurable monetary income," we can view it through the lens of a different type of currency exchange. In their book, "The Solution Revolution" William Eggers & Paul MacMillan describe the "Impact Currencies": new alternative currencies that may be measured by a different medium of exchange. You can trade with them and use them among people in the same way you use money. This medium includes, among other things, measurable social impact that can be aggregated as social stocks and bonds and converted into government money, databases, civil capital, reputation, and more.

The Business Model Canvas is flexible, but also structure, allowing for the inclusion of social outcomes and social impact, so that the potential results for the entrepreneur are well worth the required adaptation process. Both new and existing organizations can benefit considerably from a tool that supports both development and presentation of their methods for value creation for their customers, their beneficiaries and their society.

Guy Spigelman, CEO PresenTense Israel

2015 מ'יצוי יזמות
The Business Model Canvas

Designed for: _____ Date: _____ Version: _____

| | | | |
|--|---|---|---|
| Key Partners Who are the key partners? Who are the key suppliers? Which key resources are we acquiring from partners? Which key activities do partners perform? MOTIVATION FOR PARTNERSHIPS Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities SAMPLE CHARACTERISTICS Variable costs Economies of scale Economies of scope | Key Activities What key activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams? CATEGORIES Production Problem Solving Platform/Network Key Resources What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams? TYPES OF RESOURCES Physical Intellectual (brand patents, copyrights, data) Human Financial | Value Proposition What value do we offer the customer? What value do we offer the customer? What value do we offer the customer? What value do we offer the customer? What value do we offer the customer? Channels Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our channels integrated? Which ones are most cost-efficient? How are we integrating them with customer activities? CHANNEL PHASES Awareness Evaluation Purchase Delivery Post-purchase customer support | Customer Relationships What type of relationship does each of our Customer Segments expect us to have and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they? EXAMPLES Personal assistance Dedicated Personal Assistance Self-Service Automated Services Communities Co-creation Customer Segments For whom are we creating value? Who are our most important customers? Government Community Coffee consumers |
| Cost Structure What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive? IS YOUR BUSINESS MORE Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing) Value Driven (focused on value, premium value proposition) SAMPLE CHARACTERISTICS Variable costs Economies of scale Economies of scope | Revenue Streams For what value are our customers really willing to pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute? FIXED PRICES License fee Product feature dependent Usage fee Subscription fees Advertising TYPES License fee Usage fee Subscription fees Advertising Customer segment dependent Volume dependent | Payment for coffee Payment for training Number of employees | |

DESIGNED BY: Business Model Foundry AG
 PRESENTENSE ISRAEL
 presentense.com

➤ Introduction

Almost all social entrepreneurs are one hundred percent sure that they have a clear Vision from the day they first begin to think about their venture. The problem is that most of the time this is an illusion. Entrepreneurs think about a general goal, from which they try to articulate the Vision that they want to share with the world. Of course, the goal is only a part of the Vision, which also comprises the connection to the marketplace (defining the problem in the marketplace), the target audience, and building a clear Value Proposition tailored to the Target Audience. When there is more than one Target Audience, you need a Value Proposition for each one.

Even those entrepreneurs who successfully integrate these four elements (Target Audience, Value Proposition, Market and Final Goal) into their Vision aren't always able to "tell the story." And that's why we insist that our entrepreneurs know how to tell the story of their venture with supreme clarity, with a beginning, a middle and an end. The teaching framework we have chosen is the story of the Exodus from Egypt (inspired by Michael Walzer). This approach holds that the narrative must be influenced by and take shape around the entrepreneur's experiences as he works with his target market. All this must be "in tune" with the players and the target audience while also embracing an attractive Value Proposition, and a way of striving for the goal which will also inspire others.

The moment you feel that you have arrived at a cohesive vision, start to share it with everyone. You may even begin at the minimal level of sending it off in an email to your closest friends (although this is not the most highly-recommended approach, as it is difficult to conduct appropriate statistical follow-up), by sending it out as a newsletter or blog post, or by advertising on a free website. You won't know whether you are inspiring others until you have publicized your idea. Then you will discover whether they understand what you are trying to do and why, and if they are ready to join you.

Vision in Business Terms

- >> The Market Context – What is the problem that exists in the Market?
- >> The Target Market – Who will be served by your venture?
- >> Value Proposition – What value does your venture offer to its customers/stakeholders?
- >> Bottom Line – What is the desired result?

Vision according to PresentTense

"I have a dream that one day this nation will rise up and live out the true meaning of its creed: We hold these truths to be self-evident, that all men are created equal.... I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character."

- Martin Luther King

Case Study - MobileODT - Vision statement

"Our purpose is to save as many lives, as quickly as possible. Our vision is that every healthcare provider with a mobile phone will be able to use that phone as a powerful medical device, to provide life-saving diagnosis at the point of care."

Our **Egypt** is a world in which 7 billion people have access to mobile phones, yet 5 billion do not have access to physicians. Those 5 billion who have access to phones but not physicians will most probably never meet a doctor (**The People**), because there aren't enough doctors in the United States, let alone across emerging markets where the disparities are the worst. And yet through their phones, the 5 billion can access almost everything else: banking, commerce, news, and entertainment.

Our **Value Proposition** is that the smartphone will assist five billion people in finding local, trained healthcare experts, who use their personal smartphones to conduct exams, at a quality level that until now was limited to high-level physicians.

Our **Promised Land** is a world where everyone, everywhere, can access life-saving information through their mobile phones. Mobile phones will help the 5 billion find a local health professional who is qualified to conduct an examination, and that health provider will use her mobile phone to conduct that examination at a level of expertise previously available only to the most expert physicians. The result will be a world where any disease that can be detected early will be treated early, and no one will die of a disease that can be avoided through early treatment and care.

➤ Introduction

The more people we talk to about our venture, and the more expert these people are (in our field or in general), the more we will find that we are constantly challenged with new questions about concepts that are relevant to our field, about other players in the marketplace, about recent events, and more. There is no reason to be ashamed if your answer is "I don't know" and that is eminently preferable to a dishonest answer. However, the experience of standing before customers, partners or potential investors and not having an answer to their questions is not a pleasant one.

To ensure that you won't find yourselves in situations where you lack the answers to questions about your venture or the world related to it, we have collected and developed three very effective tools:

The four Cs >> will enable you to comprehend the business environment by helping you to understand who your Competitors are, and who constitute your Comparatives, your Complements, and your Collaboratives.

Visual Map >> A system of coordinates on two axes that creates a visual map that positions your venture in relation to customers in the marketplace.

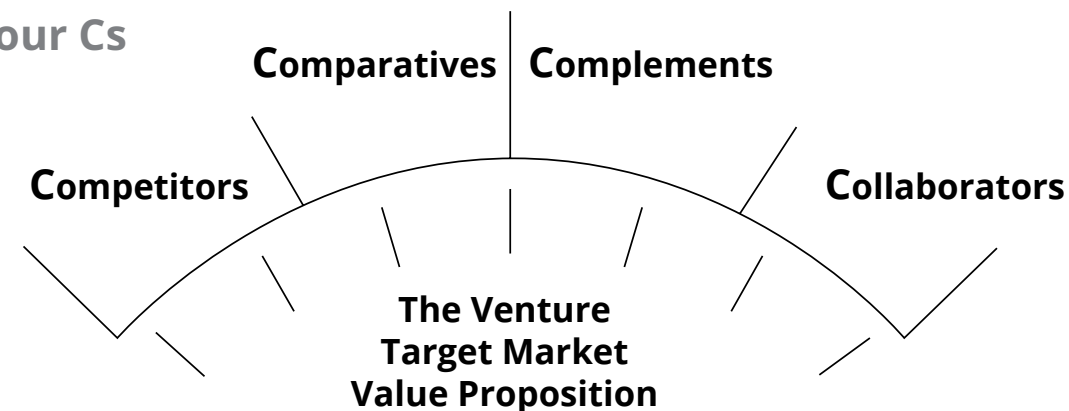
Maven Map >> It's important to be a "Maven" or true expert in your field. Therefore, it is important to follow closely the hottest trends, major thinkers, the latest news, and such. Today, in the Internet age, when you can easily search for and find the information you need, and by making good use of the Maven Map we've created for you, it is easy to become an expert. (Please see worksheet.)

Complements >> These are organizations with the same Target Market, but a different Value Proposition. The best example of Complements is pretzels and beer. They have the identical Target Market (almost literally identical when we refer to the guy sitting at a bar); however, the Value Propositions are different and complement each other. In other words, these two products do not compete with each other, and on the contrary, each supplies what the other is missing. If you manage to find complementary products you will be able to work together with those ventures to raise funds, form partnerships, and spur development and more.

Collaboratives >> The official meaning of Collaboratives is those organizations that have different Target Markets and Value Propositions, but the same "bottom line" – the same goal. You can work with these organizations from the beginning (with awareness of the challenges inherent in working together), and direct to them the three other Cs. In the world of business entrepreneurship we often see the arrow moving from Collaboratives to Complements, Comparatives and Competitors, and everyone is competing.

In the world of social entrepreneurship the arrow swings in the opposite direction so that every competitor (when the Target Markets and Value Propositions are correctly defined), is a potential Collaborative (or at least not a direct competitor).

The Four Cs

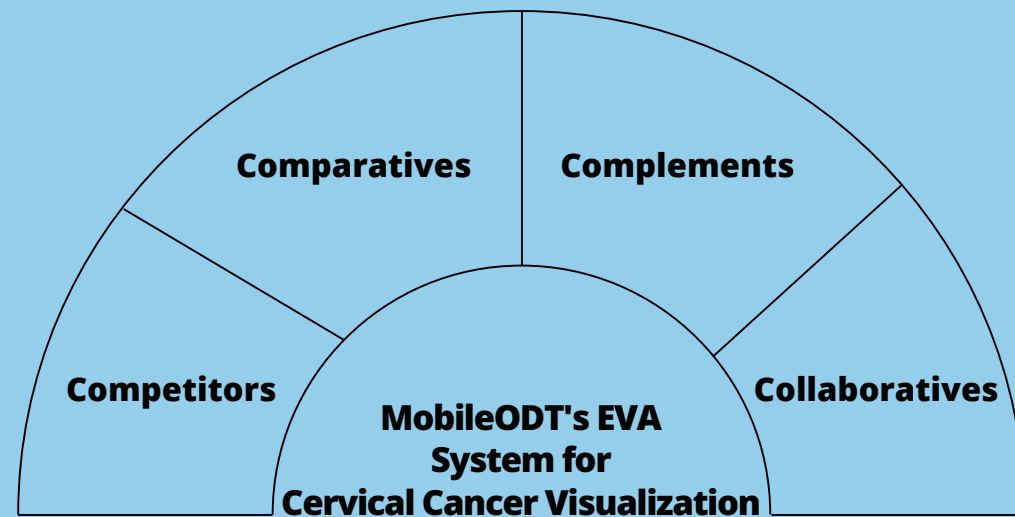


Competitors >> These are organizations with identical (or as similar as possible) Target Markets and Value Propositions to yours. Note that when the market is saturated, you will find many who could be defined as competitors. Although most entrepreneurs feel pressured by a saturated market, this is actually a good sign, pointing to significant demand. This situation allows the entrepreneur to sharpen his or her Value Proposition and Target Market profile, and to define how they are different from Competitors. When the Market is "empty," in the space earmarked for Competitors, write down organizations that are most similar. The aim is to discover the existing Market and connect to it, in order to find starting points for a process of "Market Education."

Comparatives >> These are organizations with similar Value Propositions but different Target Markets. These will help you to understand how your content (product, service, idea) works and what you can learn from it, for good or bad. Further, they allow you to understand the economic requirements of a similar Value Proposition. Moreover, the Comparatives are a kind of prototype of your product, and therefore correct analysis of the way they operate will save you some trial and error (not too much, but some).

Case Study - The Four Cs from MobileODT - Ariel Beery:

A competitive analysis may be executed for an entire business or for society in relation to its product area.



A competitive analysis can be undertaken for a company as a whole, as well as for a specific product or product area. Since MobileODT is still a startup in its early commercialization phases, this 4Cs analysis was done for MobileODT's first product, the Enhanced Visual Assessment (EVA) System for cervical cancer visualization.

Value Proposition >> An accessible, portable means of conducting cervical visualization and referring images and questions to remote experts

Target Market >> Nurses in remote and rural areas

Competitors >> (same VP, same TM):

Gynocular: A mobile colposcope that can be connected to a mobile phone, and enhances significantly the viewing capacity of a health provider

Kilimanjaro method: The use of a mobile phone to take pictures of the cervix, and Whatsapp or MMS the images to expert physicians

Comparatives >> (same VP, different TM):

CooperSurgical's Leisgang brand of colposcopes: An optical colposcope made for physicians in high resource settings, that enables excellent visualization of the cervix and, through a camera connection, the capturing of images for EMR integration and consultation

MedGyn's video colposcopes: A video colposcope made for physicians in high resource settings with native image capture and EMR integration

Complements >> (different VP, same TM):

CryoPen: A system built to enable cryoablative therapy for precancerous lesions to be used in any location, without the reliance on CO2 tanks

Wisap Cervix coagulator: a system built to enable thermocoagulative therapy for precancerous lesions to be used in any location, without the reliance on CO2 tanks

Collaboratives >> (different VP, different TM, same bottom line):

Global Good: Unit of Intellectual Ventures tasked with providing support to people in low resource settings, to enable them to access medical care and other resources currently unavailable to them. MobileODT is partnering with them to bring their machine learning capabilities into the field for cervical cancer identification.

Dimagi: An electronics records and patient management system company that supports community health worker coordination worldwide. MobileODT is connecting between community health workers and centers for cervical cancer screening to enable optimal flow of patients and follow up for treatment.

➤ Introduction

Knowing your customer is probably the single biggest challenge you have as an entrepreneur. In this section, the longest in the book and the Accelerator, we will introduce you to tools to segment and to create a profile of your customers based on "Jobs, Pains and Gains" that they experience in their daily life or at work. We will also provide a detailed guide on how to gain deeper understanding of your customers through various observation techniques and finally we will introduce a methodology for collating and prioritizing all this customer data, so that it will be useful to you as you create your Value Proposition.

Customer-Oriented Development – Not Simple, but It's a Must

For 15 years I worked in Israel's well-known startup industry in advertising, sales and business-development roles. I sat in numerous meetings with R&D managers and heads of companies who couldn't understand why we, who worked in marketing, couldn't create more of a buzz around the product, or increase sales.

"The technology is so amazing, there's nothing like it on the market, there's no need for a specially-designed website or customer-oriented research. The technology will sell itself!" I heard that sentence, "The technology will sell itself," an incredible number of times, and in almost every case, the companies that adopted that approach failed completely or struggled for a long time to survive. The R&D managers would scratch their heads and wonder, "Where did we go wrong?"

First, most of the time, when they were kind enough to take the time to talk to a customer, they spent 95% of the meeting presenting the technology and describing how amazing it was, while explaining to the customer about all the problems it would solve for him, and devoting only five percent of the meeting to listening to what the customer had to say. When this occurs, the customer tends to say exactly what the company wants to hear, rather than to express an opinion.

I am not suggesting that we ignore the technological advantages that a company has, or rule out ideas for innovative services. It is entirely logical to start the entrepreneurial journey from there. However, it is very important to remember that when beginning with Research & Development you have to identify the problem that the venture seeks to solve. Only if the venture provides a solution to the problem will it be possible to find customers ready to pay for the amazing product it is offering.

Sometimes, entrepreneurs start from the other end: They identify a problem, and then search for the technology or service that could be a solution. In both cases a vital part of the process is to understand the customer and his basic needs.

If there is one message that I would like to convey to entrepreneurs it is this: Find out what's going on in the hearts, minds and souls of your customers. Observe them and try to interpret their behavior – where do they encounter difficulties and what type of problems do they have? Try to do this without focusing on the solution that you hope to provide, for a clouded observation will make it difficult for you to observe the customer in an unbiased manner and to interpret his actions correctly.

You got it! You have to get out of the house or the office, and get into the field to observe and talk to your customers without mentioning the technological solution or service that you hope to develop. Your solution shouldn't even be in your thoughts during the conversation (inasmuch as that's possible). This not an easy process, but if you succeed, the insights you arrive at will be extremely valuable.

once worked for a company that was traded on the stock market. One of our biggest customers was a company that dealt with integrated systems in Utah, in the United States. At a certain stage I noticed that our sales to the customers had started to plummet so I travelled to them for a meeting. I could have asked them which new applications they wanted, if they needed additional services, etc. Instead I asked them about their business. I asked where they saw their growth potential and what was costing them too much money. I asked where they had difficulties and what their dreams were.

Following the meeting I was graced with a useful insight: A large amount of their work had become work from a distance, and not from their central site. I took this insight to our product development team to see if we could change some of the software we were offering them to better suit the change in the client's habits. The change included a new way to present the licensing model. The product development team said they could make the required change and it would take just a few weeks to implement.

When I brought the idea back to the clients, they loved it and our sales increased 200% in the next two quarters. Now think about yourselves: Have you tried to stand in your client's shoes? Do you really know what their biggest challenges are? What keeps them up at night? If you don't have the answers to these questions, go out and get them. Observe your customers, become part of their environment, talk to them and question them. The insights you gain will prove to you that customer-oriented development is not merely a slogan, but a very successful methodology for business development and this type of development is vital if you want to launch a winning venture.

Guy Spigelman, CEO, PresenTense Israel

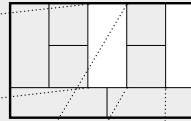
Customer Profile

Introduction to Customer Mapping.

When we want to map our Target Market and create a distinct profile for every type of Customer, there are four main elements to be taken into account: Geography, Demography, Type of Behavior and Psychological Attributes

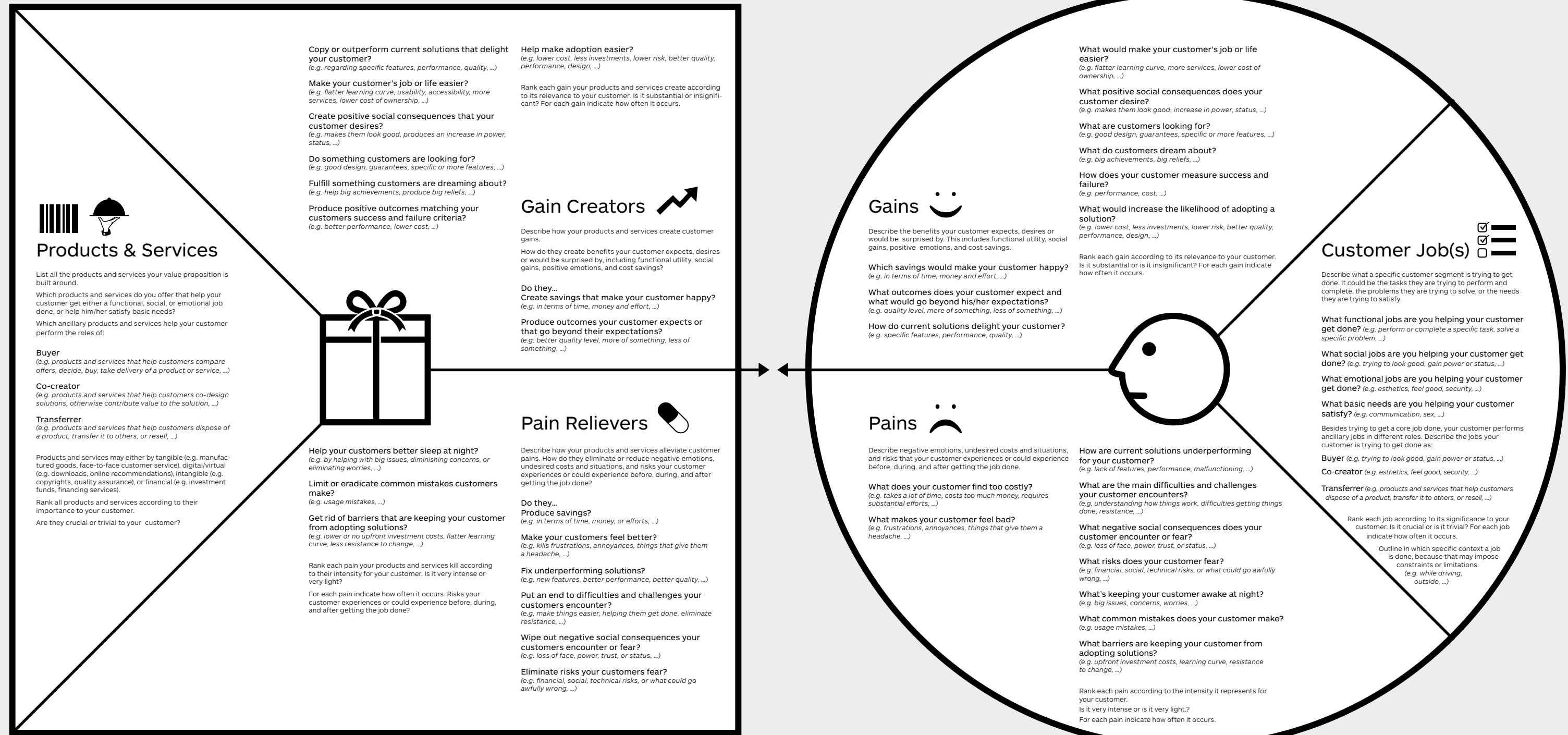
| | Demographic | Geographic | Behavioural | Psychological |
|-------------------------|-------------|------------|-------------|---------------|
| Chosen Segment 1 | | | | |
| Chosen Segment 2 | | | | |
| Chosen Segment 3 | | | | |
| Chosen Segment 4 | | | | |
| Chosen Segment 5 | | | | |
| Chosen Segment 6 | | | | |
| Chosen Segment 7 | | | | |

The Value Proposition Canvas



Value Proposition

Customer Segment



➤ Observation Processes

Now that we have created the Customer Profiles and defined several types of customers, we can build a detailed independent profile for each one and analyze it according to three dimensions: Jobs, Pains and Gains. Examination of each of these dimensions will help us build a clear and accurate understanding of the situation, which will enable us to adapt the Value Proposition to the Customer down the line.

The graphic diagram allows us to distinguish between the circular chart, where we build the Customer Profile, and the rectangular chart, where we examine the service or product "fit" for each customer according to the tasks to be undertaken, the difficulties inherent in the process, and the profit the customer derives from the process.

At the conclusion of the customer segmentation and characterization process we see things from a wider perspective and are able to tailor a valid and accurate Value Proposition to each of our clients.

JOBS >> The "tasks/assignments" that your customers must undertake at the workplace or during the course of their lives; the tasks that they must execute at work, the problems they try to solve or the needs they want to fill.

- What is the ultimate goal of the person sitting in front of you? What types of tasks must he or she complete in order to achieve it?
- How do our customers "consume" the service or product? While doing something else? Alone or with another person? How does the other person influence consumption of the product or service and could that person also be considered a customer?
- How do our Customers make the decision to purchase goods in general, and specifically products of the type we have to offer?
- Who helps our customers to make the decision as to whether to use a product like ours? What makes him or her an agent of authority? What is it about that person or factor that grants our customer a sense of security?
- Which tasks do our customers not fulfill each day due to lack of resources (such as money, time, interest, enjoyment)? What is the level of importance of each one? Which of the tasks are important and which are not significant?

PAINS >> The negative aspects that the customers must contend with and consider, and that they would rather not have to spend time on. These Pains may be uninteresting tasks, negative feelings, or any negative aspect they would prefer not to deal with.

- What is the daily challenge that most occupies your customer with respect to the relevant issue?
- What makes him/her feel bad professionally, personally or socially?
- What types of mistakes do our customers make? What causes them to make them? Why do they define them as mistakes? What are the consequences?
- What are the obstacles that prevent your customer from making brave decisions or from adopting innovative Value Propositions?

GAINS >> The positive aspects, the profits or achievements that your customer aspires to.

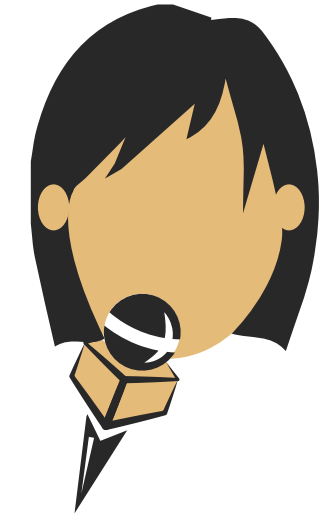
- How do your customers define profit or achievement? What is the characteristic or feature that is most important to them with respect to their product or service?
- Could the use of a product such as yours enhance your customer socially, as a status symbol, as a way to demonstrate skills or positive character traits, or in some other way? If so, in which format can this be achieved and how can you maximize this for your customer?
- What does your customer aspire to achieve in general and with respect to the product? What would your customers consider the ideal environment? Which elements would make them very happy, despite not being related to the world of their Value Proposition?
- How do your customers define success and failure? How do they measure them (according to the waiting period, poor quality, an unpleasant feeling)?

➤ Different Observation Techniques



The Detective

By using available information and gathering additional information from related fields you can learn a lot about your customers, although this technique alone is not enough to provide you with significant insights.



The Journalist

Talking to potential customers is the easiest way to understand their needs, but it's important to remember that customers' responses during a theoretical interview don't necessarily match their actions in reality.



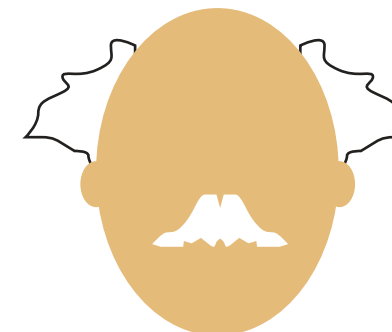
The Archeologist

Follow your real customers in an exercise called "A Day in the Life of the Customer." Focus on the different activities your customers are engaged in and the existing solutions to the problems they face on a daily basis.



The Impersonator

"Impersonate" your customer and do the things that he or she does each day. Use this exercise to learn about the difficulties and challenges that arise when using the existing tools and services.



The Scientist

Find a way to get your customer to participate – consciously or unconsciously – in an experiment, and learn from the experience.

➔ Observation Processes

Questionnaire

When we compose a questionnaire for our customers, we have to maintain the delicate balance between questions that are too general and have a tendency to confuse people, and questions that are too specific and don't leave room for discretion.

Once we have divided our Target Market into segments, we should compose a questionnaire for each one that will supply us with the information we seek about Jobs, Pains and Gains.

Sample Questionnaire

Project: An urban musical space for lessons, workshops and performances

Target Market: Music teachers

Value Proposition for the Target Market: A place where they will be able to give music lessons

Jobs

1. When you look for a place where you can teach, which three elements must be present?
2. Where do you teach today?
3. What are the three main reasons that made you choose the current place?
4. What products/services have you purchased for your business in the past six months?

Pains

1. What are the most significant challenges that you confront at work?
2. What are the limitations of the place where you currently teach?
3. What are your students' most common complaints?

Gains

1. As a music teacher, what is the best part of your daily routine?
2. What makes a music lesson successful?
3. Have you recently purchased a product or service that gives you excellent value?
4. If so, what is the product/service and why does it give you such good value?

Conversation/In-Depth Interview

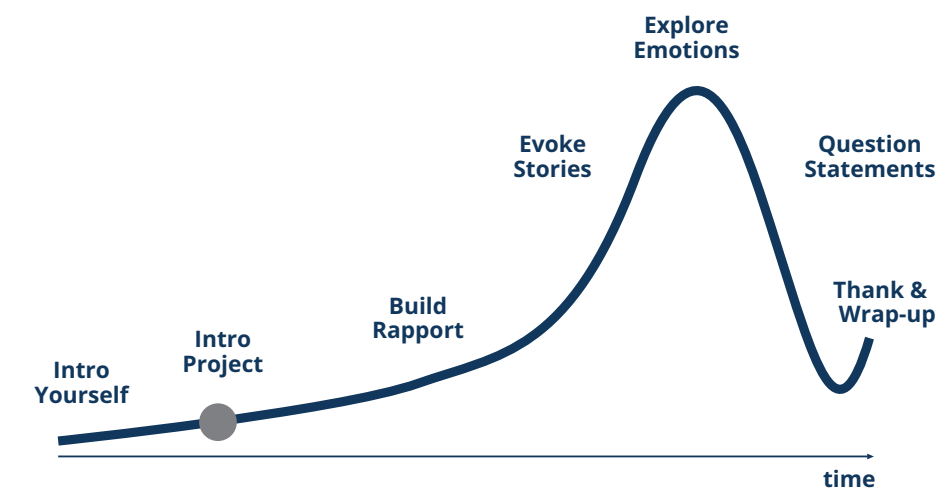
In the course of a conversation or an interview there is more space to tailor questions to the person you are talking to. It is very important to prepare for the meeting in advance and not to allow the conversation to ramble but to control it with respect to content and keeping to a timeframe.

The information you would like to elicit should be prepared in advance as questions or topics that you would like to explore.

The following are important points to take into consideration when preparing the questionnaire: Remember that you aren't preparing sample questions, your questions must be tailored to the product/service, interviewee, available time, etc. Please take these points into consideration when you compose your questionnaire:

Interview Principles

1. **As is the case with any meeting:** Don't be late! Whether it's a telephone call or a face-to-face meeting, being late makes a very bad impression.
2. **A successful conversation** always begins with some small talk, which could be about a common acquaintance, the weather, a picture on the wall or the runner's watch on the wrist of the interviewee. During the course of the conversation it's always a good idea to add a personal detail or two about yourself, to make the atmosphere more personal and comfortable.
3. **Try to empty your head** of everything you know about the person and his/her job and try to really listen. It's best not to overreact and to make do with sounds and movements to indicate that you are focused and paying attention.
4. **Speak little, listen more:** Of course you know a lot about the topic and you really want to talk about your product, but this is simply not the time or place. This is the time for listening and learning, and when the interview is over you can continue the conversation.
5. **Ask "Why?"** You want to get to the root of the issue, to understand what motivates your customers.
6. **Don't mention your product before the middle of the interview at the earliest.** You should remain neutral, and you don't want to influence your interviewee to give you calculated answers that he/she believes are the ones you want to hear.
7. **At the conclusion of the interview be sure to say thank you** and to ask permission to send updates about how your venture develops.
8. **Send a thank-you email** within 24 hours.



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Tips for a Good Interview

Ask "Why?"

Even when you're sure you know why the interviewee is saying something, it's very important to ask "Why?" Sometimes, the factors that motivate someone to act or that are behind his/her reasons for behaving in a certain way are not in line with our expectations or assumptions.

Don't use the word "usually"

when asking a question. Ask about a particular case or time: "Tell me about the last time that..."

Encourage stories

Stories reveal the overt and the covert in a person's train of thought.

Look for contradictions

People sometimes say one thing, but do something different. These instances lead to the most interesting insights.

Pay attention to non-verbal cues

body language and emotions are very important.

Don't be afraid of silence

Silence often makes interviewers uncomfortable and they have a tendency to fill it with more questions. However, that silence or pause allows your interviewee to think about his or her answers and consider them more carefully.

Don't suggest answers to the questions you pose

even when the interviewees don't respond immediately. Give them time to think, and don't hint at possible or "correct" answers. Suggesting answers may lead to your receiving the answer that you would like to hear, rather than the true answer.

Don't ask "yes" or "no" questions

the response they will elicit won't be sufficient when the purpose of the interview is to encourage the telling of stories and a free-flowing conversation.

Document

inasmuch as it's possible to conduct interviews in pairs, this is a good methodology, so that one person can write things down. When conducting an interview alone try to record or film it, and try to take notes.

➤ Priorities

The path to a business's success is through deep understanding of your customers. You have to learn to understand their habits, their daily routine, which Jobs/tasks they try to execute, which Gains/profits they seek and the type of Pains they experience. This information provides you with a database that is a tremendous asset for you, and in order to streamline and obtain maximum benefit from it, you must dive deep into the details.

The **Value Proposition Canvas (VPC)** is an amazing tool that allows you to gain an in-depth understanding of your clients. With the help of this tool we will try to help you to organize your priorities and prioritize your customers' Jobs, Pains and Gains. We aspire to focus on the most significant and important information, so as to create significant value for the customers.

Importance:

Not all the Jobs/tasks are equally important. A good way to help us to rate the various Jobs is to simply ask ourselves the following questions:

- Will failure to carry out the Job cause us extreme and extraordinary pain?
- Will failure to carry out the Job prevent us from achieving significant Gain/profit?

Let's test this with the following example: design and use of a business card

Let's compare between two Jobs/tasks the customer will want to execute:

- Making my contact information accessible to the people I meet
- Conveying seriousness, creativity, professionalism or any other similar message to the people who receive my business card

Clearly, the first point is more important. If my contact details are incorrect (if there's an error in the phone number or email address), the potential damage is much more serious than a situation in which my business card has a mediocre design.

Unsatisfied:

To find out what jobs have that aren't being satisfied by existing solutions you can ask the following:

- Are there unaddressed Pains that continue to weigh on the customer?
- Are there any gains/profits the customer may benefit from even if they haven't yet been (fully) realized?

A good example of a pain that hasn't been dealt with may be found in the world of optics. For years, many people would carry two pairs of glasses with them, one to correct near-sightedness and one to correct far-sightedness. Each of the solutions had great value for the customer and treated a most significant pain. At the same time, these customers were still left with an untreated Pain, because they would need to switch between glasses. Multifocal lenses carry out extremely valuable Jobs for these customers, as they address their pain and dissatisfaction with the previously-existing solution.

Worthwhile:

The presence of a large market of customers, or more presence of customers who are willing to pay high prices for your products. Therefore, you should ask yourselves:

- Are many customers attempting to carry out the same Jobs, to achieve the same Gains and to treat the same pains as our Product?
- Are only a few customers willing to pay for our product?

When you examine these questions, you seek information that will help you to understand the size of your market and the size of your opportunity. How many potential customers do you have, and how much money are you likely to earn if you sell to them? Do you have a huge market, or a niche market?

Tangibility:

In order to examine whether your customers' Pains and Gains are tangible, you ask must yourselves:

- Can we feel the pain?
- Can we see and discern the gain?

When the pains and gains are obvious, it is easier for us to notice them and tailor an appropriate solution to the customer, and in the same way, it is easier for the customer to see the Value Proposition as attractive and significant.

A good example is a backpack. A customer may suffer the pain of insufficient pockets or a fabric that is unpleasant to the touch, but a very obvious pain that is clearly felt in a most tangible way is the pain a child feels when his/her backpack is especially heavy. For a parent, sending a child off to school with a heavy backpack that may even endanger the child's health is a very serious pain. As a result, companies created a new line of rolling backpacks with wheels, so that children will no longer strain their backs or potentially damage their spines.

»» What Do We Do With All This Information?

Our goal is to find the jobs that have the highest value for our customers and to address the pains and gains that are most relevant to those jobs. It's true that the information isn't exact and we don't have a specific formula for it, but filling in the chart below can be helpful and simplify the task of identifying the most significant jobs.

Use the Value Scale with which you are most comfortable. This could be a scale of 1 to 5; values of High, Medium and Low; or any scale you deem appropriate. In the end you will want to be able to examine all the Jobs that your customer attempts to execute and prioritize them according to the data accumulated and presented in the chart.

| | Jobs | Importance | Unsatisfied | Worthwhile | Jobs of High Value |
|---|------|------------|-------------|------------|--------------------|
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |

| Gains | | Pains | |
|-------|--|-------|--|
| | | | |

Chapter 6- Creating and Evaluating a Prototype



➤ Introduction

The purpose of a Pilot is to check the feasibility of the entrepreneurial idea – the product or the service that you are offering. It is an extremely important, if not the most important, part of the entire process. Its deepest meaning is as test run of the different aspects of the product or service, as well logistic, marketing, managerial, and other aspects. Does what we thought and planned really work? During this process you can check your Customers' User Experience. Do they have an in-depth understanding of the Value Proposition? Does the product or service actually "sell"? Are the customers adopting the product or service? This is the time to understand and examine various segments in-depth. Does the launch time we set fit with the reality on the ground? Does the technology that we imagined we could develop really work? Every step of the Pilot process should be documented in order to derive deep insights from each stage.

➤ Planning the Pilot Process

The first, most basic and central principle is to think creatively about what is the "leanest," narrowest format that we can use and that will provide us with maximum benefit and insights.

The Pilot process is a narrow, experimental arena that grants us a wider perspective on our entire venture. We add a dimension of projection to the thought and characterization process: We determine in advance which goals we want to achieve with our Pilot, what it is that we want to test and learn. We set indicators for duration and success and of course for exposure and widening the circle of satisfied customers.

Guiding Principles

- A minimalistic and viable Product: A product that contains the minimum of necessary elements that can be executed in the minimum amount of time for the least amount of money.
- Intended for new, first users or Early Adopters
- Enables learning and transition to Stage Two

Types of prototypes

Pilot · Simulation · Surveys

"Fake" Advertising >> By creating a fake demo process we can study what works best, learn about relevant keywords and the customers' understanding of the product/service, and evaluate interest based on the number of clicks on an online ad.

Landing Page >> A Landing Page gives the venture its first foothold in reality – it's a declaration that you're "live" or "on the air." A landing page may predict interest in the product, and is an initial way to collect leads to potential clients.

Mockup >> As a precursor to the feasibility process, a mockup allows you to present the stages of your venture/application in a clear, visual manner, step by step. Naturally, this is a very cheap version that facilitates learning about the customer's stages of understanding. A mockup can be used in presentations to potential investors and when recruiting partnerships.



Case Study - MobileODT

Prototyping and Pilots

Prototyping a medical device is not easy – let alone a medical device that includes medical services. But thanks to 3D printing and the ease of programming android phones, we were able to prototype the EVA successfully by building a mobile colposcope according to the specifications of our partners in the field.

We began by speaking with global health professionals who had particular expertise in cervical cancer screening, to ask them what they would like to see to make their work more effective and efficient. What they told us was that they would mainly like to be able to see the cervix better, which included better magnification and illumination, and to be able to save those images with medical records for further care.

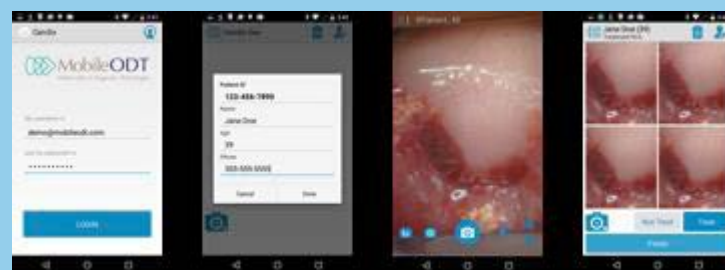
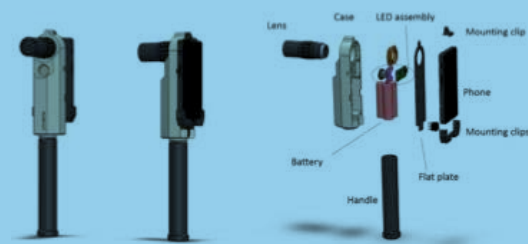
To accomplish those requests, we 3D printed a case that held a mobile phone on top of a flashlight, and enabled the connection of a compound lens – which we built out of off the shelf parts – in front of the phone’s camera. We tested out the system in our office in Tel Aviv, and then brought a version to a gynecologist at Scripps Medical Center whom we had interviewed – who tested it in his clinic and found that the images were clear enough for magnified cervical visualization (called colposcopy).

Based on that confirmation, and adding to that the ergonomic feedback he provided, we redesigned our system, 3D printed the next generation of the system, and in April 2014 distributed 4 systems to US institutions whom we had built relationships with through interviews and consultations, and whom had partners in the field – in four countries across Africa and the Caribbean.

We supported those initial experimental deployments for 30 days, and continually interviewed the participants, asking them to share with us their criticisms and advice for improvement. After a number of iterations on design in house, we hired an industrial design and prototyping firm to develop the next generation of our product – 2.0 – and finally deployed that iteration into the field.

By December 2014, the EVA Mobile Colposcope was showing great promise in US-based clinical trials and in pilot programs with leading clinical partners in seven countries: Partners in Health (Haiti); Massachusetts General Hospital’s Global Health Group (Kenya); Botswana-UPenn Partnership (Botswana); Faith in Practice/MD Anderson (Guatemala); ProSalud (Mexico); Practical Help Achieving Self Empowerment (Nepal); and Scripps Medical Center (California and Mexico).

Pilot partners deployed the Mobile Colposcope in their screen-and- treat programs for a minimum of one month for testing and feedback. In total, the Mobile Colposcope was used to screen over 700 women, enhancing existing visualization capabilities and improving decision-making on whether to treat or not.



CervDx screenshot: The user enters their user credentials; enters the patient’s information; visualizes the cervix and captures image; and decides whether or not to treat.

CervCenter Site

Each partner organization had access to MobileODT’s CervCenter management website. It syncs with devices in the field to aggregate a wide range of management information, including location mapping of all use and real-time capture of clinical activity from each device. Importantly, it also facilitates remote image analysis and annotation to support improved diagnosis/treatment in the field.



CASE STUDY in Latin America: Reducing Overtreatment Using the Mobile Colposcope

Background: In November 2014, a US hospital-backed global health organization led a 5-day cervical cancer screening mission in Latin America.

Process: Patients were screened with standard VIA followed by Mobile Colposcope imaging for VIA+ patients.

Results:

| | |
|-------------------------------|-----|
| Patients screened using VIA | 750 |
| Positive screens based on VIA | 25 |

VIA+ patients screened with the Mobile Colposcope

| | |
|---|-------|
| Positive screens | 20 |
| Overtreatments avoided | 5 |
| % of overtreatments avoided | 20% |
| Estimated savings in 1 week (when average treatment by cryoablation is estimated at \$28/patient) | \$140 |

Field Pilot Feedback

Following are highlights of the qualitative feedback received from the eight Mobile Colposcope field pilots:

1. Clinicians were impressed with the device’s ability to support their workflow by quickly and effectively imaging the cervix, saving that image to a patient record, and sharing that image for teaching and consultation purposes.
2. The Mobile Colposcope dramatically improved patient throughput. In Haiti, in particular, the clinic reported that it increased the number of patients seen per day by 60% as a result of the increased imaging clarity provided by the device versus the naked eye.
3. Field pilots widely demonstrated that the Mobile Colposcope increased positive predictive value of VIA results, which increased confidence in the decision to treat or not treat.
4. Clinicians reported a major benefit of the Mobile Colposcope system is that it enabled them to expand their teaching capabilities to train more health workers.
5. Finally, clinicians were enthusiastic about having an affordable system to enable them to begin tracking their patients over time, a goal that remains a major challenge in many low-resource settings.

“[The Mobile Colposcope]... will revolutionize colposcopy and cervical cancer screening programs worldwide. Because of its portability, many more people will have access to an advanced way of medical investigation, particularly in remote areas. Physicians will have an easier time diagnosing precancerous lesions anywhere they are...[and] teachers will have a clear, accurate, simple and easy way to show clinical findings to their students.”

Eddy Jonas, MD, Partners in Health, Haiti

➤ Introduction

Early stage ventures, especially those that have not yet reached a point of actually selling or delivering their product or service, find it particularly challenging to convince potential investors, partners, employees and other stakeholders that their venture will lead to financial success and deliver impact.

This does not mean that you can't convince stakeholders – you can – many startups and emerging ventures have been successful in finding the necessary support to get off the ground. In the following module we will introduce you to the basic tools and documents required by early stage ventures to present themselves to potential supporters – the material that provides those supporters with the necessary information to help them analyze the risk and opportunity associated with the startup.

During much of the Accelerator, we have asked you to focus on understanding your customer and the market in order to build a unique product that meets customer needs. If you have validated that indeed your product is something that someone is willing to pay for, and can demonstrate this to stakeholders – you are well on the way.

The other key elements you will need to show stakeholders who want you to “show me the money” include:

- Having the right team
- Thorough knowledge of the market including size and trends
- A sensible business model, based in the real world
- A financial plan, where key assumptions are validated
- A basic work plan
- And for social ventures – an impact statement with targets
- The truly successful entrepreneurs know how to successfully match their passion and vision with an ambitious but sensible plan to turn it all into a reality, and this is what we hope you learn how to do here.

Financial plan: basic terms

Many entrepreneurs are nervous or even fearful when it comes to dealing with finance – wanting to stay focused on the product and customers. But this needn't be the case. When it comes down to it, the core of any financial plan rests on the answers to the following three questions:

1. What are you selling?
2. How much are you getting paid for the product/service?
3. How much does it cost you to deliver the product/service?

If you can answer these questions, you are well on the way to building a financial plan and to understanding whether or not you have a viable business model.

Let's say you are an organization that sells workshops, like Presentense. In this situation the answers to the three questions are:

1. What are you selling? Workshops
2. How much are you getting paid for the product/service? 1200 NIS per workshop
3. How much does it cost you to deliver the product/service? 400 NIS per workshop (fee for the trainer, fee for transport, fee for materials, and so forth)

This leaves the organization with NIS 800 profit from the workshop. This 800 NIS goes towards marketing as well as general costs of the organization.

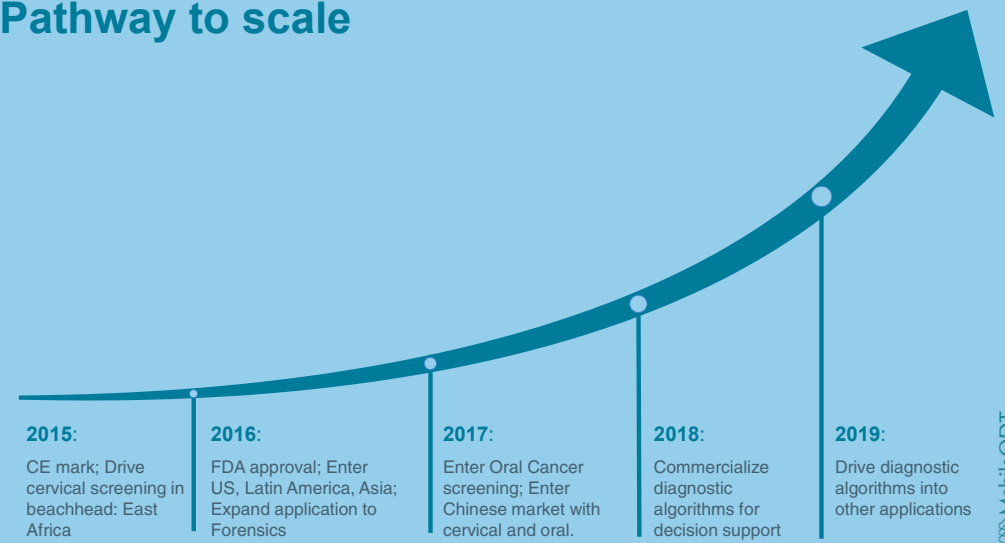
This is the core analysis that every business and venture needs to undertake to check whether its venture is viable. Of course, in the tech world, some startups do not have simple business models and rely on building a massive user base that will be attractive to a potential acquirer, like Waze which was acquired by Google for \$1 billion. But on the whole, most ventures need to conduct this simple analysis in order to show that they are able to become sustainable.

Beyond this basic analysis, it is important to understand other costs associated with the venture including: Research and Development and other startup costs, marketing costs, and general and administrative costs. For non-profits and social businesses there are many innovative models that involve mixed sources of income.

The key to success is to break everything down into components that are easy to identify. Importantly – at this stage – many of the potential costs that you have are estimates that you need to validate by checking with potential suppliers or with similar ventures.

Case Study - MobileODT

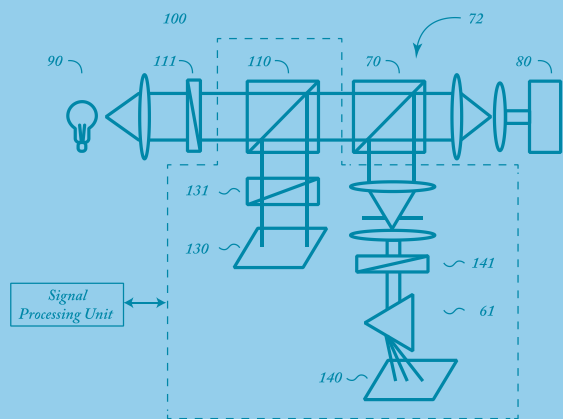
Pathway to scale



IP strategy to support our long-term vision

Long-term Strategy

- Current IP portfolio focuses on fundamental approaches to capturing markers across modalities (4 patents, on OCT, multispectral, PDI)
- Our IP strategy is to protect ways of collecting data using simple imaging setups
- Accumulated data becomes increasingly valuable strategic asset.



Business model: Sales, Subscription fees, Diagnosis



1. Device

- \$1,800 pre-paid for one device
- \$100/month lease for basic plan in OECD, \$35/m in EM



2. Service Subscription

- \$200 for annual subscription
- Monthly software updates, web portal access, warranty



3. Diagnosis

- \$2 per diagnostic decision support in EM
- \$5 per co-test with Pap/HPV

© MobileODT

Executive Summary

Imagine that you meet Bill Gates and he tells you he's prepared to buy your venture for a million dollars, but he wants you to first send him something short to read about it. What would you send him? You guessed right: An Executive Summary.

Before we delve into the different elements of this document, it's important that you understand that an Executive Summary is not:

- A pamphlet
- A document that describes your Vision
- A written version of your Pitch
- A Business Plan
- A Business Model

If Bill Gates is going to buy your venture he needs to know a lot more than the details of your product and its advantages. He needs to know why your venture, in a general and holistic way, is the most suitable, the most necessary, the most relevant right now, and why you are the right person to take it forward.

Some Very Important Principles:

Short: Bill Gates doesn't have time to read something long. He needs a clear, short, attractive message.

"Skimmable": It should be easy to skim the document. To facilitate quick reading, pay attention to the structure of the page, to headings and sub-headings. Ideally, by connecting the headings you should arrive at a coherent story.

Holistic: The Executive Summary contains everything about the venture that makes it interesting.

Important Elements in an Executive Summary:

1. Vision/Goal of the Venture >> Why did we gather here today? What do we want to achieve? To which Promised Land will the venture lead us? Here's where you can describe the problem you are going to solve in a strong opening sentence, or by presenting a worrying statistic that emphasizes the problem:

Example: 850 million people in the world don't have access to clean water

Alternatively, you may choose to use a sentence that provides a glimpse of the Promised Land: Imagine a world where every child has the opportunity to study at the best schools in the world. Following that opening, which is used as bait to draw readers in, provide details of your vision in two or three sentences.

2. The Business Opportunity >> How does your venture provide a response to a problem or a path to the Promised Land?

Important Elements:

- Why now? Why is now the best time to connect to your Vision? Is there a trend that supports this? Are there examples of a flourishing industry? An increase in demand?

- Why this market? Can you illustrate the market's demand for your solution?

3. The Business Model >> Provide a concise explanation describing how you intend to create the value, to supply the value to the customer, and "to price" the value. What revenue streams will you have and why are you confident that you will have them?

4. About the Team >> Provide a brief description of only the core team. If you have well-known mentors or advisors add their names to enhance credibility. Provide only those professional details about your team that are relevant to the venture.

5. What have you done so far? >> It is very important that the document convey a sense of all the work that has been invested. Usually, people don't connect to something that is in its earliest stages, but rather something that is in process, growing, on its way up. People reading your document should react like this: "Wow! They've done so much and come so far without my help, if I give them some help who knows how far they'll go..."

There are many way to communicate progress. It can be done using a chronological flow chart, according to product distribution or through achievement in numbers to date.

6. What is your current need? >> Don't ask for money directly as investment or donation. Once you have explained where you want to go, how you plan to get there and what you've done so far, it's only logical that you explain your next steps on the path to realize the dream, and which resources you require.

7. Use screenshots or pictures of the prototype.

MobileODT: Powerful diagnostic imaging, everywhere

7 billion people around the world have access to a mobile phone, but 5 billion of them cannot access a physician. MobileODT turns mobile phones into visual diagnostic tools to enable any health provider, anywhere in the world, to conduct visual inspections on the level of an expert practitioner. With lower-level providers conducting more screenings, the result is an expansion in healthcare's reach and a decrease in health systems' costs.

We have successfully deployed our first product, for cervical cancer screening, in some of the world's harshest environments, and since receiving CE mark in May 2015, we have sold 108 EVA (Enhanced Visual Assessment) Systems to providers operating in 12 countries who have screened nearly 4,000 women. With more than 200 orders reserved, and a pipeline for thousands more, we are now scaling to meet this demand, and to expand our successful model to new geographies and additional visual-based applications, including forensic colposcopy, ER documentation, oral disease, wound tracking, and more.

OPPORTUNITY: Expand access, grow the market

Visual-based inspection currently depends on the expertise of the examiner. MobileODT will change that by getting every nurse on the planet – all 23 million of them – an EVA System to radically transform who can perform expert visual-based diagnosis. Our first focus is cervical cancer screening, a \$6B global market that, at 100 million screenings per year, falls far short of providing the 1.4 billion screenings necessary to prevent 270,000 deaths annually. By enabling less-skilled providers to conduct screenings, MobileODT will lower costs, expand access, and increase the market size from \$6B to \$14B – and lay the groundwork for expansion into additional applications of EVA for other visual-based diagnoses.

SOLUTION: Device >> Data >> Diagnosis

- **Device:** EVA's custom hardware augments a smartphone's optics to deliver enhanced medical imaging using patented illumination configurations for biophotonics analysis. Our software platform includes a complete suite of features to capture, store, and share images and better manage clinical workflow.
- **Data:** Every image collected by EVA forms the foundation for developing powerful machine learning algorithms to provide diagnostic support. In addition, data on usage, relative efficacy, and epidemiology enable private and public decision makers to make their health systems more efficient and effective.
- **Diagnosis:** Our patented biophotonics approach penetrates tissue layers to detect changes and abnormalities to offer a game-changing diagnostic tool to diagnose disease at its earliest phases.

READY TO SCALE: New markets, new applications

After successfully launching in East Africa, we are scaling to additional geographies, starting with Latin America, the US, and China. In addition, we have received significant demand for EVA for oral imaging, forensic colposcopy, and ER documentation. Deploying the same device data diagnosis strategy, we will launch devices, collect data, and develop algorithms to enable expert visual-based diagnosis by any healthcare worker in any location.

BUSINESS MODEL: Diagnostics-as-Service

Our business model generates and captures value at each of our strategic levels: we sell or lease EVA devices; charge an annual data subscription for monthly software updates and web portal access; and as we develop our diagnostic algorithms, we will charge a per-patient fee for premium diagnostic support.

TEAM: Proven ability to commercialize

Ariel Beery, co-founder and CEO, previously grew the Presentense Group into a global operation over 8 years. David Levitz, PhD, co-founder and CTO, has 14 years of biomedical optics experience. They lead 24 experienced professionals in software, hardware, R&D, sales, and operations.

ASK AND OBJECTIVES

MobileODT has raised \$2.2 million to date from angel investors, and approximately \$1.3 million in non-dilutive investment. We are now raising our next round to achieve the following objectives:

- Scale sales in existing markets and expand to the US, Latin America, and China
- Accelerate R&D to develop, trial, and commercialize new applications and diagnostic algorithms
- Target sales of \$2M in 2016; \$8M in 2017; \$20M in 2018; \$44M in 2019; and \$89M in 2020.

>> Writing a Work Plan

Introduction to writing a Work Plan

A venture may be defined as a temporary effort to create a unique product or service which in most cases involves a high element of uncertainty. The essence of managing the venture is in the planning and oversight to ensure that deadlines are met, outputs are high quality, that you remain within budget, and that you achieve customer satisfaction. It is pretty safe to say that behind every successful venture is a successful Work Plan.

The planning stage, that is the writing of the Work Plan, is the most significant stage after determining the Vision of your venture. In most cases, successful planning will enable you to meet the criteria you set for your venture. Furthermore, the writing of a Work Plan is a dynamic process and it is often written in several sections and methods, as it develops along with the venture at any given moment, even when the venture is active.

Among other things, a Work Plan comprises tasks, timetables and risks, and of course it must be written in conjunction with the budget that you build. The Work Plan has tremendous influence on your venture, because it allows you to plan and to anticipate unexpected occurrences, to a certain extent. The bottom line: Your Work Plan grants you some peace of mind amidst all the uncertainty, and will transform you into professionals who are in control of their ventures from A to Z.

There are numerous ways to write a Work Plan, but some methodologies are more popular than others. One option is SMART, which breaks down each task that must be executed into the following:

- 1. Specific >>** The task must be clear and specific.
- 2. Measurable >>** You must be able to measure the task.
- 3. Attainable >>** The task must be something that can be attained.
- 4. Relevant >>** The task must be relevant to the venture.
- 5. Time Bound >>** The task must have a clear timeframe.

The writing of a Work Plan is a subjective process and different entrepreneurs will prefer different methodologies. Sometimes an entrepreneur tries more than one approach before finding the one that "fits."

Budgeting and Operations

To build a budget, you must have a full social business model (BMC) and you should have at least one prototype. By this point, the elements of the Business Model should have some numerical value based on your expenses (and your potential income), which are based on your prototype. At this stage, the conversion is more theoretical than practical, but it must still be executed in an organized way in Excel. Even though most entrepreneurs (especially social entrepreneurs) don't like to work with numbers in general, and specifically with Excel – when a professional accountant is not involved in the venture, the entrepreneur is responsible for all accounts-related issues. During Accelerator you will learn how to build a successful budget, via frontal lessons, worksheets, and one-on-one consulting sessions.

Measurement and Evaluation of Social Enterprises – Ronny Faivelovitz

Impact investments are made by a type of investor who is interested in investments that combine potential financial profit with a significant social/environmental contribution. Across the world, the trend of impact investments is led by investors, philanthropists and numerous financial bodies that seek to grant added value to financial investments and to positively affect the world.

This isn't philanthropy. Impact investments make it possible to invest in ventures, companies and technologies that encompass solutions to social problems and are based on a business model that yields profits and returns. And here's the big news: There's no need to compromise, you can invest and make a difference at the same time.

There are impact investors all over the world, and this is a growing phenomenon –research shows a constant increase in the number of investors who define themselves in this way and work with the networks that deal with impact investing (such as GIIRS Global Impact Investing Rating System; TONIC Global Action Community for Impact Investors; and GIIN, the Global Impact Investing Network). In addition, many financial bodies have announced that they will include a social impact rating dimension in their investment process.

The definition of "impact" is broad and encompasses many varied areas such as: agriculture, environment, solutions for developing countries, education, health, and social businesses. Each investor has his or her own preferences, with respect to both social and financial dimensions.

What is true for each investor is also true for each impact investor, and each one has his or her own investment strategy. Since this is a world not only of "pocket" but also of "gut feelings," the motivations for investing are varied, and often very personal. Alongside the achievement of the business goal and the return on investment that the investor is interested in, an impact investor also knows what kind of social impact he or she is hoping to achieve. This is a professional sphere, comprising methodology, investment, and effectivity ratings. For an impact investor the phrase "I'm doing good for the world" is not sufficient. In the same way that the words "I turn a profit" must be backed up with data, objectives, and timelines, impact investors also translate their social statement into a strategic plan.

So why should entrepreneurs stop speaking in slogans and start talking data?

There are many benefits to the use of strategy and quantitative measurement of social impact:

1. They help when coordinating expectations. The investor understands the social goal of the venture, how it intends to achieve that goal, and the hoped-for indicators of success.
2. The quantitative measurement helps to demonstrate the social significance of the venture and enables investors to compare between the social impacts of various ventures.
3. They facilitate the deepening and improvement of the venture's social influence and help it to realize its social mission.
4. They testify to professionalism, understanding and ability. The building of a measurable, quantifiable strategy shows that the entrepreneurs know the market where they intend to work and that they are basing their aspirations on the reality in the field.
5. In the long term, measurement facilitates reporting to stakeholders in the same way that one reports on financial achievements.

The use of a measurement methodology will help your venture to talk «the global language» of impact investment, to be aligned with the international standards and from there even to open the door to avenues of funding among international investors. No less important, the use of measurement tools and reporting will ensure that the venture is strategic, efficient and effective. They place the entrepreneur with his finger on the pulse, constantly monitoring his social outcomes, so that both he and his investors will know that his venture is meeting both his business projections, and the expectations for social gains that he set as his goal.

Ronny Faivelovitz, is founder of Impact Investing Israel, which develops impact investing in Israel and helps people to take their first steps in this field.

» Demo Day

Demo Day is the climax and pinnacle of the Accelerator, and it's also the event that formally concludes the program. This evening is yours and for you, the entrepreneurs, and its purpose is to provide a public platform for your ventures and to present them in a fun, festive manner to the relevant audiences. This event is the springboard to the reality and daily activity of working on your venture; meetings with potential partners and investors, recruitment of workers and volunteers, business activity and more.

So what actually happens at Demo Day?

Demo Day is a gala event, which begins with networking among the entrepreneurs and guests. Immediately following the networking, you take the stage! Each one of you will present a 15 second pitch whose sole purpose is to excite your listeners enough that they will want to visit your table and hear more about the venture you lead. During the final and main part of the evening, guests visit your tables to learn more about your ventures and pick up marketing materials. Don't forget about your Mentors and the members of the Steering Committee who have supported you throughout the program. Ask them for help in identifying relevant guests and bringing them over to talk with you.

Tables?

In order to "frame" a comfortable space for your personal presentation, every venture has its own stand (usually a standard table). It's reasonable to expect, and it's also best, that most of your conversations with the guests and the pitches you make take place at your table, and that's where you will spend most of the evening. But don't worry! You won't even notice that you're standing in one place, because people will be coming to talk to you all the time. There are many and varied ways to visually design your table, and most entrepreneurs choose the most creative eye-catching designs they can think of, inspired by their venture.

Wow! So what should I bring?

The Products that you work on throughout the Accelerator will serve you well on Demo Day and beyond. These materials are an important part of the impression you will make on the guests during the event and later, when they read them at home. They will also present your venture clearly and professionally to anyone else you give them to.

Relevant Products/Materials for Demo Day:

- >> Business cards
- >> Executive Summary
- >> Pamphlets
- >> Presentation
- >> Pages where you can write down contact details

Important Tip

In addition to providing your own business card, be sure to get the business card or contact details of whoever you are talking to. Then you will have the possibility of reaching out and making contact, following Demo Day and in any situation. Once you have the card or contact details, take a moment to write down a word or two about the person, so you will remember something about him or her when you make contact.

What Happens Afterwards?

Good morning! So after a successful, amazing Demo Day it's time to roll up your sleeves and dive deep into working on and developing your venture. Sit down in front of your computer and start working on follow up with all the guests you talked to last night. Most people agree that the closer it is to the time you met the person, the better the chance that the follow up will yield successful results. Any later than 48 hours after the meeting the chances are significantly lower.

It's a good idea to do some research on your new contacts before you get in touch, so that you may find out what interests them and the best way to reach them.