



Three key drivers that will help you access finance:

- » Securing a market
- » Establishing a strong team
- » Compliance.

If you have all three in place, you have the ingredients necessary to be a bankable or fundable business.

and guide you through the areas you don't have competencies in and cost this into the business start-up and running costs.

Focus on who in the business is going to:

- 1. Sell and market:** Do they have the necessary skill, network, product and market knowledge?
- 2. Control the money:** Are they financially savvy and can they make sure that money is being used for the right things?
- 3. Operate:** Who has done this before? Can this individual manufacture the product or arrange the supply of goods or services, ensure quality control and sound human resource management?

3 Compliance

Formalising your business is costly but necessary. If you don't have a formal entity, shareholders agreements, loan agreements, financial statements, management accounts, tax compliance and so on, you will come short when looking to raise finance. Understand these costs upfront and include them into your start-up budget – this will save you a lot of pain in the long run.

The truth is that finance is available for women who have the right business ingredients just as much (if not more – in the South African context) as it's available for men and just as with men. And, resources such as these help to unpack and guide the core fundamentals that are needed to make business bankable/fundable.

Then it's all about implementation and staying on track to translate all that you've done and all that you wish to do in a bankable business plan, and approach the relevant funder for your needs. The right business mentor can certainly help you on that journey. **EM**

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BECOMING BANKABLE

If you're planning to secure funding for your start-up, you need to put the right foundations in place. **BY ZAHRA RAWJEE**

THE SOUTH AFRICAN landscape for raising finance is tough for any business, with stringent lending regulations. Here are three areas to focus on as you set up your start-up to ensure you'll qualify for a loan or equity funding.

1 Securing a Market

Most SMEs I have mentored or advised start with expressing how big the total market size is for their product or service,

but, while this is important to understand, the big question is: What percentage of that market will you attract and how?

Look at the 'how' first and work your numbers backwards. For example, if you secure a R10 million contract to supply an item that has a market size of R37 billion you are capturing only 0,03% of the market. However, if you're able to cover your monthly expenses (including your loan repayment)

and make a profit, that's what counts. You should be able to show this contract or letter of intent to procure, which shows how and where you will find this market.

2 A Strong Team

When you're starting out you're likely to be the sum total of your team. If you're going down the entrepreneurial journey alone, make sure you have identified who will mentor