



***An initiative to create  
High growth businesses in Palestine***

Funded by the British Consulate-General, Jerusalem



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## 1. Introduction to TeamStart - Palestine

TeamStart - Palestine is a program designed in 2008 by the Palestine Information & Communication Technology Incubator (PICTI) and the University of Warwick Science Park (UWSP) United Kingdom in order to take advantage of PICTI's recognized capabilities in developing new business ventures.

TeamStart - Palestine is a full service package that provides entrepreneurs with technical consultation, confidence building, business development training and practical assistance. TeamStart - Palestine joins innovative and creative entrepreneurial minds to help them create high growth businesses.

PICTI, in cooperation with MercyCorps, are looking for people with sound business ideas and with technical or business skills that are needed to create viable businesses to join the TeamStart - Palestine Program, which is funded by the British Consulate-General Jerusalem.

MercyCorps through the ICT Business Development Project that aims at *Investing in Peace through ICT Business Cooperation and Capacity Building* will fund the new businesses startup cost for innovative and feasible business concepts generated through the TeamStart - Palestine Program.

Building on that well proven PICTI core methodology and bringing added benefits from its association with UWSP and MercyCorps as well as a network of professional advisers and business support agencies, this robust technology based business creation process is now available to you.

### **What is TeamStart - Palestine?**

TeamStart - Palestine is a service package of

- Guidance
- Confidence building
- Business development and marketing Training
- Technical and practical help
- Financial assistant for commercially viable ideas

TeamStart actively brings together like-minded entrepreneurs and helps them create high growth businesses across Palestine.

### **Who is Behind TeamStart - Palestine?**

The core methodology for TeamStart - Palestine Program was developed jointly by PICTI and UWSP in cooperation with MercyCorps and is funded by the British Consulate General in Jerusalem.

## **TeamStart - Palestine's Underlying Rationale**

In the population at large, many start-ups suffer from being too small, under-capitalized, having little or no export potential and have self imposed growth restrictions, and research among 1,700 small/medium sized companies to establish the characteristics of successful high growth companies has shown that:

- The majority of high-growth companies are started by more than one person; in 40% of cases, three or more entrepreneurs are involved.
- Innovation-led start-ups have the greatest probability of survival
- Start-ups formed by experienced and successful business people are more likely to be successful

It was noted that small teams of experienced managers could generally pool considerable funds to assist in initial development and retain control.

Taking account of these principles, PICTI, MC and the UWSP built TeamStart - Palestine, a programme of interlinking processes, to help create new technology based businesses with high growth potential.

## **Many teams within TeamStart - Palestine**

The power that team working brings is built extensively into the TeamStart - Palestine model in order to create extra momentum and provide additional support and resources.

The "Team" in "TeamStart - Palestine" includes:

- Entrepreneur and his/her partner
- Entrepreneur and his/her group of like-minded entrepreneurs
- Entrepreneur and his/her personal mentor
- Entrepreneur and the wider TeamStart - Palestine delivery team
- And finally, the entrepreneur and his/her business start-up colleagues

## **2. How TeamStart - Palestine will benefit you**

Each entrepreneur brings different set of skills and experiences and some will bring business propositions at varying stages of development. Some might therefore need extra, specialist input that we might be able to arrange. However, each entrepreneur will benefit from the same robust package of benefits that is at the core of the programme:

- Participation in a structured, hands-on business creation programme with an established record of helping entrepreneurs to create new businesses. This is not just a classroom exercise.
- Membership of a selected group of like-minded entrepreneurs whose positive approach, proven skills, business experience and contacts constitute a powerful resource.

- Participation In a series of eight group workshops/training sessions led by experienced professionals. Each workshop will be practical in nature, and will be conducted over 60 hours of training over two months and held during either the working week days and/or weekends and/or evenings so that entrepreneurs in employment or out of employment should be able to attend.
- Your fellow entrepreneurs might help bring your business idea to fruition, or perhaps be the source of a team that is seeking your skills and experience.
- Each entrepreneur is allocated a business mentor. He/She is there to work with you on a one-to-one basis. Your mentor is supported by additional team resources at PICTI that include entrepreneurs with proven experience of business management and enterprise development, and practical expertise in incubation.
- On request from your mentor, access to specialist support from experts.
- If needed, advice from PICTI team on getting “investment ready” for approaches to venture capitalists, ‘business angels’ and banks.
- Support and mentoring on conducting hands-on market research.
- A facility to operate as a “virtual company”, with telephone, fax service and mailbox, email address at a recognized, high caliber business address.
- Shared use of a furnished workspace including PC with internet access.
- Shared use of conference rooms for team meetings during business development and important meetings with suppliers, customers etc.

### 3. Your Business Mentor

#### **What is a Mentor? What will He/She Do For Me?**

Mentoring is a process that supports the entrepreneur’s learning and personal development. Its purpose is to help high potential people to meet and exceed their perceived potential. Whereas a consultant, for example, may fix an identified problem and then move on, leaving little residual knowledge, a mentor is someone who, over a period of time, shares his/her business for the long term.

#### **Mentoring brings many benefits including:**

- Helping to clearly define the entrepreneur’s personal and business objectives
- Helping develop an action plan, with timescales, that will achieve those objectives
- Helping to build – and keep up – the momentum
- An ongoing source of skilled guidance and experienced support
- He/She will bring a range of new networks/contacts

- Introducing a wider perspective and encouraging ‘outside the box’ thinking
- Providing encouragement – and extra motivation when it is needed
- Improving the entrepreneur’s self management, including his/her time management
- Increasing entrepreneur confidence
- Being there as a sounding board in the face of uncertainty

A mentor is a business adviser with good interpersonal skills and relevant experience: he/she knows the issues and the pressures that occur uniquely during the preparation and launch phases of a new, independent business. Few entrepreneurs will have experienced this before – it differs in several respects from launching a new division or an allegedly “autonomous” subsidiary for an employer.

Your mentor works as a member of a small team of mentors. When necessary, the team can also call upon outside experts in particular fields.

## 4. Who Might My Fellow Entrepreneurs Be?

### *Who Might Want to Join TeamStart - Palestine?*

- People who are fed up with making money for others. They now want to create a significant capital sum for themselves and their families – and to have more control over their own futures.
- People who are currently employed and ambitious, but who are perhaps career-blocked. They see this as a way of moving forward, and gaining greater independence, personal fulfillment and prosperity.
- A member/employee of a family-owned business looking to branch out on his/her own
- Technology based small business owners who seeking to expand and develop their business
- Someone already in business but perhaps going nowhere and waiting to start again
- Some entrepreneurs will be unemployed at the moment, and they will seize this as an opportunity to take more control over the futures of themselves and their families
- Someone who has spotted a good product/business opportunity that is being ignored by (or is perhaps too small for) his/her employer
- Newly graduated intelligent professionals who have the desire and skills to start new business and need the training to put them on the right track.

## 5. How Much Does It Cost Me?

Because TeamStart - Palestine is funded by the British Consulate through MercyCorps, the only charge is US\$100 as commitment fee for joining the program, representing 10% of the value of the training.

In return you get value more for your investment in advice, a proven process, an experienced support team, practical help and membership of a group of like-minded people as well as an opportunity for startup seed funding.

As a general policy, PICTI's Venture Capital Fund takes 20% – 40% equity stake in return for its services including financial support in establishing your high-growth business.

## 6. Frequently Asked Questions

| Q  | A  |
|--|--|
| <p><b>I don't have a business idea, so how will TeamStart - Palestine work for someone like me?</b></p>                      | <ol style="list-style-type: none"> <li>1. You might meet people with a business idea who need skills such as yours to complement their own, so you might take a stake in that business</li> <li>2. Business ideas may emerge following your interaction with other like-minded people in the programme</li> <li>3. You will receive training on identifying and securing business opportunities of your own</li> </ol> |
| <p><b>I've got a business idea, but I'm not sure that anybody will want to buy.</b></p>                                      | <p>Within the programme you will be advised on how to check out the intended market for yourself.</p>  |
| <p><b>How do I know that it works?</b></p>   | <p>Building on PICTI track record, TeamStart - Palestine has been running since 2008. Entrepreneurs have formed over 10 businesses. To their credit, one entrepreneur has seen her business valued at a million dollars, but inevitably, some businesses have failed. So far none of the entrepreneurs' failures have been catastrophic, the businesses having been wound down in an orderly manner.</p>               |
| <p><b>I'm not interested in going on a training course</b></p>   | <p>TeamStart - Palestine is a hands-on business start-up programme, not just a classroom exercise.</p>   |
| <p><b>Is it only for high tech businesses?</b></p>   | <p>For businesses to grow and be sustainable they need a competitive edge. That is what we look for. The programme is not just to start tech companies; it is also open for companies with products that are technology based.</p>   |
| <p><b>I've been working in this sector for too long. I need a change. Will TeamStart - Palestine provide the answer?</b></p> | <p>We may be able to facilitate your move into a new sector, and it may be that you can through the programme partner with someone who is experienced in this sector. However, bear in mind that entry into an entirely new sector will increase the time to launch and probably increase your risk. Generally it is advisable to play to your strength.</p>   |

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| <p><b>How long does it take?</b></p>   | <p>Ultimately you control the pace: the amount of time and energy that you put in determines how much progress you make. We estimate that it takes 4 - 6 months to start a business, although nine months is not uncommon – but it has been done in three months.</p>   |
| <p><b>Do I need lots of paper qualifications?</b></p>  | <p>We look for evidence of practical skills that will be relevant to a business, knowledge of the target sector where specified, creativity, the ability to get results, enthusiasm for picking up new skills and ideas, the ability to interact well with others, and the grit and determination necessary to fulfill your ambition. There are no particular educational requirements, except that those planning to take up a technical role in the new business must be able to demonstrate convincingly the necessary level of competence in the relevant area.</p>   |
| <p><b>I know what I want to do, but need to find like-minded people to make it all work.</b></p> | <p>You could meet suitable people in the programme, or we may be able to introduce you to people in other rounds of the programme who might be suitable. Alternatively we might help you formulate a working relationship with people you know outside the programme. We certainly won't expect you to start a business with people you don't like or respect.</p>  |
| <p><b>MUST I be part of the team?</b></p>  | <p>No. Businesses formed by teams of 2 or more like-minded people tend to have higher rates of growth and survival, but a number of people have created businesses on their own.</p>  |
| <p><b>I've got a job, so am I eligible to join?</b></p>  | <p>The programme may run outside standard working hours so that entrepreneurs will be able to keep an income stream going until such time that the momentum of their new business means that they must leave their jobs.</p>  |
| <p><b>Do I need to have lots of money to start a business?</b></p>                               | <p>An expanding company will need capital. We will encourage you to adopt a business model that minimizes the amount required e.g. bootstrapping, but where external funding is needed we will give access to advice on grants and loan schemes available in and out of Palestine. If appropriate our specialists will advice on the preparation of your investment brief to meet the requirements of private investors and venture capital funds. As the business does not yet exist, we obviously cannot guarantee that they will invest in it; their decisions will depend on the potential of the business that is presented.</p> |

## 7. The Group Workshops

### ***The Objectives of TeamStart - Palestine's Workshop Phase***

The delivery of high calibre training is an important objective of this phase of the programme, but there are several other important objectives that are less obvious.

In brief, the primary objectives are

- Identifying – and then addressing- the skills gap
- Initiation of team working
- Culture change and start of confidence building
- Networking – inside and outside the group
- Facilitating business opportunity development/creation

### ***Addressing the Skills Gap***

There are several solutions

- **By delivering training:** clearly, with one day per topic we cannot, for example, take a novice all the way to 'expert' level (equal to 10-20 years training and experience), but our high caliber trainers focus on the key, practical issues and can raise skill levels significantly. "Experts" who do not need training in their specialist fields are encouraged to use those workshops to show off their skills to fellow entrepreneurs and facilitate recruitment to a team.
- Now having identified his/her specific training need, **by the entrepreneur undertaking in-depth training on specific topics at a later date.**
- **By identifying the entrepreneur's need to recruit someone with the missing skills to his/her team (or maybe he/she should join the team of someone else with those skills).**
- **By identifying the entrepreneur's need to build into the funding requirement the cost of an employee (ft/pt) with the missing skills.**

### ***Culture Change and Confidence Building***

Having the freedom to make one's own decisions is highly appealing, but in practice it is often accompanied by increased uncertainty, and even the most senior of corporate executives soon realize how much harder it is to act promptly and decisively when their own money is involved. The TeamStart - Palestine process supports entrepreneurs through the difficult transition.

## 8. Group Workshops: Timetable

### *Eight one-day workshops*

Dates and brief indication of the topics:

1. **Icebreaker and Ideas-generation session** – personal introduction to group, team working, entrepreneurial culture, setting personal & business objectives, networking, getting a sustainable work-life balance.
2. **Product appraisal, business opportunity evaluation, selection and search** – the 10 essential questions, appraisal score sheet, our experience of searching for the perfect product/service, sources of information (patents, products/business ideas etc), introduction to market research, questionnaire design.
3. **Practical (1) sales and (2) marketing for an early stage business** – marketing overview, routes to market, introduction to direct marketing, press releases, writing advertisements that work, getting past gatekeepers, getting the order, issues in dealing with large companies.
4. **Planning your business** – business and personal budgets, principles of developing a business plan, understanding break even, pricing strategies and price/volume ready reckoner, calculation and interpretation of key financial ratios. *Note: part of this workshop will be delivered through the study of material supplied before hand.*
5. **Investment Readiness: (1) introduction to sourcing finance and (2) getting your proposition investment-ready** – potential sources of external capital and how to attract investment from venture capital funds, donors, private investors ‘business angels’, banks etc.
6. **Business process:**
  - a. **Legal aspects of company formation and business operation** – covers essential legal requirements, ownership, share structures, implications for the core team and
  - b. **Computer, IT & manufacturing systems in start-up businesses and the pitfalls to avoid.**
7. **Psychology of success – getting results!** Creating time, taking personal responsibility for life change and success, importance of setting goals, personal characteristics, determinants of business success, changing behavior patterns, everyone can be a sales person.
8. **Exit from the workshop phase:**
  - a. With your mentor, presentation of your new business, or your business ideas in the course of development (giving another opportunity to recruit entrepreneurs to your idea). Group brainstorming of entrepreneurs potential new business ideas.
  - b. An “any questions?” session when entrepreneurs can ask the PICTI programme delivery team about any start-up issues causing concern.

## 9. Joining TeamStart-Palestine

### ***What Sort of People is PICTI looking for?***

We are looking for people with ideas that have sound commercial potential. They should possess an adequate amount of relevant experience and knowledge of their chosen business area. They might have a network (although probably incomplete) of contacts that could help support the development of the product and the markets.

However we are also actively searching for people with complementary skills in the fields of, for example, sales, marketing, production, supply chain and finance who are looking to “team-up” with others.

Equally important factors are good team/communication skills, determination and a supportive home environment, together with a desire to break away from their current career in the short term.

### ***When does the programme start and finish?***

TeamStart-Palestine is planning to conduct four consecutive training programs starting from October 2008. TeamStart-Palestine will inform the selected entrepreneurs of the start date for the program they joined. In exceptional cases, where timing is absolutely critical, we will consider providing some support before the date.

Participation is for a period of six months. The time limit is there as a spur to the entrepreneur to keep up the momentum and move thing forward at a reasonable pace. If at the end of six months the entrepreneur’s business has not yet started, we will at our discretion grant an extension if we feel that the entrepreneur is still committed and that a further period of support may achieve a satisfactory outcome.

### ***So, Can I Join?***

After a short process of mutual evaluation, if you and we agree that our involvement will add value we will offer you a place in TeamStart - Palestine (subject to availability).

If you have not already done so, all you need to do to start the process is to call PICTI on **02-240 9290** in complete confidence for an informal discussion.

## 10. Thirteen reasons why you should take part in TeamStart-Palestine

1. Independence – be your own boss and take more control of your life.
2. Reap the benefit of your skills, experience and success: starting your own high potential business provides the greatest probability of becoming seriously wealthy.
3. The TeamStart-Palestine package enables high potential businesses to be set up with reduced risk to you.
4. The TeamStart-Palestine mentors will if necessary provide access to advice on raising finance, negotiating initial deals, etc.; we have wide practical experience in these fields.
5. TeamStart-Palestine will provide you with an opportunity to get funding to start your business.
6. The TeamStart-Palestine builds on the PICTI's incubation process, which has a proven and successful track record. It is highly practical and some of the delivery team are successful entrepreneurs in their own right.
7. You don't need to lose your current source of income until you have everything ready and you've decided to go ahead.
8. You will meet other successful business people from a variety of backgrounds; this kind of networking is always of value.
9. Running your own business is one of the most satisfying things you can do.
10. Even if in the end you decide to stick with your current career, at least you'll know you checked out setting up your own company and gave it your best shot.
11. You will not be left on your own once your business is set up. During the initial period of operation the PICTI team will continue to be available for assistance and you could receive additional support through other specialists and business support agencies associated with this programme.
12. This is probably the best chance you'll get to set up a successful business.
13. One of the most common reflections of retired managers is that they wish they had taken more risks in their career; don't live with that regret.

## 11. Business Sectors

### **Must My Business Operate in a Particular Business Sector?**

Some prospective entrepreneurs expect there to be a “business” that they will be required to emulate, but in fact that is not the case.

We do have expectations in terms of turnover and sustainability, but entrepreneurs’ businesses are not required to conform to an inflexible template: we expect each business to be designed to exploit fully the mix of skills, ambitions and backgrounds of its founders. They control the size, speed of growth and business sector of their businesses, and we will help and encourage them to meet – and if possible exceed – their initial aspirations.

We do not expect entrepreneurs’ businesses to operate only within specified business sectors. Nor is there a bias towards either the service sector or manufacturing industry. In fact, because of the wide range of skills and experience that they bring to the programme, TeamStart-Palestine entrepreneurs will create and launch businesses in a very wide range of sectors. No sectors are excluded – provided that they are legal and moral. Most importantly, that the company’s services and/or products are **knowledge and technology based**.