UWI
ST. AUGUSTINE CAMPUS

CARIBBEAN CENTRE FOR MONEY & FINANCE

3rd Caribbean Executives Seminar Business

Theme

"Venture Capital Financing – Its Relevance for the Economic Transformation Agenda"

Presenter
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Hyatt Regency
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Session Four:

Developing
An Appropriate VC Model

Sharing

The CBET SHEPHERDING MODEL™

Brand

Sustainable Economic Growth

"This can be achieved through a national focus on developing a family of successful high performance enterprises **one enterprise after another"**

The late Hon. David Thompson Prime Minister and Minister of Finance of Barbados Mon July 07 2008

Inventor

Presents Idea/Concept

Innovator

Converts idea into
a product/service for sale

Entrepreneur

Starts small; Does it right;
Makes a profit; Then expands

Shepherding

Life coaching for the Entrepreneur
Business Mentoring for the Enterprise

The CBET Shepherding Model^{TM}

Addresses three

Major Challenges to Enterprise Development

The CBET Shepherding Model™

Challenge #1

How to select enterprises to grow the economy?

Solution #1

Choose "DNA of an Elephant" enterprises and conduct due diligence on the enterprise and the entrepreneur

The CBET Shepherding Model™
Challenge #2

How to address high business failure rate?

Solution #2

Pay special care to

Shepherding
(Life Coaching and Business Mentoring)

The CBET Shepherding Model^{TM}

Challenge #3

How to get access to finance?

Solution #3

National Benevolent Quick Response Seed/Equity Capital Funds

A proposed institutional framework for meaningful leadership and collaboration

National Benevolent Quick Response Seed Capital Fund and Equity Capital Fund

Corporate Governance

Value proposition

1. Revolving Government primed seed capital revolving growth fund
2. Private sector investment in equity fund with Government incentive
3. Buy back clause in Equity Agreement (Enterprise/Fund) providing investor exit strategy
4. Shepherding as Collateral

Marketing

- **Select Enterprises with DNA of an Elephant**
- **Conduct due diligence on the enterprise and entrepreneur**
- **Select   Shepherds**
- **Solicit support from Governments**
- **Identify private sector Investors**

Operations

- **Select, assign, contract Shepherds**
- **Source and contract business advisors, as appropriate**
- **Work with enterprises to develop business plan with venture capital investment request**
- **Work with enterprises to generate revenue for the enterprise**

Operations

- **Establish Seed Capital (SC) and Venture Capital (VC) Fund and approve VC request**

- **Pay pre-investment costs of shepherds and business advisers from SC fund**

- **Mark- up pre-investment shepherding costs are by 50% and add this sum to the VC request to augment the VC investment**

Operations

- **Value shares**

- **Determine investor share and issue enterprise shares**

- **Absorb the pre-investment funds advanced by SC fund if Equity Fund investment request is not approved**

- **Exit Strategy**

People Development

Shepherding for Fund Manager

Train Shepherds and Business advisors in the use of the ManOBiz Matrix™ as a Shepherding tool

Financial Investment

Government Seed Capital grant to cover the initial costs of the fund management entity

Private sector investment to capitalise the 10 year equity fund(s) with **Government** incentive in the form of a guarantee on capital invested

ManOBiz Matrix™ Shepherding Tool

If we take all combinations of the five functions of management and the five systems of business, these define
the 25 cells of the ManOBiz Matrix™.

ManOBiz Matrix ™
TEMPLATE AND DASHBOARD

		Systems of Business				
		CG	Mktg	Ops	HRD	Investment Finance
Functions of Management	**Planning**					
	Organising					
	Staffing					
	Leading					
	Monitoring					

"Shepherding as Collateral"

Shepherding Increases the chances of Business Success and hence protects the Seed & Venture Capital Investment

Thank you