

NEW ENTERPRISE INVESTMENT FUND

MENTOR'S GUIDE
(The Instruction Manual)

Foreword

At RMIT I studied a Bachelor of Business (Entrepreneurship), which was a business course — a really practical one — where you actually learnt how to start a company, how to write a business plan and then how to commercialise your idea.



While I was studying at RMIT, I entered the Business Plan Competition with some colleagues from the course. We used the opportunity to enter the competition and to work with a mentor to assist us in finding the best model for the business.

Having the mentor support to help guide us through the process, and guide the team in building a better business plan, was critical.

For me today, having mentors to bounce ideas off or to get a second opinion on has been instrumental in the growth of B2Cloud. Somebody who's not involved in the business can provide you with assistance and guidance and give you an objective critique on your business plan.

The mentor might run another business or be in a completely different industry but they are somebody who's been there and done it before. I can explain my ideas to them and they can give me different ideas on different ways to tweak my business model to make it work even better.

The value of the mentoring, the guidance and the assistance throughout my time at RMIT and beyond is incredible.

The launch of the New Enterprise Investment Fund is a logical progression of RMIT's experienced-based learning philosophy, designed to keep RMIT at the forefront of practical education in Australia.

I commend you for giving your time and support to participate in RMIT's mentoring program.

I hope you'll find the experience fulfilling and rewarding, as well as having a lot of fun along the way.

Josh Guest

Founder and Managing Director b2cloud.

Josh completed a Bachelor of Business (Entrepreneurship) in 2006. In 2009, he founded b2cloud, and in 2014 he won the Australian Mobile Design Award for Best Wearable Technology.

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What is the New Enterprise Investment Fund?

The NEIF program has been established by the College of Business to promote the formation of new business ventures originating from within the student body at RMIT.

Each year there are over 650 fully-fledged business plans created by RMIT students through innovative courses such as Business Skills for Creative Industries, The New Enterprise Incentive Scheme, Short Courses and the Business Plan Competition.

However, without financial and practical support, many of these budding entrepreneurs are unable to take the critical step to turn their ideas into a viable business.

The NEIF program is unique in Australia. It is student focused, and the emphasis is placed on practical entrepreneurship. Participants will enter into a real-life, real-consequences learning environment — setting up and running their own business.

Finance is only one hurdle new business ventures face.

Critical to the success of these start-ups will be the mentoring and advice provided by you – the Mentor.

The role of the Mentor is about guidance and helping entrepreneurs to realise their goals. As a Mentor in the NEIF program, you'll have the opportunity to interact with some of the best and brightest entrepreneurs in Australia, right here at RMIT.

You'll be able to help them understand the problems facing a new business in an industry that you have direct experience with, identify practical solutions, and set them on a path to successfully implement their business plans.

Our program is about more than just providing finance.

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How does it work?

So, you've registered as a Mentor, we've had a coffee and a chat about the program and what's involved and you're on-board. Then what happens?

We aren't asking you to work with diamonds in the rough.

RMIT has an abundance of resources available to assist students with business plans.

We don't want to take up too much of your precious time reviewing business proposals that don't make the cut, or those that aren't in your area of expertise.

We'll pre-qualify the proposals, make sure that the students are genuinely committed to the process and that there is more than just a framework of a business plan before engaging with you.

As a first step, we'd run a 'one page' summary past you for your initial thoughts.

At this first pass, we'd like your honest opinion:

- maybe you've seen this a dozen times before...
- this was a good idea last year...
- nice idea, but you've missed this critical bit...
- or maybe, there's something in this worth looking at...

If you've formed the view that there might be something in this, and you could see yourself helping out as a Mentor, then we'd look to set up a meeting with yourself and the student.

We appreciate that your time is valuable and in short supply.

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Let the matchmaking begin.

As the Mentor, you have an extremely valuable skill set, you're keen to help, the proposal looks promising, the student is keen and raring to go. Our sophisticated algorithm tells us that you are a perfect match.

However, when you meet, you find out your protégé is a passionate Blue's fans, and you're Collingwood through and through. Be honest: it's just not going to work.

Prior to making any commitment to become a Mentor we suggest a phone call to meet your potential charge:

- find out what they do in their spare time
- where they hang out
- what they are studying
- ask them about their business and what they are looking for in a Mentor
- ...who do they barrack for?

Let us know what you think. It's your call as the Mentor as to whether you want to work with this individual or group:

- your circumstances may have changed
- you might not be able to commit the time that the project requires
- you might feel that the start-up isn't quite ready
- you might be able to help on some aspects of the business plan, but not all of it.

All feedback is confidential, and we'll work to find a practical solution for the student concerned.

If it's a viable proposition for you, we'll set up a meeting to discuss the program and commitment from each party — and get on with the exciting stuff.

There'll be no hard feelings if you say: 'Thanks, but not today.'

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What's the time commitment?

After the application is approved we will set up the initial meeting. This shouldn't be more than one hour and we will run through the process and set the scene for what's involved.

After that, the ongoing management of the mentoring is in the hands of the business owner. Ideally, meetings should be on a 6-8 week basis, but it is entirely up to you to agree to the schedule.

After the initial 12 months of the program, contact would be less structured, although still encouraged.

We aren't asking for more than 1–2 hours per month, spread over a year.

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The first meeting.

This is where you and the student get the opportunity to lay the foundations of your professional engagement.

As a guide, the agenda for the first meeting should include:

- A discussion for the appropriate boundaries for the relationship
- Review of the Mentor's obligations
- Review of the student's obligations
- Desired outcomes from both parties
- Student personal skill SWOT analysis — where can the Mentor add value?
- Mentor's personal skill SWOT analysis
- Let us know if there is a glaring skill gap, and we'll put our thinking caps on
- Review/update of the current stage of the business
- Agree a format and timetable for follow up meetings
- Discussion of the Mentor–Student MOU.

It's likely that this first meeting is going to be a bit like a 'rabbit in the headlights' experience for our students. The first few meetings may appear unproductive, but we are sure that they'll warm to the process.

Here's the key points that we endeavour to get across to our students and Mentors:

- » guidance provided by the Mentor is from the Mentor — it's not RMIT's view
- » students are not bound to follow the advice, if they do, then the consequences are theirs and theirs alone
- » Mentors are not able to, nor expected to, provide financial support
- » Mentors have committed to not sell products and services to the student, and should not seek to profit financially from providing mentoring services.

Confidentiality matters.

We can't stress enough that discussions between RMIT, Mentors and students should be treated with the utmost level of confidentiality.

Where to next?

A key feature of the NEIF program is to ensure that there is regular contact between the Mentor and the student.

If the student is successful in their loan application we would move to finalise the Mentor–Student MOU and the student would sign the loan agreement and the program would commence.

We're there to facilitate the first meeting and run through the process.

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Let the mentoring begin. So what do I do now?

The Mentor's task is to empower the student to realise their goals.

If our students have got to this stage: we've agreed to lend them some money, you've signed on as the Mentor and the student should be clear about their business objectives.

As the Mentor, you will be able to help your charge understand problems facing a new business in an industry that you have direct experience in, help identify practical solutions and assist in getting them on a path to successfully implement their business plans.

However, now it's time for our students to step up — they are responsible for arranging, preparing and leading meetings with you, as well as reporting back to the NEIF Manager.

It's the student's responsibility to implement the business plan.

Effective Mentors will endeavour to:

- » Create an environment of trust
- » Be genuinely interested in the personal and professional development of the student
- » Be a shoulder to cry on, but remain objective
- » Try to be specific in addressing problems or proposing solutions
- » Be willing to share your own business decision horror stories
- » Ask the tough questions and introduce the elephant in the room
- » Offer suggestions or provide an alternative view point
- » Be open, honest, direct and offer constructive feedback.

I keep telling them, but they just won't listen!

There's no prescriptive approach to formulating a successful Mentor–Student relationship.

Your input as the Mentor may not be immediately evident. You may feel frustrated sometimes that your student just isn't getting it or appears slow on the uptake.

We see this as part of the learning aspect of the program, and we'd ask you as the Mentor to persevere.

The successful Mentor will encourage the student to come to their own conclusions.

However, if you feel your protégé just isn't getting it – let us know.

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What could possibly go wrong?

Some relationships just aren't going to work, despite the best intentions of all the parties involved. If it's not working for either of the parties involved please let us know early. This doesn't mean that the process has failed, or that you as a Mentor haven't done a great job.

Quite often, the cause of tension in the Mentor–Student relationship is related to the student and their underestimation of the size of the task ahead of them – the business plan probably won't run to schedule, there will be other study and family-related pressures. Initially, your student will probably view you as an agent of RMIT there to protect our money — and they may be reluctant to fully open up.

We make it clear to our students that we are not doing this for the money. However, we are prudent with our investment decisions, and we need to ensure that every effort is being made to make the business work.

We urge you as the Mentor to reinforce this message as well — you are not a debt collector!

As part of our reporting and monitoring, we'll ask you to provide feedback on the progress of the business plan of your student on a quarterly basis. This will allow us to spot any issues as they arise, and to work with you and the student to resolve any issues that may arise early on, before they get out of control.

The report is simple and it's confidential between RMIT and the Mentor.

Mentor Report Template:

Date:			
Progress:			
Personal development:	Good	Some	None
Progress against business plan:	Good	Some	None
Notable achievement(s) (incl. small wins)			
Problem(s) encountered			
Action Items			
Any other issues			

Really — that's all the reporting that we are asking from our Mentors.

We aren't asking you to be the eyes and ears watching over our money.

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What happens after the 12 months are up?

Assuming that we are all still mates, we would like to meet with you both and review the activities of the previous 12 months.

It's a learning process for us as well, and any feedback will be greatly appreciated.

At this point, the ongoing contact and relationship between the Mentor and student is pretty much open for yourself and the student to maintain — or not — as the case may be.

As a Mentor, hopefully, you are still talking to us at RMIT we'd love to thank you for participating in the program. And when you are ready, we'll have a fresh batch of budding start-ups for you to have a look at.

At the conclusion of the mentoring program, we trust that all parties will maintain the confidence of any information relating to the NEIF program and the relevant business.

When you are ready, we'll be ready to kick off again.

Our greatest assets are our Mentors.

Since its inception in 2000, the RMIT Business Plan Competition has built a formidable pool of talented Mentors, Advisors and Judges, whom we have been able to call upon to assist us.

The group you are joining is very near and dear to us, and we strive to ensure that our student-loan recipients understand the value of your contribution and appreciate the privilege of working with you.

The success of this program rests heavily with RMIT maintaining strong relationships with our Mentors. That's why, as part of the process of signing up to be a Mentor, we have asked you to review the RMIT Code of Conduct. We get our students to do the same.

The Code of Conduct provides definitions as to how RMIT's values are demonstrated in the day-to-day activities of our staff and students.

Our Code of Conduct can be summarised in five points:

Respecting others — when working with others, we are expected to treat students, other staff and members of the community with respect for their rights and obligations.

Behaving professionally — we are expected to carry out their work duties in a professional and conscientious manner at all times.

Avoiding conflict of interest — we must take reasonable steps to avoid any actual or potential conflict of interest and act in the best interests of the university.

Using university resources — we are expected to use all university facilities, equipment and processes efficiently, carefully and in a proper manner.

Recognising intellectual freedom — we have a general right to intellectual freedom of enquiry and expression. In particular, we should:

- act responsibly with respect for the intellectual property rights of others
- exercise intellectual freedom in a manner consistent with a responsible and honest search for and dissemination of knowledge
- support the role of the university as a place of independent learning and thought, where ideas may be put forward and reasoned opinion expressed freely while maintaining respect for and openness to others.

If our students aren't following the script, please let us know, and we'll have a quiet chat with them.

There's nothing revolutionary in how we go about our business at RMIT — we just think it's important that everyone knows about it.

10 Contact details

New Enterprise Investment Fund Manager:

Dr. Gregory Ward

RMIT University
College of Business
GPO Box 2476
Melbourne
VIC 3001

Tel 61 3 9925 5949

Fax 61 3 9925 5624

Email: neif.manager@rmit.edu.au



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