



Excerpted from
FastTrac® GrowthVenture™



TAKE CHARGE OF YOUR BUSINESS®

A program of the Kauffman Foundation

Presenting Your Plan

According to *The Book of Lists*, the fear of speaking before a group is the number-one anxiety people face. The fear of dying is number six. Even experienced speakers have anxiety about speaking in front of groups.

Dr. Ray Smilor, an internationally recognized expert in entrepreneurship and president of the Beyster Institute for Entrepreneurial Employee Ownership, empathizes: “When I watch entrepreneurs give presentations to prospective investors, so many of them seem to wish they were dead, rather than have to get up and pitch their companies. Throats become parched, voices quaver, hands shake, knees knock. They’re just not very comfortable standing in front of a group. As speakers, the entrepreneurs looked incompetent, and they never managed to communicate the most important points about their enterprises. It doesn’t have to be this way.”

Presentations are an essential part of the entrepreneurial process. That’s why a presentation of your plan is recommended as a part of the FastTrac® program. How an entrepreneur communicates is just as important as what he or she communicates. Try not to think of presenting your plan as a punishment. View it instead as an exciting opportunity to talk about what you know and love best: your company. If you do, you’ll find it an enjoyable, and perhaps profitable, experience. Use the following suggestions as you prepare to present your Business Plan to mentors, peers, and potential funders.

TIP There are two types of speakers: those that are nervous and those that are liars.
—Mark Twain

Know Your Objective

When you communicate your business plan to others, have a clear objective. Are you asking listeners to take a particular action? Adopt a new perspective? Respond to facts and information? Clearly communicating your objectives will drive the audience to your end goals.

As you design your presentation, keep your overall objective in mind, as well as your audience’s needs and expectations. Knowing your objective should help dictate how to present the necessary content. Understanding the audience will help you emphasize the right information, develop the proper presentation style, and select appropriate visual aids.

TIP Your presentation should be the bridge between what you have and what your audience wants.

Understand Your Audience

Your plan may have more than one audience and several different reasons for its presentation. For example, looking at the investment opportunity your business has to offer a potential investor will help communicate a key message important to that investor. Your needs will also be better met because the audience will gain a clearer understanding of your business and the role they could play in it.



My Presentation Audience

Place a check mark next to the audience(s) to which you want to present and then draw a line to the purpose of the presentation for that audience. You should have no more than 2-3 purposes for each presentation. Revisit this checklist whenever you consider presenting your Business Plan. Example shown.

Audience

- Peers
- Advisory board
- Board of directors
- Banker or other potential lenders
- Entrepreneur club
- Family and friends
- Management team
- Mentors
- Potential employees
- Potential investors

Purpose

- Planning for success
- Solicit feedback
- Recruiting
- Orientation
- Communication
- Strategic planning
- Funding
- Professional support
- Planning for growth

Develop a Venture Presentation for Mentors and Peers

Think about your presentation. How much time will you have to present? What does your audience already know about you and your business? What aspects of the business planning process will be of most interest to them?

Develop a Venture Presentation for Potential Investors

Talking to a room full of potential investors is very different from selling a product or service to customers or presenting your business concept to mentors and peers. Features and benefits pitches used for customers do not necessarily excite investors. Descriptions of your planning process are irrelevant to them. The subject of your presentation to investors is not your product or service but their money: *Who* will use it, *why* it's needed, *how* it will be spent, *what* return it will bring, and *when* to expect it.

Investors are interested in seeing the big picture at the beginning of the venture presentation. They want to know who you are and what your organization does. They want an engaging story about the venture's profitability, profit margins, management team, product development, size of market, competitive climate, and market niches.

In Guy Kawasaki's *The Art of the Start* he suggests that during presentations it can be helpful to imagine a "little man" sitting on your shoulder. Each time you make a statement, imagine the little man saying, "So what?" For example, you might say something like, "We use digital signal processing in our hearing aids." After the little man asks, "So what?" you answer, "Our product increases the clarity of sounds." It is the "so what" part of the presentation that interests the audience.

Some entrepreneurs present their investment opportunities solo while others include their key management members. Many investors prefer to meet with and hear from the management team. Alone or in a group, you must be convincing and display leadership ability and passion. These characteristics are crucial to success in raising investor money.

Tip Investors bet on the entrepreneur and the management team; the product or service is secondary.

When giving your presentation to investors, leave ten minutes for questions and answers—the most important part of the presentation. This time allows you the opportunity to build a rapport with potential investors and establish the credibility of the management team. Anticipate questions and prepare responses so you'll be ready.

One entrepreneur who was extremely successful in raising money in the early stages of his business start-up, took his Business Plan presentation “off Broadway” before meeting with the big money sources. He first gave his presentation to his board of directors and then to smaller investors in outlying areas as a way to hone his presentation skills and anticipate the questions investors typically ask. He was then well prepared to give his presentation to investors he had identified as potential key players.

Use Visual Aids

If a picture is worth a thousand words, a picture along with the words is worth a million. Since over 80 percent of people learn best through visual stimulus, it makes sense that good visuals will improve the audience's level of understanding of your material. People will also retain more of the information when it is presented visually and orally—as much as six times more than using no visuals. As you can see, the use of visual aids is essential to reach your audience.

The benefit of using visuals is twofold. It not only benefits the audience, but it benefits the presenter as well. When using visual aids, you will tend to use more gestures and have greater movement during the presentation. This variation helps reinforce your role as the presenter and helps to keep the audience engaged.

Since visuals are so important, you will want to prepare visual aids that reinforce your major points, appeal to your audience, and work well in the physical setting of your presentation. Visual aids can involve many varieties of communication products including PowerPoint presentations, flip charts, overhead transparencies, slides, audio-slide shows, and videos. Demonstrating a process or simply passing around a sample of equipment or models can also be effective ways to clarify your message.

One caution concerning visuals: Remember to maintain eye contact with the audience—not the screen, computer, or overhead projector. The people you are presenting to should receive your consistent attention. Also, don't repeat your visuals word-for-word since the audience is already reading the information.

These tips can help your presentation appear professional:

- Make sure visuals can be seen from the back of the room.
- Keep information on visual aids to a minimum.
- Present only one key idea per visual.
- Limit the use of colors to no more than three, not including photographs.
- Use no more than two different typefaces and a 30-point or larger font size for projected words.

TIP When presenting visuals using technology, take a set of overhead transparencies or handouts to your presentation as a backup.