



The Business Bridge  
Business Plan  
December 2010  
[www.thebusinessbridge.org](http://www.thebusinessbridge.org)

## **Executive Summary**

### Vision

Business Bridge will open access to business education by bringing high quality courses at low cost to tens of thousands of disadvantaged people across the world. These courses will provide the economically inactive or under-employed with a passport to productive economic engagement to the benefit of themselves and their communities. Our programme will give our participants the knowledge, skills and confidence to be successful in business. We are active in South Africa and Ghana, where our first target segments are 20-30 year olds who have completed secondary education and are involved in an early stage business.

We have developed an innovative model for creating and delivering business education courses combining three elements: world-class e-learning content, face-to-face sessions led by a trained business school alumnus (or other professional) working pro-bono and delivery through a national network of 3<sup>rd</sup> party operated physical hubs.

By combining these elements for the first time, we overcome the traditional barriers to the scaling of business education: cost, geographic access and quality. Our course will allow more to take control of their economic destiny and lead lives that they have reason to value.

### Why Business Bridge?

Business Bridge is well placed to deliver on this vision. Professor Michael Hay of London Business School (LBS) leads the project and has over 20 years of business education experience at a world-class business school. A Board member of the Association of African Business Schools and a former Acting Dean at a South African business education university, he also knows the business education market in the developing world context. Michael also brings with him an excellent network of contacts. Finally, we have a strong relationship with Imparta Ltd., a world-class e-learning company. They design our courses to an industry leading specification.

### Development Plan

We have a four phase development plan. Phase 1, culminating in an 8 week South African pilot, was completed successfully in Nov 2009 and validated our model with strong endorsement from all stakeholders: participants, tutors and channel partners. We built a robust model, proved it works, developed our first course and built relationships with Channel Partners. We have an 8 minute video that showcases the tangible and impressive impact of our pilot.

In Phase 2 (2010) we delivered a total of 120 course units<sup>1</sup> across South Africa and Ghana with 2 partner organisations. By the end of Phase 4 in 2015, we plan to be delivering 25,000 courses (to an estimated 8,000 participants) across 2-4 African countries annually. After that we will expand in line with the global vision of the project.

### Supply & Demand

There is strong demand for business education at our target pre-graduate level from individuals and employers alike. There is wide acknowledgement from individuals, businesses and governments that economic growth is increasingly skills based and this is matched by strong appetite on the ground for entrepreneurship education. For example, The Business Place, an

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<sup>1</sup> This figure tells us how many course units have been studied in aggregate; it does not tell how many students Business Bridge has. It may be the case that one participant takes two courses or that two participants take one course each; in both instances that counts as two course units.

entrepreneurial support centre with 10 branches in Southern Africa, sees 20,000 people annually. We estimate that the size of our target market in South Africa is 135,000 people.

On the supply-side there are five principal types of suppliers: on-line only, universities & business schools, distance learning institutions, independent training providers and government organisations. All of these suffer from structural constraints (quality of educational experience, cost and drop-out) that prevent any of them being the solution to finding a model for low-cost, high quality, mass scale business education. We believe that, with partner support, Business Bridge is the solution.

### How it Works

Business Bridge is not-for-profit and works with Imparta Ltd., a for-profit company, to design our courses. We pay a non-commercial content development fee to Imparta who build and host our on-line content whilst retaining intellectual property rights over the courses.

We deliver the courses through Channel Partners, who are chosen because they provide us with access to suitable participants at scale and have the necessary physical and digital infrastructure to run the courses successfully. Channel Partners may be commercial or not-for-profit organisations.

Banks would benefit from Business Bridge by increasing their loan repayment rate. Equally, industrial companies may see Business Bridge as a training solution for their community engagement and staff development activities. Not-for-profits focussed on enterprise development will benefit by advancing their core mission.

We run a decentralised model where Channel Partners are responsible for the delivery of the courses but we support them through an extensive Delivery Pack and remote assistance.

Business Bridge recruits and trains business school alumni and other professionals to teach our courses. Their quality is a key driver of educational success. There is strong demand from tutors to be involved on a pro-bono basis and they can be adequately trained in a single day. Business Bridge was partly born from the recognition that there is a growing pool of business school alumni and other professionals worldwide who passionately want to give back to their communities by leveraging their skills.

### Funding

Two economic units within our model require funding: The Centre and Channel Partners. The Centre employs a lean team who are responsible for course development, Channel Partner recruitment and management, tutor management and fundraising to cover the Centre's costs. Each course costs a one-off £85,000 to develop and we have already successfully developed and piloted the first of our four courses. The other major cost for the Centre is staffing. We currently operate with 1.5 FTEs and Professor Hay in a voluntary capacity and will expand to a team of 9 FTEs by 2015.

To ensure we are sustainable, Business Bridge charges Channel Partners a licensing fee per student per course of £150 (falling to £70 quickly as we reach scale). This fee meets the cost we incur from buying each licence from Imparta. The cost of the Imparta licence is £150-£50 depending on volume. With sufficient annual course volumes (est. 15,000), we begin to charge a healthy (0%-50%) margin on each licence, thereby becoming self-sufficient. Course participants pay only a modest course fee (approx £25) to the Channel Partners.

Our model assumes that Channel Partners fund the purchase of our course licences. Depending on whether they are for-profit or not they may fund this cost directly, through their own fundraising efforts or government support.

We estimate our break-even course (not student) volume to be roughly 15,000 per annum which we plan to reach in 2015. Up to this point we will run operating deficits which we will cover through philanthropic donations. We have successfully raised over £300k to date which has covered the costs of 2009/10 operations, leaving us with a small surplus. We are now aiming to raise £0.85m to 2015 as per the following schedule:

Year	How the Funds are Spent	BB Net Course Income <sup>2</sup>	BB Costs	BB Funding Sought
2009	<ul style="list-style-type: none"> <li>Develop course #1</li> <li>Run South Africa pilot</li> <li>Run central team</li> </ul>	-	£130k	£130k Completed
2010	<ul style="list-style-type: none"> <li>Modest SA roll-out with data collection focus</li> <li>Ghana pilot (data collection focus)</li> <li>Run central team</li> </ul>	-	£180k	£180k
2011	<ul style="list-style-type: none"> <li>Detailed Impact Assessment</li> <li>Develop courses #2 &amp; #3</li> <li>Medium scale SA roll-out</li> <li>Modest Ghana roll-out</li> <li>Run central team</li> </ul>	-	£340k	£340k
2012	<ul style="list-style-type: none"> <li>Develop course #4</li> <li>Increase SA &amp; Ghana penetration</li> </ul>	£25k	£ 300k	£275k
2013	<ul style="list-style-type: none"> <li>SA &amp; Ghana operations</li> <li>2 new country pilots</li> <li>Run central team</li> </ul>	£140k	£ 285k	£145k
2014	<ul style="list-style-type: none"> <li>Country operations x4</li> <li>Run central team</li> </ul>	£305k	£ 385k	£80k
2015	<ul style="list-style-type: none"> <li>Country operations x4</li> <li>Run central team</li> </ul>	£635k	£ 410k	2015: N/A

**Table 1: Funding Requirements**

#### Team

As well as Professor Hay, our Board comprises Richard Hytner, Deputy Chairman of Saatchi & Saatchi Worldwide, and David Gardner, a technology venture capitalist. David's former positions include Worldwide Executive Vice-President of Electronic Arts and CEO of Atari. Michael Anderson, a veteran angel investor and serial entrepreneur in the foods and technology industries, advises the Board, which he plans to join in Q1 2011. Together they bring vast expertise and excellent networks.

Daniel Bamford, the Global Development Officer, has a PPE degree from Oxford University and previously worked as a management consultant for Monitor Group. He has written research

<sup>2</sup> From selling course licenses to Channel Partners.

papers on social entrepreneurship and has 4 years experience of business education in South Africa.

### Next Steps

In 2011 our next steps are:

- Detailed Impact Assessment of our activities in South Africa and Ghana to date.
- Build courses #2 and #3.
- South Africa roll-out across 2-3 Channel Partners with a total of 5-8 hubs; this will allow us to deliver 700 courses.
- Modest Ghana roll-out of 100 courses.
- Raise £340,000 to meet our 2011 funding requirement.

Our success in 2011 and beyond depends on 3 factors: fundraising, recruitment of additional Channel Partners and impact assessment.

We are hopeful that the potential and likelihood of success of our initiative will provide a strong fundraising base. Our experience with our Channel Partners to date, The Business Place and Baobab Academy, and discussions with potential future Partners gives us confidence that our Channel Partner recruitment target will be met. Our impact assessment to date has been highly encouraging (an interim report is available via our website or on request) but since lasting business impact is our aim we will continue to monitor the experience of past participants and refine our model in light of these.