

Salim Latib learns the best educator is reality

MARTIN FEINSTEIN

When an entrepreneur's business plan meets reality, it can be a roller coaster ride. The first six months in business for an entrepreneur can be the toughest. What lessons are there to be learnt?

Martin Feinstein finds out from Salim Latib, an academic-turned-entrepreneur, what he has learnt in setting up his digital knowledge management and multimedia business, Knowledge Doc.

Knowledge Doc specialises in capturing the content and proceedings of conferences and events using audio and video. It then helps clients to use this content in various ways - for example, putting it on a website as streaming video, or producing multimedia CDs - to spread the information and knowledge to the people who need it.

Prior to establishing Knowledge Doc, Latib served as a senior manager in the department of public service and administration and lectured at the University of the Witwatersrand.

You must have been very excited when you started your business. Have you found clients responsive?

The reality is that nobody is really interested in your product or service. People and organisations are busy and have their own problems. They don't care about you. The trick is to find out about their business and talk about their problems. If your product and service can help them, you have a client.

How close to your original concept of the business have you stayed?

There is no better educator than reality. It is only by doing it that you are able to learn about the assumptions that inform your concept. In the world of doing, you quickly recognise that the world is more complex and that



THE HARD WAY Salim Latib offers some advice after going through the major upheaval of changing his profession from an academic to an entrepreneur

survival dictates that you learn, innovate and change all the time.

So have things gone well?

Forget your dreams of a company in six months, or everything going as you thought. Everything that could go wrong will go wrong. The best is to prepare to accept that even the most basic aspects of your business will go wrong and that you will have many disasters. You need to learn how to turn them around.

What have you done about black economic empowerment (BEE)?

At the moment it's all about being not BEE-ing. I'm trying to build a responsible company that is rooted in the changing realities and conditions in the country. To exist, survive and grow should be prioritised.

Don't try and compete with the impossible and sing the song of BEE prematurely. When the time is right you can address it.

Cash is always the bugbear of a start-up. How do you deal with cash flow?

Cash flow is your life and the life of the business. It's not always easy to distinguish between private costs and the costs of the company. You have no choice but to move money around and play with every cent to make ends meet and get the job done. If you have a credit card, it will be your best friend for some time. You could also find a rich friend!

When do you think you will have turned the corner?

After six months or so, the business may be described as surviving. Accept that six

months may turn into six years and that what you call survival may actually be stability. Most businesses that are considered thriving have large amounts of debt and often make losses.

How do you define success?

There are many reasons for not being successful and most of them are excuses. People will be sympathetic to your problems and may enjoy the chat, but they will forget you quickly and remember the person who spoke about success - even if the person is less successful than you are. Talk about success, forget the problems, there are too many to remember anyway!

□ Martin Feinstein is a director of Enablis SA and is well known as a champion of South Africa's small business sector



Enablis teams up with Business Report in search for entrepreneurs

Business plan competitions are one way to ensure your idea or funding requirement gets a serious and professional evaluation, says Martin Feinstein.

Enablis, the entrepreneur development agency he established in South Africa on behalf of international and local organisations, is running a national business plan competition, in association with Business Report, for local entrepreneurs.

Entrepreneur Milton Kusaka, who was one of the winners of last year's Enablis Business Report competition, along with his wife, Corbella, says: "It definitely changed our lives. It gave us exposure and confidence and also the working capital to put resources into our business."

Entry forms are available by calling (021) 965 2206 or on www.enablis.org. The competition closes on August 31.

Feinstein says three ingredients make up a winning business plan: "A product or service that meets a real need, a sound understanding of the market and the customer, and realistic cash flow projections."

"People don't read long documents any more. You have to keep it succinct, and convince the reader that you have the experience, managerial talent and tenacity to make the plan work in reality - because the reality will always differ from the plan."

A team of 20 business advisers, as well as 12 local and international judges, will evaluate the plans and select the 30 finalists and 10 winners. - Dawn Pretorius

□ Don't miss the free business plan workshops Enablis is hosting for anyone who wants to write or improve a business plan. Workshops will be held here this month in Durban, Johannesburg, Cape Town, Nelsonspruit, Opijnsburg and East London. Visit www.enablis.org for details and to register. Workshop attendees will receive a free copy of that day's Business Report