



Mentor Masterclass: Navigating the Mentee's Investment Journey.

A practical framework for business mentors
by **Anna Plokhova**

HELP TO GROW.
MANAGEMENT COURSE

**Supporting the people
who power success**

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Poll 1: How often do your mentees ask you about raising investment?

- A) Almost every session
- B) Frequently
- C) Rarely

14+ years in investment groups and entrepreneurial projects

- Launched a corporate investment fund
- Raised 50% of a manufacturing plant launch budget
- Led angel investment deals + post-investment monitoring
- Reduced capex by 50% via acquisition vs greenfield
- Built and managed 2,000 sqm office centre
- Mentored founders



Masterclass Roadmap

1. Investment framework

2. Key patterns mentors should watch for

3. Co-solving Your Mentee's Dilemma:

- Current situation / stage
- Mentee's Idea / Dilemma / Request
- What help could be helpful from us today

The Big Picture of Business Stages



EARLY STAGE | Description

Business Focus:

- **Idea Formation:** The core concept is being defined; no final product exists yet.
- **MVP & Prototyping:** Building the simplest version to prove the concept.
- **Market Research:** Understanding the target audience and competition.
- **Assumption Testing:** Turning "I think" into "I know" through experiments.

Practical Questions for Mentors (The "Coach" Approach):

- "What is the simplest version we can test in **four weeks** with a minimal budget?"
- "How can we validate demand **before** building the full product?"
- "Are you open to letting potential customers shape your idea?"
- "What funding alternatives exist that don't involve giving away equity too early?"

Typical Funding Sources:

- **Bootstrapping:** Using personal savings and early revenue.
- Friends, Family, and Angels
- **Incubators & Accelerators:** Mentorship + small seed capital.
- **Expert Co-founders:** Trading equity for skills instead of cash.
- **Grants & Competitions:** Non-dilutive funding (like Bella's £20k grant).
- **Crowdfunding:** Using pre-orders to fund the first production run.

EARLY STAGE | Mentee's Request

The Context:

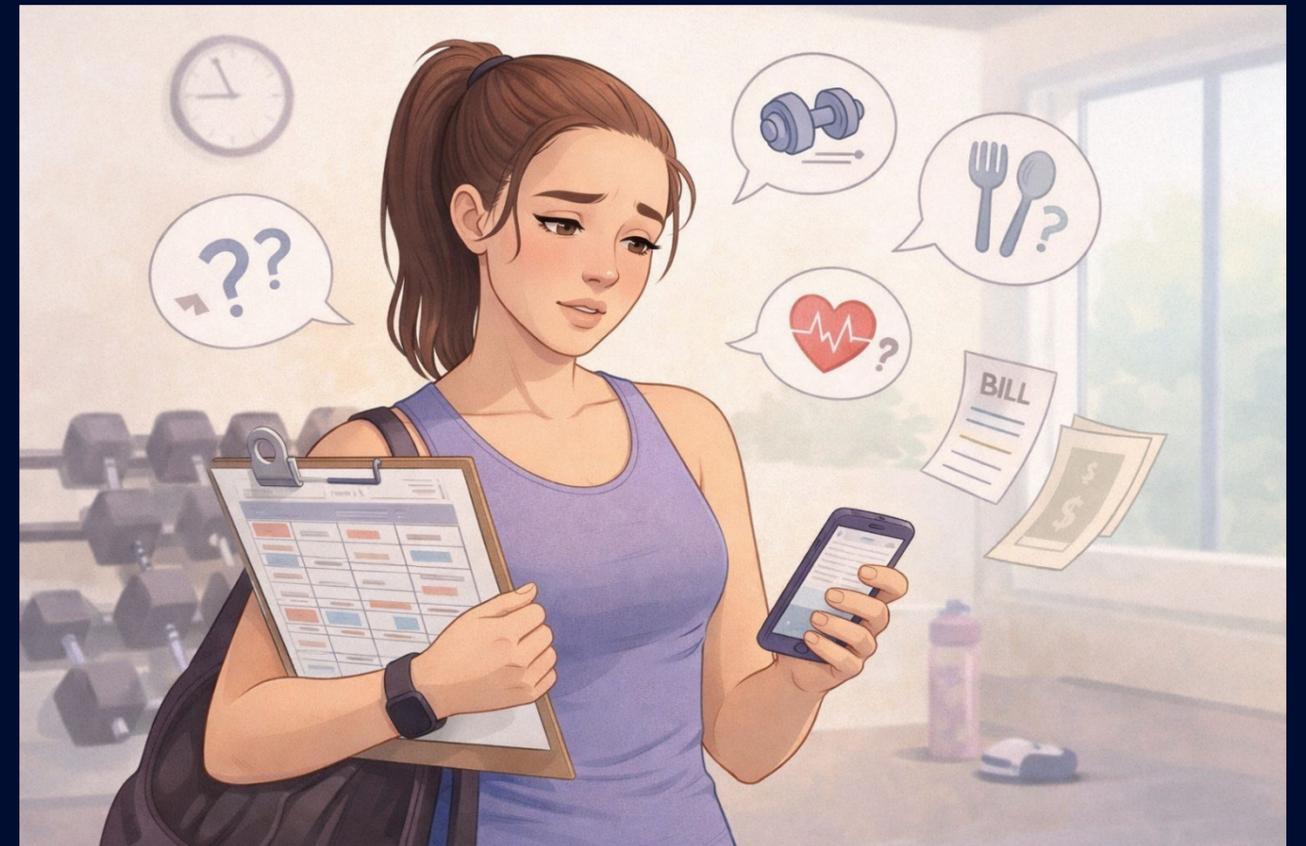
- **Fitness trainer and nutritionist 1-on-1 offline**
- **wants to move online**

The Investor's Logic (Angel Investor):

- **£20k offer from for 40%**
- **believes in Bella's as an expert**
- **interested in diversification**

Request:

"Boss is offering £20k to fund the launch. It's the fastest way to start, but he wants 40% of the company. Should I take the money now?"



EARLY STAGE | Group Discussion

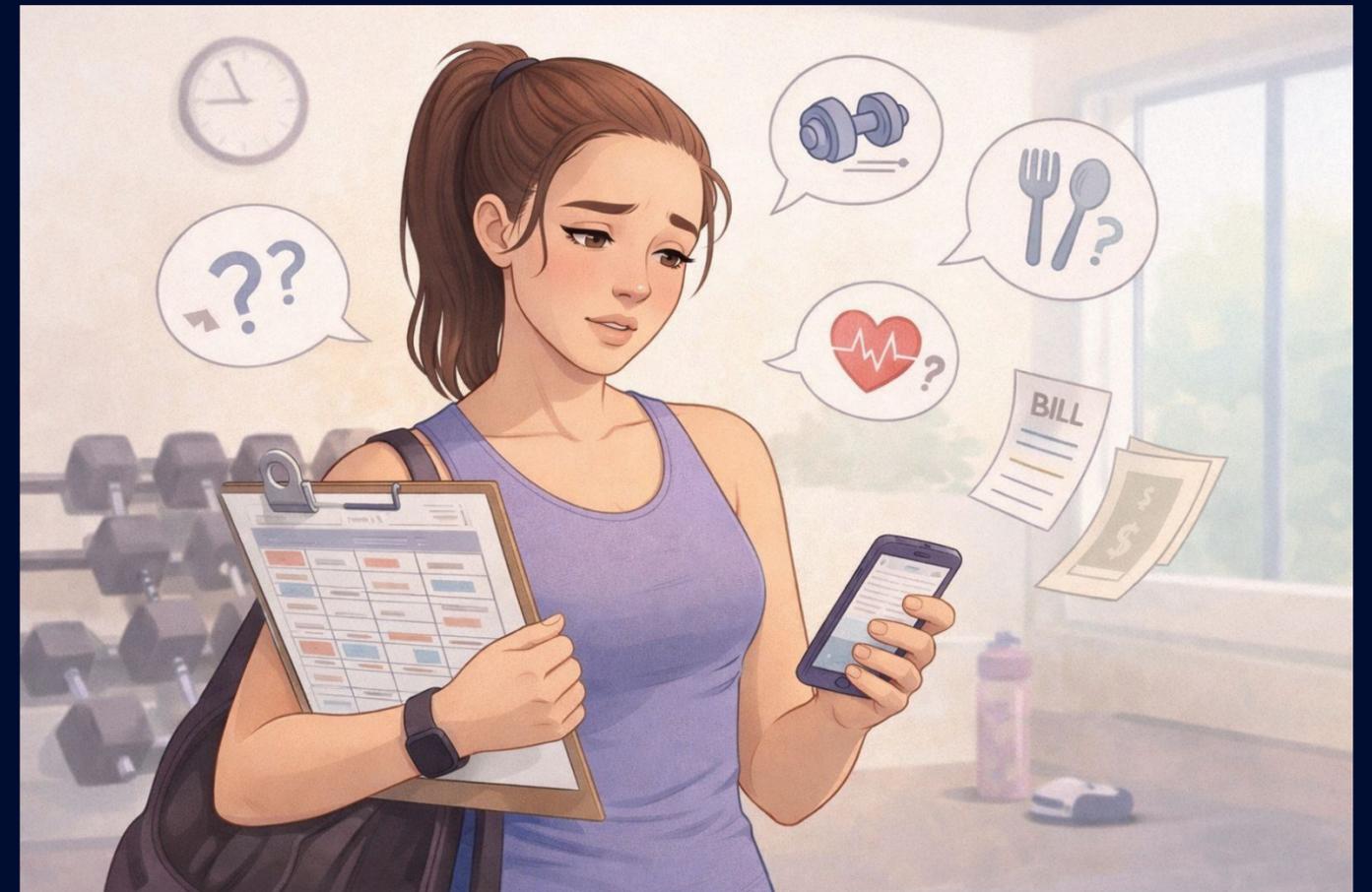
Request:

"My boss is offering £20k to fund the launch. It's the fastest way to start, but he wants 40% of the company. Should I take the money now?"

Block 1 — Founder Context

Block 2 — Business Reality

Block 3 — Capital & Alternatives



EARLY STAGE | Mentorship session framework

Block 1 — Founder Context:

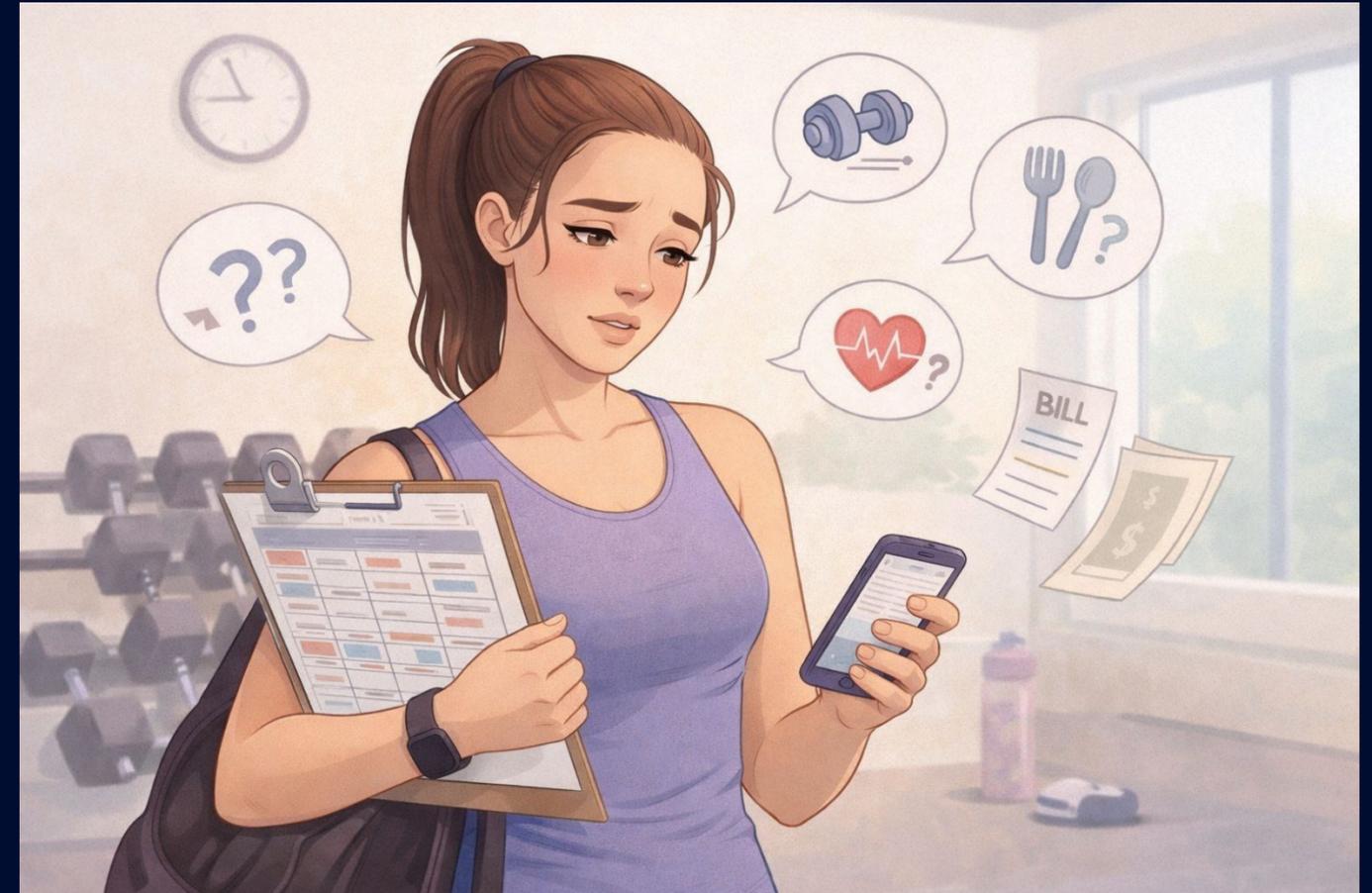
- Security Blanket
- Employment Trap

Block 2 — Business Reality:

- Zero Traction
- How to proof the demand

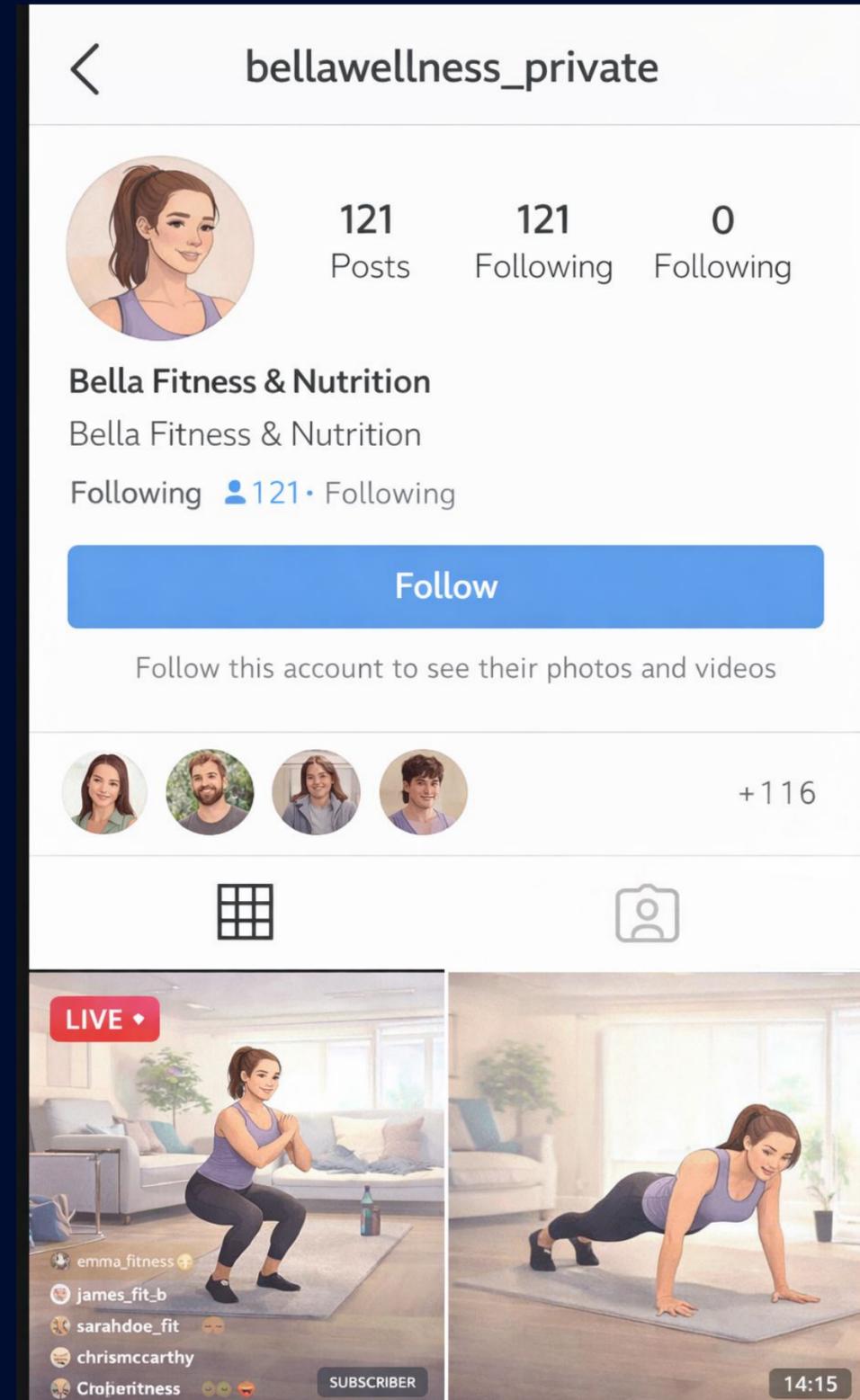
Block 3 — Capital & Alternatives:

- Validation First (cheap)
- Bootstrapping
- Incubators / Accelerators
- Grants
- Pre-orders
- Co-founders



EARLY STAGE | Mentee's decisions

- **Funding:** bootstrapping
- **Action:**
 - i. free test on Instagram
 - ii. Startup Incubator
- **Result:**
 - i. £1k revenue from subscribers as validation
 - ii. prize £10k from incubator's sponsor
- **Insight:** find the Proof, not money



GROWTH | Description

Business Focus:

- **Scaling Infrastructure:** Strengthening the foundation to support higher volume.
- **Team Building:** Moving from a "founder-led" to a "team-led" organization.
- **Channel Expansion:** Testing and scaling new marketing and sales channels.

Practical Questions for Mentors (Strategic Challenge):

- "Does this rapid growth still align with your **long-term personal vision** and freedom?"
- "Is the business ready to **absorb complexity** without losing focus or quality?"
- "If you take money, what kind of partner do you need: **just cash** (financial) or **market doors** (strategic)?"
- "Are we scaling a working system, or just scaling the existing chaos?"

Typical Funding Sources:

- **Venture Capital (VC) Funds:** For aggressive, high-speed market capture.
- **Strategic/Corporate Investors:** Partnerships with companies in the same or adjacent markets.
- **Late-stage Angels:** Investors looking for proven traction and product-market fit.
- **Debt Financing:** Bank loans or credit facilities (best for businesses with predictable cash flow to avoid dilution).

GROWTH | Mentee's Request

The Context:

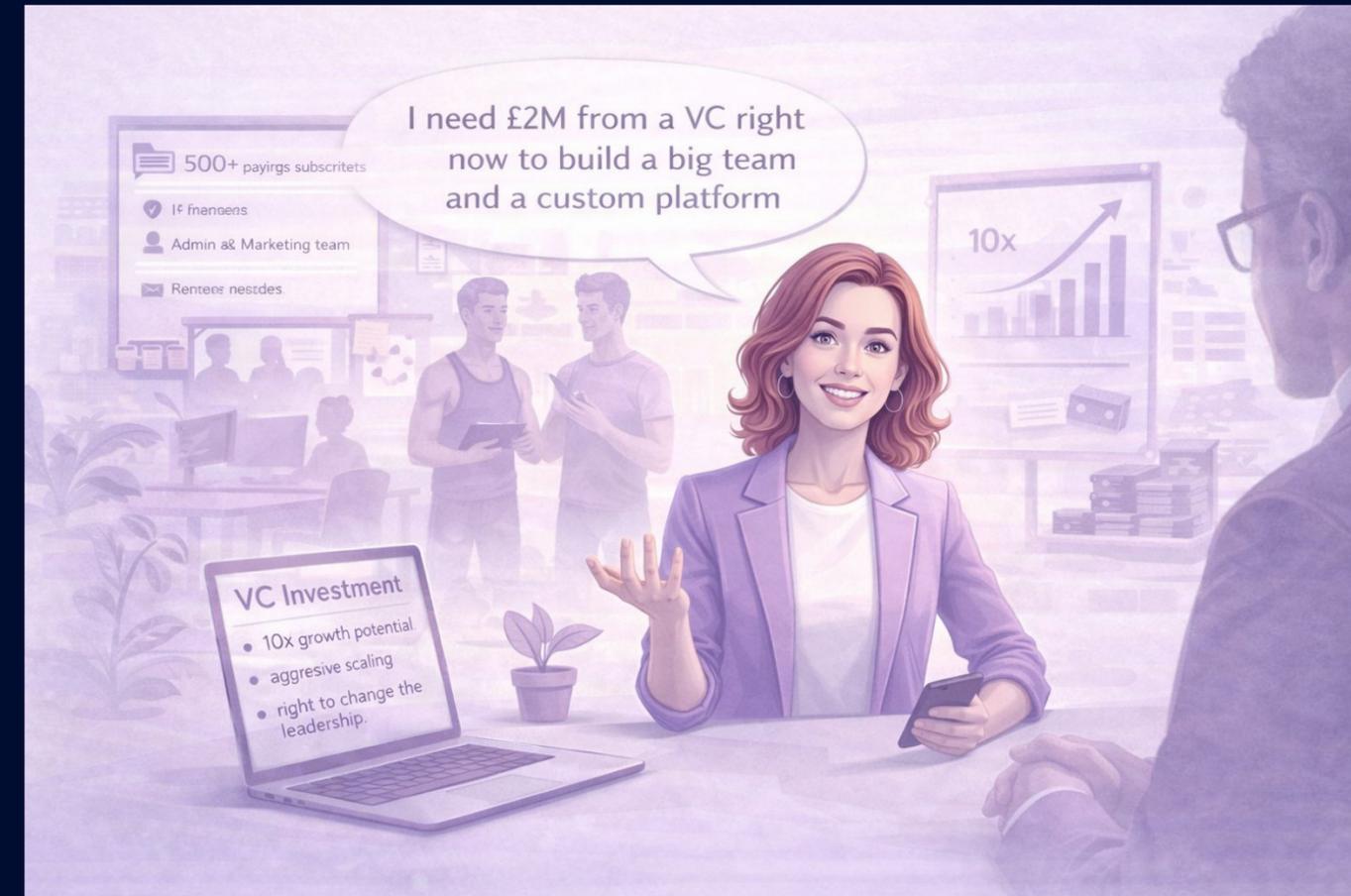
- 500+ paying subscribers from few countries on the website, 2 trainers, admin & marketing team
- **The Idea:** To build a sport content marketplace

The Investor's Logic (Venture Capital):

- 35% of shares
- 10x growth potential
- the right to change the leadership

Request:

"All my competitors are raising VC rounds and spending on marketing. Do I need to start fundraising immediately to stay competitive, or can we scale fast enough on our own?"



GROWTH | Mentorship session framework

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Block 1 — Founder Context

Block 2 — Business Reality

Block 3 — Capital & Alternatives



GROWTH | Mentorship session framework

Block 1 — Founder Context

- FOMO (Fear of Missing Out)
- Loss of Vision

Block 2 — Business Reality

- Risk of Operational Chaos
- Distribution Gap

Block 3 — Capital & Alternatives

- Strategic Partnerships
- Non-Dilutive Funding



GROWTH | Mentee's decisions

- **Funding:** Grant + Strategic partnership
- **Action:**
 - i. **won digital innovation grant £50k** for web optimization & automation
 - ii. **partnered with a global sports brand for marketing**
- **Result:** Zero-cost access to 5M users and updated website
- **Insight:** Strategic alternatives can replace expensive venture capital



Maturity | Description

Business Focus:

- **Management Excellence:** Professionalizing the leadership team so the business no longer depends on the founder.
- **Increasing Efficiency:** Optimizing margins and internal processes to maximize profitability.
- **Brand Authority:** Leveraging a strong market position and a loyal customer base.
- **New Strategic Initiatives:** Launching high-impact projects or diversifying the product line from a position of strength.

Practical Questions for Mentors (Efficiency & Scale):

- "Is the management team capable of running the 'Swiss watch' without your daily input?"
- "How can we improve the bottom line (profit) through efficiency, rather than just chasing more revenue?"
- "If we take capital now, is it for a specific high-growth project or just to strengthen the balance sheet?"
- "Is the business 'investor-ready' or 'buyer-ready' in terms of its systems and legal structure?"

Typical Funding & Financial Tools:

- **Self-financing:** Using strong, consistent cash flow to fund all major initiatives.
- **Private Equity (PE):** Partnering with funds that specialize in optimizing and professionalizing established businesses.
- **Debt Instruments:** Using low-interest bank loans or credit facilities to expand without diluting ownership.
- **Strategic Partnerships:** Collaborating with industry leaders to unlock new markets.

Maturity | Mentee's Request

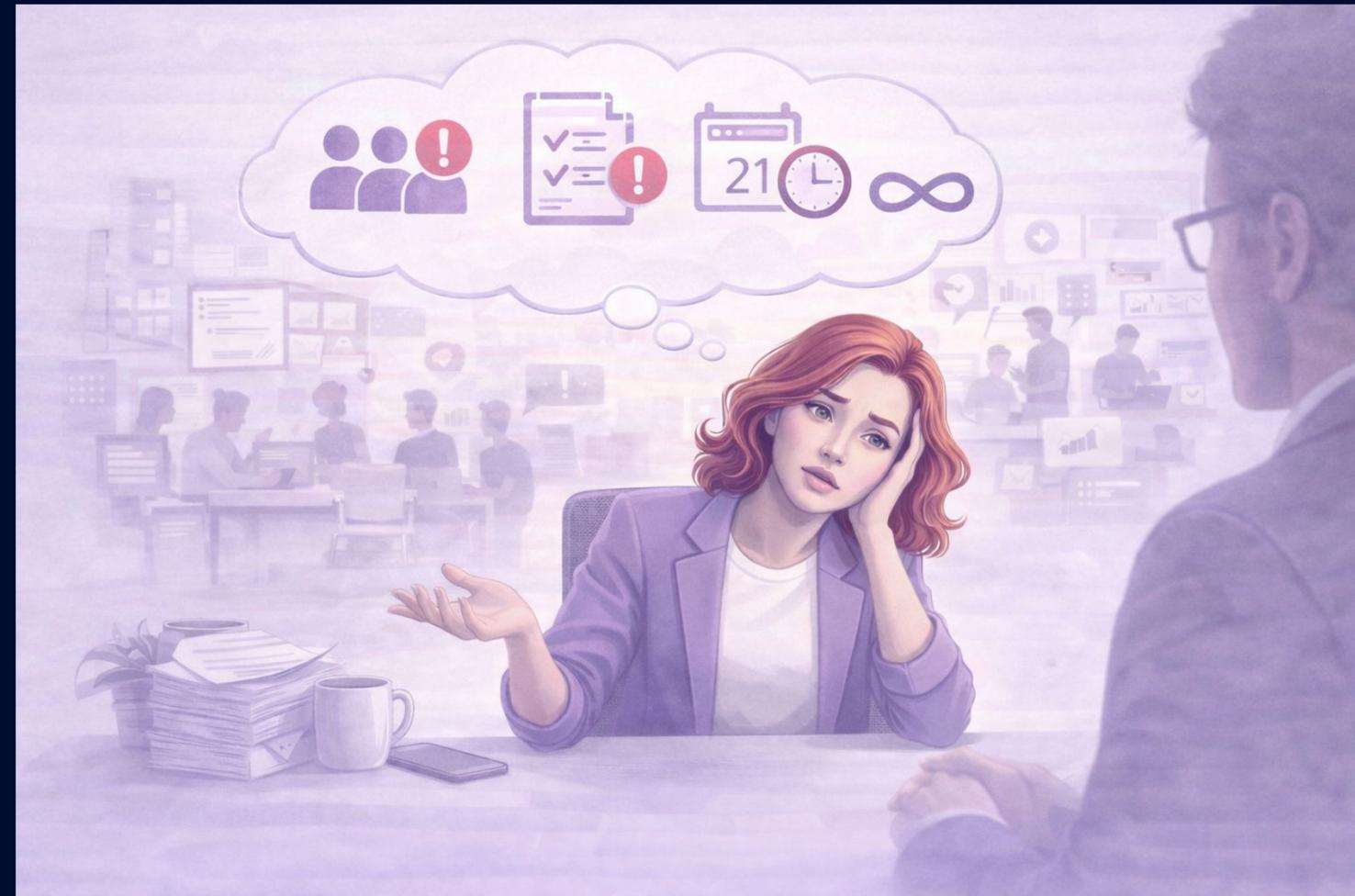
The Context:

- app, 50+ employees, few offices
- operational hell
- **Idea:** hire top professionals for C-level

The Investor's Logic (Private Equity):

- mature companies with steady cash flow
- liquidity from us
- aggressive cost-cutting

Request: "I've built a profitable business, but I'm working 24/7. I'm thinking of selling my stake just to get my life back. Is it time to exit, or can we restructure this?"



Maturity | Mentee's Request

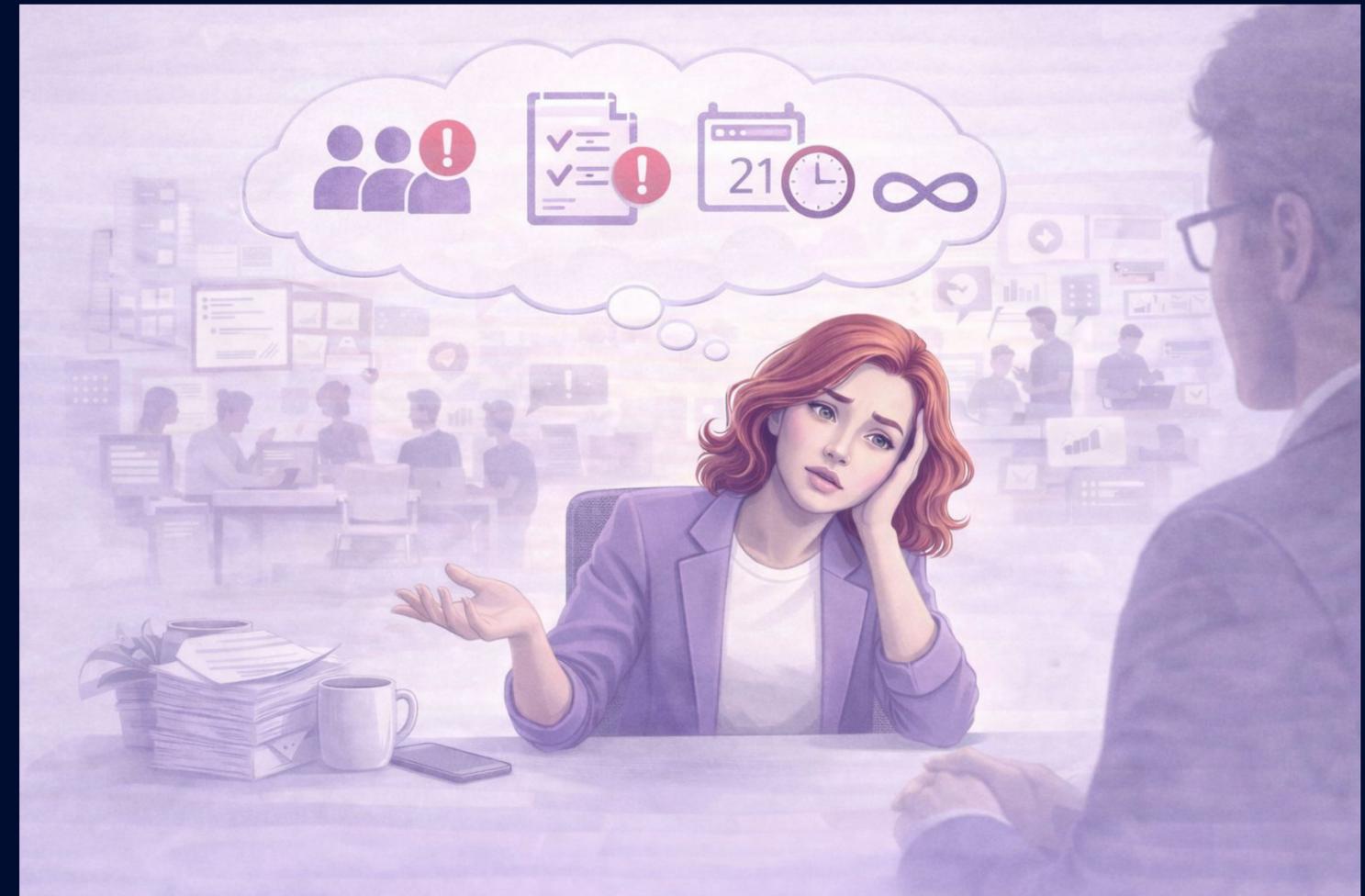
Request:

"I've built a profitable business, but I'm working 24/7. I'm thinking of selling my stake just to get my life back. Is it time to exit, or can we restructure this so it doesn't depend entirely on my energy?"

Block 1 — Founder Context

Block 2 — Business Reality

Block 3 — Capital & Alternatives



Maturity | Mentorship session framework

Block 1 — Founder Context

- Vision check
- Security blanket

Block 2 — Business Reality

- Bottleneck analysis
- Self-sustainability
- Management firstly

Block 3 — Capital & Alternatives

- The cost of capital
- Operational restructuring



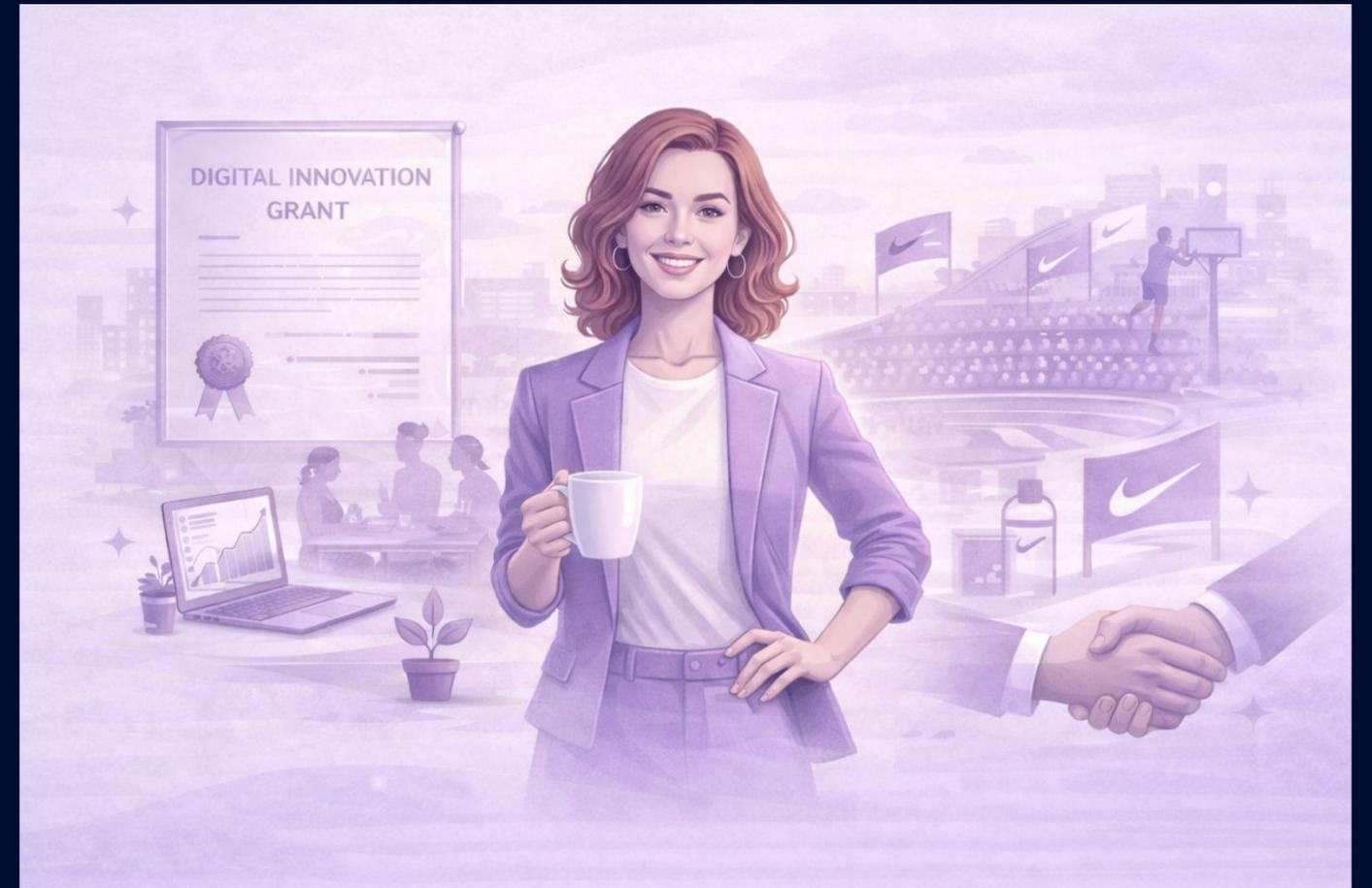
Maturity | The Mentee's Decisions

Funding: Reinvested Profits (Self-Funding)

Action: company's healthy cash flow to hire **C-level**

Result: Bella returns to "Visionary" and "Brand Face" roles

Insight: Operational problems require better systems, not more capital



EXIT | Description

Business Focus:

- **Value Realisation:** Converting years of hard work and systems-building into liquid wealth.
- **Seamless Transition:** Ensuring the business continues to thrive under new ownership.
- **Monetisation:** Selling shares to a strategic buyer or the public to secure the founder's financial future.
- **Long-term Sustainability:** Setting the company up for its next chapter without the original founder.

Practical Questions for Mentors (The Founder's Legacy):

- "Why is now the right time to exit? Is it a market peak or a personal milestone?"
- "What problem does this exit solve for the founder (e.g., de-risking, new ventures, retirement)?"
- "How will the leadership and culture change once you are no longer at the helm?"
- "What is your 'Life After Exit' plan? Are you ready for the emotional shift?"

Who is Involved:

- **Strategic Buyers (M&A):** Competitors or larger companies buying the business for its market share or tech.
- **Financial Buyers:** Private Equity firms looking for a profitable, well-managed asset.
- **Investment Banks & Brokers:** Professionals who manage the deal, valuation, and legal complexity.
- **Institutional Investors:** If the exit path leads to an IPO (Public Listing).

EXIT | Mentee's Request

The Context:

- peak of operational efficiency

The Buyer's Logic (Strategic M&A) 100%:

- interested in brand and loyal community to plug into its global ecosystem
- offers a premium price

Request: "A health-tech group has made an offer to buy us. The numbers look life-changing, but I'm terrified of 'selling my baby'. How do I know if this is the right deal for the company - and for me?"



EXIT | Mentorship session framework

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Block 1 — Founder Context

Block 2 — Business Reality

Block 3 — Capital & Alternatives



EXIT | Mentorship session framework

Block 1 — Founder Context

- Exit as Success
- Post-Exit Identity
- Earn-out

Block 2 — Business Reality

- Exit readiness
- Team Sustainability

Block 3 — Capital & Alternatives

- Terms of the Deal
- Legacy



EXIT | The Mentee's Decisions

Funding: 100% Cash Acquisition

Action:

- accepted the offer
- negotiated a 3-year 'earn-out' period

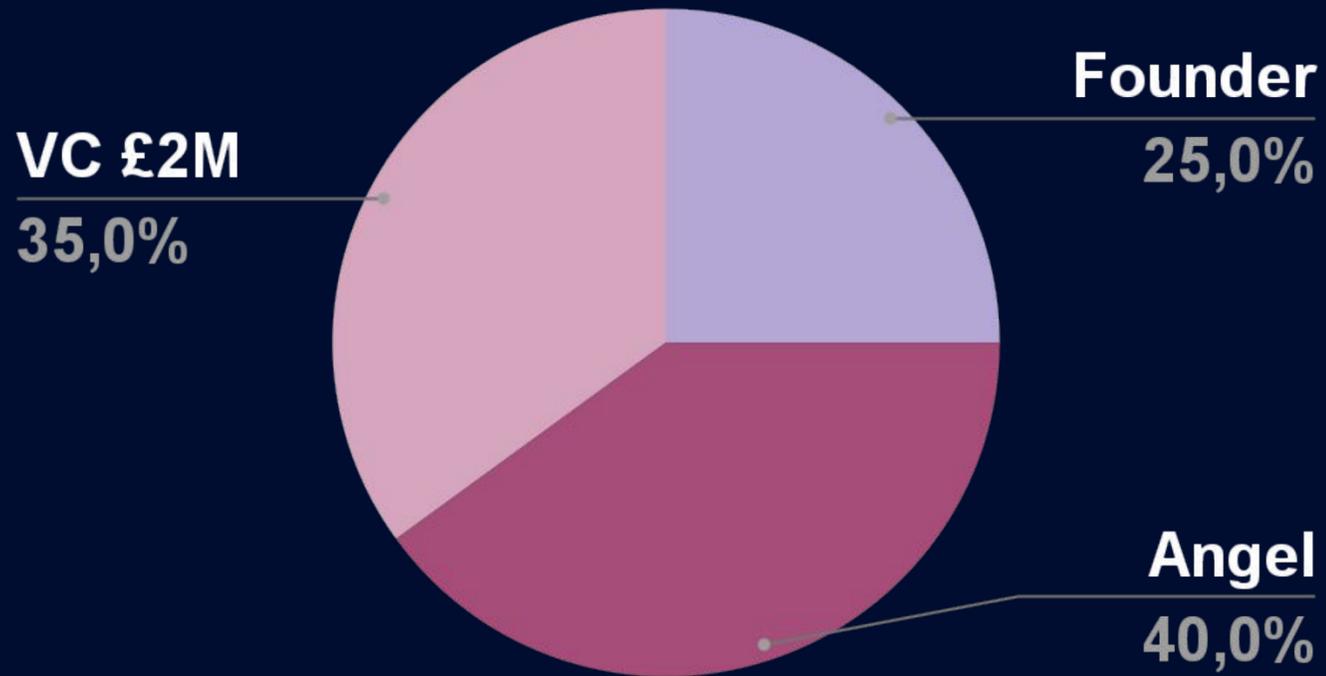
Result: £20M

Insight: Saying NO to "the wrong money" early can bring founder to a BIG YES at the finish line



The Price of the Wrong Capital

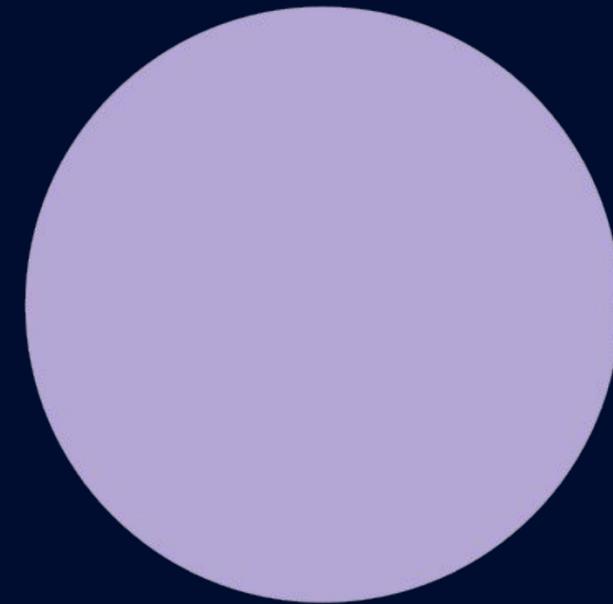
Dilutive Cap table



Founder's Cash-out £5M

Non Dilutive Cap table

Founder 100%



Founder's Cash-out £20M

The £15M Mentorship Impact

Patterns Mentors Should Watch For

Pattern	Mentor's role
① Investment as a solution to non-financial problems	Separate capital needs from the real problem
② Fundraising driven by fear of missing out	Slow the process down and restore a sense of choice
③ Mismatch between business stage and investor type	Align the business stage with the investor's logic and expectations
④ Loss of control too early	Help founders understand the true cost of control
⑤ Founder energy as the hidden bottleneck	Empowering the founder to architect a scalable system
⑥ Exit framed as failure	Show exit as success

The Investor Document Bundle (The "Data Room")

1. Strategy & Vision

- **Pitch Deck:** A high-level presentation (10–12 slides) covering the problem, solution, and market opportunity.
- **Investment Memo:** A detailed written document explaining the investment thesis and strategic logic.
- **Executive Summary (One-Pager):** A concise teaser for the first point of contact.

2. Financials & Metrics

- **P&L Statements:** Historical Profit & Loss reports for the last 2–3 years.
- **Financial Model/Forecast:** A 3–5 year projection including Unit Economics, Burn Rate, and Revenue growth.
- **Capitalization Table (Cap Table):** A clear breakdown of share ownership and any existing options/warrants.

3. Legal & Governance

- **Articles of Association:** The company's constitutional documents.
- **Shareholders' Agreement (SHA):** The core contract governing the relationship between owners.
- **IP Portfolio:** Proof of ownership for all trademarks, patents, and software code.

4. Traction & Operations

- **KPI Dashboard:** Data on Customer Acquisition Cost (CAC), Lifetime Value (LTV), and Retention.
- **Product Roadmap:** The future development plan for the technology or service.
- **Material Contracts:** Agreements with key clients, suppliers, and strategic partners.

Learning through Entertainment



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who power success**

THANK YOU!

Will be happy to stay in touch

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