
Getting Started

Bringing investment into a company can be a long and complex process. There is no single formula for doing it successfully. There are, however, a number of steps you can take that will ensure you move in the right direction.

Your Investment Plan

Perhaps the most fundamental step is to prepare an investment plan for your company. Finding a new investment is like launching a new product: it is a marketing exercise that must be carefully planned and coordinated. There are several important characteristics of an investment plan:

- it should flow from and be integrated with your business plan showing how investment is necessary for achieving your overall corporate objective;
- it should explain why you are looking for investors from the Asia-Pacific region as opposed to other regions of the world;
- it should define the characteristics of investor sought in terms of size of company, what you hope to receive (capital, technology, management skills), and complementary strategic interests;
- it should contain a detailed action plan identifying specific milestones in the process;
- the action plan should be time-phased to specify how much time can be allotted to various phases;
- there should be a detailed budget identifying how much you can afford to risk to find an investor. Remember that you may not be successful and that the money you spend on the process may yield no result.

Essential ingredients of an investment prospecting plan

Strategic objectives

What are you looking for from a potential investor now and for the next five years? The answer should be an integral part of your corporate strategy.

Competitive position

What is your company's position within its business sector? What are its strengths and weaknesses relative to your competitors?

Target potential types of investors

What kind of investors are you looking for? For example, banks, large companies, SMEs, private companies?

Line up your resources

Who is going to do the work of investment prospecting and how much money can your company spend on finding an investor? Be sure to include not only the missionary or selling effort, but also the costs of research. You may also want to budget for a consultant.

Prepare an action plan

Prepare a detailed listing of the steps you are going to take beginning with desk research and ending with negotiations. Add some details about timing to keep it on track, though remain flexible if things take a slightly different turn.
