



Catalysing Township Revival through Entrepreneurship Development



In March 2020, PwC launched a strategic, global collaboration with UNICEF in support of Generation Unlimited (GenU), which aims to help upskill millions of young people around the world. The collaboration brings together public, private and civil society stakeholders to develop programmes and innovations that support young people on their path to productive futures and engaged citizenship, and to conduct research on the global skills challenge. Additionally, PwC and UNICEF, in support of GenU, are collaborating in India and South Africa to develop, expand and fund education and skills programmes for young people.

<https://pwc.to/UWY-2020>

NewWorld. NewSkills

'NewWorld. NewSkills' is PwC's global programme aimed at helping millions of people around the world improve their understanding, knowledge and skills for the digital world. It is evident that there is an urgent need for organisations, governments, educators and citizens to come together to address this growing problem of the lack of digital skills. We are convening discussions and working with a broad group of stakeholders to help find solutions that work in every country. We are helping organisations in the public and private sectors anticipate the skills they will need in the future and work together on comprehensive solutions. Furthermore, PwC is committed to upskilling its people – training our people, investing in technologies and supporting clients, communities and other stakeholders across our territories.

www.pwc.com/upskilling

UNICEF

UNICEF works in the world's toughest places to reach and impact the most disadvantaged children and adolescents – and to protect the rights of every child, everywhere. Across more than 190 countries and territories, we do whatever it takes to help children survive, thrive and fulfil their potential, from early childhood through to adolescence. And we never give up.

UNICEF | For every child www.UNICEF.org

Generation Unlimited

Launched by the UN Secretary-General in 2018, Generation Unlimited is a Public-Private-Youth Partnership on a mission to skill and connect the world's 1.8 billion young people aged 10-24 to opportunities for employment, entrepreneurship and social impact. Anchored in UNICEF, the partnership brings together global organisations and leaders including Heads of State, CEOs, United Nations leaders, and civil society champions with young people to co-create and deliver innovative solutions on a global scale.

www.generationunlimited.org

University of Pretoria Mamelodi Business Hub

The Mamelodi Business Hub aims to facilitate entrepreneurship and small business development in and around the Tshwane community through entrepreneurship mentoring, entrepreneurship training, business advice and business counselling processes. The Mamelodi Campus is the hub of the University of Pretoria's community engagement programmes. The broad aim is to provide support to academic departments, staff and students in their community engagement initiatives. These initiatives are aimed at providing support to communities in their self-identified upliftment and empowerment efforts, and to students in their learning processes by bridging the theory in lectures with practical real-life experiences related to their academic activities.

https://www.up.ac.za/news/post_3074952-up-led-business-hub-to-boost-entrepreneurial-skills-of-mamelodi-youth

Foreword

Note from PwC South Africa – **Dion Shango**

Jobs of the future require new skills. However, for millions of young people in South Africa, these skills are hard to come by as countless communities lack access to crucial opportunities, which makes preparing for the new world of work an almost impossible task. Bridging the global skills gap is a complex problem that requires all stakeholders to work together and make the world a more resilient, capable and inclusive space.

PwC is proud to be contributing to growth initiatives, and we endeavour to honour our values – which are act with integrity, make a difference, care, work together and reimagine the possible – through our commitment to being a responsible corporate citizen and creating sustainable value in the communities in which we operate. Initiatives such as the Mamelodi Business Hub are catalysts for positive change where the needs of society are being met.



Note from UNICEF South Africa – Deputy Representative, **Muriel Mafico**

With high youth unemployment in South Africa, cultivating an entrepreneurial mindset and investing in entrepreneurship skills and opportunities among young women and men is absolutely critical. A catalyst for social and economic transformation and a beacon of hope, entrepreneurship offers untapped opportunities for the youth. Through the Generation Unlimited partnership with PwC and the University of Pretoria, Mamelodi Campus, young entrepreneurs are drawing on their creative energy against all odds. Whether it is in the fashion industry, agri-preneurship or culinary skills, young people are holding their own.

The struggles faced by entrepreneurs are real. And yet, their testimonies offer a beacon of hope and confirm that there is a world of possibilities when young entrepreneurs are equipped with skills, provided with a supportive environment, and can access ongoing mentorship to navigate multiple obstacles which are part of the entrepreneurial journey. By amplifying the voices of young entrepreneurs and shining a light on their achievements, we hope to inspire many more young people in South Africa and beyond to think bigger, dream larger, and realise the boundless potential that lies within their communities. Join us in celebrating the creativity, determination, and sheer grit of young entrepreneurs as they pursue their dreams and transform their lives, families, and communities.



Note from the University of Pretoria – **Professor Alex Antonites**

Our vision is to contribute significantly towards a socio-economic growth paradigm where the issue of youth unemployment is entirely eradicated from the global economic discourse. The Mamelodi Business Hub aspires to become a pivotal enabler of township revitalisation and advancement, extending its scope beyond mere entrepreneurial development to effect profound social impact through its tailored service offerings to diverse communities within the region. The need of the hour is not merely the creation of thousands of youth entrepreneurs, but the fostering of entrepreneurial leaders, capacitated to spearhead and propel a prosperous region and continent. Accomplishing this objective requires transcending our individual silos and leveraging the remarkable strategic partnerships that we have been cultivating and solidifying over the past three years. Our collaboration with UNICEF and PwC, bring a unique level of synergy to our collective team, essentially forming a developmental family committed to driving impactful change. Our unified strategic goals fuel an innovation-centric approach and programme designed for maximum impact. This entrepreneurial family is dedicated to formalising the informal sector, uplifting poverty-stricken communities and elevating their socio-economic status to an unparalleled level.



Background

The world is at a tipping point. Technological progress has accelerated productivity, but it has also created a major societal problem: the stark mismatch of skilled people for available jobs at the heart of our new economy. We need to invest in people – in preparing them for the jobs of today and the jobs of tomorrow. This, in turn, will lead to greater economic growth and shared prosperity across geographies and sectors¹. Job creation and the support to upskill are part of this equation. Nurturing aspirations is equally important. The youth skilling challenge is a global issue made worse by global forces, but it manifests differently according to location – and understanding this is one of the keys to addressing the challenge successfully².

In most nations, rural and urban areas are separate. South Africa's landscape contains townships and informal settlements (T&I), huge, impoverished communities with working-age people desperate for economic opportunities. According to 2021/2022 figures published by the South African Social Security Agency (SASSA), 15% of South Africa's population resides in T&Is.

South Africa's National Small Business (NSB) Act 102 of 1996 provides standards for promoting small enterprises. The NSB classifies small businesses as a distinct economic sector; micro-, tiny-, minor-, and medium-sized companies are classified as small businesses. The informal sector includes unpaid family workers, casual wage employees, home-based service providers, and street sellers. This enables township residents to survive. Due to the distance between township areas and metropolitan centres, the demand for quick services and commodities encouraged the formation of a township economy that focuses on food and grocery retailing. Small retailers in townships and informal settlements sell food, liquor, and vegetables. The informality varies from township to township based on their qualities, difficulties, history, and social dynamics. The market for food and grocery stores in townships has grown and become very competitive. High levels of competition come from the fact that there isn't much difference between the products and the price in the local market. In a typical township, the market will consist of small businesses owned mainly by locals and foreigners. However, there will also be an increasing number of large retailers in the township's shopping malls or shopping centres.

Profit is not the primary motivator in business. There has been a recent increase in socially conscious and other centre enterprises due to the local government's various interventions, initiatives, and promotions for sustainable surroundings. These enterprises desire to maintain the environment, safeguard the community, and alleviate social injustices. Examples of such enterprises include waste management, awareness campaigns, criminal reformation, inclusion, and after-school tutoring. The youth's interest in tourism, construction and agriculture is also accelerating. Due to a growing interest by international tourists in the township lifestyle, culture and landmarks, the local tourism societies have organised themselves to create safe routes and liaise with local businesses to create memorable educational and entertainment experiences. As a result, there has been a ripple effect in sparking young artisans who showcase their art, skills, and designs to international guests.



1 <https://www.pwc.com/gx/en/issues/upskilling/upskilling-for-shared-prosperity.html>

2 Reaching YES Addressing the youth employment and skilling challenge: <https://www.pwc.com/gx/en/issues/upskilling/a-global-strategic-collaboration-with-unicef-and-genu/addressing-the-youth-employment-and-skilling-challenge.html>

Entrepreneurship Community Hub

In developing economies such as South Africa, community development should be viewed in terms of the changes that take place in the social, political, and economic environments. As liberalisation policies often result in the weakening of the social contract, this leaves the government with the responsibility of providing solutions to community-based problems. As a result, while it is true that some communities are flourishing as they have found opportunities to decentralise their local economy, others are struggling and stretching their resources and assets to levels that are not sustainable.

Through the PwC/UNICEF collaboration, the University of Pretoria established the Mamelodi Business Hub (MBH), a Entrepreneurship Community Hub, designed to respond to these issues. The focus is to implement community development initiatives to enable community development through innovative interventions to enhance the development of entrepreneurs and create a space for social innovation in the local community. This space enhances and develops entrepreneurship through different services and interventions that will contribute to the development of the local community, addressing issues essential for change. Its efficiency is to also facilitate a broader audience that includes private, public, non-governmental organisations (NGOs) and community organisations.

Key success areas for an Entrepreneurship Community Hub (ECH):

1

Stimulating and establishing new businesses and entrepreneurial activities in various communities to help with job creation.

2

Create opportunities for service learning. The ECH enriches theory through application whilst increasing community participation by providing entrepreneurs with an opportunity to interact with micro and small enterprises.

3

The ECH offers **community workshops**, conferences, entrepreneurial training, and development programmes.

4

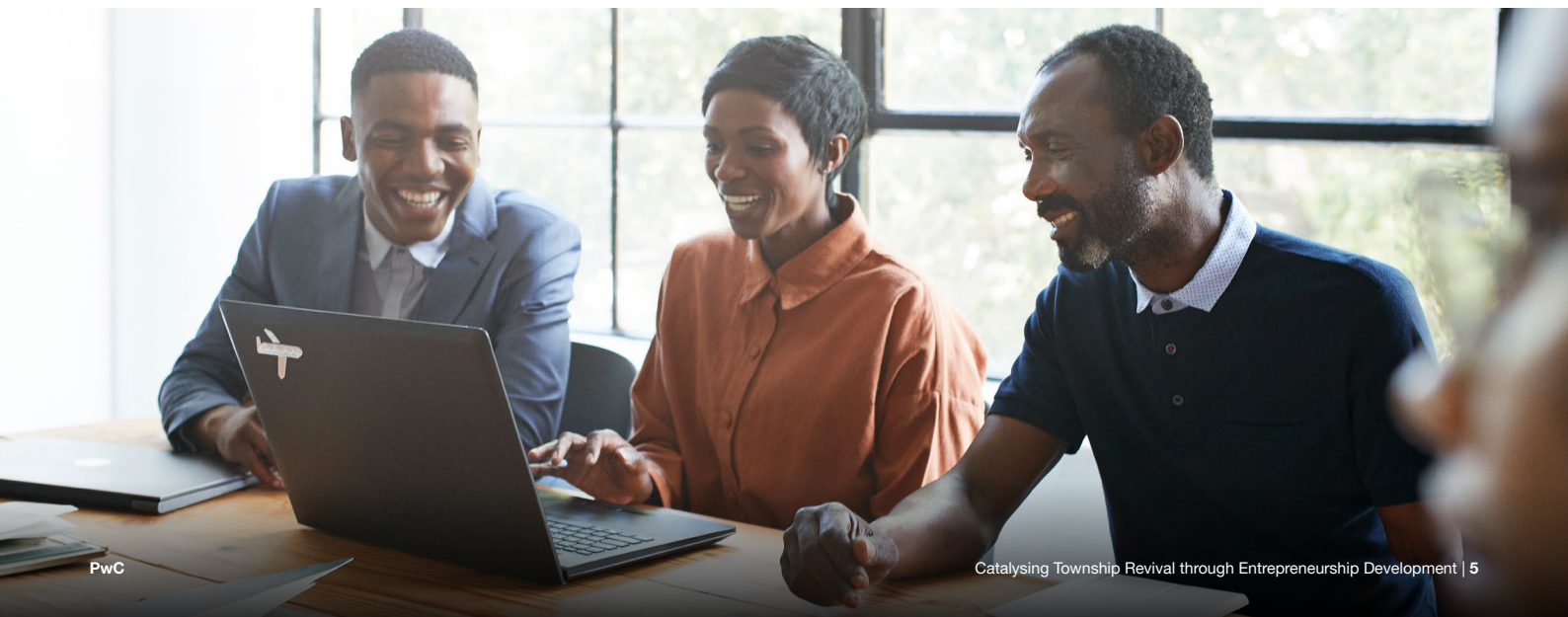
The ECH promotes **public awareness and understanding of business requirements** by disseminating pertinent information to business owners and community groups.

5

Assists with the provision of business formation, company registration and development assistance, assessment of risk/liability, opinions on code compliance, financial accounting, and reporting standards.

6

Additionally, the ECH offers a **mentoring programme** to support local entrepreneurs' business development to enable them to take their businesses to the next level.



Upskilling at the Entrepreneurship Community Hub (ECH)

The ECH considers the level of education in developing support programmes and potentially focusses programmes on different levels to include entrepreneurs with a lower level of formal education. Although most participants completed grade 12 or higher, there was a need to develop an added value offering to assist entrepreneurs without a grade 12 or higher qualification. With the development of such an offering, variables such as language barriers, basic financial skills and basic management practices have been implemented. The ECH develops programmes that address the specific needs of entrepreneurs by providing them with in-depth insight into the functional and operational aspects of the types of businesses. Through presentation and discussion, entrepreneurs learn how to get started or enhance what they are already doing and connect to a network of community partners and resource support. This is achieved through innovation-driven support programmes and a space where entrepreneurs can be creative and receive the support to create businesses that will grow.

The extensive experience and network the ECH has within SMME development is utilised to supply guidance in terms of the eight-core areas identified where entrepreneurs require assistance:

1. Business registration and compliance
2. Concept, value, and product development
3. Business modelling
4. Accounting and financial management
5. Access to markets, marketing, branding and sales
6. People management
7. Business development and business strategy formulation
8. Streamlining operations and the creation of a value chain.

One of the services offered by the ECH is individual consultations with community entrepreneurs where they can seek advice and be mentored throughout the journey.

Overview of the Entrepreneurship Community Hub services

	The Business Case	The intervention
Walk-in consultations	<ul style="list-style-type: none"> I have an idea, but I am not sure if it is good I have a business, but I am experiencing a particular problem(s) 	<ul style="list-style-type: none"> Help them navigate through the ideation process Develop a business model
Business Consulting	<ul style="list-style-type: none"> The business problem is extensive and requires regular analysis and strategic intervention 	<ul style="list-style-type: none"> Develop a profile of the business and the business owner Explore the SWOT of the business Determine the management and growth needs of the business Identify the training needs of the business
Training	<ul style="list-style-type: none"> Business owner needs training Manager needs training Key employees need training 	<ul style="list-style-type: none"> Supply free developed or sponsored training
Simulated Incubation	<ul style="list-style-type: none"> The business is operational but needs to improve its administrative capacity 	Availability of ECH: <ul style="list-style-type: none"> Office space Teleconferencing facilities Conferencing space/facilities PCs and Internet Stationery Printing Mentorship

Value offering at the ECH

Entrepreneurship Community Hub

Value Offering

Foundations Entrepreneurship Course

Focuses exclusively on entrepreneurship development and enhancement in the pre-startup and startup phases.

The activities and services offered by the ECH focus on the following concepts:

- Ideation
- Structured Programme
- Creativity and Innovation
- Business Model Development
- Prototyping
- Compliance

Ongoing walk-in access to: mentorship, facilities and business incubation

Acceleration Entrepreneurship Course

Focuses exclusively on providing support to enable businesses with the potential to grow rapidly and have the potential to become employment creators while contributing to the development of the local township economy.

The activities and services offered by the ECH centre around the following concepts:

- Mentorship
- Structured Programme
- Creativity and Innovation
- Management
- Growth Objectives
- Networking and Coaching

The mentoring programme supports local entrepreneurs' business development to take their businesses to the next level. The focus is to encapsulate innovation as a core driver of growth with a fundamental emphasis on establishing newness and high-flying businesses that make a significant difference in the market.

The programme includes formal management training, networking events, coaching from the ECH and established entrepreneurs in the community – creating a formal business reporting system and an incubation space. Performance objectives for each entrepreneur are customised for their business. As the programme progresses, the training focuses on turning SMMEs into accelerators. This aids in addressing, without a big budget, some of the social challenges they face in their economies such as poverty and unemployment.



Entrepreneurs in Action: Koketso Makatu



“ Entrepreneurial mentorship is about receiving guidance that will help you address business challenges and enable you to prosper and succeed within your own business.

I believe that entrepreneurship should be utilised by SMMEs as an innovative solution which may help to address issues such as high unemployment rates and environmental challenges. There are innovative entrepreneurs across all sectors who have taken the leap of faith by allowing their vision to become a reality, and achieve this by identifying problems and providing solutions to these problems. I must admit that the process of enabling my vision to materialise has not always been a smooth sailing journey. During this journey there are so many different lessons that I learnt. Moreover, I know that I would not have the ability to make informed and better business decisions

if it were not for the Mamelodi Business Hub (MBH). I am a young self-taught designer, who is a founder of a local fashion brand. Prior to receiving mentorship from the MBH, I felt like I was heading towards being part of the statistics, the statistics of SMMEs in South Africa that collapse as a result of having limited access to funding as well as inadequate business acumen skills.

According to a Stats SA report published in 2020, hundreds of thousands of start-up businesses do not last longer than a period of 1 to 3 years. As a result of this, the majority of potential entrepreneurs lose interest in starting a business. I have had the privilege of being a part of the entrepreneurial skills development course offered at the MBH. The MBH and its programme initiatives have played a pivotal role in the development of my business and have transformed my perception of entrepreneurship. Today, I think of effective ways of doing business, implementing goals with a long-term focus, improving time management skills and lastly, being innovative and implementing new ideas. I give all of the credit to the MBH mentors, as they have been nothing but patient with me as an entrepreneur.

The success or impact of an initiative such as the entrepreneurial skills development course offered at the MBH is determined by how much work the mentee puts in, coupled with the mentor's skillset and guidance. The MBH mentorship goes beyond the completion of the programme. After the completion of the programme, I applied for a working space for a sewing studio at the University of Pretoria Mamelodi Campus and today I am proud to announce that my request has been granted. For every problem there is a solution, therefore it is of utmost importance that mentorship be integrated into all entrepreneurial training programmes.

The intervention is designed so that the support provided to entrepreneurs is customised for personal growth. The performance objectives and deliverables encapsulate formulation, presentation, and execution of an exit plan, allowing the entrepreneur to establish a business outside the incubation environment. The courses' main aim is knowledge sharing, engagement and collaboration with other organisations offering unique services to entrepreneurs and employment seekers.

The primary areas are essential to focus on where entrepreneurs typically require assistance, coaching or additional resources to establish and grow their ventures. Experts are also involved within the specific areas in providing a professional service, and are available to coach, consult and assist entrepreneurs individually or on an appointment basis.

Agri-entrepreneurship, budding hope for all

Agriculture has piqued the interest of many individuals, especially young people. Local government incentives, learnerships, and other incentive programmes are highlighting the fundamental importance of the agriculture business, which was once seen as low-skilled and undesirable employment.

Agri-education has inspired or created a can-do spirit, mainly through teaching non-traditional agricultural approaches that make innovative use of small areas, are low-cost, and use innovative irrigation systems. When farming is no longer only a large business, the youth have become aware of the agri-products they may produce on a small scale but with significant profit margins from the comfort of their schools or their limited space at home. Government financial assistance has a considerable influence on luring young people to this profession.

The ECH has a thriving vegetable garden and a learnership programme for young entrepreneurs to enhance their entrepreneurship skills.

Entrepreneurs in action



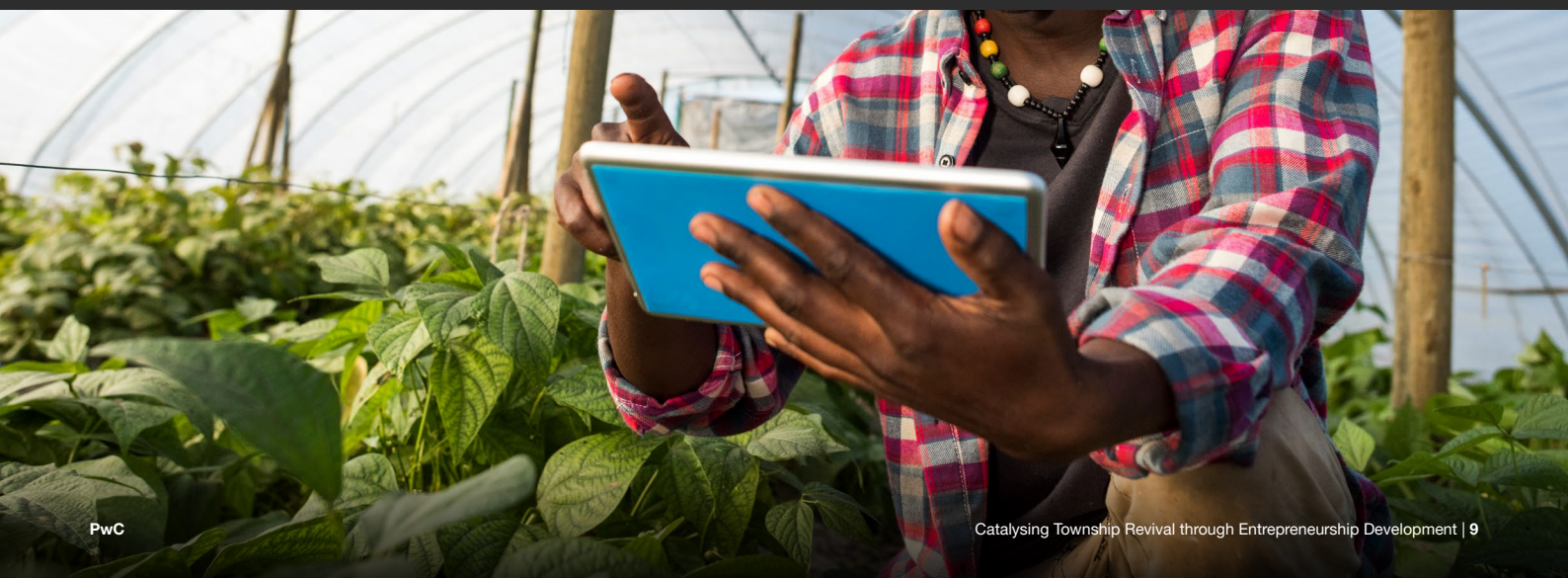
“ My name is Debbie Mdlongwa and I am 30 years old. I am a business consultant at the University of Pretoria Mamelodi Campus under the Mamelodi Business Hub (MBH), as well as an entrepreneur.

On the 28th of August 2021 I was given the opportunity to attend an Agriculture Learnership at the University of Pretoria Mamelodi Campus. I was one of 15 students who attended the learnership. During the learnership, we covered Plant Production theory as well as practicals. Thereafter, we were fortunate enough to be given an opportunity to continue taking care of the garden. They were extremely impressed with the hard work and dedication we put into growing fresh and quality crops.

Out of 15 students, only six (including myself) were willing to continue with taking care of the garden. We decided to research more about different types of crops, how long it takes to harvest the crops, and lastly finding ways to protect both the soil and the crops.

Agriculture is crucial to economic growth as it reduces poverty and improves food security. We undoubtedly need more farmers in South Africa to make an impact within the agricultural industry. We have recently supplied our local supermarket with swiss chard spinach and would like to become one of their regular local suppliers. Our biggest obstacle however is land, we need more land in order to produce more spinach.

We also have students from the business management faculty at the University of Pretoria who have taken the time to volunteer at the garden in exchange for donating spinach to a local children's home. We have done numerous entrepreneurial courses to polish our skills. Being successful is a very uncomfortable procedure. You have to be willing to learn and find new innovative ways to change your way of thinking.



Creating pathways into revival

The best way to create pathways into the community is not directly with the community members, but through engagement and forming a relationship with the existing community members and formal establishments that wield influence. These leaders are often the ones who have an in-depth understanding of the community's needs. Although not formalised, a social validation system operates in such communities. It is essential to recognise, include, and get the favour of local leaders when an outsider organisation plans to offer anything of significant scale. This helps improve the speed and scale of adoption of any offer, service, intervention, or programme being rolled out.

In addition to the recognised community leaders, creating joint ventures or formal engagements with local businesses or organised establishments is beneficial as an entry pathway into the community. These establishments, such as those in education; business' tourism and religion, are often adopted as valuable members of the community. They already provide valuable services to the community and often have access to large populations.

Entrepreneurs in action: Community Leadership – Lebogang Obed Khumalo



“Community leadership means taking authority within a certain community by sharing the knowledge which I have gathered. The University of Pretoria's Mamelodi Business Hub (MBH) has taken me on as a client. This has resulted in major skills development which I have been able to share with others.

Starting a business within the township is a daunting and isolated process. Where do you begin? Where do you go? Who is the relevant person to speak with? What is the structure of a business? People's expectations of university graduates are extremely high due to the current state of our nation; in particular the townships which are plagued by high levels of unemployment, prevailing poverty, low levels of population literacy, crime and substance abuse. Being a

university graduate automatically places you in a leadership position where you are obliged to make a difference in your backyard.

The general assumption is that you have all the answers to a variety of problems – however nothing could be further from the truth. In the past I was also confronted by the monster of unemployment and had to come to terms with the fact that I was an addition to the unemployed graduate statistic, which however presented an opportunity on the other side of the coin. The experience forced me to become an independent thinker and creator who has to constantly explore new concepts and ideas...the perfect recipe for establishing a new career path as an entrepreneur. People ask the question, 'So you've finally mustered the courage to start your new business'. The question that follows is, how does one sustain and grow this venture? I answer this question by drawing from my own experiences as well as from the knowledge and skills that I have gained from the MBH.

I discovered the MBH through a friend. I was introduced to one of the MBH training sessions when I came across the brochure for the Sparks Entrepreneurial Soft Skills Programme which detailed the course material. After reading this I knew I was at the right place. I have been a client of the MBH for a number of months and I can confidently say that my relationship with them has blossomed exponentially. I have received world class business training in various courses which provided me with reading material in textbooks, online resources and new practical skills which I am able to apply to the day-to-day operations of my business.

The MBH has opened up a network to me which I could never have imagined, with one of them being the opportunity to network with the programme's reputable partners. One of the most recent highlights was being paired with international mentors from an international university on their recent trip to South Africa where they presented a practical toolkit to me on how to run my business more efficiently and more profitably. This has helped my business in ways that I couldn't have imagined.



Conclusion

‘Upskilling can help reduce inequalities because it can break the cycle that perpetuates low-paid work by preparing people to undertake good jobs. It can expand people’s horizons over the course of their working lives, which are getting longer and longer. It can give people the tools they need to reach their potential. Further, when upskilling becomes widespread, it will be the way everyone looks to find their next role. In that way, upskilling may simply become how people prepare to fully take part in society. For this to become a reality requires collaboration and commitment, policy change and active business and governmental participation. By giving all people opportunities to build the skills they will need to fully participate in the future workplace, we can start to create more inclusive and sustainable economies where no one is left behind’³.

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³ <https://www.pwc.com/gx/en/issues/upskilling/upskilling-for-shared-prosperity.html>



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