

10 ways to create a young entrepreneurial mindset

South Africa has the [highest youth unemployment](#) rate in the world. We must create more opportunities for young people to enter the job market. But where will all the jobs come from? Currently employing half of South Africa's labour force and contributing a third of its GDP, small, medium and micro enterprises (SMMEs) seem to be the obvious solution. The question becomes: how best to develop our youth as entrepreneurs? And how to more effectively support the SMMEs already operating?



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A much-needed dialogue on the practicalities of job creation was hosted recently by Sanlam in collaboration with the [iMadiba Project](#). One of the panelists at the debate entitled 'Macro conversations in micro spaces', was Gugu Mjadu – spokesperson for the Entrepreneur of the Year Awards sponsored by Sanlam and Business Partners – who said not every business idea will be a unicorn like Facebook. But every idea *can* make a difference. It comes down to spotting local challenges and turning these into opportunities that provide real-world solves to South Africans.

Panelist Zuko Tisani, General Partner at Opus Ventures and owner of Legazy Technology Conferencing (which has sponsored over 80 start-ups), agreed, adding that one of the big issues is that entrepreneurs don't create South African solutions for South African problems, "We need to take off our business hats and put on our problem-solving hats. Who are we solving a problem for and why? Entrepreneurs must problem-solve for key elements in our unique ecosystem, rather than mimicking Facebook or Uber."

Here are some of the key takeaways for stakeholders – parents, government, corporates, SMMEs and individual South Africans – on how to redefine entrepreneurship to unleash the full might of SMMEs. Panelists included Mjadu and Tisane, as well as Vere Shaba, founder and director of Shaba Africa, a 100% black-owned consulting firm; and 30-year-old university lecturer in molecular medicine Thulile Khanyile, co-founder and chief operations officer at Nka'Thuto Education Propeller – a non-profit organisation.

1. **We need to teach children to think entrepreneurially:** Khanyile – whose Nka'Thuto organisation encourages young people to innovate solutions to real-world issues and then create business plans around these – said children are malleable and can be taught to be entrepreneurial. "Our programme is a longitudinal study on the conditioning of the mind and in the last three years, we've seen children behave like businesspeople; creating names for their businesses, designs, etc. – they reach the end of our programme and they are entrepreneurs. We've seen the mindset change. They're happy to think about the prospect of being their own bosses and growing the communities where they are based."

2. **We need a revitalised, reconfigured curriculum:** Tisane said that our current education system doesn't empower kids to reach the fullness of their creativity because they're lacking the skills to support that creativity. His hope is that Ramaphosa's promise to introduce coding and design-thinking will give young people the independence to develop their ideas. He adds it's not a future need – it's something we must prioritise *now*. Improved financial literacy is also a must.
3. **We should take advantage of emerging sectors:** Shaba stressed that the green economy has the potential to create millions of jobs for unskilled and skilled youth. She said there's an opportunity to marry indigenous knowledge systems with technological advancements, "Think about rammed earth – aka clay. We've all used it and we know it's sustainable with insulating properties, but how do we merge the material with technology and scale it up in South Africa's green economy?"
4. **We need to contextualise our business environments:** All panelists agreed that too much focus is often placed on how young people must adapt for the world of work, not how the working world should change to accommodate young people. The same goes for universities. Shaba shared that she only got into green building because of international exposure after graduating, "I started asking questions about the way I was taught. I wasn't taught to digitise solutions or design with sustainability in mind."
5. **We need more universities of technology:** Shaba also stressed the importance of alternative tertiary education institutions and how we need to make certifications more condensed and practical. Tisane added that the digital economy will be *the* economy, so we need to emulate success stories like Paris' Tech Campus Station F, which brings together product developers, venture capitalists and residents in one shared space.
6. **We need to learn to negotiate:** Khanyile emphasised the importance of finding a common language (corporate speak is different to government jargon, for example), bringing walls down and learning to negotiate. "School doesn't teach us to negotiate but we negotiate every day! We need to learn to listen to what the other person wants."
7. **We need a coordinated effort:** Mjadu said that she's hopeful the introduction of a minister specialising in youth concerns will help coordinate all the efforts to empower young people. "We need updated national policy and a clear vision of what South Africa needs to do for young people to go further." She added that we need more data on what's relevant and empowering to small businesses.
8. **We need more microfinancing:** Mjadu noted the importance of microfinancing in the informal sector, especially. Additionally, she spoke about market access and the challenge for vendors who rely on cash at a time when most people want to swipe.
9. **We need space and access:** Shaba said she's astounded we can send man to the moon, but we don't yet have WiFi access across Africa. "Access to the market is the biggest thing SMEs need." Tisane also stressed the importance of places for SMEs to congregate without paying exorbitant rental fees. "We need free space for SMEs to come in, collaborate, build and deploy."

10. **We need entrepreneurs to speak up:** Khanyile said she wants to see an entrepreneurial toolkit being developed for start-ups in every phase of their development journey. She stressed a one-size-fits-all solution won't work and said it's up to entrepreneurs to articulate what they need. Mdaju added, "Who is the actual voice of small business? We need this voice so we can coordinate all the efforts and hear from business owners about what they really need."

As a final note, Tisane said entrepreneurs need to focus on the customer, not where to get money. "What minimal viable product prototypes can you take to market as quickly as possible?" He noted microlending can provide small, starter capital for 'starter ideas' which will help move entrepreneurs on to 'bigger ideas'. And, it's important that successful entrepreneurs give a leg up to those just entering the engine room of the economy.

Listen to the [Macro conversations in micro spaces](#) podcast on job creation on 702.

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