

Just for a change_Ep 11: Pathways to Entrepreneurship in the Global South_Transcript

[00:00:00] **Luvuyo Maseko:** Welcome to season 2 of the **Just for a change** podcast, powered by the Bertha Centre for Social Innovation and Entrepreneurship. We love hearing and sharing stories about social innovation happening both locally and outside our borders in the global south. In season 2, we put the spotlight on the changemakers behind some incredibly innovative approaches and solutions who are creating systemic change.

[00:00:30] And - we're also curious to find out what keeps them going. Join us as we discover how these changemakers are changing the way we're changing the world.

[00:00:42] Sanbonani, Molweni, good morning. I'm your host, Luvuyo Maseko. Co-hosting the show with me today is a well-known voice here on the Just for a Change podcast, my partner in crime, Simnikiwe Xanga..

[00:00:53] **Simnikiwe Xanga:** Hello! So great to be here today, Luvuyo, as we talk about the pathways to entrepreneurship in the Global South.

[00:01:00] **Luvuyo Maseko:** Yeah, really exciting topic we have today. Entrepreneurship is often believed to be the most obvious solution to fix problems such as youth unemployment and poverty.

[00:01:12] Now of course, there are many opportunities in this regard, but the entrepreneur life is complicated and it sure isn't an easy road to walk.

[00:01:23] **Simnikiwe Xanga:** Um, absolutely Luvuyo, especially so in the global south.

[00:01:28] **Luvuyo Maseko:** Without adequate support along the way, chances of making it as an entrepreneur are slim. It's a tough pill to swallow,

[00:01:36] especially considering that one of the biggest motivators of African entrepreneurs is making a community difference.

[00:01:43] **Simnikiwe Xanga:** Silicon Valley, Sweden or Switzerland are perhaps some of the first places that come to mind for many when thinking of entrepreneurship. However, Africa sure hasn't been idle on this front - especially African youth for that matter.
[00:02:00]

[00:02:00] I think of a couple of incredible innovations that have been pioneered by African youth like Go1- the first Unicorn in South Africa and Flutterwave out of Nigeria, to name just two. In the African context however, the complexity of entrepreneurship stems from a number of issues including,

[00:02:23] for example, limited access to capital - especially early-stage funding - no coherent policy on entrepreneurship, no visible domestic entrepreneurship strategies, and a lack of incentives and overall support compared to entrepreneurs in the Global North.

[00:02:41] **Luvuyo Maseko:** Even though there has been an influx of innovation hubs, startup incubators, entrepreneurship accelerators, and the like, the majority of these hubs are in Nigeria, South Africa, Egypt and Kenya and many of them are concentrated only in large, wealthy cities which means they are not easily accessible to the poor, rural and uneducated. With recording across the global south and online, we are often challenged with differing recording levels.

[00:03:08] We hope that you understand, and that it doesn't get in the way of your enjoyment of this episode. But before I get ahead of myself and we'll hear from you again in the positive outlook segment Simni.

Simnikiwe Xanga: Talk to you later.

Luvuyo Maseko: I would love today's guests to join us in this conversation. First up, we'd like to welcome Dr Phumlani Nkontwana who is a senior lecturer at the UCT Graduate School of Business and an experienced entrepreneur in his own right.

[00:03:34] And we also have a fellow entrepreneur Reuben Kimani from Kenya. Reuben is the managing director and founder at Edenbridge Capital Limited - a microfinancing company. Welcome to the show guys.

Dr Phumlani Nkontwana: Thank you very much.

Reuben Kimani: Thank you.

Luvuyo Maseko: Really excited to get this conversation going. And, uh, Dr. Phumlani, I'll start. You recently completed your PhD dissertation.

[00:03:59] [00:04:00] Congratulations, by the way.

Dr Phumlani Nkontwana: Thank you very much.

Luvuyo Maseko: And if you could tell us a little bit about what are the key things that surprised you during your research?

[00:04:07] **Dr Phumlani Nkontwana:** Well, um, there's a couple of things. I think the first one I was amazed at how skeptical people are about entrepreneurship. There was a big surprise, because if you read every document on policy or you're listening to private sector,

[00:04:22] They almost promotes entrepreneurship, almost like as if it's an accepted gospel, but, um, uh, the people on the ground in some African contexts, they were quite skeptical at least of entrepreneurship as it is at the moment.

[00:04:40] **Luvuyo Maseko:** Hm Hmm. Hmm. And the next question I have is directed to the both of you, but I'll start off, off with Reuben. And Reuben, in your context, particularly in Kenya.

[00:04:50] What do you think are some of the biggest hurdles for entrepreneurs in the global South?

[00:04:55] **Reuben Kimani:** Uh, thanks for having me. Um, I can say that entrepreneurship is really interesting. [00:05:00] What happens is that we have a couple of hurdles not only in the south but also in the east. I do know that the biggest challenge is one's access to capital, especially for young individuals and especially where you don't have savings.

[00:05:10] Or you don't have property that you can take to the bank and get capital. The second thing is just the courage to start. It's amazing to have very amazing ideas, a very good business plan, but just the aspect of starting requires a bit of courage. Requires a bit of preparation. And also I can say another challenge around entrepreneurship is this thing where, especially for African community, is that you want to do it alone as opposed to getting a community around you that had been done when it comes to matters on entrepreneurship.

[00:05:43] **Luvuyo Maseko:** Thanks for that answer. And I, and I'd like to jump a little bit more about the context that you currently find yourself in. And could you please paint a little bit of a picture and tell us a little bit more about the entrepreneurial scene and experience within Kenya?

[00:05:59] **Reuben Kimani:** Yeah, sure. Thanks a [00:06:00] lot. And I'll start with my journey. I've been in the banking and microfinancing space for the last 18 years. So a couple of years back, I sat down and asked myself, "Uh, what's my journey for the next bit of life where I was just almost hitting my 40th birthday? and, you know, life starts at 40 and I realize that expertise and experience in banking and finance.

[00:06:22] And I realize there's a whole gap around supporting migrants, small enterprises in this country, especially after the introduction. And most of the banks are providing less safe customers who are the corporates. Um, so I sat down, came up with a business plan. And one of the biggest challenges again was the aspect of capital.

[00:06:40] So I approached a couple of guys. Uh, some of them were in for it and then when it came to starting, they pulled away. So, quickly I had to work again. I already had started engaging a couple of people who would be my employees. I had a, a place of business, uh, so quickly I took my [00:07:00] title for my house.

[00:07:02] Took it to the bank, uh remortgaged my house and that's how I got capital to start my business. And I can say it's through the journey. Uh, I love the journey, I asked myself again, how do I make my business scalable and bigger than myself, and also to build credibility. So I set up a board for me to run my business now, but it's still, like I say, access to capital is one of the biggest challenges.

[00:07:22] **Luvuyo Maseko:** And my next question is, to my last year's colleague, Phumlani. And if you could tell us a little bit, how has the system's approach been beneficial to you? The work both within your own entrepreneurial journey and the way in which you think through the issues of entrepreneurship?

[00:07:36] **Dr Phumlani Nkontwana:** I think the picture that, uh, Rueben in the Kenyan context, uh, has painted is very, uh, similar to a lot of what, um, first time entrepreneurs experience in Africa.

[00:07:52] But Rueben is also an exception in that he had both the experience and an asset. [00:08:00] And one of the big findings in my research was the fact that because young people who are first time entrepreneurs are asset less, it becomes a huge constraint. This is why I'm not surprised about Rueben's story, because it illustrates exactly what is consistent with research.

[00:08:20] It also illustrates something else which also comes from the research is that you are likely to be more successful when you are slightly older. In fact, globally, this age of 40, that Rueben mentioned is actually consistent. And we've found another study even in, in, in other parts of Africa that are consistent with the fact that median entrepreneurs years are over 40, who are successful.

[00:08:48] And part of the reason that's the case is because they can access capital because they have assets and they can con-

vert their assets to capital. They can also convert something [00:09:00] else, which is their network. Rueben mentioned 18 years of experience in a particular domain. So he's not only networked in that space. He, he is also a domain expert in banking.

[00:09:14] And these are some of the properties that, you know, among other properties enable you to start, which doesn't mean you will succeed. I'm sure Rueben will tell you his own challenges on that. So I think, I think that picture - he's a, he's a classic archetype that is likely to succeed, but the question remains, what do you do when you're a first time entrepreneur and you are asset less and that's where the issue starts.

[00:09:45] **Luvuyo Maseko:** And, and just on the side, as someone who's not 40 yet, you guys are at least giving me something to look forward to. But I just want to pull on, on, on that thread of, of, of understanding that the [00:10:00] majority, at least within the South African context, entrepreneurship has often been seen as a solution that can be given to where young people are - a 19 year old.

[00:10:08] And through what you're saying. And what we've also found the most successful entrepreneurs are people who have had jobs and have networks and assets. So how do we then look to build programs that make sense for where a lot of these younger entrepreneurs are, or if is that possible?

[00:10:23] **Dr Phumlani Nkontwana:** We can no longer talk about entrepreneurship without confronting, um, this issue of assets.

[00:10:31] Uh, because the existing financial architecture and Rueben knows this more than me, because he was on the other end of this does, not tolerate young people or anybody that does that, that is risky. It is not risk-liking. And so what needs to be discussed is, what are the innovative ways of re-imagining assets? Could we, for example, think of assets at community level. [00:11:00]

[00:11:00] Could we, for example, convert what young people's experiences are as raw as maybe less corporatized as they are as

means of assets? How else could we de-risk and provide collateral for young people? So there was a, a scheme in South Africa, which was called Kula enterprise bank, which existed to de-risk

[00:11:26] A young person in South Africa, whom the system found to be worthy of being invested, but it was asset less. It was a government scheme that then said, bank X or financial institution Y, you can fund this person. If they fail, we will take the fall. Now, that was government-led. And at some point it ended, the question is what are other social institutional arrangements that we can put in place that are similar to that?

[00:11:55] I was surprised that Rubin specifically cited finance [00:12:00] as a constraint, which is also listed as number one, across all the research.

[00:12:05] **Luvuyo Maseko:** And I do want to get to the next question. And it's a lot about the context you find yourself in particularly you, Reuben and, uh, from what we know that entrepreneurship hubs and accelerators are really popular in your context, do you think it's playing an important role in your country? Do you think they're working?

[00:12:23] **Reuben Kimani:** I would say yes and no. Yes, it depends on the field that you are playing and no, depending on the space you are in. In a sense, of late I've been trying to attract capital for my business, so we've been growing aggressively, uh, for the last three years. So it was a three-year old happening. Obviously we have seen numbers.

[00:12:43] Staff numbers grow from two staff members to currently about, so seventy-one staff members. Asset-base growing ten-fold in the same space.

[00:12:56] I must present three-year audited accounts. Right now, I have that, but [00:13:00] initially didn't have that. So I went again on something that has been alluded to earlier and I went to my network and the bulk of my capital and investment I was found it within my network on what we call private placement, which is basically that.

[00:13:16] Uh, so I would say for the young African, individually, it's a bit challenging getting capital in this space and what I'd just like to challenge is that

[00:13:28] In the African context, there are entrepreneurs that can go and say, 'Look here, we're looking for young companies that we can support their ideas'. It was a bit of patient capital and with the aspect of, we understand that you may to lose this money. So understanding the risk aspect is really clear. And also for coming up again, as like setting up a governance structure.

[00:13:48] **Luvuyo Maseko:** And before I hand over to you, Phumlani, I see you nodding and continually nodding, particularly at the piece around the risk.

[00:13:55] And I would like to know in general, maybe for someone who is a little bit ignorant to this space, [00:14:00] what do you find is the risk appetite for investing in young entrepreneurs across the African context? And then the second part is the same question I asked Rueben earlier: what do you think has been the impact of some of these hubs?

[00:14:14] **Dr Phumlani Nkontwana:** Yeah, so I, I think that, uh, the, the risk appetite is, uh, is very low. Um, we know that we've been paying attention to data for the last 10 years. We know that investors wait until your business is validated, which is that three-year mark. And they also wait often until somebody else co-finances you. So we, you know, investors in Africa, talk about co-financing rather than financing, which means that somebody else must lay the groundwork first and take the risk.

[00:14:50] And that is evidence that you are worthy of being, or you are investible or bankable, and that's the big issue. And often when they do that, they do that to [00:15:00] businesses that would succeed without them. Businesses, that commercial banks would jump on because somebody else has done the groundwork. So the issue really here is, how do we incentivize or leer in people with money to start early and become angel investors, which is what, um, um, my colleague here is talking about, Rueben, because Rueben is also saying something else.

[00:15:28] He's saying that mentorship is also key for startups. It's not just about throwing cash. We need passionate investors who are champions, who will back this business and provide the experience and expertise. Rueben has been able to broker those skills and money because he's networked, which is the point we were discussing earlier.

[00:15:53] So when you are young, but not networked like him, even him, with 18 years work [00:16:00] working experience from the banking sector, he's still struggling to access finance. So, so that's the, the, the conversation we need to, to be having in the African ecosystem. Now, going back to your second question, which was about what then is the role of hubs, if where these two gaps, which is the expertise and experience of older entrepreneurs?

[00:16:26] As well as access to finance and what we are learning, which is why probably Rueben was saying yes or no to your answer is that many of the accelerators or hubs, they like to support tech companies. That's a good thing, but it's one sector. What we call in research, 'mono-entrepreneurship'. That's the characteristics of many accelerators and hubs in Africa.

[00:16:53] They promote what I call mono-entrepreneurship, which is basically [00:17:00] this entrepreneurship type that's obsessed with one domain. If you are elsewhere and you have a different revenue model that's outside tech or is not tech enabled, then they won't back you up. The reason for that is very simple.

[00:17:16] It's that a tech-enabled business has a shorter timeframe, timeframe to break even because you have the technology to scale quickly. But what happens when you're running a retail business, construction business, or what Rueben is trying to do?

[00:17:34] **Luvuyo Maseko:** I have two last questions that I'm trying to squeeze in here.

[00:17:39] And a little bit of what you guys are talking about then is then. At least for the way I'm understanding it is then who should then step in and play this role who should, who then should have

a higher risk appetite? And a part of me is leaning towards government. Do you think government can play this role within the context of beginning to fund and, and, and, and supporting [00:18:00] those ventures that are, seem to be more at a higher risk?

[00:18:02] And then I'll, I'll ask this to Rueben first, then Phumlani, then I'll head over to my last question.

[00:18:09] **Reuben Kimani:** And it came into the comment, invest directly. They can create a current defund. It means that they have this fund running the particular enterprises, or maybe the bonds so that when BCI go there being able to access this capital because it's currently fund by the government.

[00:18:26] But also I would say experienced entrepreneurs unlike me, the next 10 years I should be setting up a fund. Uh, particularly as an angel investor, focusing on African businesses, and once we start doing this and having this conversation and also attracting other day as well, because Hey, this. Across the world. So how do we tap into this?

[00:18:47] And we just need people who are capable to see through risk. And also the aspect of mentorship. We've got to put up an ecosystem where providing funding, but also you're providing mentorship. You're providing, helping them build [00:19:00] around governance, distribution, and all that says that when you invest into a company you become successful, then later on people realize, yeah, what university.

[00:19:09] Oh, when you come in as angel investor, this is a viable, but still there is someone who has to still do the hard job. But yes, the government has a place to play in terms of also, uh, regulations. Uh, for instance, as I mentioned earlier, in our country, when you are a start-up trying to set up business and they're required to apply for about 16 licenses. How do you go about doing that?

[00:19:30] **Dr Phumlani Nkontwana:** Yeah. I mean, think Rueben has touched on this, um, both the regulation and, uh, this patient capital. Um, it is important in Kenya. For example, the scene the

entrepreneurship scene is largely driven by private sector, uh, forces and government has a huge role there to, to provide, uh, you know, regulation that incentivizes and make sure taxes, for example, in Kenya, are ridiculously high [00:20:00] for startups.

[00:20:01] Um, and it's not just in Kenya. We know that for example, in Ethiopia. As a startup, you need to have offices before you can register. That's the same story as Tanzania. So African government needs to shake themselves up and realize that they need to step in and make sure that the environment is enabling. And of course, Rueben has touched on the funding, which is very much similar to the cool enterprise experience that I mentioned.

[00:20:36] **Luvuyo Maseko:** I for one am learning a lot already and I'm sure the same applies to our listeners. Um, so earlier we spoke to the fact that, uh, some of these hubs, uh, aren't as evenly spread out, even within these countries and are found in potentially more urban context and, and often catered to also a type of young entrepreneur and in a lot of contexts tends to be a male.

[00:20:59] And I [00:21:00] want to get some input from you guys and how we then look to bridge that gap? How do we look to share services or whatever opportunities of support across our system and also across issues around gender lines and, and other issues as well?

[00:21:15] **Reuben Kimani:** Most of these hubs are mostly in urban areas. And I think it just goes, it's easy to set up in urban areas, but again, that means that in, rural areas, they don't have entrepreneurs services.

[00:21:25] And I think that's to get everybody to effort around this, just making sure that, um, through government agencies again, the government was, they have their enablers which often use where hubs can be set up in rural areas and also across gender, especially in our country. I'm seeing a lot of gender-imbalance in terms of entrepreneurs. You go to most hubs today, I think even, uh, young men are more disadvantaged as compared to ladies.

[00:21:54] I see them coming up with brilliant ideas. They ready to take up the risk? Well, we see we take longer to [00:22:00] ruminate on whether to start or not. So I think there's place to set up these hubs in rural areas in partnership with a government, cause at time there's a need to set up infrastructure in terms of, let's say internet, communication of the availability of these hubs in rural areas.

[00:22:20] Um, but I think once that is done, then you can be able to tap in on how entrepreneurs can come on board.

[00:22:26] **Dr Phumlani Nkontwana:** It's not just about rural versus urban, right? It's also about Urban versus Urban. Uh, we know that, uh, in many of these cities you've got informal settlements, and what is happening is the placement of these hubs in certain cities in particular, urban areas is that it privileges an affluent urban entrepreneur as opposed to a township one.

[00:22:49] Um, and so we need to talk about that if we're going to change the face of the demographics. We also [00:23:00] observe, for example, in the gender issue, particularly, um, Rueben will know this, in east Africa, it's taboo for a woman to even work without getting married, or let's say leave home.

[00:23:15] You can go study and come back, but you generally discouraged to, um, go stay by yourself outside of home until you get married. And I think that also constraints, um, young women from participating in entrepreneurship. And that's also something we need to confront as much as we need to confront the finance issue.

[00:23:37] So how can we enable our young sisters in Africa to encourage risk? Um, and part of a practical way of encouraging risk is to get somebody out of home. Uh, is to change that anthropological, um, disadvantage in history and Rueben can attest to that. And it's a big issue [00:24:00] across, um, east Africa, for example.

[00:24:03] **Luvuyo Maseko:** Ah man. [00:24:03] I feel like we could talk about this for for hours and hours. A massive thank you once

again, to both of our guests. I think what's been really clear through their answers is that a systems wide effort is required. And even if you think that you're not an individual who can make a difference, if you're in the government space, if you're in a private space, if you are even just an everyday individual who has an effect on the way that way young women are seen within particular contexts, your voice has a role to play.

[00:24:31] Um, so thank you very much for the two of you for joining us. And hopefully we'll get you guys on board soon to continue the conversation.

[00:24:39] **Dr Phumlani Nkontwana:** Thank you for having us.

Reuben Kimani: Thank you.

[00:24:41] **Simnikiwe Xanga:** If there's one thing we know it's that young entrepreneurs from the Global South need access to entrepreneurship and skills development training, technologies, seed funding support, and spaces like innovation hubs to support them on their entrepreneurial journeys.

[00:24:59] Local examples of such supportive environments include the Raymond Ackerman Academy's Graduate Entrepreneur Support Service (GESS) for RAA graduate entrepreneurs who, on completing the 6 month entrepreneurial development course, would like to start a business, or who require assistance with their existing businesses. The UCT GSB Solution Space is another example of an entrepreneurial support structure. They support entrepreneurs' learning and growth by giving them access to resources,

[00:25:33] corporate partners, mentors, advisory services, co-working space, academic and industry experts. They also offer various programmes for entrepreneurs, such as the Etrack programme which we'll talk about with our guests in a moment.

Today we have with us Zakheni Ngubo from Kelo, an online digital bookstore and Thando Mavumengwana from Estratweni Mobile

Foods - a fastfoods, catering and hiring business that was started in 2016 with just R200. Welcome Thando and Zakheni.

[00:26:12] **Thando Mavumengwana:** Great. Thank you so much for the invitation.

[00:26:16] **Simnikiwe Xanga:** Right, let's get into it. I'll start off with you, Thando. Can you tell us about your business and what you do and how it came about?

[00:26:25] **Thando Mavumengwana:** Greetings to everyone listening. Um, so my name is Thando, the co-founder of Estratweni Mobile Foods.

[00:26:30] We started in 2016, R200 that we borrowed from my sister and my business partner. So Estratweni happened when we resigned from our previous job that we were working for - an organization. So most of us wanted to resign because we wanted to start our own organization. But checking out that is hard to get the funds.

[00:26:47] So we had to start something because both me and my business partner, we're uneducated. We don't even have all grade 12 and everything. So it was so hard to be employed. We had to start selling muffins on the street [00:27:00] in the morning at the taxi rank and everything. So that's how mostly Estratweni Mobile Foods started 2016 with only R200.

[00:27:07] **Simnikiwe Xanga :** Thanks Thando. And over to you Zakheni. Could you tell us about your business?

[00:27:12] **Zakheni Ngubo:** Uh, we started it in 2021, which is actually a subsidiary of our larger organization, which is Siyafunda. And what we've always done essentially is lower the barriers in the education space through technology. Siyafunda started in 2014, so it was partly inspired by my own experience in high school - not having a maths teacher.

[00:27:34] And so the idea was to create digital content in local languages and then be able to distribute that for mobile. So mak-

ing the content and the context relevant to a rural and a township experience. So, we worked with some of the best teachers around KZN, for instance, to develop video tutorials in maths and science.

[00:27:53] And then we developed what is now called the Siyafunda digital libraries, which essentially are [00:28:00] boxes that come with about five terabytes worth of storage preloaded with content, uh video material, past papers from the department of education and other partners, which essentially allows the users on the ground to get the content for free.

[00:28:12] So that's essentially how we started. And then it's, I guess it led to Kelo, the development of Kelo, which essentially is Africa's first interactive digital bookstore and e-library, where we partner with publishers to make books accessible at a cheaper rate, um, as well as be accessible in a digital environment, essentially helping people transition from using pen and paper, but be able to effectively use their books and be able to access them through their digital devices.

[00:28:44] **Simnikiwe Xanga:** That's great to hear Zakheni. And what I'm hearing from you is creating access as well as transformation into the digital space and from you, uh, Thando, it's finding that opportunity whilst selling on the streets and, um, [00:29:00] and finding that opportunity to be able to venture into the food business. I'm curious to know Zakheni, you were part of the solution space E-Track program.

[00:29:12] And Thando, you are part of the solution space impact venture incubation program. I'd like to hear about your experience on those programs. And I'll start with you, Thando.

[00:29:25] **Thando Mavumengwana:** Um, I think for me, I would see this was the greatest opportunity ever in a lifetime for, for us. Um, our background, as as I said, we are not educated. Um, I didn't even finish my grade 12.

[00:29:37] And now this is a program that is done by UCT. You know, I'm just a boy that does like sitting in the corner in the town-

ship and you, by the way, like UCT itself, makes you to be scared and now for a guy that didn't even never went to college. And one thing for me that I've learned, and that has helped us to shape our business.

[00:29:57] Is that you don't only learn about [00:30:00] your product. I've learned a lot of things that we still use that we still even implementing in our business, even now some of the things they even make much sense, um, like now, and for us, we are the first, um, um, takeaway or the food business that has established a brand that resonates with everyone in the township that we can even set it up, even if you go to Joburg.

[00:30:22] But this is a business that started just by two guys, but with whatever we've learned and here in the solution space man has, has changed our business from your customer segment, from customer personas and everything. And just, we've learned a lot, man. We've learned, we've learned a lot of, a lot, how to set up the business and everything.

[00:30:39] So, for us, this was the biggest, biggest, biggest opportunity and even now we still use that even in, in, in, in our day. I think for us, um, solution space has helped us to set up or to build like a brand. So we've set the brand more than just being the guys that 2016, now we're selling like on the street.

[00:30:57] We, after coming from the [00:31:00] incubation program we're able to employ about 15 guys. Uh, we've set up a brand, even on Facebook. Goes to over like 60,000 followers on Instagram that close to over 5,000 followers never been boosted organically, but with the systems that we've learned from the incubation program, and it was a firsthand experience to learn about such things.

[00:31:19] **Simnikiwe Xanga** : That sounds amazing and also on that note, the solution space that you were a part of where this program happened was in Phillip, right in the heart of Phillipi. And you come from that community.

[00:31:31] **Thando Mavumengwana:** Yeah. Yeah. It was for us even to go to Philippi, man. It was so scared. I remember when we walked in, I was not even sure that I wanna come.

[00:31:39] But because of the environment that the staff, how they welcomed, um, as, because UCT can be intimidating, anything that has to do UCT is very intimidating, but with how they've made me comfortable on my first day, like how you made us comfortable and even learning.

[00:31:59] Our [00:32:00] business. We're the guys that was just selling like on the takeaway food, but now entering and knowing that there is catering in our business with learn that in the solution space and being given an opportunity to office catering. We've got it, like in the solution space, we've catered for one of the biggest universities, we've done business with UCT itself and building that profile.

[00:32:19] It's easy for us now to get like any other businesses because of what we've got from the solution space. So there's a lot of things that I can say that we, we have learnt.

[00:32:28] **Simnikiwe Xanga:** And over to you, Zakheni. Really curious to hear about your experience on the eTrack program.

[00:32:36] **Zakheni Ngubo:** So I would say for me, this was, um, more about coming back to where it all started.

[00:32:42] I am a former UCT student. So in terms of everything that I've learned and everything that I've been able to build, this is essentially where my foundation was. I fell in love with UCT, I think I was in grade nine. So, and I worked really hard to try and get [00:33:00] in. When I completed matric with four distinctions, I failed math.

[00:33:04] So I was obviously rejected. So, you know, I had, at that time, many options that we know were not favorable to the life that I wanted. You know, I was. There was a lot of temptations who get a job to work as a security guard and all of that. But I went into a finishing school in, uh, cause I'm from Emlazi.

[00:33:23] So I found a finishing school and then I went to upgrade my maths results. And that was actually the first time I had access to a teacher, could actually be able to buy books because I was working part-time and all with one intention of making it to UCT. And so that was I've completed matric in 2003, then upgraded in 2004.

[00:33:45] Then in 2005, I was at UCT. And so for me, you know, looking back, you know, that was a long time ago, obviously. Um, it was really good to be back home again. So it felt like there was a lot of nostalgia. Obviously I have very deep [00:34:00] ties to the institution itself. So when I found out about the program, um, especially also looking at the work that we do and the work that I've done throughout my career has had a lot to do.

[00:34:09] With education and students. So for me, I guess, reestablishing those relationships and being part of the UCT now in this type of format was, was something that was really exciting and being part of the program itself. It was amazing in terms of not only getting the information, but being able to build partnerships with the likes of MTN, for instance, um, and obviously the support that we're able to get and the alumni, which is basically across the continent, uh, we're able to learn from each other, we're able to inspire each other and also just get a bit of exposure in terms of.

[00:34:47] What is out there in Africa. And therefore, if you wanted to expand and work through other content, what does it look like for you? And so the experience for me was actually in, in a, in a lot of ways, very advantageous in terms of where I am now in my [00:35:00] career and the business that we doing.

[00:35:02] **Simnikiwe Xanga** : Great Zakheni. And what I'm hearing coming from the both of you is the opportunity to have access to the spaces.

[00:35:13] Thando, what have been some of the greatest challenges on your entrepreneurial journey?

[00:35:20] **Thando Mavumengwana:** Um, I think for us the greatest one would be COVID. Because of COVID, we were literally like on, on, on, on our scaling level, in that business, like we had big contracts that were coming in and we had them running for three months.

[00:35:41] We have set up, um, uh, at a student initiative in a container in Phillipi the first, you know, so, um, but no. But now COVID came in just after three months having that success and boom, everything just stops. So I would say for us, like COVID was the hardest thing and [00:36:00] yep. And we're still trying to, um, recover like, um, um, from, from that. We're still, um, planning on new strategies.

[00:36:09] **Simnikiwe Xanga:** A challenge that sounds like you were able to pivot and bounce back from.

Thando Mavumengwana: Yeah, we did.

Simnikiwe Xanga: Interesting. And Zakheni? Your end? Some challenges that you faced?

[00:36:19] **Zakheni Ngubo:** COVID is also definitely one of them, I think. Yeah, pretty much. I think everyone who is doing something, you know, you, you are not immune to the impact that COVID had. And a lot of people, you know, are still sort of trying to survive and are suffering through that.

[00:36:37] And so it was a really tough period for our country and the world. And obviously, especially for entrepreneurs because you're working in a space with very little safety nets. And so, you know, a lot of the people in the entrepreneurial space cause you really feel the brunt of it. And so I would say for me, I think just looking at the wide variety of challenges that I've had to face, I think by far the most [00:37:00] difficult one was the, the path that I chose, obviously, you know, um, when you are.

[00:37:09] You go to high school and you're doing well. And then you got the varsity, the expectation for how your life should turn out from family, from everyone around you is always very struc-

tured and you considered, you know, to either be responsible or not responsible based on your decisions. So for me to decide to venture into entrepreneurship with people around me who were not necessarily, you know, well-versed in this space, um, you know, it was quite difficult to.

[00:37:38] Figure out the process of you becoming who you need to be and who you want to be by creating this idea and this solution that only you can see which to a lot of people that doesn't make sense, but at the same time, have to maintain and manage the relationships and the trust from the people around you.

[00:37:55] So I think for me, it was trying to create that balance and having to [00:38:00] accept that, you know, You lose friends, you lose some family members, you lose the trust and, and navigating that space of being completely isolated and being able to figure out exactly who you are and what you are supposed to do.

[00:38:14] And being able to stick to that in an environment where you are completely detaching and detaching from the people once were the center of your survival and existence. So, so in navigating that emotionally, psychologically, physically was, was, and financially, you know, was the hardest thing. I think for me choosing this journey and I say it now, and it seems like, you know, choosing to be an entrepreneur, every aspect of your life will be stretched to the absolute limits.

[00:38:44] You will be pushed, you know, emotionally, physically in every aspect of your life. And so. It it's um, it's, it's, it's, it's very hard to be able to adjust into that environment.

[00:38:57] **Simnikiwe Xanga:** So, Zakheni, moving on from the challenges that you've [00:39:00] just highlighted, I'd like for us to unpack a bit more on the value of an innovation hub or a space, um, of support in the life of an entrepreneur. You've been part of a number of hubs and you've moved across these hubs.

[00:39:19] Would you share with us, what you think is missing from the offering or what could be added in your view in these spaces to make it better for entrepreneurs?

[00:39:30] **Zakheni Ngubo:** So I would say for me, the biggest value that I've found is a community. Um, as I've said, you know, it's very isolating space that we in. Um, and a lot of the time you have to reinvent yourself.

[00:39:41] So to find yourself among other Mavericks, doing different things, allows for you not only to leverage and rely on each other, emotionally, spiritually, but also even technically. Um, I remember the, you know, the first, when, when I first started, I didn't have much, uh, I didn't have capital at [00:40:00] all. And so how I used to be able to get development for what was Siyafunda at the time was to work with other entrepreneurs.

[00:40:10] You know, I would identify something that an entrepreneur needed, whether it was sales or bookkeeping services and I would offer myself and my services in return for that kind of development. So I think these kinds of hubs create spaces where you can not only learn how to engage with one another support with one another and share information, but they are also opportunities for collaboration and partnerships.

[00:40:32] Um, and also what these these spaces do is a lot of them would give you access to particular platforms or particular partners. And so I've been very intentional about the organizations and the programs that I join. They usually have got a very specific intention behind it. So if there's a particular client or a particular partner that I'm interested in based on what we're doing, then essentially what I found is that that is usually the most effective way [00:41:00] to be able to get through the door and have that partnership.

[00:41:03] Right. If you wanted to for instance, partner with FNB, you wouldn't even know, you know, as a, as an entrepreneur from a eKasi, you wouldn't even know or have the network to be able to get to the right people. But if you decided that, okay, if I want to partner with FNB, what is the quickest way to get through to the right people?

[00:41:22] Then you'll find out if FNB has got an enterprise development program or a hub. And then join that hub, then through

that hub you're able to find the right people and so that's how the value has been able to bring for me, most of the partnerships and organizations we would be able to find access to and build networks with has been through these kind of programs.

[00:41:41] **Simnikiwe Xanga** : I hear you Zakheni. What's coming strongly is intention and collaborations. Great! Thando, what is one piece of advice that you would give to an entrepreneur in the Global South.

[00:41:56] **Thando Mavumengwana**: I think for, um, think for me, man, it's just, just [00:42:00] using what you have and just use it and just that something, something is that burning desire that you have in your heart.

[00:42:06] Just, just do it and check out for spaces like solution space, you know, because this is what has helped us to expand the idea, because our idea, we thought that you're going to just sell food in the township, you know, but now with, with, with solution space, we've learned that we can build a brand out of it.

[00:42:21] **Zakheni Ngubo**: Yes, I would say, be authentic, uh, and be authentically you and be authentically African. I think, uh, there's a lot of temptation to want to adopt solutions that other people have created. We live in a continent with a lot of people who have very unique life experience, very unique day to day resources and access and you more than anyone have an understanding of what that is.

[00:42:50] And so I think being authentically you and African and incorporating your life experiences into what you're building and your business will allow you to create something that [00:43:00] is uniquely African, and that can actually add value.

[00:43:06] **Simnikiwe Xanga**: Wow, Thando and Zakheni, I'm just reflecting. As many young people are looking for work opportunities in this country, and also looking at entrepreneurship, uh, as part of the solution, it's been such a privilege to hear from both of you in sharing your stories and your journeys, uh, around spaces, um, hubs and mentors, as well as opportunities to make use of the

tools that you've both learned in the spaces that you've been in and programs that you've been part of. So thank you very much. Enkosi.

[00:43:40] **Zakheni Ngubo:** Enkosi, sisi. It was a pleasure being on the show.

[00:43:42] **Luvuyo Maseko:** Thank you so much.

[00:43:45] **Simnikiwe Xanga:** Well, Luvuyo, if there's one thing that certainly stood out for me in today's conversations, it's that there's no use in going at it alone. Entrepreneurs need support and the stats show that those who do have support are definitely more likely to make a success of it.

[00:44:03] **Luvuyo Maseko:** 100%. The entrepreneurial journey is often said to be a lonely journey, but it really shouldn't be. If we can reimagine innovation hubs and see to it that it's not only the big cities that benefit, we are likely to see more and more innovations that will blow us away and more and more entrepreneurs from the global south who have a big impact.

[00:44:23] Thank you for tuning in to season 2 of the **Just for a change** podcast, powered by the Bertha Centre for Social Innovation and Entrepreneurship. If you're curious about what innovation is happening in Africa and the global south and who the movers and shakers behind these initiatives are, then make sure you subscribe so that you don't miss any of our upcoming episodes!