

The tech industry can create jobs rapidly

Heather Lowe, Head of Enterprise Development of FNB Business, believes that South Africa should maximise the potential of the tech industry to broaden contribution to the country's economic growth and job creation.



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"We should start the process by identifying industries that stand a better chance of creating jobs in the shortest possible period as our economy is currently struggling to grow beyond 2%. The tech industry is predominantly less heavy on physical infrastructure, can operate virtually, and has a great ability to create direct and indirect jobs at a rapid scale. Quick wins could be gained from collaborating with established entities, such as the Silicon Cape Initiative, to source some of the country's scalable tech businesses."

Alexandra Fraser, Vice-Chairman of the Silicon Cape Initiative said: "South Africa's tech entrepreneurs have a proven ability to create globally competitive companies, but our biggest task is to ensure that these tech entrepreneurs do not leave our shores, because of limited support and regulatory challenges - we need to build an enabling and inclusive ecosystem that facilitates knowledge transfer and international expansion of our tech businesses."

The local banking sector

Lowe highlighted the fact that the potential of South Africa's tech entrepreneurs can be seen in the advanced systems of the local banking sector. "The SA banking industry is one of many that continue to benefit from innovative ideas designed by some of the country's tech businesses. The banking systems of today are vastly different to what we had a decade ago, and this is partly due to the depth of innovation within the local tech industry."

"The reality we need to face is that some of the industries that have been reliably creating jobs over the last few decades are currently facing a number of challenges. Therefore, we need to empower new industries, which have the potential to multiply their workforce and revenue in the next three to 10 years. South Africa also needs to leverage the BRICS association to benefit tech businesses, as China and India are two of the leading tech hubs in the world."

Fraser noted that one of the disadvantages for the tech industry is that society often misunderstands the economic impact of the tech sector and how businesses enabled by tech are rapidly creating jobs and disrupting industries.

"To close the gap, Silicon Cape, in partnership with PwC, Microsoft BizSpark and FNB, is launching a national survey to gain an in-depth understanding of the entrepreneurial landscape throughout South Africa. The survey will examine a large sample of tech enabled businesses, across multiple sectors and will form the basis of a comprehensive research piece covering the challenges and opportunities facing emerging companies in South Africa," concluded Fraser.

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