

Hustlenomics is replacing shacks...one brick at a time



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Backyard shacks are part of the daily lives of many townships. Out of the need to reduce overcrowding in a tiny main house, Nhlanhla Ndlovu, founded Hustlenomics, a social enterprise that works to replace informal backyard shacks with affordable sustainable housing options.

According to the International Journal of Urban and Regional Research, Sowetan backyard dwellers are different from their contemporaries in other areas. Sowetans do not usually have family relationships with people in the main structure. They also live in significantly worse conditions, in terms both of the quality of the structure and the services available. The backyard dwellers are not likely to disappear quickly.

As such, there is a vital need to develop some kind of response to improve their current living conditions, and that is where Nhlanhla Ndlovu, founder of Hustlenomics, comes in.



Nhlanhla Ndlovu, founder of Hustlenomics

We chat to Nhlanhla Ndlovu, who recently won the South African leg of Chivas Venture 2020, about his journey...

Ⅲ Can you tell us a bit about Hustlenomics?

Hustlenomics is a for-profit impact-driven social enterprise that works to replace informal backyard shacks with affordable sustainable housing using innovative building technology.

We assist low-income households that cannot get access to traditional home improvement financing and give them the opportunity to own these structures using our innovative financing model.

Our team comprises of women and youth, and we upskill them by training them in interlocking brick manufacturing and sustainable building methods. We also use recycled builders rubble to manufacture our bricks to have a positive environmental impact.

Essentially, we replace informal backyard shacks in Soweto with affordable rental accommodation for backyard shack dwellers.

When, how and why did you get started?

I started the business in 2015 and work from my home in Soweto. My own personal circumstances led me to my becoming an entrepreneur.

Growing up with 12 relatives sharing one home, I wanted to have a space of my own. I enrolled for a free, three-month sponsored bricklaying course offered in the area. After completing the course, I started saving up and bought some building materials and constructed a backyard room, a project which took almost four years to complete.

Some of my friends, including one with electrical skills, would come and help me with the building. We soon started attracting other people in the community who wanted our services to build backyard rooms for them. The interest from customers was a turning point as it prompted me to register the company Hustlenomics Pty. Ltd.

What is the core function of Hustlenomics?

To eradicate informal backyard shacks in the townships and replace them with affordable sustainable housing.

Our mission is to assist low-income households that cannot get access to traditional home improvement financing and give them the opportunity to own these structures to generate an income.



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What are some of the obstacles you've had to overcome since starting out?

Lack of capital funding and having to finance projects from my own pocket. There is no defined structure for a social entrepreneurship venture. This means that you don't have any tax benefits like those of an NPO.

It's very different being a for-profit enterprise - you have to work out, for example, how to complete a tax return correctly. We reinvest half of our profit into the business, but we get taxed on all profits. It will be very helpful if this can be looked at by the government, from a tax return perspective.

What advice would you give to other aspiring entrepreneurs?

Firstly, make sure you have a burning passion for what you want to accomplish. When you encounter hard times, this is the only thing that will keep you going. You need to reach out to the established networks of support in big business and government. Explore the available platforms that help entrepreneurs develop their ideas into viable businesses such as government agencies (NWDA, SEDA, Innovation Hub). There are also competitions such as the Chivas Venture that support social entrepreneurs with great ideas and give them international exposure and access to mentorship, potential funders, and investors.



Nhlanhla Ndlovu, Chivas Venture 2020 SA winner

III What has been your proudest achievement thus far?

Definitely the women and youth we employ and upskill. We've employed 22 people since our first pilot project. We've built six affordable rental units which we've financed ourselves and each of these will provide a stable income for the homeowner into the future.

What does the future of entrepreneurship look like to you?

I think that more and more entrepreneurs will establish ventures that work to resolve broad social issues. This is evident in the changing mindset of each new generation.

What do you think is the importance of startup accelerator/incubator programmes?

One of the most important roles of startup accelerator programmes is that they help social entrepreneurs to connect with mentors. They really provide solid support. These programmes help social entrepreneurs develop personally and professionally. Social entrepreneurs who attend these programmes learn to develop their business ideas and business models. They are also a fantastic platform for networking.

₩ What do you believe are the traits an entrepreneur needs in order to succeed?

Passion, perseverance, and steely resilience. You also absolutely need to have emotional intelligence.

Tell us about your biggest struggles as an entrepreneur, as well as some major highlights.

My biggest struggle was definitely to understand the business side of things. I've learned a lot along the way by trial and error.

Why would you encourage someone to become an entrepreneur?It's the best way to create a livelihood for yourself and for others and at the same time solve a broad problem in the community.
Where would you like to see Hustlenomics in the next 5 years?

I would like to see Hustlenomics resolving the social issue of informal settlements by not only replacing informal backyard shacks with affordable sustainable housing, but transferring building skills that make it possible for people to build their own homes – a home they can be proud to live in.

I would like to expand to a point where we manage multiple projects a month moving forward, in townships across the country.

!!! You walked away with the title of SA Finalist of Chivas Venture 2020. How does this make you feel? I think the best feeling is that I've been recognised for the work we're doing - that is what means the most to me. It's very rewarding to know that people perceive our work to be making a difference. It also makes me feel that it's possible to attain my dreams.



L to R Andile Khumalo, Chivas Venture SA judge, Nhlanhla Ndlovu and Marco Vandeput, assistant brand manager at Pernod Ricard

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