

# African entrepreneurship central to the continent's future prosperity

According to Old Mutual Limited CEO Peter Moyo, driving financial inclusion amongst entrepreneurs and small business owners in Africa will ensure that they are equipped with the knowledge to transform their businesses into productive and sustainable contributors to the continent's economy.



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The key to this, he says, is developing a value-driven ecosystem for SMEs in Africa. “A value chain nurtured and supported by big businesses on the continent will assist in tackling the critical challenges prominent in the region, particularly the need to create a significant number of jobs for the continent’s booming population.”

Moyo was discussing the issue at the 2018 Entrepreneurship Summit and Supplier event hosted by Old Mutual on Tuesday, 21 August, World Entrepreneur's Day, which aims to showcase the robust supply chain of SMEs cultivated in partnership with Old Mutual through various initiatives.

## Inclusive economic growth

In South Africa, the SMME sector accounts for between 55-65% of economy-wide employment and is a critical interface between the central objective of inclusive economic growth and the structure of the domestic economy.

“For this reason, African entrepreneurship is central to Africa’s future prosperity. The most significant business opportunities in the coming decade will be created by Africans who start businesses, generate jobs and wealth, and capture growth opportunities. Developing entrepreneurship across the continent is, therefore, a critical component in achieving these mutually beneficial shared value goals,” says Moyo.

Khanya Okumu, small medium enterprise development manager, Old Mutual Limited, said that the promotion and development of entrepreneurship is not only one of the priorities identified by Old Mutual, but also in the South African National Development Plan and national programmes in various African countries.

## **Entrepreneurship and Job Creation Ecosystem**

Recognising the need to have scalability and measurable impact when addressing and promoting and supporting SMMEs, Old Mutual established an Entrepreneurship and Job Creation Ecosystem in 2017. The Old Mutual Entrepreneurship Ecosystem was created to provide a holistic Old Mutual offering to individual entrepreneurs and their businesses that can then be incorporated into the Old Mutual value chain and beyond.

“As a responsible business, Old Mutual has a key role to play in two aspects. The first is the provision of affordable access to finance. The second is access to a holistic ecosystem of non-financial support. This entails empowering South African entrepreneurs, and doing the same for our African SME sector, through the establishment of an ecosystem that fosters collaboration and partnership,” said Okumu.

“When enterprise and supplier development within large businesses work harmoniously together, as an effective and efficient ecosystem reliant on each other’s strengths and support, both small and large business stand to benefit. Enterprise and supplier development within large businesses should move beyond compliance and towards the heart of transformation. Without a thriving and prosperous society and economy, the survival and sustainability of the existing corporates in South Africa are at risk. It is essential that all sectors play a role in enabling positive futures and laying the foundations for growth and prosperity for all. Corporates have the business experience, the funding, and the expertise to empower entrepreneurs and address some of the national issues that hinder their success and growth,” Moyo concludes.

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