

Taking entrepreneurship up a notch

 By [Gareth Pearson](#)

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World Entrepreneurship Day takes place tomorrow, 21 August 2014, and is a time for South Africans to review how we facilitate, nurture and encourage entrepreneurship.



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The pyramid effect tells us that for the next Richard Branson to emerge from South Africa there needs to be an ethos of focus and growth for entrepreneurs, where thousands of potential entrepreneurs are actively engaged. We need to celebrate, support, encourage and upskill this process in order to make the desired national progress.

New entrepreneurs

Entrepreneurship is a form of innovation. As markets have tightened, so many dynamic reactions have taken place globally, spawning a new breed of entrepreneur.

Richard Branson, Steve Jobs, Mark Zuckerberg...these names come to mind when one thinks of the modern entrepreneur. They are also among the world's most successful entrepreneurs, having had a significant economic impact on numerous economies. Alibaba's Jack Ma is another great example of a garage start-up; he is credited with starting China's first internet-based business.

Small, medium and micro enterprises are where developing economies find their economic power and drive. These smaller enterprises may realise faster, swifter growth off their smaller performance bases, which leads to growth in turnover and employment and as a result, an increase in taxes. Clients, employees, shareholders, suppliers and governments all win as economic growth materialises.

Weekend start-up

The US concept of the weekend start-up is a powerful tool for driving entrepreneurship. It sees various entrepreneurs being invited to a weekend-long session with a collective of specialist start-up organisations (www.thegaragegroup.com) and skilled individuals. Together, they select the best start-up idea, then refine and perfect it, so that by the end of the weekend a new start-up is born. The entrepreneur whose idea is selected is rewarded with skilled services and the input required to transform the start-up into a viable entity.

The concept is delivered in various formats, including a weekend bus that involves the entrepreneurial bunch spending the weekend driving around on a bus and ending with the same successful result. Tech hubs, tech incubators, tech labs and ilabs are just some of the names given to incubators driving similar processes for general and tech-based start-ups.

This phenomenon is not just a US trend; the same concepts may be found in Nairobi and Kenya. Innovation and entrepreneurship are being pursued by many countries that have realised the value of entrepreneurship as a key driver for sustained economic growth.

Importance of leadership

Empowering effective leadership drives entrepreneurship, business incubators and start-ups, as they have the vision, resources, skills and ability needed to invest the required energy into these areas.

Very often this type of involvement includes selfless and no-return decisions, but these are true leaders who understand that leaving a legacy means nurturing fresh ideas, new businesses and most importantly, new business leaders who can grow products and services for the future.

Leadership in this context is usually a combination of private and public sector initiatives. The public sector should offer incentives to the private sector that can then transform entrepreneurship into commercial reality, which in turn drives GDP and tax revenue for the public sector.

Some examples of companies that have embraced the idea of working with start-ups are Mondalez (Mobile Futures), Mastercard (Israel, Fintech) and Unilever (Foundry Program).

South African outlook

Local entrepreneurial giants Brian Joffe, Mark Shuttleworth, Elon Musk and Patrice Motsepe all point to the fact that South Africa does have the entrepreneurial pedigree required to drive entrepreneurship and innovation at a global level.

While these forerunners have admittedly achieved global success without much formal assistance, it begs the question; what would be achievable if we as a nation actively nurtured and promoted a culture of entrepreneurship in South Africa?

Imagine releasing 10,000 entrepreneurs with viable start-ups into the South African economy; the economic multiplier effect and the impact on employment, the GDP, taxes and country morale would be significant.

So the challenge to public and private sector leadership is - do we have the will to take entrepreneurship to the next level?

ABOUT GARETH PEARSON

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