



**2017 City of Johannesburg  
Entrepreneurship Ecosystem  
Regional Summits and Symposium**



## 2017 City of Johannesburg Entrepreneurship Ecosystem Regional Summits and Symposium



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The first-ever 2017 City of Johannesburg Entrepreneurship Ecosystem Symposium was held at the Nelson Mandela Theatre in Braamfontein on 23-24 October 2017 to advance the City's vision of becoming an entrepreneurial city of the future.

Driving economic development is critical to the City of Johannesburg's future success. Entrepreneurs and small businesses are important to assist the City in reaching its 2021 goal of 5% growth.

The City's role in this growth is to create the entrepreneurship ecosystems that foster an enabling environment. We bring together the partners, the funders, the programmes, and most importantly, the entrepreneurs themselves to come up with their own solutions to today's issues.

Over 1 800 entrepreneurs and ecosystem partners participated in seven Regional Summits (held throughout the City of Johannesburg) and the two-day Symposium in September and October 2017. Over 1.4 million people tweeted and engaged with the Department of Economic Development's social media campaign. These events were a significant marker in moving Johannesburg towards being a city for entrepreneurs.

The Department of Economic Development is taking into account the inputs from the Regional Summits and Symposium to contribute to how the City looks at its SMME policy, strategies and actions. The participants' drive, passion and desire to contribute to the City's growth is key to ongoing development.

The combined efforts of the City, its ecosystem partners and, most importantly, its solutions-oriented and dedicated entrepreneurs, will make Johannesburg an entrepreneurial city of the future.

# Introduction

ENTREPRENEURSHIP IS DIFFERENT TODAY THAN AT ANY OTHER POINT IN HISTORY.

There have been dramatic changes in the City of Johannesburg. Traditional industries are not performing like they used to. Large companies are struggling under the weight of the global economic downturn. Increased competition from smaller firms that seek to disrupt traditional means of doing business is changing today's business landscape.

As the large multinationals scale down, it is inevitable that there will be greater pressure on the economy. With unemployment currently at 27.7% and youth unemployment at 38.6%, people need new solutions. Entrepreneurs are key players in the quest for achieving the goals set in place in the *City of Johannesburg's Economic Development: Strategic Document 2021*.

There are opportunities available today that never existed five years ago. The City's role needs to evolve to that of creating enabling environments and not 'fixing' the economy. A key part to assisting entrepreneurs is to help SMMEs collaborate with each other and foster relationships that will build an entrepreneurship ecosystem that will bolster the economy and create more jobs.

For this reason the City decided to host the 2017 City of Johannesburg Regional Summits and Symposium. The vision is creating an ecosystem in which entrepreneurs collaborate with one another to meet the needs of society and grow the economy together with the City of Johannesburg.

**The City of Johannesburg is recreating itself as the entrepreneurial city of the future.**



When Johannesburg works, South Africa works



*A city initiative to improve entrepreneurial networks, grow the economy and create jobs.*

# Contents

## 06 Section 1: Executive Summary

## 10 Section 2: Background and Introduction

- 11 Introduction and Background
- 12 About Entrepreneurship Ecosystems
- 12 Objectives of the 2017 City of Johannesburg Entrepreneurship Ecosystems Symposium and Regional Summits
- 13 Picture of Success
- 14 Framework of the Regional Summits and Symposium

## 16 Section 3: City of Johannesburg Entrepreneurship Ecosystem Regional Summits

- 17 Overall Regional Summit Objectives
- 18 Key Regional Summit Findings
- 20 Regional Summit Reports A-G
  - 20 Region A
  - 22 Region B
  - 25 Region C
  - 28 Region D
  - 31 Region E
  - 34 Region F
  - 36 Region G

## 38 Section 4: Entrepreneurship Symposium Report

- 39 Symposium Objectives and Critical Success Factors
- 41 Key Learnings
- 43 The Purpose of the Working Groups
- 44 Forming the City of Johannesburg's Industry Working Groups
  - 44 ICT Industry Working Group
  - 46 Manufacturing/Automotive Industry Working Group
  - 48 Tourism (Retail, Hospitality and Entertainment) Industry Working Group
  - 50 Construction Industry Working Group
  - 52 Urban Agriculture/Green Tech/Clean Tech Industry Working Group
- 53 Next Steps – Industry Working Groups

## 54 Section 5: Entrepreneurs Database Summary

- 55 Data presentation and analysis
  - 55 Population
  - 55 Attendance and Sample Size
  - 56 Demographic Distribution
  - 57 Business Information
  - 57 The Challenges of Entrepreneurs in the City
  - 58 Support and Developmental Needs
  - 58 Networking and Engaging with Other Stakeholders
- 59 Key Insights and Recommendations

## 60 Section 6: Social Media Report

- 61 How Engagement is Measured
- 62 The Symposium Social Media Reach
- 63 The Summits Social Media Reach
- 65 Recommendations Going Forward

## 66 Section 7: Conclusion and Recommendations

- 67 Key Insights and Recommendations
- 70 Conclusion



## SECTION 1

# Executive Summary

The City of Johannesburg's 2021 strategy articulates developing Johannesburg as an entrepreneurial city for the future. A key component of assisting entrepreneurs is to help SMMEs collaborate with each other and foster relationships that will build an Entrepreneurship Ecosystem that will bolster the economy and create more jobs.

The Department of Economic Development's (DED) mandate is to actively intervene in the City's economy to create conditions for accelerated and sustainable economic growth as well as to ensure that the benefits and opportunities are equitably spread to all SMMEs.

Creating an Entrepreneurship Ecosystem seeks to achieve this mandate by building an environment that enables SMMEs in Johannesburg to prosper and speak to the direct needs of entrepreneurs across all industry sectors.

For this reason, the City decided to host the 2017 City of Johannesburg Entrepreneurship Ecosystem Regional Summits and Symposium.

The 2017 City of Johannesburg Entrepreneurship Ecosystem Regional Summits and Symposium proved integral to growing the vision of an ecosystem where entrepreneurs collaborate with one another to meet the needs of society and grow the economy together with the City of Johannesburg.

The *2016 Entrepreneurship Research Study: Voices of Entrepreneurs in Johannesburg* research study is the basis for providing strategic guidance for the thought processes around the Regional Summits and Symposium.

The study is based on two premises: first, that entrepreneurship has the potential to be a critical factor for economic growth; and second, that the voices of entrepreneurs need to be a guiding factor in establishing what is needed for entrepreneurship to grow.

Adoption of the concept of Entrepreneurship Ecosystems represents a shift away from traditional industrial models. Success in Entrepreneurship Ecosystems depends on 'who is in the room' so to speak, to ensure that the system comes together. The concept rests on a foundation of partnership, collaboration, shared vision and bringing different partners with complementary skills and experience together. Importantly, it includes entrepreneurs themselves as integral to the future success of the geographic region of Johannesburg and its economy.

In directly aligning to the *City of Johannesburg's*

*Economic Development: Strategic Document 2021's* Pillar 4 – The Entrepreneurial City – the overall objective of the Summits and Symposium is outcomes-based, focussed on restructuring, developing and promoting tailor-made City of Johannesburg Entrepreneurship Ecosystems incorporating actionable plans that will assist in growing entrepreneurship.

Within the Regional Summits and Symposium the particular focus rests on helping scalable businesses towards thriving and creating employment. These are what are known as Start-up and Growth enterprises. They are a level above Informal or Subsistence enterprises, but fall short of Thriving enterprises, which are more mid-level businesses.

The purpose of the Symposium was to create proactive 'Focus Working Groups' formulated by sector, current activity and/or opportunities to form the Entrepreneurship Ecosystem. These Sector Focus Working Groups collaboratively created action plans with members of the ecosystem designed to take proposed solutions from the Regional Summits and Symposium and drive entrepreneurship opportunities going forward. None of this will be possible without the objective to ensure that all key stakeholders participate in the process. Stakeholders include educational institutions, private sector bodies, non-profit organisations, parastatals and government institutions.

The inaugural City of Johannesburg Entrepreneurship Ecosystem Symposium took place on 23-24 October 2017, at the Nelson Mandela Theatre, Braamfontein. Entrepreneurs from Regions A-G attended, as well as stakeholders from education, government, media and other potential enablers, such as the Wits Business School Centre for Entrepreneurship, Shanduka Black Umbrellas, the National Empowerment Fund (NEF), Junior Achievement, the University of Johannesburg and the National Youth Development Agency (NYDA).

The two-day symposium comprised speakers on the entrepreneurial opportunities within each sector, inspirational speakers, as well as the Executive Mayor of Johannesburg, Cllr Herman Mashaba. The remainder of the programme focused on the formation of Industry Working Groups (ICT, Construction, Manufacturing/Automotive, Tourism (Retail, Hospitality and Entertainment), Urban Agriculture/Clean Tech/Green Tech) aimed at discussing sector-specific issues, as identified in the Regional Summits, and potential solutions to these issues.

The City of Johannesburg Entrepreneurship Ecosystem Regional Summits rolled out from 14 September – 9 October 2017. Each of Johannesburg's seven regions were visited and local entrepreneurs invited to participate in the discussion.



Region	Location	Date Of Event
Region A	Rabie Ridge, Midrand	18 September 2017
Region B	Coronationville Community Hall, Westbury	20 September 2017
Region C	Roodepoort Theatre, Roodepoort	14 September 2017
Region D	Dlamini Hall, Soweto	5 October 2017
Region E	Central Johannesburg College, Alexandra	29 September 2017
Region F	Turfontein Racecourse, Turfontein	26 September 2017
Region G	Finetown Multipurpose Community Hall, Finetown	9 October 2017

The format of each Summit followed a basic structure: a welcome from the Department of Economic Development, the 2016 Entrepreneurship Research Study: *Voices of Entrepreneurs in Johannesburg* study presentation, a presentation from the Department of Economic Development, followed by a facilitated dialogue. Attendees of the Summits varied; the MMC, Cllr Leah Knott, participated in the summits for Regions A-F. There were representatives from the local business chambers, Roodepoort Chamber of Commerce; local sector forums, such as the Greater Sophiatown Socio-Economic Forum; interest groups such as the African Disabled Persons Chamber and the National Black Business Caucus; and the Black Business Forum. In addition, there were tertiary institution representations from Monash University and the University of Johannesburg.

The Regional Summits were held with the objective of listening to what the entrepreneurs highlighted as their issues in order to consolidate public policy and service delivery solutions; to understand, on a regional basis, which industries could facilitate entrepreneurial growth specifically tailored to SMMEs, in order to stimulate job creation rather than job opportunities; and to build an entrepreneurial database for the City.

In addition, the Regional Summits identified those entrepreneurs who would benefit from engagement at the City of Johannesburg Entrepreneurship Symposium, and emphasised the importance of building networks – and thereby, ecosystems – in developing sustainable entrepreneurship.

To increase the level of engagement, the JHBEconomicDev Twitter – with #JHBEntrepreneurs – and Facebook account were created to provide an online dialogue platform. Overall, the Twitter account increased by 1 818 followers, Facebook by 46. JHBEconomicDev earned

617 600 impressions as at the Symposium's end. In the run-up to the Symposium, there were 22 000 impressions per day, 205 mentions and 2 792 profile visits. The use of interactive polls and information sharing helped extend the conversation to those who could not attend the Symposium or Summits.

The 2017 City of Johannesburg Entrepreneurship Ecosystem Symposium and Regional Summits are a critical starting point in developing Johannesburg as an entrepreneurial city. The following are recommended as next steps to achieving this goal:

### 01 Develop the SMME policy around recommendations from the Regional Summits and Symposium

Manage the database; re-strategise and reformulate the business hubs; develop engagement principles with business forums and other ecosystem partners and institutionalise engagement levels; consolidate procurement processes across the City; identify focus industries and continuously develop capability to assist and engage; develop focused geographic nodes and emphasise regional development.

### 02 Transform the existing Summits/Symposium into a vehicle for managed entrepreneur dialogue

Shift Regional Summits to industry-specific and regionally-driven meetings held by region and by industry consistently (i.e. beginning 2018); organise Symposiums every two years and allow industry-specific Regional Summits to present action plans and results (i.e. next one in 2019); focus on engagement policies that are cost-effective and seek to create two-way dialogue with entrepreneurs.

### 03 Engagement needs to be part of the policy going forward to build an entrepreneurial culture

Continue work on the Social Media platform; use the business hubs as information points-of-call for entrepreneurs; focus on regional engagement; create the City's own SMME in-house capability and resources in the Department of Economic Development.

### 04 Data is king

Maximise learnings from the existing analysis of the event database; expand and keep up-to-date the database of entrepreneurs and ecosystem partners; move all systems online and data into the cloud; begin analysis on existing mismatch in skills/skills gaps and identify ways to address through ecosystem partners.

### 05 Working groups can make a difference

Circulate names of three groups recommending they stay in touch with one another; assign a City partner to keep track of dialogues; identify how to take findings from each group and move forward.

### 06 SMME and entrepreneurial development needs to be industry-specific

Build the City's in-house capability and knowledge base of future industries; translate these into opportunities for entrepreneurs; share the information on a variety of forums and engage in dialogue.

### 07 Regional economic development will play an increasingly important role in the future

Structure greater capability in the Regions to handle entrepreneurship development; redefine the role of Regions in economic development as 'information portals' and 'facilitators' in bringing together ecosystem partners (they do not need to be economic experts); work with regions to engage in their own industry-specific summits on a smaller scale to institutionalise the learnings and carry on the dialogue with entrepreneurs.



As an enabling partner, the City has the opportunity to continue the development of these **Entrepreneurship Ecosystems** that have begun to connect at the 2017 City of Johannesburg Entrepreneurship Ecosystem Regional Summits and Symposium. The next steps will determine this initiative's ongoing success to build a legacy in entrepreneurial development in Johannesburg.



## SECTION 2 Background and Introduction

### Introduction

*The City of Johannesburg's Economic Development: Strategic Document 2021's Pillar 4 – The Entrepreneurial City* – articulates developing Johannesburg as an entrepreneurial city for the future as a priority focus. SMME Development and Support is one of eight directorates of the Department of Economic Development (DED). DED's mandate is to actively intervene in the City's economy to create conditions for accelerated and sustainable economic growth as well as ensure that the benefits and opportunities are equitably spread to all SMMEs.

Creating an Entrepreneurship Ecosystem seeks to achieve this mandate by creating an environment that enables SMMEs in Johannesburg to prosper through developing policies that speak to the direct needs of entrepreneurs across all industry sectors.

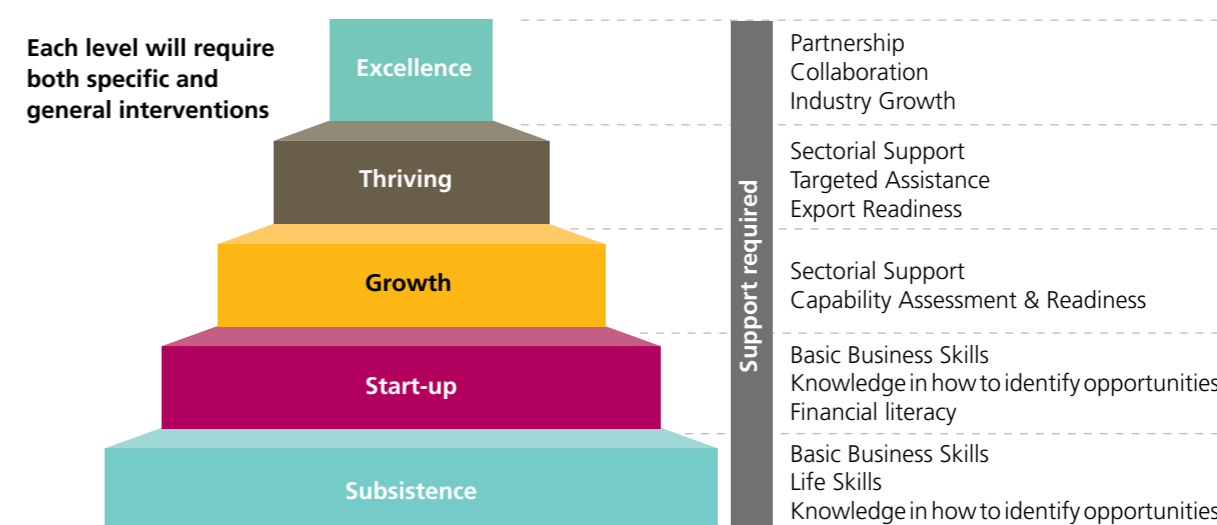
To begin this process of establishing a City of Johannesburg Entrepreneurship Ecosystem, the DED hosted the 2017 City of Johannesburg Entrepreneurship

Ecosystem Symposium and Regional Summits within the Johannesburg region. A total of seven Regional Summits were conducted in Regions A-G. These activities culminated in a citywide Entrepreneurship Symposium, held over two days at the Nelson Mandela Theatre.

In directly aligning to the City of Johannesburg's 2021 strategy, the overall objective of the Summits and Symposium was outcomes-based. The emphasis was on restructuring, developing and promoting tailor-made City of Johannesburg Entrepreneurship Ecosystems, which included actionable plans to assist in growing entrepreneurship. More information on the City's Economic Development Strategy can be found in Appendix I.

Within the Regional Summits and Symposium the particular focus rested on helping scalable businesses to thrive and thereby create employment. As per the figure below, these are known as Start-up and Growth enterprises. They are a level above Informal or Subsistence enterprises, but fall short of Thriving enterprises, which are mid-level businesses.

**2016 Entrepreneurship Research Study: Voices of Entrepreneurs in Johannesburg:  
Levels of Entrepreneurship and Support Required**



Source: 2016 Entrepreneurship Research Study: Voices of Entrepreneurs, p. 51.

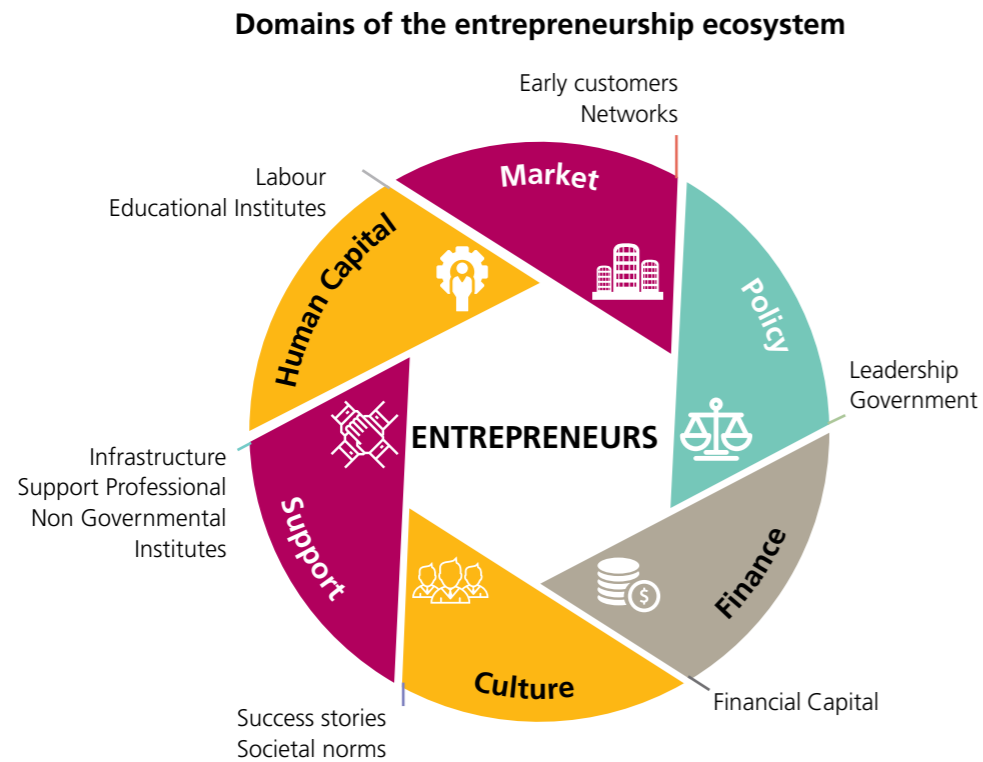
### Background

The importance of Entrepreneurship Ecosystems was a key finding in the independent, multi-stakeholder, qualitative research study: the 2016 *Entrepreneurship Research Study: Voices of Entrepreneurs in Johannesburg* undertaken by Z.A.ZEN Consulting (Pty) Ltd in 2016. The study was presented to the Member of the Mayoral Committee (MMC) for Economic Development in February 2017, strengthening the Department's focus on entrepreneurship development. The findings of the study echoed work being done in Economic Development at the time.

The 2016 *Entrepreneurship Research Study: Voices of Entrepreneurs in Johannesburg* research study is based on two premises: first, that entrepreneurship has the potential to be a critical factor for economic growth; and second, that the voices of entrepreneurs need to be the guiding force in establishing what is needed for entrepreneurship to grow. The study formed the basis for strategic guidance on the thought processes around the Regional Summits and Symposium. Additional research on an existing working entrepreneurship ecosystem and several interviews with key players became working documents to assist the process.

## About Entrepreneurship Ecosystems

Development of entrepreneurship means creating an enabling environment in which a variety of constituents and role players can be effective in ensuring business can thrive. As seen from the graphic below, Entrepreneurship Ecosystems bring together Human Capital, Market, Finance, Culture, Policy and Support to assist entrepreneurs in creating the ecosystems that allow them to grow.



Source: Isenberg's Model of an Entrepreneurship Ecosystem. Entrepreneurial ecosystems and growth oriented entrepreneurship, Mason and Brown, 2014. 2016 Entrepreneurship Research Study: Voices of Entrepreneurs, p. 29.

### How the City of Johannesburg looked at Entrepreneurship Ecosystems

The City of Johannesburg took the definition of Entrepreneurship Ecosystems one step further, by proposing that the most important aspect of developing such an ecosystem is the vision around what it seeks to accomplish. A system cannot exist without an overarching vision, which must reflect the collaboration and partnership of those who are needed to enable the system to function. Entrepreneurship Ecosystems require a focus on environments, rather than individuals. An enabling environment is critically important for entrepreneurs to survive.

Adoption of the concept of Entrepreneurship Ecosystems represents a shift away from traditional industrial models. Success in developing Entrepreneurship Ecosystems depends on 'who is in the room' so to speak, to ensure that the system comes together. The concept rests on a foundation of partnership, collaboration, shared vision and bringing together different partners with complementary skills and experience. Importantly, it

includes entrepreneurs themselves as integral to the future success of the geographic region of Johannesburg and its economy.

### Objectives of the 2017 City of Johannesburg Entrepreneurship Ecosystems Symposium and Regional Summits

As mentioned previously, the Symposium and Regional Summits aligned directly with the *Economic Development: Strategic Document 2021's* Pillar 4 – The Entrepreneurial City. Focus was placed on restructuring, developing and promoting tailor-made City of Johannesburg entrepreneurship ecosystems to create actionable plans that will assist in growing entrepreneurship.

The above was achieved through targeted, facilitated dialogue at the seven Regional Summits. The objective was to drive regional ecosystems that streamline the City's Entrepreneurship Ecosystems. A number of entrepreneurs expressed an interest in attending the Symposium.



Symposium ICT Industry Working Group

The objective of the Symposium was to create proactive Focus Working Groups formulated by sector, current activity and/or opportunities to form the Entrepreneurship Ecosystem. These Sector Focus Working Groups collaboratively created action plans with stakeholders of the ecosystem to take forward the proposed solutions from the Regional Summits and Symposium and deliver action plans to drive entrepreneurship opportunities going forward.

None of this will be possible without an objective to ensure that all key stakeholders participate in this process. This includes educational institutions, private sector bodies, non-profit organisations, parastatals and government institutions.

### Picture of Success for the 2017 City of Johannesburg Entrepreneurship Ecosystems Symposium and Regional Summits

Being the first Entrepreneurship Ecosystem Symposium in Johannesburg, the primary focus was on changes needed to make way for custom Entrepreneurship Ecosystems, which include strategies that are supportive of growing entrepreneurship in the City of Johannesburg.

Success depended on the cooperation and active participation by the City of Johannesburg Regional offices and their entrepreneurship counterparts.

The following were identified as centralised key measurable long-term indicators of success of the events, as provided through strategic sessions with the Regions:

- Clarification of roles and clarification of future Sector Focus Working Groups. This also includes selecting each industry for the Sector Focus Working Groups (and including urban agriculture);

- Agreed-upon meeting dates for the future Sector Focus Working Groups;
- For the City: A consolidation of all its entrepreneurship data, broken down by sector, and filtered by size, growth viability and BEE information. This will mean developing a streamlined supplier database;
- Clear definition of what the City of Johannesburg's role is in supporting SMMEs;
- Readily available information with key opportunities per region;
- Entrepreneurs in Johannesburg assisted in and being exposed to new, previously unknown opportunities;
- Identification and participation of ecosystem support partners for SMMEs;
- Creation of economic activities – i.e. nodes – to create opportunities for entrepreneurs;
- Leverage assistance for small businesses;
- Uniformity in MOE support to SMMEs;
- Inclusion of supportive entrepreneurs in the private sector – i.e. those who create jobs and support other entrepreneurs;
- Creation of relationships with business forums;
- Creating a sustainable SMME hub in each region;
  - One-stop shop - consistency of services
  - Accessibility
  - Rebrand and market the hubs

On a final note; defining an enabling environment and how to measure success will be crucial.

## Framework of Regional Summits and Symposium

The Regional Summits took place over six weeks from 14 September – 9 October 2017 to ensure that every Region in Johannesburg was covered appropriately. The Summits

culminated in an Entrepreneurship Symposium at the Mandela Theatre over two days, 23 and 24 October 2017.

The following table breaks down the individual Regional Summits per City of Johannesburg Region covered, and the final Symposium covered, the date of the event, location and number of participants.

### 2017 City of Johannesburg Regional Summits 14 September – 9 October

Region	Date Of Event	Location	# Of Participants
Region A	18 Sep Mon	Rabie Ridge, Midrand	110
Region B	20 Sep Wed	Coronationville Community Hall, Westbury	141
Region C	14 Sep Thur	Roodepoort Theatre, Roodepoort	81
Region D	5 Oct Thur	Dlamini Hall, Soweto	473
Region E	29 Sep Fri	Central Johannesburg College, Alexandra	228
Region F	26 Sep Tue	Turfontein Racecourse, Turfontein	131
Region G	09 Oct Mon	Finetown Multipurpose Community Hall, Finetown	215
Final Symposium	23 – 24 October	Nelson Mandela Theatre Braamfontein	515



Source: 2017 Regional Summits Working Plan - Process towards the creation of the tailor-made Johannesburg Entrepreneurship Ecosystems

## Dedicated Team and Role Sort of the Regional Summits and Symposium

In order to make the Regional Summits and Symposium successful, a dedicated team driving the project had clearly defined roles. This role sort is elaborated below.

**Department of Economic Development (DED).** The DED was responsible for driving the strategic and operational outcomes of the Summits and Symposium. They had oversight to the agenda, content and follow-up to all events.

**Regions.** The City of Johannesburg Regions played an indispensable role in the success of the Summits and Symposium and in building the City of Johannesburg Entrepreneurship Ecosystems. The Regions continued involvement in driving regional economic empowerment will be crucial. In the City's current structure, economic activity is housed with the Department of Economic Development, yet Regions play a fundamental role in establishing the necessary relationships to drive Entrepreneurship Ecosystems.

**Through the Citizen Relationship and Urban Management (CRUM),** the MMC for Economic Development and DED worked together to identify the venues for the Regional Summits; to assist with their entrepreneurship and ecosystem databases; to send out invitations; and to build relationships with entrepreneurs and other constituents in the regions. The events provided an opportunity for regions to profile their databases to create more detailed sector-specific dialogue in the future. It was a step towards developing the 'city-wide' CoJ SMME database. Over time, the aim is greater regional economic development that builds on the City's Entrepreneurship Ecosystems.

**Joburg Theatre (SOC) Ltd trading as Joburg City Theatres (JTC,** an independent municipal entity wholly owned by the City of Johannesburg Metropolitan Municipality): JTC were responsible for the logistics of the Summits and Symposium. They liaised with each region and all contractors to ensure that the venues and events were executed accordingly and that the service providers complied with all by-laws and City regulations.

**Contractors:** JTCs were responsible for the handling of all external contractors, including catering, security, venues, production at each summit venue and the final symposium at the Nelson Mandela Theatre. Z.A.ZEN Consulting (Pty) Ltd was contracted by JTC to facilitate the 2017 City of Johannesburg Entrepreneurship

Ecosystem Symposium and Regional Summits. Their role included project management; internal coordination; facilitation of strategic meetings, summits and symposium; working plans for the Summits and Symposium; provision of speakers; database management of attendees; and a final report.

## About the Entrepreneurs and Ecosystem Partners

The most important element of the Summits and Symposium was the involvement of the entrepreneurs. Without their voices and their participation, the ecosystem would not exist. The most significant change in the City's approach was the re-casting of SMMEs role within the system as participants rather than recipients. Previous strategies and tactics involved the City's role as 'giver' of programmes – this represented movement toward the City as the environment enabler, which is a critical element to the success of Entrepreneurship Ecosystems.

In addition, various Entrepreneurship Ecosystem partners were identified by the City's Department of Economic Development, the MMC for Economic Development's office, the Regions and contractors. These partners were invited to attend the Summits and Symposium, as role players in the City's Entrepreneurship Ecosystem.



Executive Mayor Cllr Herman Mashaba speaking at the Symposium





## SECTION 3

# City of Johannesburg Entrepreneurship Ecosystems Regional Summits

The City of Johannesburg Entrepreneurship Ecosystem Regional Summits rolled out from 14 September – 9 October 2017. Each of Johannesburg’s seven regions, Regions A-G, were visited, and local entrepreneurs invited to participate in the discussion.



Region	Location	Date Of Event
Region A	Rabie Ridge, Midrand	18 September 2017
Region B	Coronationville Community Hall, Westbury	20 September 2017
Region C	Roodepoort Theatre, Roodepoort	14 September 2017
Region D	Dlamini Hall, Soweto	5 October 2017
Region E	Central Johannesburg College, Alexandra	29 September 2017
Region F	Turfontein Racecourse, Turfontein	26 September 2017
Region G	Finetown Multipurpose Community Hall, Finetown	9 October 2017

The format of each Summit followed a basic structure: a welcome from the Department of Economic Development, the Z.A.ZEN presentation on their Johannesburg entrepreneurial research, a presentation from Collen Masango of the Department of Economic Development, followed by a facilitated dialogue. Region G’s programme also included a motivational talk from a local entrepreneur. Region G’s Summit also included an exhibition by local entrepreneurs.

Attendees of the Summits varied, including the MMC for Economic Development, Cllr Leah Knott as well as the Regional Directors. There were representatives from the local business chambers, Roodepoort Chamber of Commerce, local sector forums, such as the Greater Sophiatown Socio-Economic Forum as well as interest groups such as the African Disabled Persons Chamber, the National Black Business Caucus and the Black Business Forum. In addition, there were tertiary institution representations from Monash University and the University of Johannesburg.

### Overall Summit objectives

The seven Regional Summits were held with the following objectives:

- To hear what the entrepreneurs highlighted as their issues to be able to consolidate public policy solutions and practical solutions;
- To understand, on a regional basis, which industries could facilitate entrepreneurial growth, specifically tailored to SMMEs in order to facilitate job creation rather than job opportunities;
- To build an entrepreneurial database for the City;

In addition, the Regional Summits sought to:

- Identify those entrepreneurs who would benefit from engagement at the City of Johannesburg Entrepreneurship Symposium;
- Emphasise the importance of building networks, and thereby, ecosystems, in developing sustainable entrepreneurship.

## Summary registration and evaluation results

REGION	Expected Attendance	# Attendance Register	% as per planned	# completed registration form	# completed evaluation form	# who wish to attend symposium
A	200	110	55,0%	80	47	61
B	120	141	117,5%	143	117	72
C	100	81	81,0%	71	67	57
D	300	473	157,7%	458	167	437
E	250	228	91,2%	191	228	101
F	400	131	32,8%	130	37	125
G	250	200	80,0%	170	112	151
<b>TO TAL</b>	<b>1620</b>	<b>1364</b>	<b>84,2%</b>	<b>1243</b>	<b>775</b>	<b>1004</b>

Figure 1: City of Johannesburg Regional Summits, Attendance Summary

Geographic location was a key determining factor in the number and type of participants.

A higher number of participants indicated a higher level of interest – people were hungry for opportunities as well as information.

This was particularly noted in Region D where the number of expected attendees was 157.7% of planned. It was also noted that of the 473 participants in this Region, nearly all completing the registration form, and expressed an interest in attending the Symposium. Region B showed a similar response in attendance and in completing their registration forms. Also, where regions were proactive in getting people to the door, responses were better. The least number of attendees was at Region F, with only 32% of expected attendees arriving.

In terms of the evaluation forms, Region D had less attendees complete their evaluation forms than the registration form – a difference of 300 attendees. Most of the evaluation forms indicated people wanted to know how the City would follow up. There was still a strong mindset that government ‘must provide jobs’; this was highest amongst those in the Construction sector in Region E, A, and D.

## Key Summit Findings

The findings from the Summits, compared to 2016 ERS, were that the City of Johannesburg originally targeted the levels Start-up and Growth, but what emerged was a high number of Subsistence. Below the initial entrepreneur pyramid there were a large bulk of skilled and unskilled youth as well as unemployed adults. Though the Entrepreneurship Ecosystem Symposium was geared towards higher level entrepreneurs, the unemployed and unskilled needed to be taken into consideration, as was evident from the Summits.

The majority of the Summit attendees were unemployed or at subsistence levels. There is a disconnect between high level DED focus and the overwhelming majority of unskilled and unemployed that need interventions.

- **Addressing the economic divide.** From a political standpoint, the demographic divide is a potential powder keg - the needs of the unskilled and unemployed need to be addressed, particularly in Regions B, D, and E. There is the perception that ‘others’ have the opportunities, whether they were ‘black’, ‘white’, ‘men’, ‘older people’ or ‘foreign’. Jozi@work earned frequent mentions, and there were concerns about its replacement in terms of securing employment. As one attendee noted, ‘entrepreneurism isn’t a choice’. For many, it is the only option left in a dwindling job market.
- **Translating key strategic imperatives into operational actions.** The reality of Johannesburg is very different with a society facing 77% youth unemployment. The City needs to align preferential initiatives with what is happening on the ground. There were a number of younger attendees who were seeking mentorship, basic training, skills development, and an urge to be taken seriously.
- **Acknowledging local government’s limitations.** Ecosystems need to be mindful of the National, Provincial and City roles and responsibilities, and be aware of the linking factors between all three. There needs to be a clear message as to why entrepreneurs need to listen to local government, particularly as there are issues with policy, legislation, and other bureaucratic barriers that are often beyond local government’s reach.

**Making the leap to sustainability.** There are two critical factors to look at when entering a sector as an entrepreneur: ease of entry and the potential to leverage. Most entrepreneurs only look at ease of entry when getting into a sector, which explains why there are so many construction companies. There is a need to look at longer-term objectives, and not only short-term gains. This also applies to entrepreneurial diversification, both in terms of sector and customer/client base.

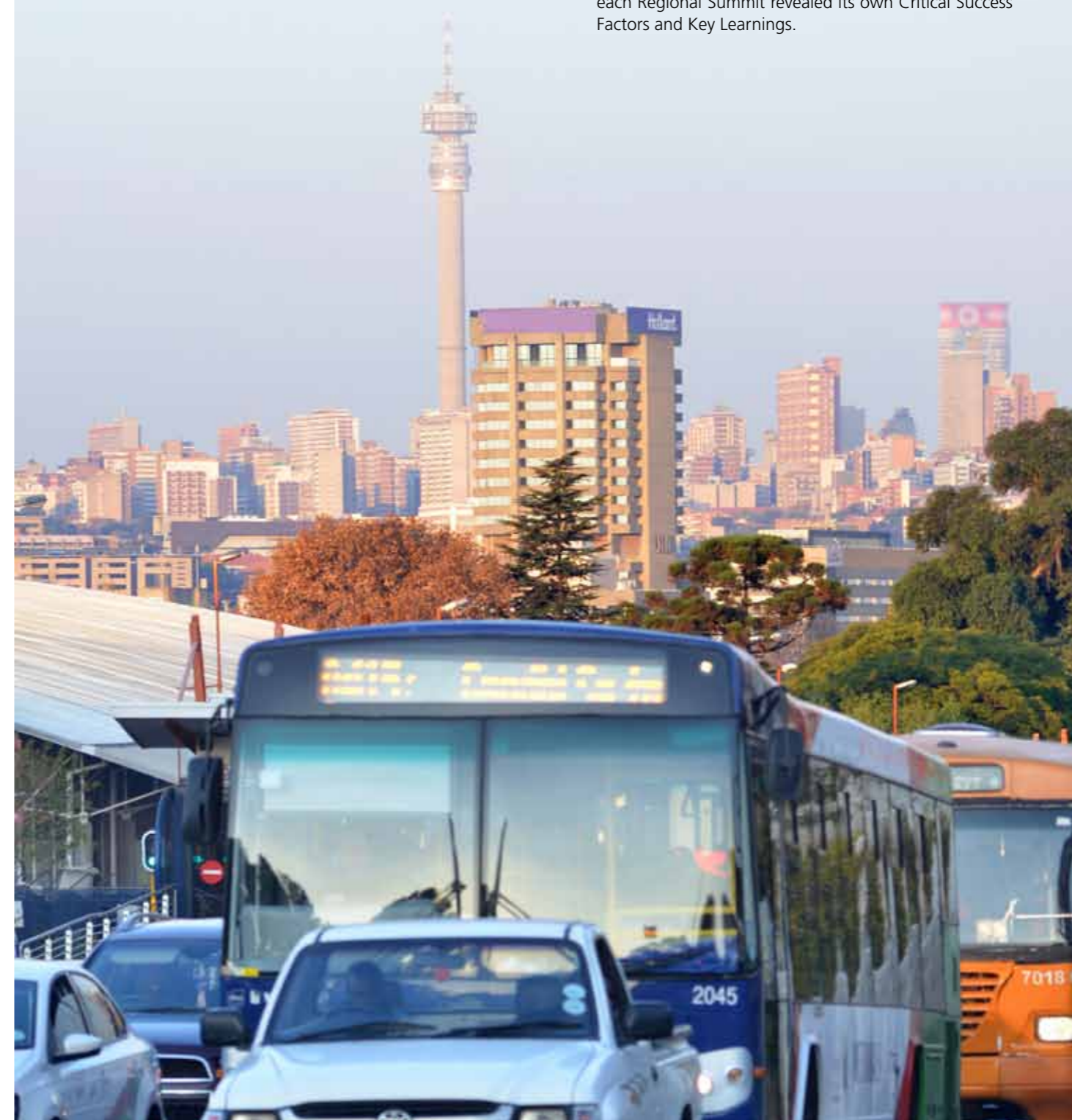
- **Ecosystems** need to focus on socio-economic construct and measure the impact.
- **Having access to markets** is as important as ease of access. In some cases, there is also the need to start creating the markets.

• **Big businesses’ role in ecosystems:** Big business will always crush SMMEs as a result of their large efficiencies – it’s the nature of capitalism. However, large business will always have blind spots that small business can use to their advantage.

• **Creating SMME value.** SMMEs contribute up to 60% to tax, employment, innovation and local revenue.

• **Local business solutions for local issues.** All regions are different so interventions need to be locally adapted.

These key findings formed the basis of the Symposium facilitated dialogue, and were the overall insights drawn from the seven Regional Summits. However, each Regional Summit revealed its own Critical Success Factors and Key Learnings.



## Regional Summits reports A-G

The full Regional Summit Reports can be found in the separate Appendices



Region A Summit, Rabie Ridge

### Region A's Critical Success Factors

#### Access to funding

There is a need to capitalise entrepreneurs with equipment and machinery to enable them to scale up their business. A significant amount of entrepreneurs indicated that they have no knowledge of state institutions responsible for providing funding to aspiring or already established entrepreneurs. Others voiced their frustrations about the process of acquiring funding from the state. They mentioned how tedious and demotivating it could be getting through the process. One of the reasons cited was the amount of paperwork required - paperwork they either did not have the funds to acquire or compile.

#### Support systems

A handful of entrepreneurs showed greater concern pertaining to support, or lack thereof. They indicated that the community itself did not support their businesses, forcing them out of their own Regions in order to conduct business.

#### Access to SMME hubs and improved communication

There is a need for the City to improve and communicate

its plans for empowering entrepreneurs. There is a lack of accessible business support institutions in some parts of the region due to entrepreneurs needing to travel long distances to reach existing hubs.

Access to office space and business sites are a challenge in Rabie Ridge.

Many entrepreneurs indicated that they did not know of any SMME hubs in their region and that there was limited mentoring and entrepreneurial orientation, which they felt could be an advancement in their operations. They requested access to information on platforms they could reach, as most could not access certain information that did not come through mainstream media vehicles.

Local SMMEs are unable to benefit from opportunities driven by the City. Some have registered on databases but do not know how to access opportunities.

#### Access to business sites and infrastructure

The current industrial area is perceived to be dominated by foreigners. An audit of the businesses is recommended.

There is no business site available for retail type businesses in Rabie Ridge.

There needs to be an expansion of roads to allow free flow and accessibility to businesses.

#### Credibility

Entrepreneurs in this region indicated that they did not trust one another and each other's businesses. They had little faith in their fellow businessmen and women. This was directly attributed to ideologies each maintained about what business is and what it is not. There was a failure to see intersections or interrelatedness between businesses.

#### Subcontracting

A lot of entrepreneurs commended state policy as a guiding framework for their businesses, but also expressed great frustration towards the carrying out of policy and adherence to it. This was validated by a few experiences mentioned by 'contractors' in the region. They indicated that they do get sub-contracted but underpaid or not remunerated at all. This fuelled their frustration against state policy. Entrepreneurs, especially construction company owners, suggested a strict monitoring of these SMME dealings within their region and that they should benefit the citizens of Region A and not just main contractors.

#### Access to land

Most entrepreneurs expressed frustration at not being able to access certain vacant tracts of land for business purposes. They indicated that, 'these vacant tracts of land were privately owned by individuals who are not even in the country' and they could not access them for expanding their business operations. Lastly, even if they could gain access to the owner of the land in question, they still needed hefty amounts, which they did not immediately have, to procure the land.

#### Agriculture-Scalable business opportunities.

Businessmen in the area believed that there is a feasible opportunity to establish a fresh produce market in the region. Others perceived the viability of a business centre as there is currently no business site.

#### Continuity

Comments were made that the new government should not stop projects that were started by the previous government because the only people who suffer in the process are entrepreneurs.



### Region A's Key Learnings

#### Access

The keyword of this Region is 'access'. Access to land, information, SMME hubs, entrepreneurship events, funding and entrepreneurship-friendly funding institutions, support structures/systems, opportunities, business sites, SMME office space, and mentors.



## B Region B



Region B Summit, Westbury

### Region B's Critical Success Factors

#### 'We are nothing out here'

Enabling social inclusion; as one participant noted, 'It feels like someone will steal my place. As a normal person doing big business, I feel unworthy...we were not included on the Mayor's budget.' The perception is that there is a lack of communication with local business, and local community, and that their calls for help/action, or even their solutions 'fall on deaf ears'. Recent protests around service delivery were as a result of continuing frustrations and the feeling of 'being passed from pillar to post' as 'nothing happens'. 'I stood there with my cardboard in those protests and nothing happens', said one participant, who had 'numerous proposals' on service delivery.

Communication on projects 'leaves a lot to be desired. An SMME policy will never work if there is no community buy-in.' The sense is that projects roll out without the necessary community participation. Also, that SMMEs were not made aware of any projects or opportunities that might be relevant to them. Councillor engagement was seen as lacking, particularly around community projects. There was also a lack of feedback on current projects as well as policy processes.

As another participant noted, 'Government comes in and doesn't use their own people to lift people up.' Others felt that they were 'not being given a chance'. Similarly, one participant felt that inclusion in sectors such as agriculture is actively 'discouraged.' Surrounded by the vestiges of manufacturing industries, the abandoned factories, entrepreneurs felt similarly 'abandoned'.

There had been previous requests for small business incubators that had not materialised. There was also a lot of unhappiness that Jozi@work had been stopped, with questions around when and if another similar project would be instituted.

This feeling of exclusion was exacerbated by Ward demarcation; this was perceived as a 'discriminating system'.

'There are ten opportunities in Westbury and none in Riverlea, but you are not in that ward.'

Compounding the perception of marginalisation was that of supposedly unfair BEE practices that were not benefitting the coloured community. Also, there were perceptions that foreigners secure contracts before locals, and therefore the City needed to put 'citizens first' with foreigners securing contracts before locals.

#### Preferred procurement

Some participants expressed amazement that they were in fact on the database; 'When we guys submit our company's profile for work, it is the only the same people that you call for interviews...it was easy for you guys to call us to be here today, but it is not easy for you guys to give each and every one of us a chance to build us up.' Overall, the procurement policy framework is seen as 'not being business friendly.'

Corruption was seen as challenging; entrepreneurs wanted to belong to the database, but distrusted the process. One participant stated that she had been on the

database for over five years, with 'zero opportunities'. Some stated that their only way into opportunities was with 'favours'. There were issues of transparency; 'mafia tactics' were used, and there were businesses in other regions using friend's or family's addresses in Region B to fraudulently secure tender opportunities.

'The supply chain of people in the City makes entrepreneurship a failure.' The supply chain was a 'hindrance' because of how it was structured. Government entities were curbing growth for SMMEs by only allowing them to work on one project at a time. A suggestion was that business be 'set aside' or reserved for SMMEs, as big business 'bullies' SMMEs. Another suggestion was that there needed to be a percentage/quota of SMMEs on the supply chain. Similarly, those SMMEs needed to be from regional, local communities and not franchisees or suppliers from other regions, particularly as 30% has to go back to the community.

The perception was that bigger was better when it came to choosing suppliers. 'Let's add value to the SMME experience to change the perception that it is only worth dealing with big business.' It was also suggested that SMMEs be used, where possible for materials and plant hire.

Of those contractors who were using SMMEs, it was perceived that they're 'using the same three companies over and over again', and therefore not using the 30% properly.

SMMEs were not being paid properly, with contractors not honouring their contractual agreements leading to

frustration.

Additionally, less than stellar contractors were 'failing the community', leading to the question 'what made them [the contractors] qualify? There are SMMEs here that could have done better...finished the job...it didn't filter back to the community.' Broader communities needed to be involved with decision making as 'we have to suffer with the problems that we are left with.' The broader community includes SGBs, Principals Forums, CPFs etc and 'must be included from inception to handover for better insight and quality work.'

There was a request for private company work to be included in CIDB grading. A suggestion was that SMMEs can club together to improve their CIDB gradings.

#### Sector diversification

'There is a glut in the [construction] market, so what about other industries? There are empty factories, so room for us to grow.' In particular, the abandoned factories - 'white elephants' - are seen as a possibility to grow manufacturing or even corporate office space for start-up SMMEs.

Entrepreneurs said that they were unable to farm in Riverlea because of mining land that is unsuitable, which led to frustrations for those interested in agriculture.

There was a suggestion to inject the local economy with the establishment of the George Harrison Park as a heritage site, thereby increasing tourism to the area.



### Region B's Key Learnings

#### 'By the community, for the community'...

...as one participant said, 'I have proposals for local work for the community, but then get squeezed out by the tender process - can't there be another way? We don't want to just be labourers.'

'Some of our communities are amongst the poorest of the poor, we need to do something to live - it's not about me, it's about us. Let them see our people.'

Local businesses felt that they were not consulted for any local work, despite being both familiar with and aware of local issues/problems. For example, a tree felling business was aware of tree branches posing a danger to overhead electricity lines, yet, these issues were not being addressed by current service providers. Similarly, the same business had not been approached for Arbor Day events.

For the summit itself, the question was whether or not the organisers had used the region's database to provide catering and security. 'Where does it start? It should be on the ground, with City, but we're not recognised by the City itself.'



**'You must be of service to be leaders'**, the Batho Pele principles were recommended as the values to be educated to SMMEs. 'The people in the community are our clients.'

### Skills transference as integral to sustainable entrepreneurship

For some, entrepreneurship was not seen as a 'choice', but as a necessity for sustainability. There was skepticism that the government's interest in entrepreneurship was the 'thing of the day', as there was little to back up this interest.

A certain amount of skills training was required, including: start-ups; how to apply for a tender as well as the tender process itself; how to register an NGO. Additional skills training could include workshops to teach people to do certain jobs. Facilitated workshops would also be of benefit.

Incubation programmes were also cited as essential in providing necessary business skills and mentoring.

### Opportunities for youth development

There was the suggestion that teaching entrepreneurship skills needs to be developed from Grade 10, when it's best to 'harness creativity'. Also, there was an opportunity to match skills with senior citizens and the youth, and make use of the 'white elephant' factories as potential training venues.

Another suggestion was that corporates are identified for work experience opportunities, instead of learnerships. Also, young people could get involved in volunteerism for work experience.

### Who to talk to and how to talk to them

'Who are the decision makers [corporate], what doors are we going to knock on?' There was a need to network with the more affluent parts of the region. The request was for local government to assist with a 'more conducive atmosphere' on how to interact with these areas and businesses. Also, how to collaborate with bigger, more established businesses.

In addition, there was a lack of a business hubs in the region. Other questions were raised around how to capacitate business forums.

In terms of talk with government, there were concerns on public participation with regards to the procurement policy. Yet, there were also fears of speaking up at the risk of being sidelined and not given projects.

For SMMEs, there was little communication on possible funding opportunities and how to go about securing these funds.



Region C Summit, Roodepoort

## Region C's Critical Success Factors

### Meaningful engagement with entrepreneurs

As one participant asked, 'Is this authentic...genuine?'. There was fear of the summits being another 'talkshop.' In dealings with some local government offices, entrepreneurs perceived themselves as being 'problematic' or 'a nonsense.' There was a sense of frustration in dealing with local government structures, of 'being passed from pillar to post'. Also, the hubs tended to be viewed as 'information' depots rather than constituting 'action.' Entrepreneurs were looking for 'practical, bankable, and implementable' strategies rather than talks that 'boost morale'.

Dealings with local government needed to be proactive with more face-to-face engagement with both community (including ward, region, and city level) and local business beyond box-ticking – a sense of dialogue and common purpose. Numerous participants expressed their gratitude for the opportunity to be heard in a public forum with decision-makers. This dialogue was seen as a two-way street, a partnership, with entrepreneurs wanting to feel empowered to drive conversation, and not only wait for government to talk to them.

Similarly, there had been gaps in communication efforts; not all entrepreneurs were aware of communication chains of command within local government, and many lacked knowledge of government entrepreneurial programmes.

### Good enough governance

'You will fail because you are not a comrade' was one entrepreneur's experience. Similarly, there was the perception that there were 'gate keepers' denying access or awarding tenders to 'preferred' suppliers. There was frustration over the perceived lack of feedback and transparency, particularly with regards to local government SMME budgets and their breakdowns. Entrepreneurs wanted to feel that there is accountability by local government which starts with regular feedback on events such as the summit, and on initiatives that are rolled out. Overall, there was a 'lack of trust' in dealing with government, with politics hampering public administration.

A repeated question was how local government will monitor, evaluate and measure 'progress'. There was concern that the City's success was based on the number of SMMEs supported rather than the number of SMMEs who are successful (quantity vs quality). Similarly, there was a request for timelines to track progress.

### Ongoing entrepreneurial support

There was a sense that there is 'no after care' in terms of skills development after funding had been granted. The lack of mentorship and a lack of awareness of any potential help or support had resulted in business failure. Yet, the participants ranged from 'beginners' through to the more seasoned, therefore the definition of 'ongoing support' was different for each, with a need for support differentiation.

The SMME hub was seen as a 'waste of resources', and the business hubs are not entrepreneur-friendly with some not understanding the purpose of the hubs beyond a 'desktop exercise'. In terms of agricultural hubs, the concern was for long-term planning. There needs to be consultation as to the location of these hubs, as well as the profile of the persons who use these hubs to understand what would constitute better service.

Also, the use of ICT in addressing support was seen as underplayed, and that perhaps these other options could be considered, for example online apps.

### Policy enablement

'No more red tape, roll out the red carpet'. The bylaws are 'restricting free enterprise' according to one participant. Also, current bylaws are not seen as beneficial to SMMEs but rather as benefitting bigger, more established enterprises. The procurement policy needs to be reviewed to enable smaller players.

In terms of the construction sector, the current main contractor and sub-contractor arrangements are 'platforms for failure,' with sub-contractors having to squeeze on pricing to secure tenders. The fear is that sub-contractors are 'cheap labour' for the bigger construction companies who are 'politically well-connected'. As such, there is a request for a measurement 'minimum' for contractors to prevent sub-contractors from potential exploitation.



## Region C's Key Learnings

### 'Do things with us, don't do things for us'

For the entrepreneurs, government is a potential enabling partner in their ongoing success. As one noted, 'build co-reliability and accountability', and make it a 'business-friendly city'. Municipalities were seen as 'their own enemies' in dealing with potential public-private partnerships to solve community-specific problems.

There was a request for better information dissemination; which databases did each ward/region have of sector-specific opportunities that could be shared? There were requests for 'hard data' for each region to more easily identify skills gaps, such as skills audit, employment, and equity reports. This data and informed scientific research could then inform practical and workable solutions.

In terms of the agricultural sector, there were regional land opportunities, but these were not accessible to local agricultural entrepreneurs. This information could be better disseminated. Similarly, working together, there could be a more strategic management of available resources, for example the use of school land tracts.

The arts & culture sector was not represented in the regional round-up, although it had a rich and pivotal history. The lack of acknowledgement was of concern to a potentially economically diverse sector.

Similarly, the waste industry needed to be acknowledged in their role in providing job opportunities to communities and local government in reusing and recycling waste.

### The establishment of sector-specific working groups

There is a need for regular engagement with local government and sector-specific entrepreneurs. The formation of working committees would comprise of relevant accounting officers who recognise the sector-specific issues and are able to provide short, and medium-to-long term feedback.

Potential working groups identified included: social responsibility that focused on 'pushing up' at the grassroots level rather than at top-down discussion, arts and culture, low cost housing, and disability-focused. These working groups would provide a platform for more regular and targeted engagement. There also needed to be a working group on creative and innovative solutions to review how small businesses engage with local government.

However, each working group would need to clearly articulate its own mandate. Also, for some working groups, a 'champion' from the Department of Social Development and/or the Department of Economic Development would need to be identified.



### Strategy is followed by structure

There's an opportunity to 'do things differently' or 'break new ground' for local government. One suggestion was to create an alternative structure that focussed on the value chain (process, suppliers, marketing, etc.), with value chain champions. These champions would then be introduced to the entrepreneurs to develop mutually-beneficial SMART goals. Another was to create awareness of not only other entrepreneurs in the ward, region and city, but also other potential 'partners', such as private organisations, NGOs, think tanks, investors, etc.

An enabling structure also includes resources such as ubiquitous Wi-Fi and potential working spaces, as well as awareness of other potential partners in the private sector and NGO space who offer entrepreneurial resources (such as office space). These initiatives could be used as an element of social responsibility for these institutions; a database identifying these partners, e.g. General Electric in Rosebank, Chamber of Commerce, could be created and made available.

Participants highlighted that there was an opportunity to use ICT to review the procurement process system to be less onerous for SMMEs. As it currently stands, local government tender and procurement processes are not 'small business friendly'. Nor is there ease of access to the entrepreneur database, nor ease of business registration on that database. Similarly, there are various apps, such as Waveapps, which could assist entrepreneurs in running their business.

Another suggestion was incubator programmes for EMEs and QSEs, particularly for women and the youth to provide side by side support.

### Entrepreneurship as social responsibility

For most of the entrepreneurs, their business is linked to their local community. Suggestions varied from similar summits or conferences for entrepreneurs by entrepreneurs, which would allow starter entrepreneurs to gain grounding in the 'basics' thereby 'giving back' to the local entrepreneurial community, to social responsibility as part of entrepreneurial registration.

Community awareness extended towards both social (alternative healing and drug rehabilitation) and environmental (waste management) issues. A local entrepreneur had combined traditional and non-traditional healing to provide a community clinic. Similarly, an entrepreneur suggested the dissemination of entrepreneurship skills to rehabilitated drug users in the community.

### Entrepreneurial sustainability as a key driver in job creation

Programmes/interventions/solutions need to consider long-term sustainability rather than short-term quota fulfilling. Local government needs to ensure that the right support and the right amount of support is being extended to the right audiences, for example, the youth, women.



**D**  
Region D



Region D Summit, Soweto

## Region D's Critical Success Factors

### Technology as a driving factor

'There is so much life in technology, but there seems to be no focus and vision in technology.' Ubiquitous and free Wi-Fi were highlighted as key for emerging entrepreneurs. As one participant noted, 'I am the youth, and I cannot access the resources I need online to upskill.' Technology was seen as an access point for opportunities and education, yet access to that technology was an integral first step.

The use of technology could be used for better dissemination of information.

### Shifting mindsets

'Family and community can be debilitating...community looks down on you, until you're successful.' The perception is that securing significant funding is what equals entrepreneurial success. One participant said that he is 'looking for a charitable donor' to fund his project. However discussion revealed that he already had sufficient customers whom he wasn't charging.

There was the perception that the youth are inexperienced with little to offer, and that the previous generation had fixed mindsets, with little to offer. On the other hand, another participant noted that in some cases 'they are looking for qualified, not experienced people'. Yet, there are also those who were newly qualified who are unable to find employment who could be utilised in skills training. There was a need for workshops or similar to help change

the mindsets, particularly with regards to generation gaps. Graduates in need of experience could prove to be an invaluable human resource assisting in the establishment of start-ups and in existing SMMEs. 'Use the youth to conduct market research to identify gaps, filling out tax forms, etc.'

Similarly, opportunities for business were focused on sectors such as construction. A participant noted that sport is a potential game-changer; there are opportunities to create sporting associations and businesses that ultimately support and create national athletes. Other participants said that they had 'no interest in this spaza shop thinking', and had developed an app for which he was looking for funding. Another wished to offer 'sleep aways' on Airbnb.

Another issue was how to identify gaps in the market; how to see those opportunities beyond formal employment. A suggestion was to include entrepreneurship in the national curriculum so that these thinking skills will already be instilled in matriculants.

As for 'failure', one noted that this was 'subjective', but perhaps focussed research on failure would help to identify the common denominator.

Another issue pertaining to failure, was guidance on how to handle failure. A participant explained how they received a contract from CSI (Avis Fleet) as a women-owned co-operative. However, business was slow and they couldn't pay their workers. As a result, the workers took the machinery from the site, which was reported to Avis. Now the co-operative has been removed from working on site.

There was the suggestion that entrepreneurs need to look at what they need to be doing to create sustainable businesses rather than relying on what government is doing. There is a need to get entrepreneurs to work together, e.g. leave a percentage of stokvel money and invest in hospitality suites, etc.

### Access to information and information sharing

How can entrepreneurs find the information they're looking for – training, resources, opportunities? As one participant noted, 'How can an entrepreneur take advantage of opportunities, if he is not aware of them?' Many mentioned the issue of vacant land; where is it, how can they avail themselves of it, who do they speak to – 'we need these spaces to co-operate'.

Similarly, 'a start-up business...how does it knock on the City's door and make services available?' There is a need for two-way communication – both from the SMMEs to the City and vice versa. There was a suggestion that accumulated entrepreneur data from the various hubs be congregated into a database that SMMEs could access for various services.

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There was a request for more business hubs in the Region; 'this one...it's getting crowded'.

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Similarly, there was a request for assistance on how to grow existing business; profitability, financial management, computer skills.

### 'Investigate before you approve'

The role of local government in assisting entrepreneurs was discussed. For some participants, their dealings with the City have been: 'The door is closed'. There has been the experience of a lack of credibility, with no follow through. A suggestion was that, as part of continuous development, businesses volunteer their services at no charge to lessen unfair practices.

'You hear and you listen; don't know if the government listens'. The perception was that government is about politics and not about enabling business; 'politicians don't see what we face here'. Also there had been instances where government had not paid SMMEs on time. Similarly, there was the perception that the procurement process did not favour black business. In addition, there was the perception that government favoured services from BRIC companies, therefore no investment in local, South African SMMEs.

A suggestion was that Community Business Forums (CBFs), based on demarcation, needed to be registered on the City's database, based on what the business SMMEs could provide in the different wards. In this way,

when the City needed a service in that area, they could pool from the businesses in these CBFs in these areas.

There was the concern that 'government is not coordinating together to enable to have an impact in our business'. A suggestion was for the formation of local associations, for example of local caterers or plumbers. Another issue was that of 're-zoning' and the seemingly illogical inconsistencies of regulations across the different wards and regions.

There was also the concern that the City was still geared towards the development of white communities; therefore, how was the City assisting previously marginalised African communities in their growth and development.

As for policy, there was the suggestion that 'SMMEs rather give the directive'; 'we don't want politicians to be involved with projects'. The intervention of government officials was often political in nature; this frustrated the process rather than served the needs of businesses. 'Where can we go as entrepreneurs to raise this and other business related concerns?'

Further concerns were around how businesses were qualified to run in the City. Another was how to get all small business to register and pay tax.

### Enabling SMMEs to be competitive

'How do I compete against big business?' was a frequent question. A suggestion was that the City develop a database for SMMEs. 'City's system and policies are there but red tape is a problem'. Also, big business was perceived to not be following charters, such as BEE, Agriculture and Construction.

It was suggested that the City assist with whistle blowers to alleviate corruption.

A business platform where smaller businesses could learn from bigger business was required, so that smaller companies could move from partial to full accreditation and take on big projects themselves. The platform could also serve the purpose where one could report fraudulent practices and corruption.

### Repurposing industrial areas

These 'white elephants' were potential training spaces, or opportunities for other business, such as manufacturing.

The entrepreneurs wanted access to land – they had identified underused structures and would like to occupy them. Target groups were not benefitting from what had been sought when initiatives to create free inner city spaces were introduced, e.g. at Bree Taxi Rank.



## Region D's Key Learnings

### By the community for the community

'Supporting black [businesses] for black to be successful'. As the biggest region, it was noted that there should be 'more' entrepreneurs than those in the room. 'Alarming' was the way one participant described it.

'To make it as a business community we need to support one another by rotating resources amongst ourselves.' A suggestion was that more could be done to pool entrepreneurial resources in the community to create buying power. One idea was 'community shares' so that communities could own a shopping mall or building in their community. 'We need to stop money from leaving Soweto', said another participant, noting that companies like Shoprite and Pick n Pay dominate malls and centres.

'South Africa's success lies in township development'; there was an awareness that there needs to be business solutions for local challenges. This included the repurposing of industrial areas and vacant land for local, community-led business.

### Fostering independence

'Stop creating situations that lead us to being dependent on others'. Moving from subsistence to sustainability was a core issue. 'How do we move to being successful entrepreneurs?'

Similarly, a participant asked how the previously marginalised could move from BEE to sustainable supported entrepreneurship.

Also, in terms of pricing, and the current legislation, 'we are being punished'. SMMEs who wanted to thrive were finding that red tape was strangling their attempts at autonomy and longevity. There was a limited support structure for SMMEs, with 'cheap labour' preferred over registered small businesses.

A challenge was to get onto the City's supplier database. The requirements of financial statements, UIF tender letter, and workman's compensation, for example, were not small business friendly. Also, consultants charged high fees that were prohibitive.



**E**  
Region E



Region E Summit, Alexandra



## Region E's Critical Success Factors

### Access to opportunities

Entrepreneurs and aspiring entrepreneurs expressed that the City was not providing enough opportunities for them; entrepreneurs felt most of the initiatives were favouring big businesses. Even those opportunities that were meant for SMMEs seemed very difficult to get hold of and remained a great challenge.

The general perception was that the City kept giving profitable projects to big companies instead of supporting and growing SMMEs. This gave entrepreneurs the view that the City was not committed to the growth of SMMEs.

A further concern was that there was no growth plan for SMMEs in Alexandra - foreign companies adopted their ideas and took over from them.

### Support and hubs

Entrepreneurs felt registering on the City's database was complicated and that there was no one to assist them or give them support and guidance.

SMME hubs were a focus area as well; entrepreneurs felt that they are not effective at all.

There was a need for centralised manufacturing hubs for ease of access. SMME hubs needed to be re-modelled to offer value added services.

### SMME policy

Policies needed to favour entrepreneurs and SMMEs. It was felt that CIDB Grading excluded entrepreneurs. Compliance, especially CIDB, was a big problem that kept SMMEs small. Government must simplify statutory compliance as CIDB scores were difficult to obtain.

Policy should locate the forums because they played an important role in the community, though some entrepreneurs felt the forums were not representing them but their own families and interests. Also, the City was too slow with policy development - by the time they were done, a lot of opportunities would have passed by. Furthermore, entrepreneurs should be included in shaping the policy.

There was a need to address the segmented approach in SMME development.

It was felt that there was a lot of paperwork before actually getting a contract, and the costs of acquiring the relevant documentation for business operation was too high.

### Funding

Funding seemed to be the biggest stumbling block which hinders entrepreneurs from undertaking big projects. Current funding institutions were not seen to be SMME friendly. Funding institutions all wanted high interest rates on loans or collateral. There were a number who felt that they had great ideas but there was no funding.

While there remains great consensus on the issue of funding not being the only factor to a business's



success, most entrepreneurs felt that state entities offering funding were not sincere in their approach to feedback. Entrepreneurs said they applied for funding but were sent away without any feedback as to why they did not receive funding. They felt feedback was a necessary part of their reflection - if proper feedback was given, then they would be able to reflect, grow, and respond differently.

### Payments

There were SMMEs that still have to deal with non-payment from the City. One entrepreneur indicated that she had not been paid for two months.

### Communication

Communication issues were in the spotlight as entrepreneurs voiced their dissatisfaction on how the summits were advertised and the short notice. The City needs to improve on their communication strategy and use platforms that entrepreneurs use so that information can reach them timeously.

### Subcontracting in the Construction industry

The 30% that was meant to go to SMMEs needed to be monitored in its entirety.

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Entrepreneurs in Region E expressed that they would benefit greatly from the 30% SMME set aside from bigger contractors if greater control was exerted on the main contractors.

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Many felt they were being cheated, as main contractors never adhered to the presiding framework and legislative policy governing SMME's.

Lastly, entrepreneurs asked that there be a skills exchange programme embedded within the framework of the SMME's so as to accommodate up-and-coming entrepreneurs. This skills exchange would happen in the contractor and subcontractor relationship.

### Women and Youth

The youth and women entrepreneurs felt that though there was a significant amount of legislative action on SMMEs and women and youth empowerment, the framework and legislation was still limited to men. They could not access certain resources and facilities. They pleaded for a more inclusive approach to policy development.

### Access to business sites and infrastructure

Working spaces seemed to be key, entrepreneurs felt that they could work better if there were places providing them either free or cheaper working space. There were old unused old buildings that could be refurbished and converted to working space.

### Land and Agriculture

The common feeling was that the City was very keen to give churches land but were not keen to do the same for entrepreneurs. The question was: Commercialisation versus socialisation, which one should be given priority?

There needs to be a simplification of the process of getting access to land for business. The City should facilitate, in conjunction with the relevant departments, access to land for business purposes.

### The City is not listening

Entrepreneurs felt they have had enough of talking and talking and the City never responded or did anything about the challenges that they voiced. There was the perception of more and more promises, but no delivery.

Other state entities were also urged, via City of Johannesburg to avail themselves whenever summits of this nature are undertaken.

### Failure in business

A question was asked as to how one could rise up again after failure.

### Partnerships

Partnerships are important to facilitate and advance the SMME agenda since government cannot do everything but can use partnerships to create an enabling environment. There was the suggestion to create shared partnerships between advertising agencies and SMMEs. Another suggestion was for a hot desk hub around the area to comprise members representing other associations rather than business forums.

### Simplicity and friendly systems

More established entrepreneurs spoke to the complexity of CIPC systems, and how they did not know how to use the internet. They also referred to other systems that they thought weren't enabling enough for them to progress and grow in business.



## Region E's Key Learnings

### Shaping public policy via participation

Entrepreneurs need to shape the City's thinking. It is important for the City to involve entrepreneurs in the planning of policy and programmes that affect entrepreneurs.

### Learning from other entrepreneurs

Entrepreneurs need to tap into their support groups after they failed so they can get up and run again. It is important to focus on your strengths, and solutions are usually within each entrepreneur.

### Inclusive engagement

There was a need for youth and woman empowerment (30% set aside).



F  
Region F



Region F Summit, Turfontein

## Region F's Critical Success Factors

### Opportunities and support

Entrepreneurs were not clear as to where they could get information about business opportunities in government and what assistance was available to support SMMEs. Local SMMEs were unable to benefit from opportunities driven by the City. Some had registered on databases but did not get selected to access opportunities.

Entrepreneurs who were appointed to large tenders often did not have working capital to fund the delivery of those projects, resulting in unequal access to opportunities, missed deadlines and lost contracts.

### Lack of support for Youth/University aspiring entrepreneurs

Youth (students from UJ) seemed to lack basic information about starting a business. It appeared that in the past they relied on a programme called Enablis, which they believed had not received further support.

Youth expressed their lack of confidence in the NYDA, stating its apparent inadequacy to offer real assistance. The bureaucratic red-tape and the waiting period with Gauteng Enterprise Propeller (GEP) was also mentioned as an impediment.

Youth entrepreneurship should benefit from having assistance with company registrations as well as basic

training in business. The need to create awareness for people to start businesses was raised. The forum also highlighted the importance of an attitude of embracing failure in entrepreneurship.

### Promoting entrepreneurship best practices

The City needed to create an environment that promotes a culture of entrepreneurship where entrepreneurs could take risks and innovate. One of the methods to ensure this happens was to invest in entrepreneurship education and research. Entrepreneurship education was an important part of developing novice entrepreneurs. The State should also consider that route, in developing the entrepreneurship ecosystem.

In order to encourage the emergence of innovative technology solutions, training programs needed to focus on soliciting specific solutions that solved the City's problems in areas such as energy, health, water, food, and transport.

Panelists also highlighted that the most effective way to do market research was to try to find out if customers were willing to buy your product. Also consulting with practitioners for feedback in the same business types could be beneficial. This would be more effective than spending huge amounts of money on generic market research.

### SMME policy

The City needed to come up with a policy that favours SMMEs and the policy should cater for all types of SMMEs. Failure was a common thing in entrepreneurship and the City had to make sure that policies do not disadvantage

entrepreneurs when they failed (i.e. blacklisting). Policies and prerequisites must be modified and accommodate everyone striving to be an entrepreneur.

Subcontracting was an issue for SMMEs in the Construction sector. Other issues included compliance, CIDB grading disadvantages SMMEs (the procurement/supply chain system did not work for SMMEs).

### Big Corporates versus Small Businesses

Entrepreneurs felt the City favoured big corporates at their expense. All the profitable projects went to big companies and the SMMEs stayed small forever because they had to survive by sub-contracting. It was difficult for a new entrant to compete with larger corporations. New entrants needed to be given a chance so as to also develop the required track record.

### Funding – Working capital

When debating the funding issue, working capital emerged as one of the biggest needs for entrepreneurs. Two examples to support this: an entrepreneur with an innovative mobile app that linked businesses to clients required working capital to promote, launch and market. The entrepreneur could also benefit from mentorship around developing an effective app marketing and monetisation strategy. A movie maker entrepreneur expressed their wish for these summits to bring solutions to their business. The entrepreneur stated that their reasons for attending the summits was not just to listen to presentations of reports about entrepreneurship but to find help regarding financing of equipment, and availability of funding for their working capital and growth. He stated that this would be more impactful to his business.

### Summits not advertised well

Promotion of the Summit did not highlight what the entrepreneurs should expect. Inadequate media coverage for the Summit was also highlighted. Most people did not know about the Summit and those who knew did not know what the Summit was about; there was not enough information on the invite and it was received late.

### Access to business sites and infrastructure

An entrepreneur with an innovative mobile app sought facilities to operate the business. This entrepreneur could benefit from an introduction to the ICT hubs in Johannesburg.

There was a lack of awareness among the entrepreneurs about the technology hubs within the region and what services were provided. The City also expressed that the existing SMME hubs were not as functional as envisaged. The City had planned to reconfigure and to expand an additional five SMME hubs.

The Business Place was also recommended for those seeking access to facilities.

### Agriculture and Tourism

A professional agriculturist specialising in training and consulting was concerned about the silo-type operation of the Department of Economic Development and the region. The Regional Director suggested that currently, economic development was centrally structured, and therefore they do not have representation within the regions.



## Region F's Key Learnings

- Creating access to opportunities.
- Enabling access to business sites and supportive infrastructure.
- Increased communication and advertisement of entrepreneurship events.
- Providing a platform for entrepreneurs to engage with funders.
- Developing youth entrepreneurship.



Region G Summit, Finetown

## Region G's Critical Success Factors

### How information is packaged

'That information you just shared with us [Collen Masango's presentation]...I've been looking for it the whole year. It plays a crucial role in repositioning business'. There was a need to ease access to information. However, not all entrepreneurs had access to technology. 'I knew about it because of the gym.' There was a request for other channels of communication, notably face-to-face.

In addition, 'internet connectivity will unlock some of the issues', as not all of the wards had internet connectivity from service providers. 'In terms of telecommunications, there is no network coverage.'

Another asked how information about the Region was being used to inform overall strategy; 'What is being done to show what's happening in Region G?'

'The business hubs...who knows where they are? There is a disconnect between entrepreneurs and government.' A suggestion had been made to rotate the hubs from ward to ward. Another suggestion was to create community task teams who would 'collect challenges and assist'. Any issues that the community task team could not address could then be sent to the hub.

'We need the registration offices near to the communities and deliver to those who got the business'. As well as a communication disconnect, there was a physical disconnect between entrepreneurs and resources.

'Entities such as SARS, can come and visit to assist people with company tax etc. Come and look'.

It was suggested that SARS and CIDB run mobile workshops in the area to transfer skills and facilitate compliance.

Upskilling was another issue; 'there needs to be training with SMMEs to upskill to harness opportunities.' 'We have to find out from other people, we need help, for example with financial statements and marketing, how do we get customers?'

'The Forums meetings are so overwhelming at times'; the request was to separate different disciplines, e.g. tradesmans, or health and safety, and then issue tenders in that group.

### Enabling access to opportunities

'Most of the qualifying criteria requires ten or so projects as experience, and closes the door for new companies'. Oftentimes, entrepreneurs had experience from previous employment which was not eligible as part of the criteria. There was a call to revise criteria without compromising standards or legalities.

Similarly, the requirements for access to funding was restrictive, 'so access to funding is denied.'

'Who do you know, and then you're connected'; there was a call for 'moral' business that does not rely on 'connections'. 'Councillors must stay away from these projects.'

'City approved 30% for SMMEs...when it comes to your area, it's not for debate.' There was a call to take the 30% 'seriously as it is the one way SMMEs can benefit'. However, it was still difficult to compete with bigger business.

Another question was on the relationship between the City and the Johannesburg Chamber of Business, and how that relationship could benefit entrepreneurs.

Orange Farm, in particular, had a number of issues: a request for an industrial park for support of local SMMEs, and an economic hub, as well as support, training and

funding for the Orange Farm Business Forum.

There was a need to capitalise entrepreneurs with equipment and machinery to enable them to scale up their business. This included devices such as peanut butter machines, vegetable freezers, rubbish crushers, and paint sprayers. Also, there was an entrepreneur who had a formula for an energy drink and was hoping the forum was about funding for entrepreneurs – any forum for entrepreneurs was seen as a possible opportunity for the 'right' opportunity.

### Diversification of sectors

'Drama, media, telling stories, where are we counted?' asked a music entrepreneur. There was a concern that the Arts were not represented. A suggestion was a resolve to build a theatre so that there would be an opportunity to train the youth on stagehanding,

lighting, direction and acting.

Similarly, there was a need for sports to enjoy more prominence; 'programmes are not being recognised.'

### Market access

'Region G is rich...we should create a showground where people can display what they're doing'. It was noted that the only way to generate other business was to showcase what was on offer. Similarly, 'can we not have stands so that people can start selling?'

Another issue was transport to existing markets; 'We are losing sponsorship because of travel challenges.' Similarly the closure of the railway crossing was an issue. There was also a request for a taxi rank; 'Commuters stand in the unbearable open'.



## Region G's Key Learnings

### Agriculture as the key sector for development

As one participant noted – 'take agriculture and the environment seriously'. A repeat question was that of available land; 'limited land hinders growth'. Another request was for permaculture. There was the perception that there 'is no way forward' between the Regional Director and the Farmer's Forum. 'It shouldn't be one size fits all.'

Another participant noted that he had not been able to access borehole water or electricity.

A further concern was that of ongoing training; 'the first thing identified...used to be farming, but we are not passing on the knowledge.' A suggestion was for an agricultural college in the Region to avert a 'wastepan society'.

There is a concern around opportunities for the youth, and agriculture was a potential option for them.

### Moving onwards from household businesses

'There is a lack of credibility' noted one participant. Yet, 'we cannot find or afford business premises'. Another said that they 'were operating from a passage in the civic theatre...we can only show them what we're doing'. 'One of the things preventing business thriving is that there is nowhere to do business.' Similarly, an entrepreneur in the recycling sector (aluminum cans) required land for expansion of her business activities.

A suggestion was to repurpose and refurbish some of the abandoned industrial areas as office space for these entrepreneurs. Though, as entrepreneurs noted, Nancefield industrial area was poorly managed – no-one could take their business there.

'What will and can be done for home based entrepreneurs to expand and get assistance to develop and open shops because people don't want to support entrepreneurs working from home'.

The need for premises also dovetailed with the need for land and its accompanying legislation. The area was not proclaimed, so there were no title deeds. This was confirmed by a representative from Environmental Health Department. There was a problem for crèches who could not get certificates/permits, as well as a home-based motor sprayer who expressed that there was no site allocated for his business activities in his location, and his neighbors were complaining about the paint.

### Role of the Regional Director

Region G's Regional Director had already developed a strategic model for entrepreneurship growth within his Region, highlighting the importance of Regional support and buy-in.



SECTION 4  
 City of  
 Johannesburg  
 Entrepreneurship  
 Ecosystem  
 Symposium Report

The inaugural City of Johannesburg Entrepreneurship Ecosystem Symposium took place on 23-24 October 2017, at the Nelson Mandela Theatre, Braamfontein.

Entrepreneurs that were identified and those who expressed interest in the preceding Regional Summits in Regions A-G attended. Also in attendance were stakeholders from education, government, media and other potential enablers, such as the Wits Business School Centre for Entrepreneurship, Shanduka Black Umbrellas, the National Empowerment Fund (NEF), Junior Achievement, the University of Johannesburg and the National Youth Development Agency (NYDA).

The two-day Symposium comprised speakers on the entrepreneurial opportunities within each sector, inspirational speakers, as well as the Executive Mayor of Johannesburg, Cllr Herman Mashaba.

The remainder of the programme focused on the formation of Industry Working Groups (ICT, Construction, Manufacturing/Automotive, Tourism (Retail, Hospitality and Entertainment), Urban Agriculture/Clean Tech/Green Tech) to discuss sector-specific issues, as identified in the Regional Summits preceding the Symposium, and potential solutions to these issues.



**Symposium Objectives**

To bring together all key members of the Entrepreneurship Ecosystem who could deliver on assisting entrepreneurs with opportunities.

Linking the work in the regions, and formalising Industry Working Groups (ICT, Construction, Manufacturing/Automotive, Tourism/Retail/Entertainment, Urban Agriculture/Clean Tech/Green Tech) that will need to operate on a city-wide basis, going forward.

**Critical Success Factors**



**Political will**

The Symposium demonstrated visible commitment and support from the MMC's office, the Department of Economic Development, as well as from the Executive Mayor. This continued support began in the Regional Summits and culminated at the Symposium with a number of Q&A opportunities between local government and the entrepreneurs. In particular, the MMC attended both days, and was accessible to participants. The MMC for Economic Development Cllr Leah Knott emphasised the City's commitment, saying, 'I am to be held accountable,' to the participants at both Summits and Symposium. The level of local government interaction elevated the Symposium from 'talk shop' to workshop, enabling a collaborative discussion environment.



**Voices of entrepreneurs**

'We're here to listen', said Cllr Leah Knott, MMC for Economic Development. The starting point for entrepreneurial engagement was the 2016 *Entrepreneurship Research Study: Voices of Entrepreneurs in Johannesburg*; the practice of listening is a key feature of the study. For entrepreneurs, the beginning of an ongoing dialogue with the City was a move towards inclusive participation, and the formulation of policy and solutions tailored to their specific needs and challenges. It was an example of a new approach for the City, where bottom-up/grassroots engagement meets with top-down decision-making.



**Joburg entrepreneurs buy-in**

Entrepreneurs from the regions attended the Symposium, spoke in the open session, and participated in the Industry Working Groups. 'We've got mojo in this City', said one participant. There was an excitement among entrepreneurs about being 'part of history' and being recognised for the potential role that they play in addressing economic development in the City.



**Continuity from Regional Summits to Symposium**

The Regional Summits effectively laid the groundwork for the Symposium: the concept of an Entrepreneurship Ecosystem had been shared and explained, the enabling role of local government had been demonstrated, and the spirit of dialogue with the entrepreneurs had been established. The Symposium expanded on suggestions made in the regions – the need for working groups, the opportunity to meet with potential enablers (all regions), and for local government to play a facilitative role. The regions will continue to play an important role in order for the work begun at the Symposium to have any continued, sustainable impact.



### Participation and support of the regions

Regional support is key: the first ports of call for most entrepreneurs are their regional business hubs and their ward councillors. This first level of access was demonstrated in the regional support provided to the Symposium – representatives of each of the regions were on hand to register their participants, and to take part.



### Strong organisation support and coordination between operational teams

The input of an experienced logistics team with Joburg Theatre Company (JTC) ensured the Symposium's smooth running. Similarly, the Symposium culminated in an expression of the City's capabilities. The teams on the ground responsible for venue sourcing, event logistics, facilitation and speakers, among other things, were coordinated and worked well together.



### Showcasing what entrepreneurs can offer

Entrepreneurs cover a wide spectrum of capabilities and expertise over a number of sectors and cross-sectors, as well as regions – a wealth of untapped resource potential. The Symposium functioned as a platform to demonstrate what regional entrepreneurs could offer the City in terms of providing skills, possible solutions to service delivery challenges, and on-the-ground feedback to current policies and programmes and their relative effectiveness.



### Strength of facilitation teams and relevance of experience of speakers

Every facilitator, speaker, and member of the operational team was an entrepreneur. Speakers engaged in topics pertinent to entrepreneurs – speaking about their entrepreneurial journeys, highlighting opportunities in each sector and showcasing future possibilities. In the Working Groups, facilitators had industry or sector experience that enabled them to lead. Many participants were invited to assist in bolstering Working Group discussions, which led to robust dialogue among participants. This commonality shifted conversation from an 'us/them' to a 'we' dialogue, which promoted trust, understanding, and inclusion.



### Recognition of importance of entrepreneurs

From an economic standpoint, entrepreneurs are a key component of the City's strategy. Sustainable

entrepreneurs moving from Start-up to Thriving businesses will create and provide future employment opportunities for the City's residents. The City's engagement directly with entrepreneurs in the start-up and growth sectors in the past has been limited.

The Summits and Symposium created a platform for the City to engage with and listen to solutions presented by entrepreneurs.

Entrepreneurs presented ideas for collaboration, highlighting opportunities for skills transference as well as assisting the City with repurposing abandoned buildings, developing service delivery solutions, and rebranding the City as an entrepreneurial city of the future. Entrepreneurs, by and large, wanted to make a difference to their local communities and give back; 'we have to add value to people's lives'. Entrepreneurs are potential co-creators in the City's success in delivering on its mandate to citizens both in terms of economic mobility and community upliftment.



### Buy-in and participation from ecosystem players

Many participants came from different organisations, representing a number of potential ecosystem partners – enablers, tertiary institutions, funders, local government agencies as well as incubators. Represented at the Symposium were the Pan African Chamber of Commerce, the British Council, some City entities and the Randburg Chamber of Commerce. In addition, there were various information tables for participants to visit during the breaks. These included: Junior Achievement, the Wits Centre for Entrepreneurship, the University of Johannesburg, Uprise Africa, the Black Shanduka Umbrellas, the National Youth Development Agency (NYDA) and the National Empowerment Fund (NEF).



### Target level of entrepreneurs at symposium

The target level of entrepreneurs for the Symposium was from Start-up through to Thriving as defined in the 2016 *Entrepreneurship Research Study*. At the Regional Summits, it was recognised that a number of entrepreneurs were in the Subsistence to Start-up range. In narrowing the list of entrepreneurs to attend the Symposium, the event attracted entrepreneurs from all levels, including more participants from the Thriving to Excellence levels. To accommodate all levels of entrepreneur, the Industry Working Groups reflected issues from all levels, allowing opportunities for the start-up entrepreneurs to collaborate with more established entrepreneurs.



- **Access to information is the most critical gap for entrepreneurs.** Entrepreneurs repeated in multiple forums that how local government engages its policies and programmes with entrepreneurs is of crucial importance. Multiple platforms appear to be the answer to ensuring inclusion of those in regions who lack telecommunications infrastructure (Region G, in particular). Platforms can include the Industry Working Groups, community newspapers, the business hubs, social media (Facebook, Twitter), WhatsApp, SMS, email, local notice boards, local community radio stations, and even face-to-face engagement.
- **There is a need for Joburg entrepreneurs to shift to an entrepreneurial mindset away from government dependence.** Government needs to clarify its role in how it can assist entrepreneurs – a functioning inclusive ecosystem, partnership support, a practical accessible database, City trade regulations, and extension of the artisan programme. The comment was made, 'Government is not a funding institution'; this needs to be reiterated. There were entrepreneurs who had hoped that the Symposium would be about identifying tender opportunities, rather than identifying gaps in the market that could potentially be mined. This mind shift is estimated to take more than five years.
- **Laying the groundwork for participation at the Regional Summits was critical to the Symposium.** The Regional Summits outlined and introduced the Entrepreneurship Ecosystem concept, demonstrated political will with the attendance of the MMC, and initiated the dialogue process. These elements set the tone for the Symposium, allowing it to be a continuation of a process rather than a one-day 'talk shop'. At the Symposium, all entrepreneurs had the opportunity to dialogue in the Industry Working Groups, and began to network with other ecosystem partners such as educational

institutions and incubators. The Regional Summits provided not only the theoretical thinking, but also the expectations of how the Symposium would work. Therefore, entrepreneurs who had attended the Summits leveraged the opportunities that the Symposium provided.

- **'Work together and resolve this together'.** Entrepreneurs have solutions and are willing to share them. There was an awareness of the potential reciprocity of an ongoing relationship with the City – entrepreneurs have the business savvy, the know-how and the ideas, while the City can provide an enabling framework. The result can be a win-win partnership.
- **Demonstrable political support signals 'local government means business'.** There was a wariness among participants that they'd 'heard it all before' and a lack of trust in local government initiatives, particularly from those in the Construction sector. Not only were top officials present, there was an invitation extended to email the Office of the MMC for Economic Development (details provided at the Regional Summits and the Symposium), as well as dedicated social media – Twitter and Facebook – to broaden the reach of conversation to those entrepreneurs unable to attend. Likewise, the formation of the Industry Working Groups – their endorsement and their proposed continuation – demonstrated an ongoing dialogue with the upper levels of local government. 'I am a public servant – I am here for you,' said Executive Mayor Cllr Herman Mashaba.
- **Exposure to other sectors in the Industry Working Groups opened entrepreneurs up to new opportunities.** The speakers at the Symposium opened up potential opportunities in sectors of which some entrepreneurs might not otherwise have been aware. Participants were encouraged to look

at new industries and prospects. Similarly, the Industry Working Groups were not prescriptive – participants could attend more than one if they wished.

- **Level of inclusion of dialogue from entrepreneurs in the room, and the amount of time dedicated to solutions.** The Symposium was dedicated to continuing the Regional Summit dialogues and formalising these conversations in the form of the Industry Working Groups.

The message from local government was clear – they could only enable entrepreneurs to reach sustainability if they talked to them about what they needed, i.e. ‘top down doesn’t work’.

At least one day in total was dedicated to the entrepreneurs having their say, whether individually during the various Q&As or in the Industry Working Groups. Also, the Industry Working Groups identified a spokesperson/spokespeople to present back to the Symposium participants, and fielded questions from the floor.

- **Institutionalisation of the Industry Working Groups.** The Symposium began the informal setting up of Industry Working Groups (ICT, Manufacturing/Automotive, Urban Agriculture/Greentech/Cleantech, Tourism (Retail, Hospitality and Entertainment), Construction). Going forward, there needs to be clarification of roles, logistics, and ongoing relationship with local government. The challenge is to use the momentum to capitalise on the potential of these groups. In addition, there is room for specific interest working groups, such as youth, women, and persons with disabilities.
- **Environment was conducive to networking.** One participant commented, ‘The person next to me knew more than me, and I thought I was an expert’. There were proactive participants within the entrepreneurs in the Symposium – even when some participants were being disruptive. They were there to share information, gain information, and contribute to this ‘new idea’ of how to build entrepreneurial sustainability. ‘Now that we know, we must start forming networks that grow each other’s business.’
- **The appropriateness of the venue.** The Joburg Theatre Company is to be commended on their excellent hosting that contributed significantly to the success of the Symposium. The Nelson Mandela Theatre set the tone – formal yet not corporate, with open spaces conducive to networking.
- **Better coordination between government departments.** The problem is two-fold: government departments work in silos, seemingly unaware of the roles and responsibilities of other departments; and

government departments seem unaware of their own roles and responsibilities. As a result, entrepreneurs are not sure who to address, and in which department, or at what level of government (local, provincial, national). If they do approach the correct government department, there appears to be a lack of accountability in dealing with the matter, and a ‘passing on’ to another unrelated department. For some entrepreneurs, they felt the Summits and Symposium were an opportunity to raise any grievance, whether related or not, as they had the ear of local government. This speaks to the lack of communication between and within departments, with government workers not oriented to their own demarcations. Issues fall through the cracks and are not resolved, leading to frustration and the feeling of not being heard.

- **Good policy, better implementation.** The message was clear from entrepreneurs, particularly in the Construction sector – there are some great policies to enable SMME sustainable growth, but the implementation needed to be refined. As they were on the receiving end of any government policy, entrepreneurs identified what these implementation challenges are. The next step is to ensure their continued engagement in the monitoring and evaluation of policy, on a regular basis, to refine implementation.
- **Role of Regions** – this is where the dialogue starts. Each region has specific challenges that impact on entrepreneurs, from lack of basic infrastructure (Region G) to a need to encourage community buy-in (Region D).

Regions are best positioned to assist their entrepreneurs with the challenges they face by sharing research and opportunities with them.

To this end, the role of the hubs is particularly central to providing a platform for engagement with the region; the regional hubs are a point for information dissemination as well as networking. However, most entrepreneurs do not know where these hubs are, or that they even exist. Several suggestions have been made with regard to the hubs: rotating hubs, entrepreneur-run hubs, multiple hubs, that speak to each region’s specific needs. Improving access to and marketing of these hubs is a starting point for most entrepreneurs, and regional support enables this initial interaction.

- **Creating a model of sustainable entrepreneurship.** The Regional Summits, Symposium, and the creation of the Industry Working Groups were platforms to begin ongoing dialogue that informs and refines policy, provides innovative and community-led solutions to service delivery, enhances community development and upliftment, and provides opportunities for employment.

- **Taking advantage of timing.** The Regional Summits and the Symposium came at a fortuitous time when entrepreneurs were ready for a new dialogue from the City. With the change in local government leadership,

there was an opportunity to introduce alternative solutions to long-term challenges, and open up a space for non-politic led dialogue.

## The Purpose of Industry Working Groups

The formation of Industry Working Groups has a number of potential benefits that continue the entrepreneurial dialogue opened at the Summits and the Symposium. These include:

- Sharing of information, viewpoints, and experiences along sector-specific or interest lines, for example, a disabled persons working group.
- Providing identity along sector-specific lines and enhancing linkages with other Industry Working Groups, as well as other ecosystem stakeholders.
- Developing linkages with the private sector and big business.
- Encouraging member-initiated development of solutions for policy implementation issues, service delivery issues, as well as entrepreneur training and information sharing, and the identification of entrepreneurial opportunities.
- Representation in various City of Johannesburg/local government activities.
- Developing leadership skills in areas of special interest.
- Gaining experience in developing and executing sector-specific meetings, contributing to the advancement of entrepreneurship within that specific sector.

Ensuring robust ongoing dialogue requires a regular platform – another function of the Industry Working Groups. Essentially, the Industry Working Groups will:

- Communicate to all members the policies and visions of the City of Johannesburg. This is a two-way platform for regular, local government communication.
- Serve as advocates of their sector’s entrepreneurs by facilitating, monitoring, and evaluating City of Johannesburg policy/programmes.
- Review and select sector-specific topics for which they are created, consider topics of Regional interest, and those within the City-wide vision and strategic plan.

- Review proposals for new Industry Working Groups, or programmes/policy and recommend changes or additions.
- Identify and allocate any financial support or opportunities for their sector’s entrepreneurs.

## Industry Working Group Feedback

The model used for the Symposium and working groups was based on a 10+year ecosystem in Los Angeles, where working groups were formed to ensure follow-through on specific industry issues, and ensure collaboration across many ecosystem partners. One of the suggestions to arise out of Region C’s Summit was the creation of sector-specific Industry Working Groups. These also included interest-specific groups such as women entrepreneurs and disabled persons. This suggestion echoed best practice in working groups across the world.

The purpose of these Industry Working Groups was to create a collaborative model aimed at finding solutions with the partners in the Entrepreneurship Ecosystem. These partners included: educational and entrepreneurship institutions; government, especially at municipal level; financial partners; support services; markets and customers; and entrepreneurs.

The specific objectives of the Industry Working Groups were:

- To foster ongoing, regular communication among stakeholders within various sectors.
- To establish networks of entrepreneurs within certain sectors to promote recognition of members as entrepreneurial leaders.
- To communicate entrepreneurial interests with local government and other government structures, sector incubators, educational institutions, interest bodies and other stakeholders.
- To respond to/lead entrepreneurial policy issues as well as discuss possible implementation solutions to current policy.

The structure of the Industry Working Groups was such that the work begun at both the Regional Summits and the Symposium can be continued, providing an ongoing mechanism for sector-specific entrepreneurial dialogue.

## Forming the City of Johannesburg's Industry Working Groups

At the Symposium, participants were invited to join any of the Industry Working Groups – ICT, Construction, Manufacturing/Automotive, Tourism/Retail/Entertainment, and Urban Agriculture/Clean Tech/Green Tech. Each Industry Working Group, together with other partners in the Ecosystem, identified 6-10 key industry issues and collaborated to identify opportunities and solutions.

These collaborations needed to include identification of the necessary parties and agencies of support to execute their proposed strategies, as well as key priorities, required actions and responsible parties.

From there, a representative from each individual working group was chosen to present solutions back to the Industry Working Group. Industry Working Group participants then selected a leader to present their solutions in the second day of the Symposium.



### ICT Industry Working Group

The ICT Industry Working Group was relatively small compared to other groups, with only 25 participants, but participant representation crossed over from small to larger businesses, industry experts and educational institutions. ICT as an industry has received much interest from government and the private sector and there are many opportunities within it. The manageable size of the group allowed for quick movement towards solutions. The Group requested that their names and details be shared among one another following the event so they could stay in touch.



#### Identified Issues

**“Mindsets haven't changed – we're preparing for 1985.”**

There is a need to embrace technology, particularly in rapid-based learning; a vast number of industries are using cloud-based solutions.

Industry specific to youth, upskilling programmes

**“A lot of young people have a lot of ideas, but no access to realising these ideas.”**

Identify critical skills for future, as well as digitally skilled individuals who can build apps

**“ICT is another hammer.”**



#### Possible solutions

- Develop a curriculum within rural areas that will prepare them to be digitally informed (e-learning), upskilling
- Have e-learning platforms that provide training to people across all age groups to bridge the technology gap with relevant content abreast with technology trends such as webinars, VLOGs, Skype
- Skills transfer from youth to older people in relation to social media

- Encourage programmes with ICT youth development; seek partners with these programmes

- Leveraging ICT and app technology for local problems, for example, a taxi disbursement system for fetching customers and budgeting. Opportunities to address issues of safety, particularly with small children, as well as in health management. Similar 'low-hanging fruits' such as 'scholar trackers' both from a physical point of view (to curb truancy), and to track school performance, were mentioned.

**“Part of the challenge is that with the fourth industrial revolution, skills will be obsolete – no jobs.”**

- E-learning enablement
- Large ICT organisations to mentor and incubate smaller SMMEs



#### Identified Issues

**“We should avoid seeing ICT as a standard node industry – there is a need to integrate it into our lives.”**

Make Joburg an e-learning centre



#### Possible solutions

- Use technology to maximise the City's database functionality; integrate business information management systems for billing, licensing department, health, finance and supply chain
- Use business hubs to assist SMMEs in getting various accreditations; techie@hub, entrepreneur@hub; make the hubs e-learning centres – link to online hubs
- The use of digital billboards to advertise SMME services/products
- Use existing models for innovation centres and overlay these in SMME hubs
- Solar cell phone charging workstations, Wi-Fi and advertising
- 'My City' interactive platform to include City billing etc., accessible, user-friendly, open source, collaborate – city – citizen
- CoJ Youtube channel – how to apply for a tender, how to apply for funding, etc.
- Data accessibility (Wi-Fi etc.), #datamustfall
- Develop own SMME platform; interact and engage with different hubs through an app and/or portal

#### Leveraging up from small to larger business

- Collaboration with multinational ICT firms
- Joint projects between large firms and emerging firms

#### Wi-fi availability & costs

- Consider satellite technology for connectivity
- Some regions (Region G) still need coverage from major telecom service providers

#### Repurpose business hubs

- Subject Matter Experts (SMEs) – the people deployed at hubs to be knowledgeable and experienced in entrepreneurship
- Provide collaboration opportunities
- Sufficient computers for people to use

#### Access to markets

- Automated portal process whereby tenders are rotated



### Manufacturing/Automotive Industry Working Group

Similar to ICT, the Manufacturing/Automotive Industry Working Group was small, but focussed with solid representation across the sector. Again, the smaller group allowed for the participants to be solutions-oriented. The Group requested that their names and details be shared among one another following the event so they could stay in touch.



#### Identified Issues

##### Repurposing of empty buildings/factories as business premises



#### Possible solutions

- 'What about joining up as a property co-op, and buying some of these 'white elephant' properties?'; subsidising SMMEs for leasing and buying
- Building of more industrial parks in the township (need for light industrial zoning)
- Repurposing Soweto's empty hostels as working space for SMMEs
- 'Sub-divide into working units – not unaffordable – it's about changing landlord's mindset'
- Preferential rates for SMMEs, install pre-paid electricity metres
- Facilitation of collaboration between landlords and SMMEs
- Identification of landlords with leaning to assist SMMEs
- Co-opt SMMEs into assisting with vandalism and squatting in these vacant stands

##### Labour and manufacturing costs

- Recycling of by-products of automotive manufacturing to offset costs
- SMMEs in the industry should try to invest in a group and buy in bulk
- The subsidisation of water and electricity for smaller players

##### Buying local products

- 'Buy local' initiatives

##### Partnering with larger corporates

- Enabling a platform in which SMMEs can negotiate/work with big business
- Facilitating partnerships with big business to create a win-win for both parties
- Facilitating big business bulk buying from SMMEs

##### Direct foreign investment

- Strong political goodwill from City is needed to attract investment from outside the country so as to drive the local manufacturing industry – creating an enabling environment

##### Scarce skills, and identifying critical skills for the future (engineering, electricians, telecommunications)

- To create more Enterprise Development Centres that will specifically assist business to be sustainable (not just to start business)
- Enterprise Development programmes need to be more specific and communicated as such, for example, they are looking for training in procurement and get trained on marketing
- Ease the compliance barrier for business to get access to incubation programmes
- City to interact with Government training Agencies (AIDC & SETA) in order to connect trained students with SMMEs
- Partnership with universities, chambers and SMMEs



#### Identified Issues

##### Access to government supply chain

##### Legislative and policy framework constraints



#### Possible solutions

- Simplify compliance
- Mandatory legal contracts for manufacturing
- Industry legislation in the industry doesn't really speak to the SMMEs
- 'Local government doesn't support business chambers', the perception that there is talk at National government level of supporting Chambers, but it does not carry through
- Clearer demarcations of accountability; 'Entrepreneurs are tired of being in the middle of the fight between local government and national government in terms of who is responsible for what and the politics, they want delivery of service'
- Perception that urban business is taken more seriously than township business
- Include training on the benefit of BBEEE policy; 'It is a good policy but small business doesn't really understand it'
- The need for a long term plan; 'Countries in the east like China and Singapore, they have 50-year plans. Unless we have a clear long term strategy we will keep defaulting to short term ineffective strategy.'
- Disseminate information to SMMEs and stakeholders through email bulletins

##### Light industrial zoning

- Identify and demarcate light industrial zoning area for developing manufacturers (i.e. smaller units)

##### Changing workforce needs

- Skills need to be increased either by business partnering with university or DTI /SETAs
- Cost of SETA accreditation needs either to be brought down (so that small business can afford it) or it should be free
- Create an atmosphere where investment opportunities reach local government level from the likes of InvestSA (National) & GIFA/GIC – Johannesburg Investment Centre

##### Exposure to transformative technologies in manufacturing and non-traditional manufacturing

- Interface database for SMMEs

##### SMME opportunities in Automotive

- Development of an interactive database system that notifies SMMEs daily on opportunities and linkages, via sms and email etc.
- Ease of access to database
- Assistance of start-ups in the manufacturing/ automobile industry with small grants as, unlike other industries, they are capital intensive
- Increase steel incubations – there is only one in the country in Middelburg

##### Manufacturing scalability

- Mentorship with bigger businesses





### Tourism (Retail, Hospitality and Entertainment) Industry Working Group

The Tourism Group was also highly diversified in terms of industry players and engaged in a strong level of collaborative dialogue with very creative solutions. The group requested that their names and details be shared among one another following the event so they could stay in touch.



#### Identified Issues

*“Who are the biggest and smallest tour operators? How can I find the right people?”*

Entertainment/Arts database for opportunities



#### Possible solutions

- An entrepreneurial database, identifiable by sector, for potential visitors as well as other entrepreneurs and those seeking services. Similarly, a database link of crafters/tourist service providers for those exhibiting or holding conference in the City
- City forums to be transparent in terms of facilitating catering and service providers
- Special provisions made for the women and young people in business
- Less stringent requirements for listing on COJ supplier database
- Database that matches businesses with target market
- Joburg Tourism and SA Tourism to foster better synergy between them
- Make database of products/services available to local shopping centres

*“It’s important to define a ‘tourist’, we always think of someone from the Netherlands, but it could also be a traveller from Africa or someone visiting family and/or friends.”*

- Opportunities in medical tourism
- Inclusion of sports and sports events
- Market different areas around the City to ensure tourism is not concentrated in certain areas only, e.g. Soweto
- Entertainment tourism needs to be considered, i.e. position Joburg as an entertainment ‘mecca’
- Virtual tourism apps
- Trade shows
- Promotion of creative arts through local content; local councillors to liaise with local radio stations to advertise business within their Region
- Local market, particularly in townships, using local government-owned premises, e.g. halls, stadiums or parks
- An opportunity for Johannesburg to brand itself as the entrepreneurial city of the world. One suggestion is to look at how other cities are operating at a global level, and adopt similar programmes locally

#### Repurposing of business hubs

- Review existing hubs and work at making them better by changing the workforce, or equipping the workforce with skills necessary for them to operate the hubs
- Appoint members of the community in which the hub is located; individuals who are appointed should be knowledgeable about the sector so they can provide relevant information to users of the hub
- Assign an official to monitor the progress of hubs and ensure that the hub’s outcomes match the desired objectives
- Create a platform for all hubs in each region so they can communicate and assist each other where necessary. This will allow for better reflection and consequently improvement in operational capacity
- Rotational leadership of the hub’s board
- Hubs to be the innovator of programmes in the region
- Hubs to be the starting point for any business opportunities in the region
- Hubs to serve as spaces to engage youth, to facilitate their gaining experience & inspiration for their own futures; based on the community’s needs



#### Identified Issues

*“If you can’t sell to the person sitting next to you, you can’t sell overseas.”*

Market opportunities in retail



#### Possible solutions

- Cross provider/supplier access across markets
- Know your markets in depth: Market Analysis/Research (easily accessible)
- Showcase attendees of Summits or Symposium
- Establish exportable product quality baseline to work towards
- Local design emporiums
- Product placement in local films – connect with filmmakers
- Offer opportunities for exhibiting products/services during City hosted events/conferences etc.
- Skills development in selling, e.g. elevator pitches

#### Strengthening regional forums

- Identify and strengthen local tourism, entertainment, and retail forums
- Important to look at tourism, retail and entertainment as sectors that can feed into each other as part of the ecosystem, e.g. if entertainment is leveraged as a pull-factor, it can increase tourism. With more tourists, it can result in increased sales for those in retail – symbiosis

#### Safety for tourists

- Virtual tourism app
- Increased policing activity in tourist ‘hotspots’
- Local security companies to be allocated to local areas to increase accountability

#### Online opportunities for B&B

- Interest in how B&B owners can further opportunities through online exposure (i.e. Airbnb)

#### Wi-Fi availability & costs

- JoburgFreeWi-Fi needs to be made accessible to everyone
- Easing financing options for seasonal workers
- Creation or introduction of more Wi-Fi hotspots in safe locations – existing hotspots are not strategically positioned and perpetuate existing crimes
- Facilitation for entrepreneurs to have special log-in affording access to Wi-Fi on favourable terms
- Development of apps for marketing & promotion of entrepreneurs, e.g. KHULA app (in conjunction with UJ)

#### Inclusion of sport, creation of local heritage

- Creative industries must be recognised as their own sector
- Mentoring platforms with big business players (online) & working groups
- Invitation to the COJ to re-brand including arts & culture

#### Infrastructure

- Promotion of existing infrastructure is necessary to improve access, e.g. Rea Vaya routes and access should be promoted to show that different areas around the City can be accessed by tourists

#### Education and skills development

- Entrepreneurs need to be informed of opportunities that are available, e.g. SETAs
- Free, but verified online learning opportunities are available for entrepreneurs with certification
- Incorporate learning opportunities about the sectors from a young age



### Construction Industry Working Group

The Construction Group had approximately 100 participants and was a highly interactive, passionate and involved group. Managing a large group was challenging but participants' energy carried through as members of this Group were determined to express their solutions. Many issues were couched around the City's tender and development processes, which is more indicative of the state of the industry (mature, fragmented, with a few large players and many small contractors) than issues with the SMMEs themselves.



#### Identified Issues

**“Nothing is stopping us, everything is in motion, but we are not benefitting.”**

The 30% procurement policy and corruption



#### Possible solutions

- Every [tender] process must have a committee – ‘it’s easy to capture individuals’.
- A clear implementation plan with specific monitoring, evaluation, and accountability
- The local procurement clause needs to be protected
- City to pay 30% directly to SMMEs separately from the payment of main contractors; this will enable them to monitor and report on beneficiaries of this policy
- There must be a written report on the 30% procurement and how it was spent (yearly reporting on SMMEs that have benefited)
- The skills development clause is not being implemented - this policy has to be re-enforced with clear implementation plans
- There must be a dedicated person from the City to communicate, evaluate, and report on SMME development and skills development
- There must be penalties for non-compliance and legal consequences

**“Just because you’re located in the township, you shouldn’t be disadvantaged.”**

CIDB- private work to be included

- Bigger companies to incubate SMMEs
- Subcontractors with zero grading have no opportunity for progressing up the levels
- Private jobs performed should be recognised to aid moving up the grading levels

**“Lots of politics is happening, policy is not being followed.”**

- Deter councillors’ involvement on the procurement of work within the communities – their work is only to introduce the project not to select SMMEs

**“When it comes to incubation, 90% of the time, they [the incubators] didn’t know how to plan, they’re supposed to have the experience, but they have none.”**

Changing workforce needs, upskilling

- Training and capacity development for women in construction and people with disabilities
- Incubation programmes must be set up to aid skills development, supported by the enforcement of the skills transfer clause for contractors, and also through mentorship
- Big companies must look beyond 30% local procurement by incubating SMMEs
- Current SMME hubs are underutilised and under capacitated. They are ‘pamphlet-dishers’ offering no real help. The hubs need to be converted to offer assistance with compliance, tenders, business plans, etc.
- A regional desk to support the SMMEs



#### Identified Issues

**Strengthen barrier forums in construction; particularly women and disabled persons**



#### Possible solutions

- Business forums need to be regulated - they have become structures of collusion controlling business activities
- Members of business forums need to be trained and accredited by the government to ensure good principle of governance and business savvy
- Business seminars must be set to enlighten people about corruption
- CLOs are not adequately qualified; the CLO policy needs to be reviewed and implemented
- Business forums must be institutionalised regionally to ensure standard practice and capacity building across the province
- The role of business forums needs to be re-defined and the business forums need to be strengthened

**Access to government supply chain**

- Some wards have no projects, so the local entrepreneurs do not get opportunities. Projects need to be controlled regionally to create equal opportunities

**Moving up levels/grades**

- Revise current level/grading criteria

**Sub-contracting**

- Sub-contractors should be paid by the project owner rather than the main contractor. The City needs to maintain financial control to avert the prevalence of abuse of subcontractors (through price-cutting, and non-payments) by the main contractors and other agents (such as municipal councillors)
- Preferred subcontractors must form part of the bid-submission. There must be an open policy for both main and subcontractor. The main contractor must be able to tender with the subcontractor to promote transparency and fair treatment of subcontractors
- Industry rates for subcontracting work should be standardised
- Subcontractors should be able to view the quotations that the main contractor used to win the tender. Main contractor is perceived to be colluding with JDA and others
- A structure to help with dispute resolutions. Currently, the JDA passes the responsibility for handling disputes back to the main contractor who is normally the perpetrator
- Rotational allocation of business opportunities must be enforced

**Councillors**

- Councillors are not business people but they keep interfering with tenders in the wards. There must be a clause that binds councillors not to be involved in tendering activities
- The role of councillors in business must be clarified
- There are too many middlemen involved, and this leads to corruption – councillors and government officials collude with contractors for corruption purposes
- Councillors also need to be capacitated to address their skills and knowledge gap



### Urban Agriculture/Green Tech/Clean Tech Industry Working Group

This Working Group covered three industries, which proved to be quite challenging, yet, interestingly, also indicated the crossover between industries. The participants were passionate and involved, though initially the group became bogged down with issues around land.



#### Identified Issues



#### Possible solutions

<p><b>“It’s not clear from the tender what they want, how to answer that [tender].”</b></p>	<ul style="list-style-type: none"> <li>• Youtube channel that works through the tender process</li> </ul>
<p><b>“Plant our expertise in those hubs.”</b></p> <p>Repurposing of business hubs, and their subsequent accessibility</p>	<ul style="list-style-type: none"> <li>• Information dissemination via local community newspapers, regional/ community/ward notice boards. Also, WhatsApp, SMS, and social media as possible platforms for communication</li> <li>• Business hubs must be tailor-made to suite specific needs of entrepreneurs</li> <li>• Creation of an incubator/hub capability that can monitor progress and commercial readiness</li> </ul>
<p><b>“How do we get/add skills to the tender winner, to enable them to upskill the people?”</b></p>	<ul style="list-style-type: none"> <li>• Accountability in the skills transfer portion of a tender, either via the Department of Labour skills transfer or some other legislative mechanism that has consequences for non-compliance</li> <li>• More attention must be paid to big corporations’ CSI contribution</li> </ul>
<p><b>Access to government supply chain, particularly for recyclables</b></p>	<ul style="list-style-type: none"> <li>• Contracts given to large corporations – SMMEs must be incubated</li> <li>• Align the existing strategies that are in place, yet sporadically implemented, within Joburg Water vs. JCPZ vs. City Power – these are not necessarily speaking to each other</li> </ul>
<p><b>Identification of recycling nodes</b></p>	<ul style="list-style-type: none"> <li>• Raise awareness on recyclable waste</li> <li>• Access to latest technology to upskill</li> <li>• Creation of a database to note all recyclers</li> </ul>
<p><b>Better commercial models for co-operative transitioning</b></p> <p>The viability of greentech, solar and gas, in particular;</p> <p><b>“Green can be the colour of our money.”</b></p>	<ul style="list-style-type: none"> <li>• Exchange programmes for entrepreneurs with bigger businesses</li> <li>• Existing model in Cape Town utilising solar &amp; wind can be used as ‘best practice’ model</li> <li>• Create awareness on going green, i.e. be practical as to how this benefits individuals on a personal level</li> <li>• SAB Innovation Awards</li> <li>• Consider Denmark as a case study</li> <li>• Link ‘green’ technology with agri-processing</li> </ul>
<p><b>The current ‘green’ strategy of the City; is there such a thing?</b></p>	<ul style="list-style-type: none"> <li>• Create awareness and education around sustainability</li> <li>• CoJ must adapt the culture of going green, ‘greening the City’</li> </ul>
<p><b>Creating awareness in green tech/clean tech</b></p>	



#### Identified Issues



#### Possible solutions

<p><b>Training and introduction of different types of agricultural programmes</b></p>	<ul style="list-style-type: none"> <li>• Agriculture must be included as an extra subject/curriculum in schools; children must be introduced to it at an early age</li> <li>• Form collaboration with institutions of higher learning for quality training (Universities, colleges, etc.)</li> <li>• Training must be tailor-made for individuals regardless of their level of education</li> <li>• There need to be more institutions of learning as those that exist are geographically inaccessible to many people</li> <li>• Existing colleges need to have practical modules, not just paper-based assessments</li> <li>• Funding from government to complete UNISA courses around agriculture</li> <li>• Short courses in business development in skills and finance as well as poultry production, piggery, hydroponics, agriculture, horticulture, intensified stock farming</li> <li>• Regions to put up learning centres, each with different capabilities, e.g. agri-processing, hydroponics, etc.</li> <li>• A strong task team to look at funding, skills development, and stakeholder relationships</li> </ul>
<p><b>Regional support for co-operatives and farmers’ associations</b></p>	<ul style="list-style-type: none"> <li>• Interaction between regions, hubs, and co-operatives</li> </ul>
<p><b>Leasing of government land</b></p>	<ul style="list-style-type: none"> <li>• Introduction of task teams</li> <li>• Independent committee comprised of academics, industry experts, government and counsellors – monitor and evaluation of policy and procedures</li> <li>• Use of state’s spaces (schools, clinics etc.) for farming</li> </ul>
<p><b>Establishment of Regional farmers’ markets</b></p>	<ul style="list-style-type: none"> <li>• Facilitation and assistance is needed for farmers to enable them to reach larger markets</li> <li>• Assistance with entry into commercial markets – entrepreneurs to act as agents from farmers to retailers.</li> </ul>

### Next steps – Industry Working Groups

The City of Johannesburg has successfully established the beginnings of Industry Working Groups, both through the Regional Summits and Symposium.

The grounds have been organised for entrepreneur-led Industry Working Groups – the platform has now been created. This is the beginning of a potential, ongoing process of two-way dialogue with the City’s entrepreneurs. Moving forward, the Industry Working Group participants were encouraged to formulate their own plans on how, when and where to meet. As possible, Industry Working Groups can liaise with regions to assist with local meetings.

There are a number of options available to Industry Working Groups to formalise the process, including, but not limited to:

- An Industry Working group mission and vision, aligned with the City of Johannesburg’s policies
- A proposed leadership structure, with an identified Chairperson
- A petition of at least 25 people who support the structure
- An agreement of where and when to meet and a means of advertising these meetings through notice boards, social media or WhatsApp groups
- A mechanism for record-keeping, including details of new members as well as meeting data capture



## SECTION 5 Entrepreneurs Database Summary

One of the critical success factors in creating an entrepreneurial city is knowing the entrepreneurs operating within it.

The data and information shared in this Section are based on the registration forms gathered at the Summits and the Symposium. This is the beginning of the process of getting to know entrepreneurs and this information will be used to develop a more user-friendly and valuable online database.

### Data Presentation and Analysis

The data presented is based on the seven Regional Summits that took place in September and October and the Symposium on 23- 24 October 2017.

### Attendance and Sample Size

1 364 participants signed the attendance register, and these participants came from the seven different regions. 84% of the expected number of attendees took part in the Summit, despite some challenges with information dissemination and timing.

Figure 1 shows the overview of the number of participants according to the registration forms. It is important to note that some of the attendees who signed the register did not complete the registration and/or the evaluation forms. Also, not all of the data was analysed; some of the observations had more than 80% of the data points missing and had to be excluded from the analysis. Therefore, there is a discrepancy between the attendance register, registration form numbers and the actual data analysed. Given the missing data, our sample size was reduced to 1,070 attendees, and the details are explained further in the next paragraph.

REGION	# Completed registration forms	# Analysed Registration Forms
A	80	77
B	143	85
C	71	66
D	458	360
E	191	192
F	130	131
G	170	189
Symposium	47	47
<b>TOTALS</b>	<b>1290</b>	<b>1147</b>

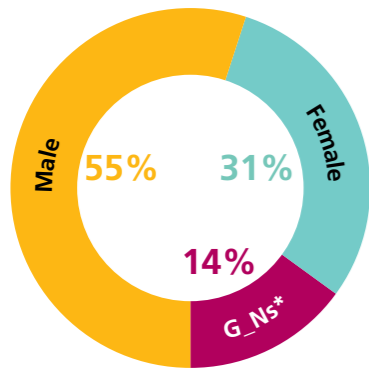
Figure 1: 2017 Regional Summits and Symposium Attendance Summary

### Population

According to a survey conducted in 2016, there are 2.25 million SMMEs in South Africa as of 2015Q2, 785 321 of the 2.25 million is from Gauteng (BER, 2016). The sample size for this analysis was 1 147, which might look like a small percentage when compared to the whole province, but the data was collected only from COJ regions. Since there are no inferences made from the results, there is no need to conduct a statistical significance test and this is a reasonably acceptable sample size for the kind of analysis performed which is mainly descriptive.

The subsections below present and analyse data regarding the following key factors or variables:

- Demographics, which intend to answer 'who' and 'where' questions;
- Business Information, which explains the 'what', 'how', and 'why';
- Business Development and Support, which looks at the challenges and needs of the entrepreneurs.



\* G\_Ns – Gender Not Specified  
**Figure 2: Gender Distribution**

### Demographic Distribution

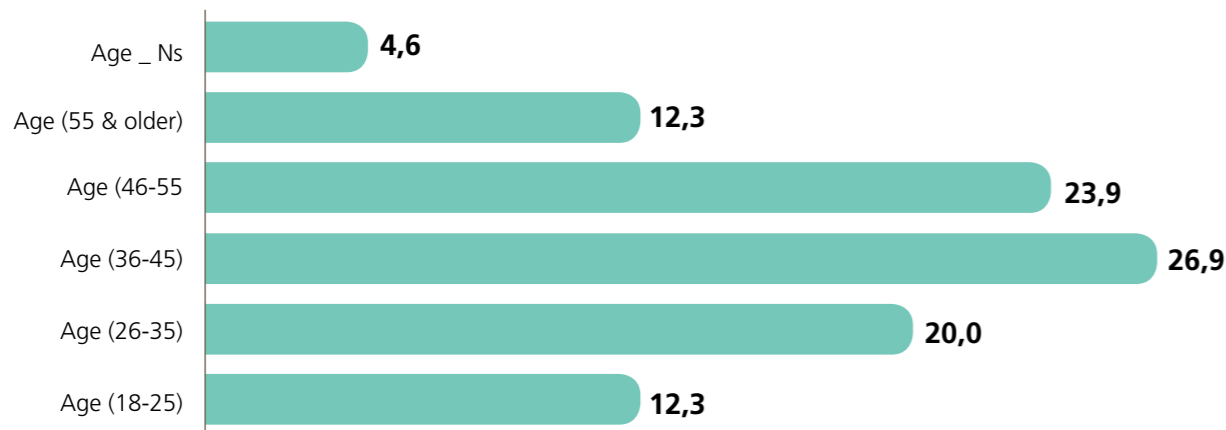
Figure 2 shows that out of the 1 147 entrepreneurs who completed the registration forms, 630 were men, 354 were women and 163 did not specify their gender which translates to 55%, 31% and 14% respectively. The results suggest that men still dominate the SMME sector in Johannesburg.

Table 1 presents the demographics regarding race. Most of the entrepreneurs were Africans which is about (78%), followed by Coloureds (12%) and 6% did not specify their race group. These results can be attributed to the fact that most of the Summits were in the townships where the residents are mostly Africans hence only 2% were White and Indians each.

	Race	Frequency	Percent	Valid Percent	Cumulative Percent
VALID	African	897	78.2	78.2	78.2
	Coloured	136	11.9	11.9	90.1
	Indian	22	1.9	1.9	92.0
	Race_Ns*	73	6.4	6.4	98.3
	White	19	1.7	1.7	100.0
	<b>Total</b>		<b>1147</b>	<b>100.0</b>	<b>100.0</b>

\*R\_Ns – Race Not Specified  
**Table 1: Race Distribution**

Figure 3 demonstrates that most of the attendees were between the ages of 26 and 55, each group constituting more than 200 entrepreneurs each just above 20% per age group. The youth and elderly category had only 141 entrepreneurs each which translated to 12% attending with just 53 attendees who had not specified their age. A lot of work still needs to be done to attract the youth to get involved in the entrepreneurial space.



**Figure 3: Age Distribution (%)**

The one other important variable that was measured was disability. There were only 21 individuals with disabilities and the rest either did not specify or indicated that they did not have a disability.

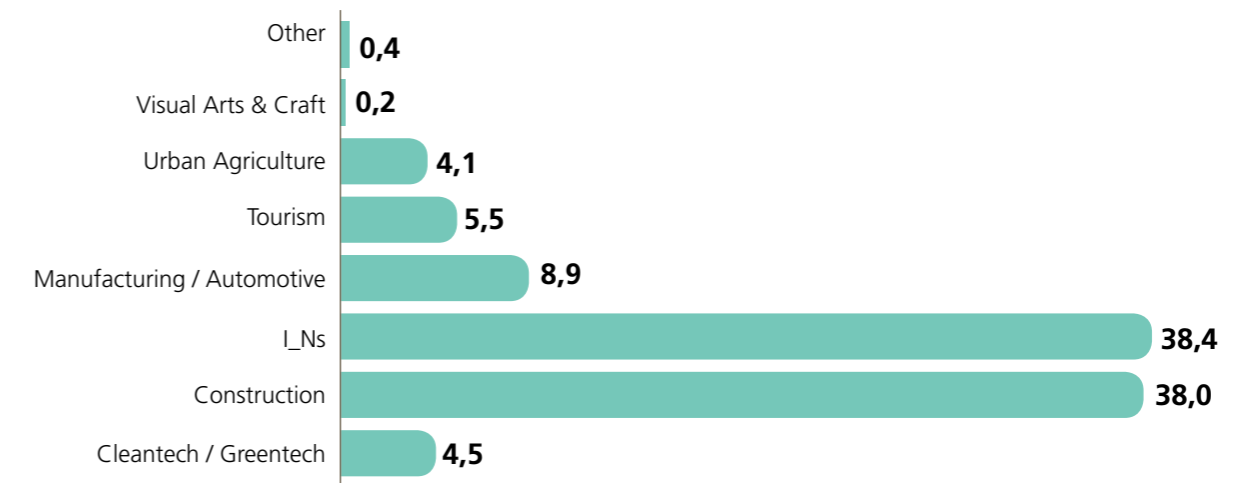
Table 2 gives an overview of how the different age groups are distributed along gender lines.

		Gender * Age Crosstabulation						
		Age (18-25)	Age (26-35)	Age (36-45)	Age (46-55)	Age (55 & older)	Age_Ns	Total
Gender	Female	54	60	95	88	38	19	354
	G_Ns	14	30	50	32	23	14	163
	Male	73	139	164	154	80	20	630
<b>Total</b>		<b>141</b>	<b>229</b>	<b>309</b>	<b>274</b>	<b>141</b>	<b>53</b>	<b>1147</b>

**Table 2: Summary of Gender and Age Group Distribution**

### Business Information

Figure 4: There is overwhelming evidence that shows that Construction is the biggest sector in the SMME space or at least according to the registration forms. The results show 38% of the entrepreneurs are from the Construction industry, 436, followed by manufacturing with 102; these two-sectors had the highest numbers, but Construction is by far the dominant sector. The one concerning statistic from the data is that there are approximately 445 individuals who either selected Other or did not specify at all. There are five sectors that are not represented in Figure 4 because they each had one attendee representing that sector - those sectors include Education, Energy, Events, Government and ICT.



I\_NS – Industry Not Specified  
**Figure 4: Industry Distribution (%)**

### The Challenges of Entrepreneurs in the City

Challenges have been grouped into three categories (Figure 5), according to the number of entrepreneurs who are experiencing the same difficulties. Access to markets seems to be the biggest challenge that most entrepreneurs are facing.

	Greatest Challenges	Number
Priority 1	Access to markets	756
	Equipment	679
	Connecting with suppliers	613
	Money management	560
Priority 2	Scale/Expansion	408
	Profitability	383
	Compliance	353
Priority 3	Processes	325
	Productivity	318
	Regulation	318

Below is a graphical presentation of the greatest challenges of entrepreneurs in the City of Johannesburg.

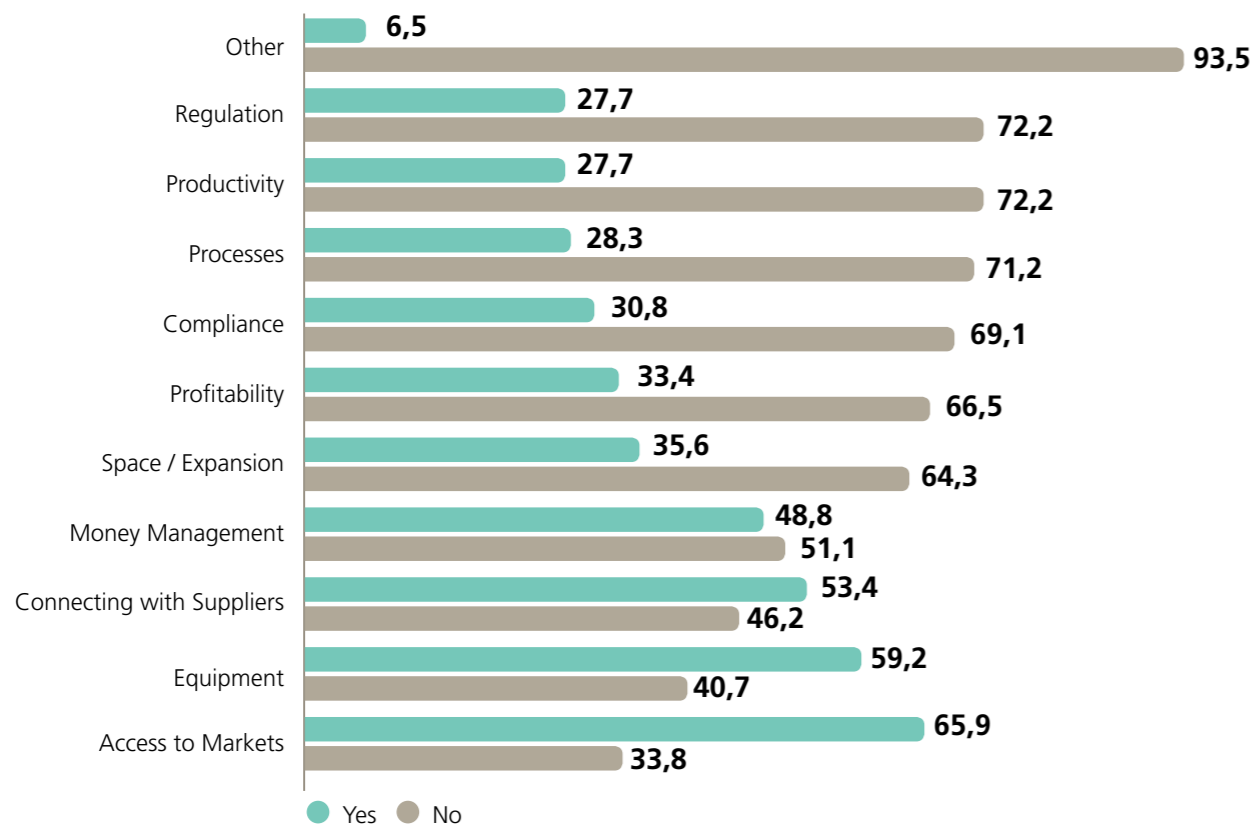
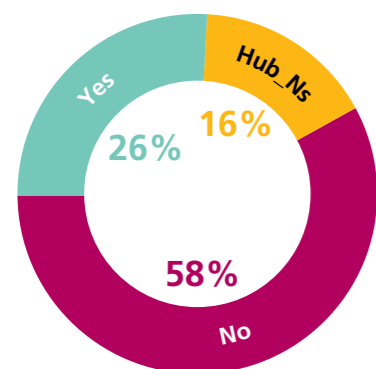


Figure 5: Greatest Challenges for Entrepreneurs by (%)



\*Hub\_Ns – Not Specified

Figure 6: Awareness of SMME Hubs

### Support and Developmental Needs

#### SMME Hubs

58% of the attendees indicated that they were not aware of the hubs in their areas (see Figure 6). 26% were aware of the SMME hubs and 16% did not specify.

### Networking and Engagement with other stakeholders

Entrepreneurs were asked to indicate if there were any specific people or entrepreneurship stakeholders in the ecosystem they would love an opportunity to engage with. An overwhelming 676 individuals stated that they would like to engage with investors. When ranking the different stakeholders that entrepreneurs would like to engage with, investors and suppliers were top of the list respectively, followed by marketers and entrepreneurship education institutions and lastly, the COJ supply chain and incubators. The results suggest that entrepreneurs perceive investors as one of the key factors needed in their entrepreneurial journey.

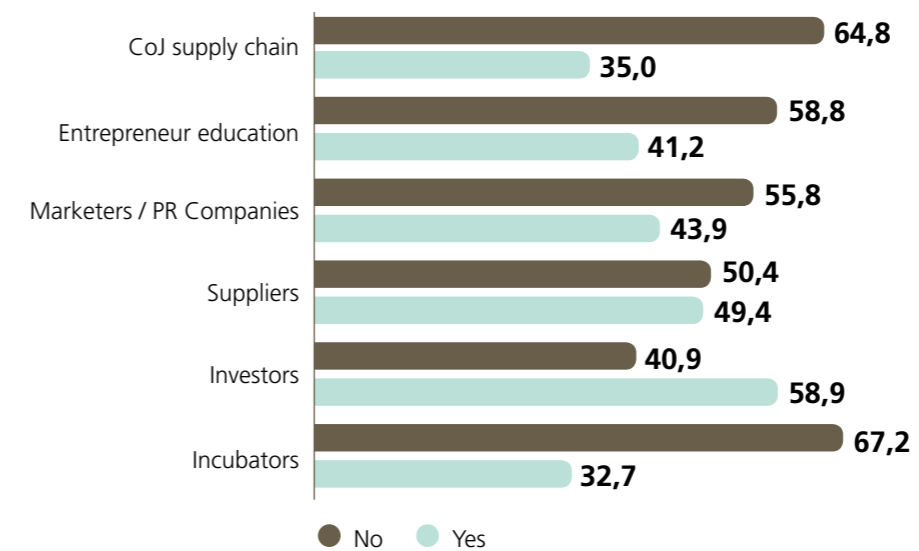


Figure 7: Stakeholders entrepreneurs would want to engage with (%)



### Key Insights

- Entrepreneur demographics: The average City of Johannesburg entrepreneur who attended the Summits and Symposium is an African man in his early middle age. Youth and women were under-represented.
- Industry representation: The majority of the Summits and Symposium attendees were in the Construction sector, followed closely by Manufacturing.
- Knowledge of SMME hubs: Most entrepreneurs who attended the Summits and Symposium are not aware of their Region's SMME hubs, which are meant to assist them.
- The top three challenges facing CoJ entrepreneurs: According to the attendees, the top three challenges faced by entrepreneurs are access to markets, equipment and connecting with suppliers.
- The top three stakeholders CoJ entrepreneurs want to engage with: The top three stakeholders that entrepreneurs would like to engage with are: investors, suppliers and marketers ranked respectively.

### Recommendations

- Incorporating the Summit and Symposium data into the central CoJ database. A vast amount of data was collected at the Symposium and Summits, which should be included, going forward.
  - All of the information is available as Excel spreadsheets and can easily be exported.
  - Create links between entrepreneurs and the key stakeholders with whom they would like to network.
  - Increase communication about the location of the business hubs.
  - Create links between potential investors, suppliers and entrepreneurs.
- Tailor communication efforts to specific regional entrepreneurs.
- Use the insights to start developing policy. From the data, it is evident that women and the youth are under-represented, suggesting a need for inclusionary processes. Similarly, the challenges expressed identify where it is that the City can be most effective as an enabler, particularly with easing access to markets and increasing opportunities for networking.
- Begin the planning of an integrated CoJ entrepreneurs' database.
  - Update on a quarterly basis to ensure correct information.
  - Ensure ongoing maintenance.



## SECTION 6 Social Media Report

The Johannesburg Entrepreneurs' Social Media platforms – Twitter, Facebook, and Instagram – were created in mid-August 2017 with the sole purpose of driving awareness and engagement during the Entrepreneurship Summits and Symposium. The JHBEconomicDev Twitter and Facebook accounts were created along with the #JHBEntrepreneurs hashtag.

Engagement is encouraged by posting relevant content: videos, soundbites, photos and comments as well as links to other websites. Followers respond to the content either by sharing, commenting, or 'liking'. Content is posed in question format, allowing followers to respond. A popular tweet option is the poll, which both engages an audience and gathers information.

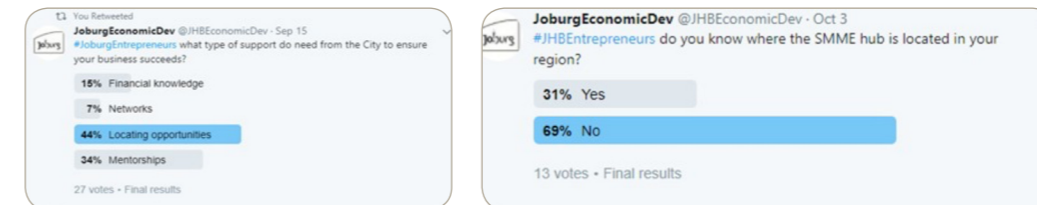


Figure 1: Examples of #JHBEntrepreneurs polls

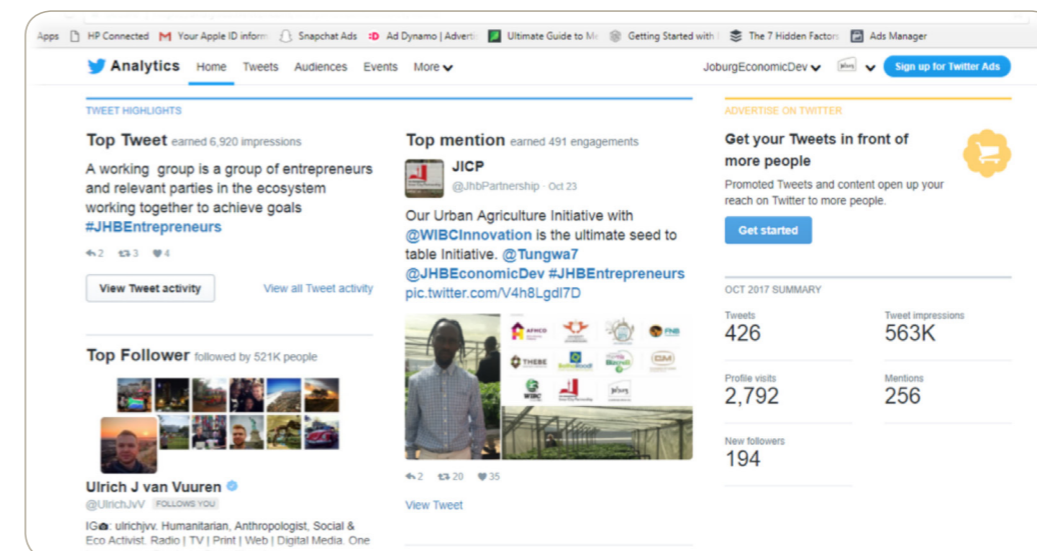


Figure 2: City of Johannesburg Entrepreneurship Symposium Top Tweet

Facebook works slower than Twitter, because it is not as fast-paced and news-orientated. The potential reach via Twitter is vast and is a relatively cheap and efficient way to facilitate a two-way dialogue, quickly.

### How engagement is measured

Twitter analysis seeks to measure the performance on:

- Distribution parameters, which indicate the visibility and reach of @JHBEconomicDev's Twitter account. Distribution parameters include number of followers, number of new followers, number of follower impressions and the potential reach of Twitter.
- Follower impressions reflects the number of users who have seen a post.

- Potential reach is a summation of followers and the number of follower impressions.
- Engagement parameters indicate that visitors found the content important enough to link to or share. Engagement parameters include number of likes, number of re-tweets, number of replies and engagement rate.
- Number of re-tweets reflects the number of times a post was re-posted by other users.
- Percentage of engagement rate reflects the percentage of likes, re-tweets and replies versus the number of followers on Twitter.

The higher the numbers, the higher the level of engagement and, therefore, visibility.

## The Symposium social media reach

For the Symposium, the potential reach on the first day of the event was high at

**100 049** follower impressions

and tapered down on the second day to

**44,122** follower impressions



The Twitter and Facebook engagement was driven by the preceding Regional Summits.

The number of tweets decreased because the focus was on regional-specific information and profiling regional entrepreneurs. The study had been profiled extensively in the previous cycle on all platforms and followers were familiar with content. Therefore, content could not be repeated too often in order to maintain value and credibility for our following.

Twitter analytics has also revealed followers between the ages of 25 - 34 made up the majority of followers at 66%, with the remainder made up by followers aged 35 - 44. Men are the largest group of followers of the @JHBEconomicDev account at 68% and 32% are women.

### Entrepreneurship Symposium Tweet Activity

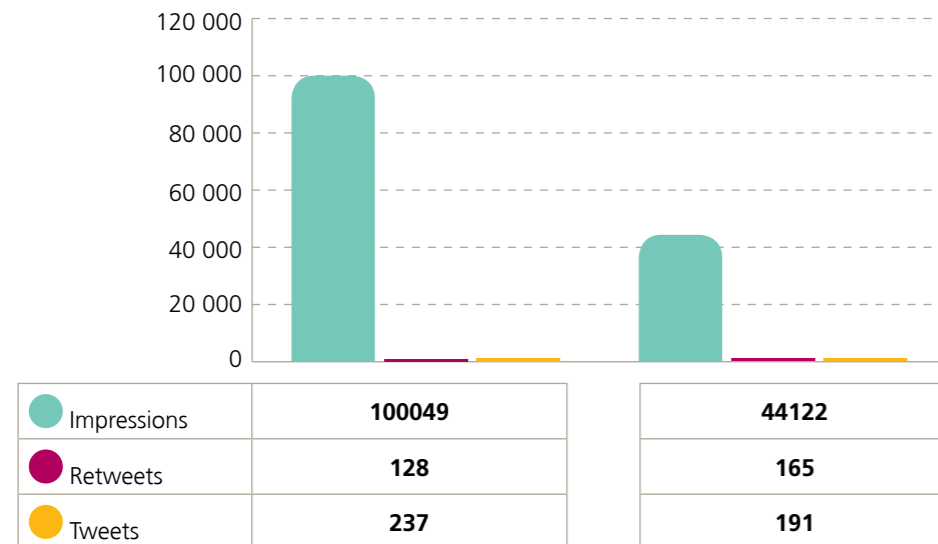


Figure 3: City of Johannesburg Entrepreneurship Symposium Tweet Activity

Over the two days, the number of impressions totalled over 1 400 000, with the first day's tweeting trending to second place.

## The Summit's Social Media Reach

### Tweet Activity

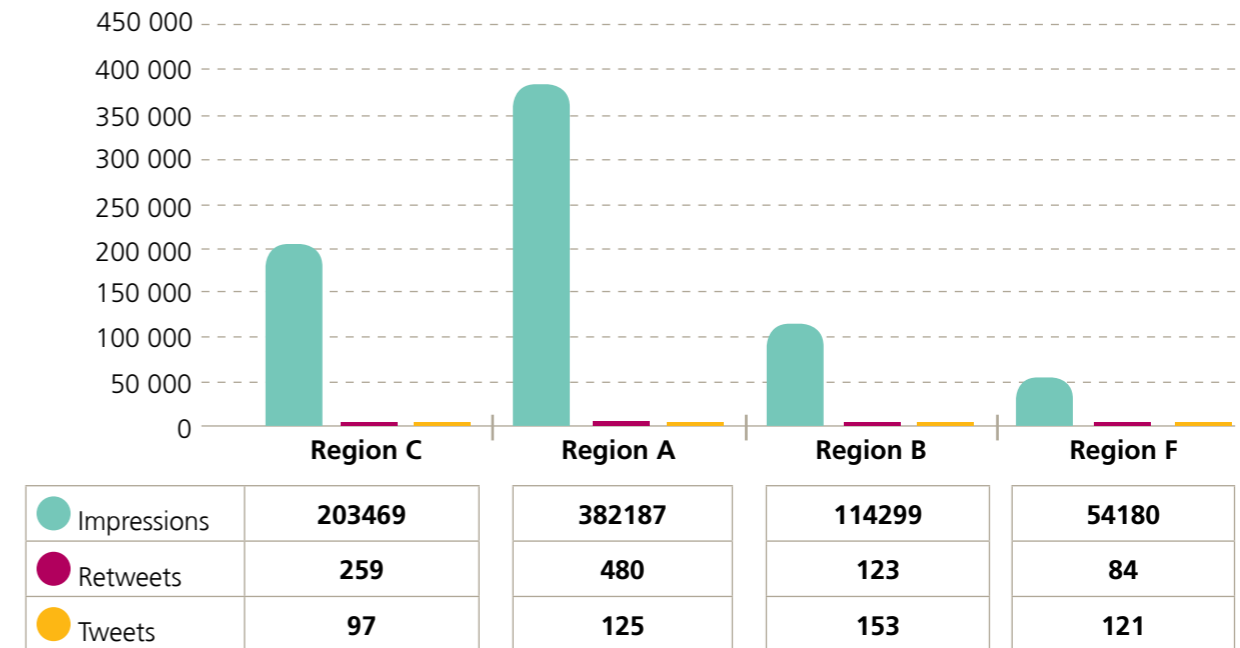


Figure 4: Twitter activity in Regions A, B, C, and F

Region D saw 216, 986 impressions, with 88 tweets and 113 retweets; however, Region A saw the most Twitter activity with 382,187 impressions, 480 tweets and 125 retweets.

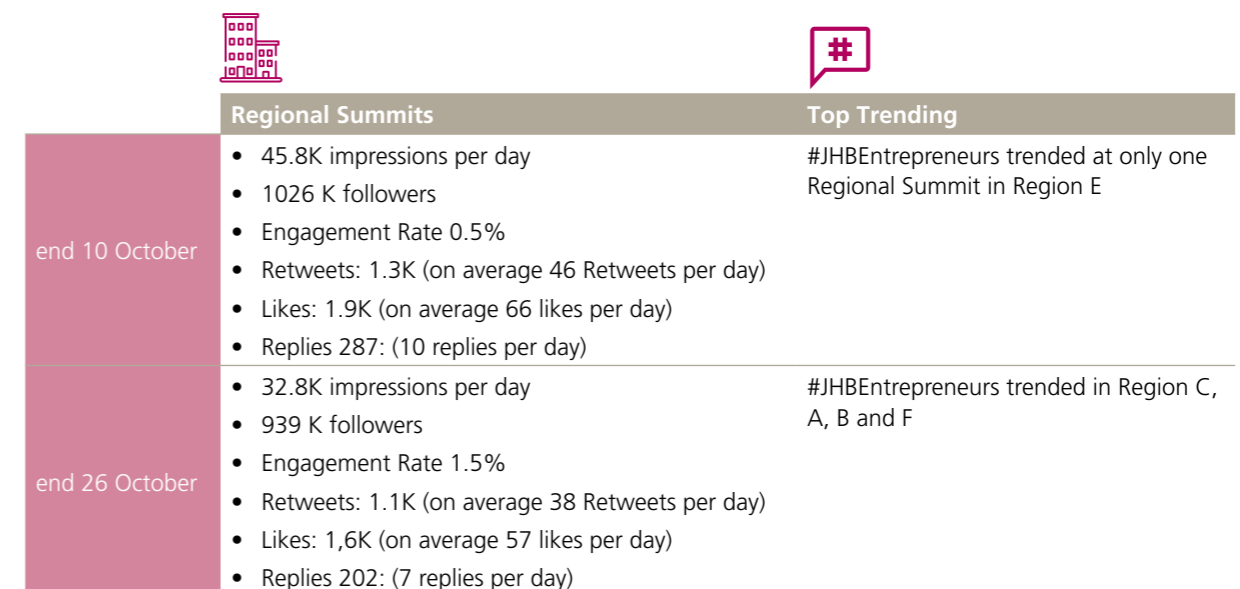


Figure 6: Social media report as at 10 October 2017



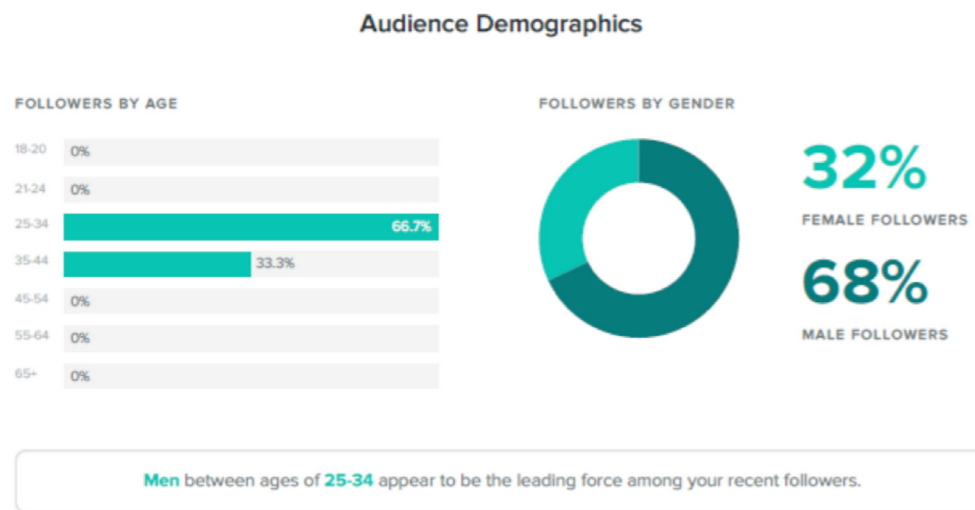


Figure 7: Twitter audience demographics

During the first week of the Regional Entrepreneurship Summits, Region A's activity prompted the largest number of impressions, reflecting a figure of 382 187 on the @JHBEconomicDev Twitter account. Region D generated the next biggest amount of interest, with 216 986 follower impressions and Region C came in third with 203 469 follower impressions over the September/October period.



Figure 8: JoburgEconomicDev Twitter page 28 day summary

## Recommendations



### Retaining followers

The JHBEconomicDev account gained 1 818 Twitter followers and 46 Facebook followers. The @JHBEconomicDev earned 617.6 K impressions since the account was created. It is important to keep the social media platforms active and engaging with fresh and relevant content for the current followers. This will also attract new potential followers.



### Building the CoJ DED Entrepreneur brand

The hashtag #JHBEntrepreneurs has put the Department of Economic Development (DED) in the lead domestically with regard to share of voice regarding entrepreneurship online. The hashtag has also increased Twitter followers and awareness of the CoJ DED brand.



### Optimising the social media platforms

Instagram and Facebook require accelerated engagement to grow. Pay Per Click, Search Engine Optimisation as well as online advertising are recommended to increase awareness about the platforms. The Facebook page's largest reach was on the week ending 10 October with 305 post engagements and 1 959 page impressions.



### Leveraging the platform for sharing information with entrepreneurs

Information-sharing is key in growing the platforms. Tailoring content to the current audience demographic is crucial if the platforms are to be seen as useful and helpful to entrepreneurs.



## SECTION 7

# Conclusions and Recommendations

The 2017 City of Johannesburg Entrepreneurship Ecosystem Symposium and Regional Summits introduced and demonstrated the viability and necessity of Entrepreneurial Ecosystems to spur entrepreneurial growth and sustainability. Listening to the voices of entrepreneurs was an excellent start in building a community of engaged SMMEs who are keen and willing to work with the City.

### Key Insights & Recommendations

01

**The 2017 City of Johannesburg Entrepreneurship Ecosystem Symposium and Regional Summits are a critical starting point in developing Johannesburg as an entrepreneurial city.**

*How is an entrepreneurial city defined?*



A city that:

- 1) knows its entrepreneurs,
- 2) listens to its entrepreneurs,
- 3) and works with its entrepreneurs to develop policies and programmes,
- 4) by engaging in ongoing dialogue with multiple stakeholders.

#### Recommendations:

##### Develop the SMME policy around recommendations from the events

Six areas were highlighted from the Summits and Symposium:

- 1) Manage database of entrepreneurs and resources and leverage information to grow business.
- 2) Restrategise and reformulate the business hubs.
- 3) Develop engagement principles with business forums and other ecosystem partners and institutionalise engagement levels.
- 4) Consolidate procurement processes across the City, develop and simplify access, make processes more transparent, monitoring and evaluation on SMME support (i.e. 30%).
- 5) Identify focus industries and continuously develop capability to assist and engage with businesses and entrepreneurs to ensure the information is kept up to date.
- 6) Develop focused geographic nodes and emphasise regional development to grow industries and businesses in those industries.

##### Transform the existing Summits/Symposium into a vehicle for managed entrepreneur dialogue

- 1) Shift Regional Summits to industry-specific and regionally driven meetings held by region and by industry – annually (i.e. beginning 2018 – see #3).
- 2) Organise Symposiums every two years and allow Industry-Specific Regional Summits to present action plans and results (i.e. next one in 2019).
- 3) Focus on engagement policies that are cost-effective and seek to create two-way dialogue with entrepreneurs where they operate (see #3).

02

### Engagement needs to be part of the policy going forward to build an entrepreneurial culture



Entrepreneurs have much to offer – they have solutions, ideas and passion. Building on the existing culture of entrepreneurship means continuing the conversation. The Entrepreneurship Summits and the Symposium delivered an expectation that needs to be carried through with future engagements. The next step is feedback from the City. Entrepreneurs and other ecosystem partners need to know the results: what processes have been put in place and how does the City seek to co-create the Entrepreneurial Ecosystem of Joburg. Institutionalising Industry Working Groups will go a long way to ensuring this continuation.

The City of Johannesburg needs to rethink how it will engage with entrepreneurs. For the past 23 years, economic development was primarily top-down driven. The bottom-up approach revealed that a level of SMMEs, businesses and other partners are keen to become involved in future dialogue and can assist their industries. Regional development is a crucial factor of driving this forward.

#### Recommendations:

- 1. Continue working on the Social Media platforms.** Social media is a cost-effective way to engage with entrepreneurs that allows the City to touch base with businesses, and relay policies and core messages. It also creates a feedback platform that can play a role in monitoring and evaluating the City's policies and programmes.
- 2. Use the business hubs as information points of call for entrepreneurs.** Hubs should be re-strategised and re-imagined to become places of information dissemination and ecosystem partnership information. They also need to be recast as resources – as venues for meetings and other entrepreneurship needs. They should work with existing co-working office spaces in the City and become information portals for all the best information in the City.
- 3. Focus on regional engagement** (see #6).
- 4. Create the City's own SMME in-house capability and resources** in the Department of Economic Development.

03

### Data is king



As the City's population increases, the ability to harness information and have up-to-date databases on opportunities, the entrepreneurship population's skillsets (or lack thereof) and information about the existing entrepreneurs will become extremely important. The 2017 Entrepreneurship Ecosystem Regional Summits and Symposium participant information was captured in a database. How the City harnesses the power of this information will determine how successfully it can help grow this segment of the economy.

#### Recommendations:

- 1. Maximise learnings from the existing analysis** of the event database.
- 2. Expand and keep up-to-date the database of entrepreneurs and ecosystem partners** on an ongoing and planned basis (i.e. quarterly with analysis).
- 3. Move all systems online and all data into the cloud** for information security and protection.
- 4. Begin analysis on skills gaps / existing mismatch in skills** and identify ways to address via ecosystem partners.

04

### Working groups can make a difference.



Working groups of entrepreneurs allow the City to form measurable implementation of policy and assist in fostering an entrepreneurial culture. On a strategic basis, industry-specific working groups affords the City the best form of informed and inclusive engagement with industry players. These working groups were especially important as they were not large companies or necessarily industry leaders, but were inclusive and cross-sectional. Working groups can be formed around creating SMART solutions, which ensures measurability of specific initiatives.

#### Recommendations:

- 1. Circulate names of three groups recommending they stay in touch** with one another. Assign a City partner to keep track of dialogues.
- 2. Identify how to take findings from each group** and move forward. See the table below:

Industry Group	Responsibility	CoJ Liaison Contact
IT	Run by entrepreneurs	• SMART City representatives/relevant IT personnel
Manufacturing / Automotive	Run by entrepreneurs	• JPC where relevant • Regional offices for meetings
Urban Agriculture	Regions D, E, F, G (E & F can combine)	• Identify specific needs by geography i.e. rooftop needs hydroponics, peri-urban need market access
Cleantech/Greentech	Run by entrepreneurs	• Social Development, Pikitup, EISD, City Power, possibly Regions for meeting venues
Tourism	Run by entrepreneurs	• Joburg Tourism
Construction	Regions (all)	• Local business forums and other ecosystem partners

05

### SMME and entrepreneurial development needs to be industry-specific



In past administrations, the model of economic development was that 'business needs to tell us what industries to support'. Today's world is so fast-paced that no business-oriented city can wait for large business to 'tell' them what needs to be done. Cities need to take the lead and present where they believe their economies will go, and businesses can validate and contribute to the dialogue. The Entrepreneurship Regional Summits and Symposium tested this model – five industries were presented and were adjusted and refined according to feedback from entrepreneurs.

Economic development needs to be about creating Entrepreneurship Ecosystems for businesses of the future. Today the largest businesses in the world did not exist 10 years ago, and the likelihood of an equally rapid change in South Africa needs to be anticipated, not waited for.

#### Recommendations:

- 1. Build the City's in-house capability and knowledge base** of future industries.
- 2. Translate these into opportunities for entrepreneurs.**
- 3. Share the information on a variety of forums** and engage in dialogue.

06



### Regional economic development will play an increasingly important role in the future

As the City develops, smaller underdeveloped geographic nodes will become increasingly important to drive industry-specific initiatives. Already the City has a database of manufacturing hubs and activities in these hubs, as well as extensive research on these hubs. This can be taken further with selected industries to identify where the greatest future opportunities for the City exist.

Global cities around the world are facing densification, greater traffic and other issues caused by the high migration into their cities. Considering this, regional nodes become critical as businesses and entrepreneurs 'group' themselves into natural geographic areas where they can best capture the economic efficiencies of having customers, suppliers and other resources easily accessible. The City can assist this process by working closely with its Regions to identify potential economic value in geographic nodes, pools of entrepreneurs and businesses and ensure the infrastructure, environment and partners are coordinated to assist their regional growth.

#### Recommendations:

1. **Structure greater capability in the Regions to handle entrepreneurship development** (potential upskilling).
2. **Redefine the role of Regions in economic development** as 'information portals' and 'facilitators' in bringing together ecosystem partners (they do not need to be economic experts).
3. **Work with regions to engage in industry-specific summits** on a smaller scale to institutionalise the learnings and carry on the dialogue with entrepreneurs.

#### Conclusion

Entrepreneurs are the potential key to unlocking the City of Johannesburg's continued success. Listening to them and hearing what they have to say can make a difference in how local government formulates and implements economic policy and programmes, as well as how it delivers services to its constituents. As an enabling partner, the City has the opportunity to continue the development of these Entrepreneurship Ecosystems that have begun to connect at the 2017 City of Johannesburg Entrepreneurship Ecosystem Regional Summits and Symposium.

#### 'If Johannesburg works, South Africa works'.

The Entrepreneurship Ecosystem Regional Summits and Symposium set the tone for future City programmes – innovative, consultative, and participative. Capturing the learnings, sustaining momentum and maintaining continuity will be important.

The City of Johannesburg has kicked off the 2017 Entrepreneurship Ecosystem Regional Summits and Symposium as a first key step to building an entrepreneurial city. The next steps will determine this initiative's ongoing success to build a legacy in entrepreneurial development in Johannesburg.



2017 CITY OF JOHANNESBURG  
ENTREPRENEURSHIP ECOSYSTEM  
REGIONAL SUMMITS AND SYMPOSIUM

City of Johannesburg  
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