

# ENTREPRENEURSHIP IN SOUTH AFRICA: LEARNING THROUGH COLLABORATIVE CONSULTING

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As part of the requirements for a Masters in Sustainable Development Practice, students spend 10-12 weeks overseas undertaking a field practicum. I spent my summer in Cape Town, South Africa participating in a program called EESA—Entrepreneurship and Empowerment in South Africa. The program has been running for sixteen years and is currently based out of UP's Warrington Business School.

EESA brings together students from three US-based universities and a university in Cape Town. The students are trained to be small business consultants, and work through a framework called “process consulting.” This form of consulting is most appropriate for working with limited knowledge in an unfamiliar context. It is based on the assumption that client themselves have the capability to address their own challenges; they just need some external assistance and guidance to facilitate the solutions.

The student consultants are taught to analyze the businesses through a tool called the Supporting Emerging Enterprises (SEE) model. The SEE model focuses on three layers of the business and how they are interconnected: the core, the internal operations and the external relationships. This generates a holistic understanding of

the business.

Each consulting group is assigned two small businesses. All of the businesses selected have been in operation for at least one year and are chosen from a broad range of sectors including hair salons, mobile boutiques, electrical companies and graphic designers. The businesses are analyzed by the consulting groups to identify core strategic weaknesses. Deliverables are then produced, in collaboration with the entrepreneur to address these strategic issues. Each deliverable must be implemented by the end of the six-week time frame. The deliverables vary, based on the specific needs of the businesses. Most include capacity building in areas of bookkeeping, marketing and sales, among others.

One of the weaknesses of EESA that was identified over the years is that there is no follow up with clients after the six week program ends. This means that it has been impossible to track the impact of EESA or where the persistent problems lie with regards to the entrepreneurs. Recognizing this, I spent an additional three weeks in Cape Town in an effort to assess and strengthen EESA's impact. I sought to follow up with clients and gain feedback on their experiences with the

program. I then implemented a bi-annual tracking system including all of the former clients that could be located. Their contact information was compiled in an internet based database so they can be tracked in the future. Phone interviews were conducted with 34 former clients to assess the state of their business including key business performance indicators such as revenue, profit, number of employees and bookkeeping system.

Preliminary results of the interviews conducted revealed that there were a number of intangible benefits of EESA that were not directly related to strengthening or growing the small business. For example, many of the entrepreneurs spoke of feeling a new sense of motivation to grow their business and strengthen their networks. They also spoke of the benefits of collaborating with others to generate new ideas for their business which they did not previously have the opportunity to explore. Working directly with a consulting group allowed them to explore new areas of opportunity and orient their business, rather than just focusing on the day-to-day operations of business as usual.

The feedback also indicated a need for the South African government to invest in other similar programs. Entrepreneurs need on-the-ground, relevant advice and training as well as access to networks. Currently, there are no such programs, despite the government's recognition that small enterprise development is needed to build South Africa's economy. If EESA could be scaled up, so that more entrepreneurs have access to such services, there would likely be a higher start-up success rate in South Africa, and more resilient economy.

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