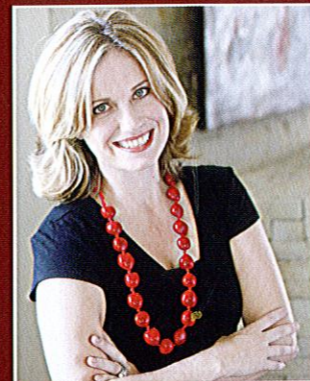


ED begins at home

By Marion Pearce

While enterprise development was created by government to stimulate economic growth through companies investing in BEE emerging enterprises, this has played out with a focus on black entrepreneurs and assistance to micro businesses. But new studies identify a critical sector called home-based enterprises (HBE) which covers low income subsistence, sustainable and growing businesses. We would do well to pay close attention to this.



Marion Pearce
Deputy CEO of The Hope Factory

Many of our entrepreneurs fall into this sector and, according to Finmark Trust research, HBE contributes fully R6-billion per annum to our gross domestic product. That's R4-billion more than the country's craft sector. We believe that if enterprise development focused more on the HBE sector, the results could have a positive impact on grass roots development and job creation.

At The Hope Factory, we concentrate on upskilling individuals through training and entrepreneur development, and helping to create enterprises that are sustainable into the future. A critical part of individual empowerment, financial independence and economic growth, is about people being able to work and earn a living, though it must be emphasised that entrepreneurship alone will not create all the jobs that are needed, and neither will the formal sector.

With 10 years' experience now behind us, we are convinced that true individual empowerment involves changing hearts and minds by motivating the previously disadvantaged to take ownership of their futures by encouraging them to have a vision

and then set achievable goals to turn it into a reality.

This involves teaching them technical, work and life skills, and then giving the individuals the opportunity to hone these skills through practical work experience, combined with ongoing mentorship and support to ensure sustainability.

That our model has been effective is best demonstrated by the fact that over the past decade we have trained more than 800 graduates of whom 76% are still financially viable.

As far as contributing to the bigger picture is concerned, our research shows that the knock-on effect of this is such that by the third generation, 343 families are able to earn their own living, and looking at it from the other side of the coin, the state will have been saved some R972-billion on moneys that it would otherwise have had to deploy in poverty alleviation support. That is the true impact of this work and of a broader approach to cementing enterprise development in the economy.

Pearce is deputy CEO of The Hope Factory
www.thehopefactory.co.za

The
Hope Factory
SAICA Enterprise Development



The Hope Factory: Making dreams a reality

The Hope Factory is an Enterprise Development model with a broad based approach to help create sustainable business.

The Hope Factory is a leading ED initiative that is improving the lives of previously unemployed South Africans by providing them with a holistic entrepreneurial development programme.

An initiative of the South African Institute of Chartered Accountants (SAICA), the project's mission is to create opportunities for people from previously disadvantaged communities to be trained, to gain practical experience and to be financially productive.

The Hope Factory provides training in business, technical and life skills, together with a comprehensive incubator programme to further develop these skills, as well as extensive mentorship and guidance for our entrepreneurs.

Assisted by ED investments from more than 120 companies, The Hope Factory has developed more than 800 unemployed people. Seventy-six percent of Hope Factory graduates from the past five years are still financially sustainable.

The Hope Factory also designs a wide range of beautiful, handmade corporate gifts and conference materials that can be tailor-made to suit your corporate needs. These gifts are manufactured by entrepreneurs in our Incubator Programme phase.

Entrepreneurs are supported by seed capital investments through The Hope Factory's Entrepreneurial Investment Programme; networking opportunities are provided through entrepreneur days; and members also have access to focused business mentoring and coaching.

The Hope Hub helps to find solutions to challenges the entrepreneurs encounter – including low-cost rental space and infrastructure to help grow their businesses.

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