

# Supporting Small Business through Mentorship Programmes

23 June 2021



### **National Mentorship Movement**



#### **Overall Outlook:**

- Non-profit, established in 2015, registered as a Section 18A Public Benefit Organization.
- Objective to assist address South Africa's massive unemployment problem and poor entrepreneurial health.
- "Mentorship the Power of Two": individuals who are mentored are twice as likely to enrol in university, hold leadership positions, be involved in the community, increase their revenues and staff levels, and survive in business longer than five years.
- Audacious goal to mobilise 100 000 mentors to support 1 million mentees.



#### How does the NMM model work?



MMM Market - "change South Africa forever" MENTOR SIDE MENTEE SIDE Manage mentor and mentee partner relations Mentor partners Mentee partners Balance demand for mentors with supply · Non profit organisations Corporates · Non profit organisations Industry associations Manage mentorship programmes Industry associations Service organisations Register Onboard Match Prepare Service organisations Business associations Business associations State entities Manage individual mentorship relationships Retiree associations Get to know Mentorship relationships Wrap Individual mentors Individual mentees Close Get direction Get Value TIME Manage group and peer mentorship programmes Monitor & Evaluate 1 Train Manage eco-system partner relationships Academic institutions Business Associations



#### How does the NMM model work?



- 1. The mentee registers and provides demographic information, stage of development of their company, years of experience, industry they operate in and their development needs.
- 2. Through the Torch-Everwise algorithm, the mentee is matched with an appropriate mentor.
- 3. The mentorship is managed over a year by monitoring and evaluating the effectiveness of the match through the system, and interventions are made when necessary.



### Governance and funding



- Governed by a Board of directors and the CEO of the NMM.
- Targeted funding is 50% earned and 50% donor funding.
- Their earned funding has included from projects with:
  - the Da Vinci Institute on behalf of the Gauteng City Region Academy (GCRA),
  - > the Tourism Business Council of SA
  - > Sanlam Investment Group
  - > Standard Bank.
- NMM boasts a cost effective model because the mentors mentor at no cost, and they run a lean organisation with an operating budget of below R2 mil/year:
  - > The license for the Torch-Everwise platform is about a quarter of the cost
  - > Support staff costs are kept low (contracted through the YES programme), the CEO is unpaid, and the offices are rent free.
  - ➤ Without these cost savings, the budget required would increase to R 3,5 mil/year at current levels of activity.

## **Some NMM programmes**

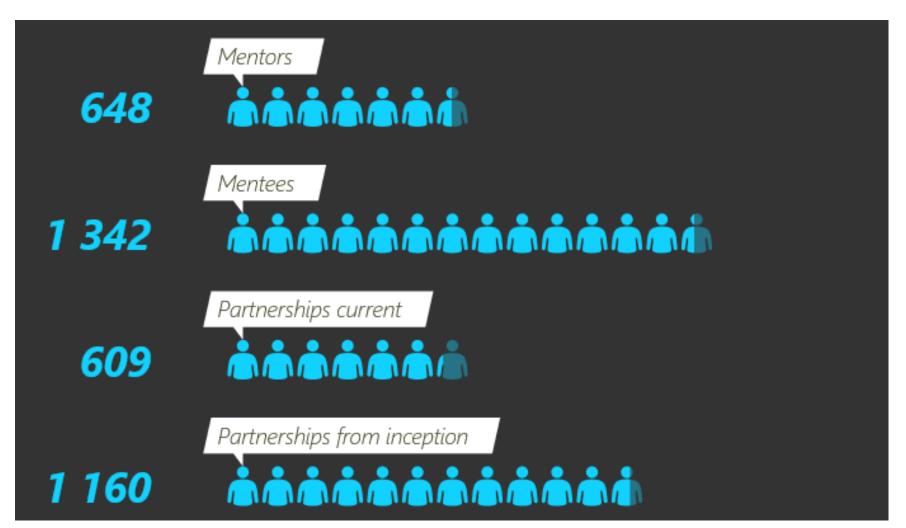


| Beneficiaries   | Mentees | Partners  |
|---|---------|---|
| Township youth and entrepreneurs in Kliptown and Tembisa  | 20      | IQbusiness, Khulisa Social Solutions                              |
| Unemployed youth going through a new venture creation programme   | 400     | Da Vinci Institute with the Gauteng<br>City Regional Academy GCRA |
| Entrepreneurs in the tourism industry as well as women who have graduated from industry's Executive Development Programme | 50      | TBCSA, Dept of Tourism, SAACI,<br>SATSA                           |
| Entrepreneurs as well as unemployed youth and interns in the printing industry  | 50      | Printing SA   |
| Entrepreneurs with small and micro enterprises  | 75      | Standard Bank   |
| Entrepreneurs in start-ups as well as staff and managers in a corporation   | 24      | Sanlam Investment Group   |
| Entrepreneurs in the innovation arena   | 80      | Technology Innovation Agency                                      |
| Students  | 20      | Feenix / Moshal Scholarship programme                             |



### Mentors, mentees and partnerships

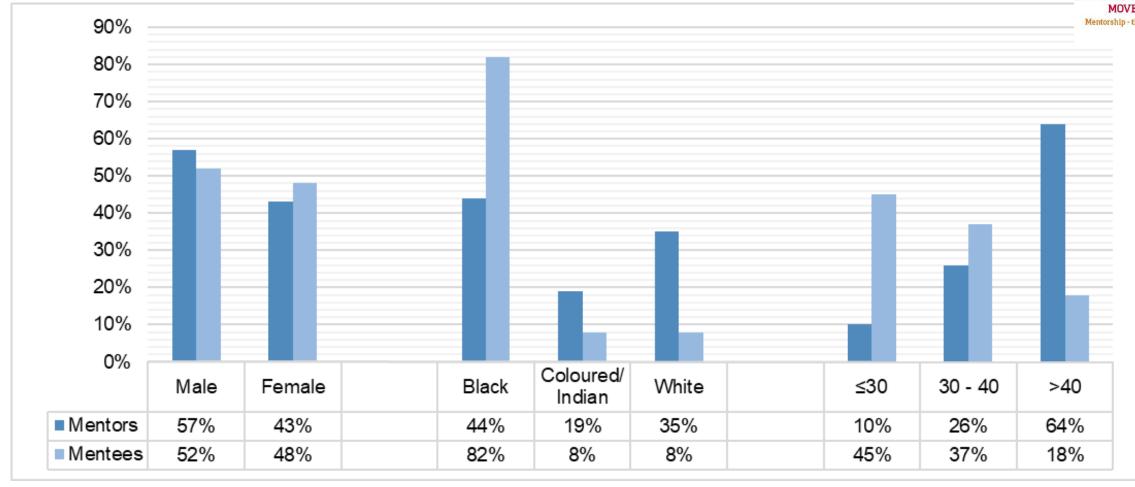






## Demographic composition







### **Profile of mentors**



| Mentors: highest education |     | Mentors: most senior position |     | Mentors: years of experience of the 50% who own their own businesses |     |  |
|----------------------------|-----|-------------------------------|-----|--|-----|--|
| Qualification              | %   | Position                      | %   | Years  | %   |  |
| PhD/Masters                | 34% | CEO                           | 15% | > 20   | 11% |  |
| Honors                     | 22% | Director                      | 21% | 11 - 20  | 19% |  |
| Bachelors                  | 20% | Executive                     | 16% | 6 - 10   | 27% |  |
| Diploma                    | 10% | Sen Manager                   | 19% | 1 - 5  | 40% |  |
|                            |     | Manager                       | 14% | None   | 2%  |  |



## Measured impact



|  | Exceeded expectation | Met<br>expectation | Did not meet expectation | Total respondents |
|--|----------------------|--------------------|--------------------------|-------------------|
| Quality of interpersonal relationships | 47%                  | 51%                | 2%                       | 244               |
| Effectiveness of platform              | 56%                  | 40%                | 4%                       | 250               |
| Achievement of goals                   | 32%                  | 53%                | 15%                      | 176               |
| Likelihood of recommending NMM         | 79%                  | 15%                | 6%                       | 182               |

Out of the box thinking was new to me, but it has given me great tools to use for the future

It is a great platform for those who would like to grow their businesses

I must indicate that the match was perfect. He understands my background, goals and where I want to be

NMM has been critical to the clarity of my vision, level of my thinking and the strategic direction of [business]....



#### **Discussion**



#### **Opportunity:**

- Let's give people the support and guidance from a mentor so that they can create a better chance in their own lives
- There are enough generous people willing to provide support and courageous ones willing to accept it
- Mentorship works, the NMM model has been proven and volunteer mentors make it most cost effective a cost base of R 2m, just the current number of relationships amounts to R 15m of mentorship value at no cost to the beneficiaries
- What if we could take mentorship at scale across the nation and empower entrepreneurs, youth, women and students to become confident and successful individuals.... eg R 12m cost for R 200m mentorship value?

#### **Constraints:**

- Mentors need to mobilise thousands of volunteer mentors directly as well as through corporates and other organisations
- Funding need to strengthen and expand the back office to deal with significantly more relationships

#### **Policy relevance:**

- Cost effective and proven initiative that can help small and medium enterprises survive in the market so as to create employment, reduce poverty, and increase the country's economic growth.
- NMM is already supporting programmes involving the State, including the GCRA funded Da Vinci programme, the TBCSA funded programme working with the Department of Tourism and the Technology Innovation Agency programme to implement a mentorship platform in the innovation arena, and is exploring a partnership with the Innovation Hub.
- NMM lends itself to interventions which can increase sustainability, growth and transformation industry by industry, as it is already showing in the tourism and printing industries, and it has also been included in the Furniture Industry Master Plan.
- Mentorship could increase the impact of every single programme "Mentorship the Power of Two".



# Thank you

