

ENTREPRENEURSHIP POLICY TOOLKIT

PART 5.5: CULTURE



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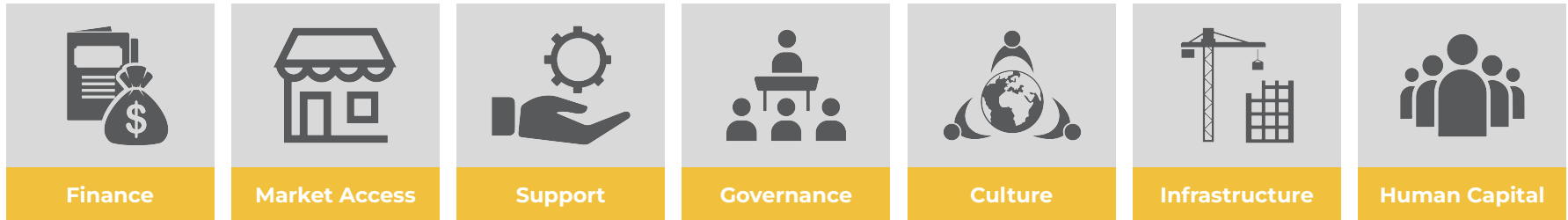
**Make-IT
in Africa**

How to read Part 5 of the toolkit?

Part 5 of the Entrepreneurship Policy Toolkit addresses the main challenges faced by entrepreneurs across the continent.

In the previous part of the toolkit, i4Policy analyzed the challenges covered by fourteen entrepreneurial ecosystem diagnostic tools. We concluded that, despite wide variation in sources, the evaluative approaches are relatively consistent and seven challenges are considered the main categories in most of the methodologies reviewed.

These seven provide us with a well-researched typology of challenges faced by entrepreneurs across the world:



How to read Part 5 of the toolkit?

Part 5 of the Entrepreneurship Policy Toolkit is divided into seven sub-sections, tackling each of the challenges mentioned in the previous slide, as follows:

1. **Finance**
2. **Market Access**
3. **Support**
4. **Governance**
5. **Culture**
6. **Infrastructure**
7. **Human Capital**

It is up to you to read through the sub-sections as you desire. You can either download or read the entirety of Part 5, if you want to have a broad understanding and bird-eye view of all challenges faced by entrepreneurs. However, if only a specific challenge is of interest to you, feel free to go through one (or several) sub-sections.

Each subsection contains policy interventions, focusing first on the objectives the policy must meet in order to effectively tackle a challenge, then on the policy's expected impacts and KPIs. Throughout all subsections, examples of successful national policy interventions will be provided per challenge.

What will I learn?

Part 5.5 - Culture

In this section, we will explore the creation of a national culture of entrepreneurship.

You will learn:

- How to promote entrepreneurship;
- What are the personal traits of entrepreneurs and how to foster them in your population;
- How to encourage the exploration of personal talents and potential;
- How to promote women entrepreneurship and lift gender discrimination within your national entrepreneurial ecosystem.



Definition - What is culture?

According to UNESCO, *“Culture is who we are, and what shapes our identity. Placing culture at the heart of development policies is the only way to ensure a human-centred, inclusive and equitable development.”*

UNESCO defines culture as the set of distinctive spiritual, material, intellectual and emotional features of society or a social group that encompasses, not only art and literature, but lifestyles, ways of living together, value systems, traditions and beliefs (UNESCO, 2001).

Culture is a cross-cutting theme in development that, if well understood, can help enhance, support and promote livelihood improvements. Supporting and encouraging a culture of entrepreneurship relies on understanding the society in which it is being promoted.



Part 5.5

Part 5.5 - Culture

- 5.5.1 Personal Development
 - 5.5.2 Community Support
 - 5.5.3 Networking
 - 5.5.4 Women Entrepreneurship
-

5.5.1 Personal Development

These interventions aim at fostering personal entrepreneurial traits of the population, such as self-confidence, ambition, non-fear of failure and the ability to identify good opportunities. These traits are important to actually decide to become an entrepreneur.

Policy Objectives Addressed

- Promoting entrepreneurship

Expected Impacts

- Increase of business creation

KPIs

- Non-fear of failure/Risk acceptance
- Opportunity startup



5.5.1 Personal Development

- **Encourage exploration of personal talents and potential:** Support personal development through incorporation of entrepreneurial skills training.

Mauritius' 10 Year Master Plan for the SME Sector proposes to revise entrepreneurship curricula at secondary and tertiary levels such that it incorporates strong elements of personal development in education as an essential element besides knowledge acquisition.

- **Reduce the Stigma of Failure:** Support the recognition of failure as part of learning how to succeed.

Think Young, a group that advocates for young entrepreneurs in the European Union launched the 'Fail 2 Succeed' campaign. This encourages young entrepreneurs to embrace business failure as a learning requirement for future success. As part of its campaign, it showcases testimonials of "famous failures".

- **Promote experiential learning:** Promote experiential and immersive teaching methods that develop entrepreneurship-related soft skills.

Alfatoun, an international NGO implementing Alfatoun programs in 35 African countries, offers age-appropriate experiential learning courses that teach young children and teenagers valuable skills for starting a business including savings, financial planning and budgeting, self-confidence and social skills.



5.5.1 Personal Development

- **Increase equitable access:** Address key constraints and market failures that limit the demand for youth employment and their productivity in employment.

The Kenya Youth Employment and Opportunities Project (KYEOP) assists youth in Kenya to acquire the skills and capital required to help them generate an income as an Entrepreneur “Mfanyabiashara”. Implementation is done by the Micro and Small Enterprise Authority.

- **English language skills:** Improving the reach and quality of English language instruction is essential because, as a key language for accessing international knowledge, it is often associated with improved self-confidence and capabilities.

Rwanda’s Entrepreneurship Development Policy focuses on diversifying English instruction mechanisms. This is operationalized through increased availability of English on booklets, mobile and web-based applications.

- **Promote financial literacy:** Increase access to financial information and literacy to help vulnerable groups make sound financial decisions.

The German Sparkassenstiftung Eastern Africa (DSIK) supports beneficiaries in developing skills required to manage their personal and business finances and to be better prepared for handling financial uncertainty. They work in partnership with local partner institutions such as the Ministry of the Interior, Patriotic Training and Local Development in Burundi.



Building a culture of entrepreneurship among youth - Rwanda



- ❖ Rwanda's policy outlines a few initiatives: the first is a national program, the Young Enterprise Scheme, that offers teams of young people over the age of 14 the opportunity to run a business for an academic year. They receive mentorship from local businessmen and compete for the "Young Enterprise of the Year Award" at the end of their projects.
- ❖ A second program to be implemented, is a mentoring program for young people starting businesses through Business Development Service Centers. The goal is to recruit and train leaders of successful local businesses to offer advice to young people.
- ❖ In addition to these programs, the government will identify successful entrepreneurs to serve as ambassadors and make at least 4 appearances per year in their district to speak to and mentor groups of young people.



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76% of young people (18-24) surveyed in 14 African countries would like to start a business in the next five years. But only 51% find it easy to accept failures as part of learning.¹

While 90% of young people in Malawi and Togo intend to start a business in the next 5 years, 88% in Senegal, only 47% of young people in South Africa intend to do the same.

¹ Ichikowitz Family Foundation (2020). *African Youth Survey 2020 – The Rise of Afro-Optimism*. <https://ichikowitzfoundation.com/wp-content/uploads/2020/02/African-Youth-Survey-2020.pdf>

5.5.2 Community Support

These interventions aim at fostering a more positive view of entrepreneurship in terms of status and career choice. Family, community, and more generally countries' inhabitants do not always have a positive view of entrepreneurs. Reasons can be that success stories are not visible, because innovation/creativity/ experimentation is not valued, or because wealth creation from the private sector is not well seen (social legitimacy). This encourages careers in traditional professions and reduces risk-seeking entrepreneurial behavior.

Policy Objectives Addressed

- Promoting entrepreneurship

Expected Impacts

- More positive view of entrepreneurs and creativity
- Increased risk-seeking behavior of entrepreneurs

KPIs

- Cultural support

5.5.2 Community Support



- **Disseminate success stories:** Building community support through the dissemination of entrepreneurs' success stories.

Rwanda's strategy includes the establishment of annual award schemes that recognize innovation and technology development.

- **Promote positive societal attitudes:** Encourage positive societal attitudes towards entrepreneurship by supporting national entrepreneurship competitions and awards.

Youth Enterprise With Innovation In Nigeria (YouWin) is a government-run contest that finances the best business plans for aspiring entrepreneurs in Nigeria with an amount between 1 million to 10 million Naira.

- **Engage role models:** Building community support by celebrating role models in the community.

The Branson Centre of Entrepreneurship in South Africa hosts a podcast series for business founders. They conduct a series of conversations with industry experts to help and advice entrepreneurs on products, people, partnerships and branding.



5.5.2 Community Support

- **Community mobilisation:** Promoting entrepreneurship opportunities at the national, regional and local level.

Rwanda's Entrepreneurial Development Policy aims to create awareness of entrepreneurship and improve access to finance via community-based mechanisms, such as Umuganda and community meetings.

- **Enhance the appeal of entrepreneurship:** Improve the appeal of entrepreneurship by legitimising its presence and establishing social acceptance.

Kenya's Micro and Small Enterprise Policy includes rebranding of the MSE sector to entrench entrepreneurship culture. This is implemented through a 'signature song and logo' competition, challenging the youth to come up with songs and logos associated with Kenyan entrepreneurship.

- **Leverage social media platforms:** Building community support by leveraging social media and other communication tools and platforms.

The African Union Commission (AUC) rolled out the initiative "1 Million By 2021" in 2019. It aims to create 1 million new opportunities for Young Africans in education, employment, entrepreneurship, and engagement across the continent and in the diaspora.



Tony Elumelu Foundation Entrepreneurship Programme



- ❖ Tony Elumelu Foundation launched a philanthropic programme to further drive entrepreneurship across the continent.
- ❖ The purpose of the programme is to:
 - Identify 1,000 African startups and entrepreneurs every year who have ideas with the potential to address social and economic challenges in Africa;
 - Grow the capacity of the entrepreneurs through training, mentoring, access to relevant information and a strong alumni network; and
 - Provide initial seed capital of \$10,000 each, to catalyze these businesses and position them for growth and profitability.
- All recipients of the Tony & Awele Elumelu Prize will continue to be part of the Tony Elumelu Foundation network and have access to advice, resources and events held by the Foundation.



5.5.3 Networking

These interventions aim to stimulate entrepreneurs to share and exchange ideas and experiences with others. This will help entrepreneurs when their personal knowledge and ability to connect, cooperate and coordinate both in their home country and in the world (including with diaspora) are low and hence, identifying viable opportunities, accessing resources, and lobbying for change is more difficult for them.

Policy Objectives Addressed

- Promoting entrepreneurship

Expected Impacts

- Increased innovation and creativity through cooperation
- More efficient use of resources

KPIs

- Networking

5.5.3 Networking



- **Creating a platform for SMEs:** Promote grouping and cooperation between SMEs through the creation of an SME platform.

Tanzania's policy proposes strategies to support the establishment and strengthening of associations of SMEs, networking of SME service providers and the creation of an SME platform.

- **Geographical clustering in entrepreneurial cities:** Stimulate SMEs to locate themselves in geographical clusters in order to make it easier to cooperate and come up with new creative ideas and solutions.

Konza Technopolis (KT) is a key flagship project of Kenya's Vision 2030 economic development pillar that envisions creating a world class smart city and area of innovation. The project is implemented under the Ministry of Information Communications and Technology (MoICT).

- **Cross-border cooperation:** Support cross border exchange of business knowledge to create opportunities for identifying new business opportunities, new business partners and new ways of doing business.

Erasmus for Young Entrepreneurs is a cross-border exchange program that provides new or aspiring entrepreneurs in Europe an opportunity to learn from experienced entrepreneurs in other countries.



5.5.3 Networking

- **Support regional networking:** Provide additional support or access to existing local and regional, African homegrown initiatives.

The Ministry of Trade and Industry of Rwanda will organize an annual “Rwandapreneurship Summit”. It will provide an opportunity for entrepreneurs to network, share experiences, exhibit, pitch businesses, and participate in mentorship sessions.

- **Exchange across generations:** Promote knowledge exchange between established business people and aspiring young entrepreneurs.

The TAF Entrepreneurship Network in Gambia links young entrepreneurs with veteran business tycoons through its Networking and Mentorship Club. The event hosts discussions by an experienced and successful entrepreneur who shares his/her journey and lessons learned along the way with the young entrepreneurs.

- **Exchange across businesses:** Promote knowledge exchange between established businesses and early stage businesses.

The German Federal Ministry for Economic Affairs and Climate Action promotes better networking between medium-sized companies and startups through its workshop series “Startup meets medium-sized companies”.



Youth Connekt Africa



- ❖ Youth Connekt Africa is a Pan-African hub that seeks to empower young people through enhancing their knowledge, experiences and skills while investing in their ideas, innovations and initiatives.
- ❖ YouthConnekt Africa hosts annual summits in partnership with African governments. The last one was conducted in Ghana in partnership with Ministry of Youth and Sports, and National Youth Authority.
- ❖ The event allows networking among entrepreneurs, youth leaders, innovators, students, artists, youth in diaspora and youth living with disabilities as well as between government and private stakeholders.
- ❖ Some of its goals include:
 - Creating 10 million jobs for the youth,
 - Empowering 25 million youth with skills,
 - Connecting 100 million young Africans,
 - Nurturing 1 million leaders,
 - Closing the Gender Gap.



5.5.4 Supporting women in entrepreneurship

These interventions focus on encouraging women entrepreneurship. Gender equality fuels growth by bringing women into the labor force and by raising women entrepreneurs, the overall level of human capital, productivity and wages. Women entrepreneurs add creativity and ideas to the market.

Policy Objectives Addressed

- Lifting of gender discrimination and barriers

Expected Impacts

- Increase in the number of women entrepreneurs
- Increase of women in management and power positions

KPIs

- Percent of firms with female participation in ownership
- Gender equality index

5.5.4 Women Entrepreneurship



- **Facilitate access to finance:** Facilitate the development of women-friendly financial products and funds aimed at increasing financial inclusion.

Where financing is concerned, Burkina Faso, Cameroon and Nigeria propose the development of specific funds and specialized products by financial institutions for women, youth and other disadvantaged groups.

- **Inclusive public procurement:** Assist women to enter and operate successfully in government markets.

Niger and Senegal ensure that a share of SME contracts in public contracting is reserved for companies owned or managed by women. The Senegalese Small Business Act in particular, makes provision for 15% of public contracts to be allotted to recognized women-owned SMEs.

- **Ensure equal opportunities:** Ensure that women and entrepreneurs from all backgrounds are offered the same treatment and opportunities.

Tanzania's policy seeks to incorporate gender mainstreaming in all initiatives pertaining to SME development. Its strategy is to encourage participation of women and other disadvantaged groups in SME activities by identifying factors preventing them from starting businesses and designing programs with service providers to address them.

5.5.4 Women Entrepreneurship



- **Gender responsive initiatives:**

Enhance participation and outcomes for women by adopting programs that recognise gender specific challenges faced by women entrepreneurs.

The Empowerment and Livelihood for Adolescents program implemented by BRAC in Uganda provided training on running a small business as well as education on health and risky behaviours.

- **Promote social protection:**

Ensure that family and tax policies support women's participation in the labour market.

The regulatory environment plays a significant role in shaping women's ability to get jobs and remain in the labor force after starting a family.

Liberia's Decent Work Act of 2015 increased the duration of paid maternity leave to 14 weeks. In Western and Central Africa, 11 countries including Liberia, prohibit the dismissal of pregnant workers.

- **Promote positive social attitudes towards women's entrepreneurship:**

Promote women entrepreneurship to counter gender stereotypes and build women's self confidence.

Germany has implemented the "WOMEN unternehmen" initiative. It uses 140 role models to encourage women to implement their business ideas and set up companies.



The African Women in Business Initiative of the African Development Bank



- ❖ The African Women In Business (AWIB) initiative responds to calls for empowering women entrepreneurs, particularly in the case of SMEs, through improved access to finance.
- ❖ The Department of Private Sector and Microfinance (OPSM) of the AfDB has developed integrated financing programs for the development of women's entrepreneurship, with the following goals:
 - Contribute to a more equitable business environment for women entrepreneurs and strengthen their contribution to economic development;
 - Develop SME financing instruments and mechanisms to strengthen the financial market and help successful SMEs develop their activities.
- ❖ The Initiative's Action Plans include studies to assess the conditions and obstacles to creating an enabling environment and promoting women entrepreneurship development in Africa, and measures to improve the access of women-led SMEs to national, regional and international business networks.

Source: <https://www.afdb.org/fr/topics-and-sectors/initiatives-partnerships/african-women-in-business-initiative>



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34.2% of female-led businesses in Nigeria did not record growth in the past year, with limited access to finance cited as the main constraint to growth.¹

¹ The FATE Institute (2021). *State of Entrepreneurship in Nigeria Report*. <https://www.fatefoundation.org/download/2021soe/>

Key Performance Indicators



Culture KPIs



Sub Challenge	Description	Indicators	Source
Personal development	Captures personal entrepreneurial traits of the population, such as self-confidence, ambition, non-fear of failure and the ability to identify good opportunities. These traits are important to decide to become an entrepreneur.	Non-fear of failure/Risk acceptance	www.thegeedi.org
		Opportunity startup	www.thegeedi.org
Community support	Provides a picture of the country's beliefs with respect to entrepreneurship. A positive view of entrepreneurs in terms of status and career choice, encourages careers in the private sector and starting a business, fostering risk-seeking entrepreneurial behavior.	Cultural support	www.thegeedi.org



Culture KPIs



Sub Challenge	Description	Indicators	Source
Networking	Measures the extent to which entrepreneurs' access and mobilize opportunities and resources and the ease of access to reach each other. A strong network helps find the right resources and fosters creativity.	Networking	www.thegeedi.org
Women Entrepreneurship	Tracks the availability of women entrepreneurs and female opportunities. Gender equality fuels growth by bringing women into the labor force and by raising women entrepreneurs, the overall level of human capital, productivity and wages. Women entrepreneurs add creativity and ideas to the market.	Percent of firms with female participation in ownership	www.enterprisesurveys.org
		Gender equality index	www.hdr.undp.org



FURTHER READING

Role of Culture in Sustainable Development Goals

- ❑ UCLG. Culture in the Sustainable Development Goals
https://www.agenda21culture.net/sites/default/files/culturesdgs_web_en.pdf

Inclusive Entrepreneurship Policy

- ❑ OECD Inclusive Entrepreneurship Policy
<https://www.oecd.org/regional/leed/inclusive-entrepreneurship.htm>
- ❑ UNCTAD (2015). Policy Guide on Youth Entrepreneurship
https://unctad.org/system/files/official-document/webdiaeed2015d1_en.pdf
- ❑ OECD (2016). Policy Brief on Women's Entrepreneurship
<https://www.oecd-ilibrary.org/docserver/dd2d79e7-en.pdf?expires=1653831439&id=id&accname=quest&checksum=BED131DF8B585D78DC705116F45A4A06>
- ❑ GIZ (2020). Promoting Youth Entrepreneurship in Africa
https://au.int/sites/default/files/documents/39541-doc-promoting_youth_entrepreneurship_in_africa_-_en.pdf

WHAT TO EXPECT NEXT...




Now that you have explored the culture of entrepreneurship, the next Section (Part 5.6) will focus on developing the infrastructure required for the development of SMEs and Startups.


Take your time to explore and navigate each topic at your own pace. And remember to keep a notebook handy in case you want to jot down particular examples or questions to relate back to your own context.

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