

## From the Desk of the Interim CEO: Inhlanyelo Hub



My name is Prof Raphael Mpofo, I am the Interim Chief Executive Officer of Inhlanyelo Hub, a subsidiary of the University of South Africa. I would like to take this opportunity to welcome you to the ecosystem of entrepreneurship in which Inhlanyelo Hub is so pleased to participate. Since April 2013, I have served as the Deputy Executive Dean of the College of Economic and Management Sciences, where I am a professor of finance. I look forward to

walking this entrepreneurial journey with you and the greater African continent as we work together to build skills amongst our youth on the continent, skills that are relevant for the future of the continent as we journey towards “*The Africa We Want*” under the auspices of the African Union Agenda 2063.

### Inhlanyelo Hub: Our Mission

The economies of the world, particularly those of emerging regions, are experiencing an increase in unemployment as a result of dwindling employment opportunities; therefore, enterprise development is required to create more jobs. This then necessitates creativity, particularly among the youth, but this creativity faces a deadlock where ideas cannot meet capital, and when ideas do meet capital, they lack the mentorship necessary to become fully-fledged businesses. Geographic concentration is one method for achieving this creative idea exchange (Madaleno et al, 2018). Consequently, there is a need for a solution that not only encourages creativity, but also capitalizes newly generated ideas and mentors them into business units that can compete and add value to investors and customers.

In response to the Department of Higher Education and Training EDHE Programme (Entrepreneurship Development in Higher Education), the University of South Africa has established Inhlanyelo Hub NPC as a subsidiary. The EDHE Programme has the following objectives:

- Student entrepreneurship, i.e., the mobilization of the national student and graduate resource to create successful enterprises that generate wealth and jobs.
- Support academics in instilling an entrepreneurial mindset in all students and graduates by providing relevant knowledge, transferring practical skills, and applying business principles not only to a specific discipline, but across disciplines.
- Developing entrepreneurial universities, i.e., creating an environment that enables universities to adapt strategically and engage in projects that generate third-stream income through innovative business ideas.

Unisa is completely in line with this new initiative. Its vision states, “Towards *the* African university shaping futures in the service of humanity” as well as its mission which states in part, “We are guided by the principles of lifelong learning, student centredness, innovation and creativity. Our efforts contribute to the knowledge and

information society, advance development, nurture a critical citizenry and ensure global sustainability”.

In the 1960s, business incubation began formally in the United States and later developed in the United Kingdom and Europe through a variety of related structures (e.g., innovation centres, technopoles/science parks). It is acknowledged as a means to satisfy a variety of economic and socioeconomic policy requirements. Establishing Inhlanyelo Hub has as its purpose the acceleration of business growth and success and the reduction of the likelihood of failure. This creates new jobs, diversifies the industrial base, and improves the community's quality of life.

### **A perspective on the availability of relevant talent and skills in South Africa during the 4IR era**

In 2014, adolescents and young people (aged 10 to 24 years) were estimated to number nearly 169 million in 23 countries of Eastern and Southern Africa, representing nearly 33 percent of the total population. By 2050, this number is projected to reach 282 million. Therefore, the region has a great potential for a demographic dividend. Botswana, Mauritius, Seychelles, and South Africa, which report an average of 2,3 children per woman of reproductive age, are positioned to reap a demographic dividend. These nations must invest in enhancing the quality of education and ensuring a match between the skills taught and those in demand, promoting the creation of jobs in high-value sectors, and funding infrastructure development.

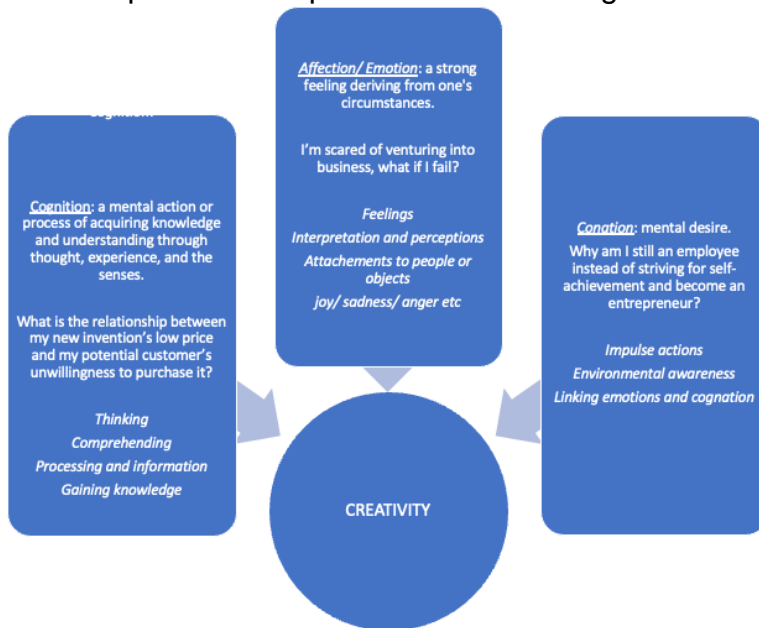
Thus, there is great potential for a massive increase in the number of young people, which can represent a dividend or a youth bulge. A dividend is contingent on maximizing investment returns, whereas a youth bulge causes discontent, uprising, crime, and political instability. Therefore, the question is how to harvest and benefit from this youth dividend. The solution of Inhlanyelo Hub is to cultivate entrepreneurial talent among youth. As a result, Inhlanyelo Hub was established to assist those with innovative ideas in bringing them to fruition, particularly in the use of technology to address societal issues. They can establish their businesses in our incubator and bring their ideas to life. This arrangement provides them with the necessary support, as they require access to labs and maker spaces, the latest technologies, business support, coaching, and mentoring during the start-up phase. Inhlanyelo Hub will also connect entrepreneurs with investors and venture capitalists, as well as facilitate market development, to capitalize on the African Continental Free Trade Area in particular (AfCFTA).

### **What about the current skills gap in the workforce?**

Because there has always been a disparity between the educational system and the industry's needs, it is a crucial issue that must be addressed. By providing alternative paths to students who have not been exposed to the most recent emerging technologies, they are afforded the opportunity to advance their skills. For instance, tinkering labs facilitate the availability of cutting-edge technology to school students. South Africa is blessed with a vast talent pool; we have an increasing number of seasoned professionals who can serve as mentors. We are attempting to recruit mentors who are affiliated with schools, start-ups, and incubators so that their professional expertise can benefit a large number of individuals.

## Part 1 of Inhlanyelo Hub's Entrepreneurship Development Strategy

This month, we examine Inhlanyelo Hub's approach to fostering entrepreneurship. We will begin by examining creativity. Creativity involves interacting with ideas, people, and the environment while playing with the imagination and possibilities. Rarely occurring creativity aids entrepreneurs in one of the most crucial steps of their business journey: the generation of a novel business idea. Entrepreneurs with high levels of creativity are frequently able to generate exceptional business concepts that fill a market niche void or create new markets. Creativity is the origin of innovation and a mental process comprised of the following:



Entrepreneurs experiment with innovation during their journey of creativity, whether it be product innovation or service innovation. In our next series, we will examine how entrepreneurs can apply innovation to the creative process and how, at Inhlanyelo Hub, we have made this our guiding principle that yields tangible results.

Sincerely,

Prof Raphael Mpofu

Interim CEO

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