



Lessons Learnt From Mentoring a Young Micro Entrepreneur

Roy is a remarkable and great young man. He grew up in difficult circumstances, spending part of his youth on the streets. He currently lives in an informal settlement in Stanza Bopape in Mamelodi East and runs a small informal trading enterprise from his tiny plot. He has been supported by SSACI since 2005 when he took part in a month's business skills training programme funded by them and run by a local businessman in the area.

Soon after his training, he registered for a BCom at UNISA encouraged by his learning on the business skills programme and his absolutely ardent ambition to succeed in life. He funded his degree studies from the earnings from his stand in his first year and has now obtained a loan from the Department of Education to complete his studies

The Mentoring Process

Roy was offered mentoring assistance with his business activities by SSACI early in 2007 and spent 12 months being mentored by the writer of this article from April that year. He never missed a single mentoring session and did all the work asked of him and more. He had twenty one mentoring sessions of 2 hours each close to the site of his trading business during the 12 month period.

The mentor and Roy developed a mentoring plan together to guide the process. Regular reports were submitted to the donor concerning progress and Roy's progress and challenges were regularly reviewed with him. The results of his

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mentoring were closely monitored and assessed by the donor. The mentor kept detailed records of the mentoring sessions, as well as a database of all information relating to his mentoring, and monitored his skills development and achievements throughout the process. At the end of the mentoring, his progress was reviewed with him and a report given to him concerning his progress and achievements for his own use in the future. Roy was aware at all times of the expectations of him in the mentoring process and also what he could expect from the mentor. His progress and achievements were regularly acknowledged and praised and he was encouraged to go beyond his achievements to the next level throughout the process.

The mentoring comprised a situational mix of teaching (particularly regarding financial skills), discussion and advice about business challenges such as market research, marketing and communications, the provision of lots of information and business opportunity leads, and even counselling from time to time when spirits were low and times were not so good. Sessions were consistently followed up by identifying what Roy was practically implementing in the business, with what results, and what obstacles were still being encountered which could be discussed and overcome.

Roy's Achievements

In the 12 months he spent in mentoring, Roy achieved the following kinds of results:

- he tripled his turnover and increased his profitability
- he wrote his own business plan
- he produced a sales forecast, cash-flow and income statement
- he learnt how to use business information to make better decisions concerning his business

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- he honed his marketing and purchasing skills by doing market research with his customers, competitors and suppliers, as well as in new markets
- he attracted new custom with new product ranges and good communications

He was also able to start to focus on changing the nature of his business (which he earnestly desired) from unhealthy products like cigarettes to indigenous foods which are good for healthy living. He set up relationships with direct suppliers of some of his foodstuffs on farms, cut his costs and increased his ability to supply products out of season by buying in bulk and making use of local storage facilities. In this way, he could increase the price of these products and still compete effectively with vendors who could not supply these products out of season.

He did all this whilst battling problems of unreliable employees, keeping up his first year studies and passing his exams well, dealing with difficult community problems like unemployment and poverty all around him which made it difficult for him not to give products away to those in need, and whilst experiencing xenophobic violence earlier this year which saw all his stock taken and his business closed for more than 2 weeks.

What were the lessons learnt from mentoring Roy?

His great progress happened slowly over a period of time (2 years) during which he received the right kind of help and support for the stage of development he was at, in a learning continuum which started with teaching and skills development and ended with discussion and advice.

His mentoring was preceded by one month's business skills training, which gave him a grounding and a platform for the mentor to work from

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Roy had a great attitude and an absolute willingness to apply whatever he learnt from the mentoring in his business. This fired up the mentor to give him as much as she could throughout the process, which was instrumental in the progress he made.

He applied himself consistently over a period of time never missing a mentoring session and doing all the work required to build his knowledge, develop his skills and grow his business. His knowledge and skills grew incrementally, leading him to ever greater success.

The mentoring steered clear of a lot of theory and focused on developing Roy's knowledge and skills around the practical problems facing the business. This was the mentor's greatest challenge: getting her knowledge and expertise into a form that Roy could use and enjoy; also trying to understand quickly the environment he was living and working in, its problems and opportunities, and how she could draw on local resources and links to assist the business to grow. Having worked in both urban and rural townships for many years all over the country, she had a background and understanding to fall back on, and she used her expertise in adult education to assist her to make whatever information she wanted to get across accessible and interesting. She drew on adult learning principles to design an appropriate situational mix of learning methodology. She spent many hours on the Internet learning to understand the local environment in Mamelodi in which Roy was running his business, as well as what resources existed in the township which could be used in the mentoring.

Roy's desire to increase his turnover was addressed quickly and practically by the mentor from the outset. She wanted him to see that the mentoring was valuable and that the approach worked. His sales increased slightly within a month, and it inspired

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him to commit to the process and go on to achieve more and better results throughout the process.

A mentoring plan for the 12 months was developed jointly and followed closely throughout the period. It was reviewed periodically in terms of improvement in Roy's skills and in his achievements. All information gathered was shared with him. This was a discipline built into the process which ensured that the mentoring developed incrementally over time and it was highly motivating for Roy.

Detailed records were kept concerning the mentoring and Roy's progress, which were reviewed monthly with the donor, so they could see the return on their investment.

One single outcome was agreed with Roy for the mentoring. In his case, it was to triple his turnover within the 12- month mentoring period. This set him a goal to achieve over the period which inspired him. He achieved the goal!

He developed a vision of his future and identified the steps to take for how he would get there and over what time period (benchmarks of his progress were also developed with a time frame). This added to the motivational strategy employed by the mentor and it worked well.

He wrote his own business plan for the first year of business operation post-mentoring. This inspired him a great deal because he knew that, if he did this, he would have a detailed guide concerning how to continue by himself once the mentor had left him.

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He was consulted by the mentor concerning his satisfaction with his growth and the mentoring, and encouraged to give feedback on the mentoring at all times. In this way, the mentoring process developed as a 2-way street – with mentee and mentor both taking the role of instructor and learner at different times and for different reasons. This is in line with the principles of adult education and Roy was empowered as an equal partner in the mentoring process.

Mentoring not only addressed his skills as a business person but his development as a person as well. The key to unlocking Roy's business growth in fact was to work to remove a personal problem Roy was experiencing which was inhibiting him from really progressing in business. The learning here for the mentor was that it was hugely important, if not the most important work to be done, to consider the person running the business, almost more than the business itself. Many young entrepreneurs grow up in South Africa without a business framework of reference. This leaves them handicapped in many ways. They struggle to create a successful future for themselves without the life skills they need and basic understanding of business to start up an enterprise successfully.

Roy is currently preparing to move to Tshwane to set up a second more formal trading stand in the city centre, as well as continuing to run his business in Mamelodi. SSACI is considering giving him further mentoring once he has done this. His vision is to have a formal trading enterprise in the city within 6 years. Armed with his BCom degree, his tenacity and perseverance, he will certainly achieve this!

Ms Jan Beeton: Developmental Educator, Trainer and Mentor and Independent Development Consultant: QED Development Consulting

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