

The Branson School of Entrepreneurship at CIDA



The background

CIDA has spent its first few years creating an institution that takes ordinary Africans and transforms them into economic actors. It has done this at a dizzying pace, constantly thinking its way out of problems and focusing on how to bring new opportunities to our youth so that they can take control of their future as providers and leaders.

With the CIDA model proven through results like being granted accreditation, putting graduates in the workplace and teaching thousands of students around the country, CIDA has embarked on another level of change for the country's economic landscape. The Branson School of Entrepreneurship at CIDA will focus on encouraging entrepreneurship, creating jobs and developing untapped human potential so that people can transform themselves, their communities and their country through education, a positive attitude and an entrepreneurial spirit.

What is it?

The Branson School of Entrepreneurship at CIDA is a collaboration between two organisations with immense entrepreneurial flair and passion for creative solutions to business challenges. The Virgin Group brings to the table global experience in diverse business creation as well as networks and training through its business operations in South Africa. Virgin companies like Virgin Active and Virgin Atlantic will take on interns and give training to students through its staff, who will offer guest lectures and mentoring.

CIDA City Campus' proven ability to convert every potential entrepreneur into a business professional will bring a focused and holistic dimension to business education in an affordable and highly relevant way for global markets and local economic growth.

Who needs entrepreneurship?

Let's look at the facts: currently, small, medium and micro-enterprises (SMME's) represent 97% of firms, contribute 35% of GDP, employ 55% of the labour force and contribute 42% of total remuneration. The South African economy is dependent on entrepreneurial activity for creating future economic growth and jobs.

The Global Entrepreneurship Monitor (GEM) reports that the rate of participation in entrepreneurship among the South African population is low at 6.54%, especially compared to other developing countries. The number of firms that survive beyond 3 months is even lower, with only 2% of the total population involved in these so-called new firms. Furthermore, only 3% of the total population are opportunity entrepreneurs— the activity that is most highly correlated with economic growth— as opposed to necessity entrepreneurs, who are in business because they have no other choice. This suggests that in South Africa:

- Individuals who have the potential to be entrepreneurs are not choosing to follow the entrepreneurial path
- Even individuals who have no other option do not choose to take up the entrepreneurial mantle
- Individuals find it difficult to identify opportunities that have the potential to develop into viable businesses
- Those that do find and choose to pursue opportunities are not able to create firms that survive

So CIDA is here to help, having identified the opportunity to provide students with much-needed entrepreneurial skills, as well as to play an important role in identifying and nurturing entrepreneurial talent in South Africa as a whole.

Entrepreneurship is not only good for students who want to start their own businesses. Those that choose to work for companies can become entrepreneurs by expanding or innovating the business of their company. Entrepreneurial skills are valuable for all students. They help them think creatively and look at problems imaginatively and resourcefully.

What do we think we're doing?

CIDA has set clear aims and objectives for this School, based on thorough research and expert input. CIDA wants to:

- Enhance the image of entrepreneurship as a desirable career option
- Identify and nurture individuals with high potential
- Educate potential entrepreneurs in a way that is practical, relevant and holistic

- Provide all students with real-world business skills that will be useful, whether individual students ultimately choose to be employees or self-employed
- Encourage the dissemination of basic entrepreneurial skills amongst rural and urban communities throughout the country
- Support start-ups and micro-enterprises with respect to: skills, mentors, services, networks and financing arrangements

How are we going to do it?

The School has been launched as a specialist school at CIDA City Campus. From the start students will be exposed to entrepreneurship, all of them required to start small businesses. Students begin at CIDA either by going to Foundation College, designed to bridge any gaps in IT, maths and English, or by going straight into the BBA degree if their matric results are exceptional. Entrepreneurship will be



Tom Bloxham and Leo Caplan donated £110,000 each towards the CIDA Seed Fund, which will provide loans to students to start their businesses. They plant a seedling at CIDA in celebration of this.

one of the eleven courses they study that year. After the Foundation College they can then go on to specialise in entrepreneurship, entering the School in their second year at CIDA, where they also begin to study for a Bachelor of Business Administration degree. The School will give them:

- Knowledge of the discipline of entrepreneurship through formal academic coursework
- Mentorship and peer support through programmes designed to assist them in the early stages of business development
- Space and services that will provide ‘incubator’ support for qualifying start-up businesses in targeted high-growth industries
- Training to enable them to go back to their communities to teach basic entrepreneurial skills during term time
- Access to a fund exclusively for CIDA students that will give them the seed capital they need to start micro-enterprises throughout the duration of their degree course. Qualifying graduates will also be able to access funding to get themselves off the ground

CIDA believes that for these students to be successful, they need a lot of support. For kids who grew up feeling that starting a business was either for the brilliant or the desperate, mentors and a confidence-nurturing environment are crucial. That's why a formal mentorship programme will provide guidance and support to students, with practical assistance in:

- Identifying attractive new venture opportunities
- Evaluating the viability of these new venture opportunities
- Developing a strategy and business plan
- Gathering the resources required to exploit the opportunities
- Executing the strategy and implementing the business plan
- Evaluating the results

What's more, a self-managed peer support group programme will be established for all students in the final year of the School. The programme is a framework for personal and business development, providing each group member with:

- A confidential, safe context for sharing ideas, skills and information
- A platform for growth through exploring and integrating business and personal issues
- Opportunities to network with diverse individuals
- Practical input from diverse but like-minded entrepreneurs

And students will operate in an encouraging environment that actually has the feel of a start-up. Incubator space of around 3500 m² in an existing CIDA building will give each student his/her own 'cubicle' and access to centralised support services including meeting rooms, telephones, computers and the internet, as well as other physical resources like stationery and furniture. A central receptionist serves the centre.

And to guarantee they value and utilise the space, entrepreneurs will be expected to contribute to the costs of running the incubator while they are allowed to use it.

How are you going to break the news if they fail?

Any entrepreneur will tell you that for every successful idea they have pulled off, there are a hundred that were real lemons. CIDA recognises the need to manage the risks involved in supporting students in new business pursuits. The very nature of the beast puts students' confidence and the credibility of the School in the arena of public scrutiny and potential criticism. But it also is an environment that will allow peer-to-peer learning, providing encouragement and motivation as well as real experiences from which to draw lessons.

Students as individuals will be trained to expect failure and be coached in how to manage it. Students who cannot (for whatever combination of reasons) sustain businesses will be given support in choosing other paths for their careers, or making choices that do not diminish their previous achievements.

In a nutshell:

Developing today's youth into tomorrow's leaders and entrepreneurs is fundamental to creating long-term sustainability and a competitive nation in a developing country. It is not a luxury— it is a necessity, and it is central to CIDA's mission. With our first graduation in 2004, we have proven our ability to convert vision into practice. CIDA would welcome Virgin on board as our Founding Partner of the School of Entrepreneurship. Together, we can empower young Africans to build a brighter future for themselves, paving the way for generations to come.

Count me in!

While the Branson School for Entrepreneurship at CIDA has collaborated with Virgin to make its launch possible, we know that this is just the beginning. And there is room for anyone who shares our vision and feels like making a difference to thousands of young Africans. Come talk to us and see what your ideas can become.

For further information on the Branson School of Entrepreneurship at CIDA and to find out how you or your company can get involved, contact:

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Charity Number 1099275
Registered in England Number 4760731



Kerrin Myres, Head of the Branson School of Entrepreneurship at CIDA, with Richard Branson.