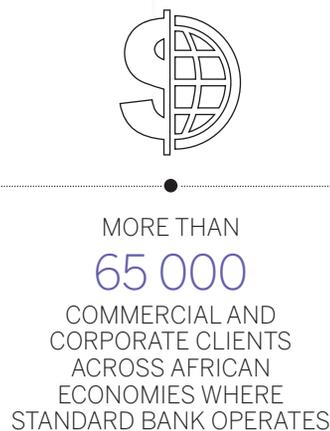




TWO

# INNOVATION, ENTREPRENEURSHIP AND ENTERPRISE DEVELOPMENT

South Africa needs large-scale job creation in the small enterprise sector. Across Africa, entrepreneurs and start-ups struggle to access finance for launching and growing their businesses. They are a risky proposition for credit providers as many will fail in the first two years. We minimise depositor risk and support early sustainability through financial and business solutions developed specifically for small business clients.



## Business Online

**Business Online, a single online channel for clients to view and transact across all accounts, offers a comprehensive range of appropriate products and services.**

CLIENTS USE A SINGLE INTERFACE TO:

- pay creditors and salaries
- collect money from debtors
- trade in forex
- manage liquidity across local and foreign currency bank accounts.



Innovation,  
entrepreneurship and  
enterprise development



## INNOVATIVE SOLUTIONS FOR ENTERPRISES

### SMALL BUSINESS FINANCE

TOTAL VALUE OF SMALL ENTERPRISES FINANCED BY STANDARD BANK SOUTH AFRICA

**R4.7 billion**

NUMBER OF SMALL ENTERPRISES FINANCED BY STANDARD BANK SOUTH AFRICA

**132 963**



### Enterprise Online

Enterprise Online is a digital solution specially designed for small and medium-sized enterprises (SMEs). It enables SMEs to conveniently manage their business accounts online, anywhere, anytime – saving them time and making banking far more convenient.

#### SERVICES INCLUDE:

- transfers between accounts
- payments for up to 2 000 beneficiaries
- segregation of duties
- multiple levels of approval for each payment
- maintain accounts by authorising mandates online
- audit trail of transactions
- service requests.

#### IMPLEMENTED IN:



Botswana



Ghana



Kenya



Lesotho



Namibia



Nigeria



Swaziland



Uganda



Zambia



Zimbabwe



CASE STUDY

## STANBIC KENYA ENTERPRISE DIRECT



**Stanbic Kenya has over 28 000 SME customers.** Enterprise Direct enables them to do online banking and access products without leaving work or physically visiting a bank. The service enables banking interaction through digital banking, email and telephone communication, making it much easier for a relatively small number of business bankers to serve a large number of clients effectively.

Stanbic Kenya's BizConnect, run in partnership with Strathmore Business School, helps entrepreneurs develop skills in financial management, business management and problem solving. The school has strong partnerships with leading business schools in other countries, including GIBS in Johannesburg. The service is currently only available to Stanbic customers, although we hope to extend it more broadly in the future, as part of our commitment to building skills and empowering the communities in which we operate.

### STANBIC KENYA EMPOWERS BUSINESSES FOR SUCCESS

**28 000**

SME CLIENTS,  
SUPPORTED BY:

**15**

ENTERPRISE  
DIRECT  
BANKERS

**12**

ACQUISITION  
BANKERS

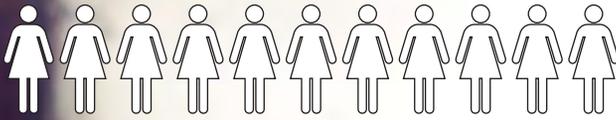
DISTRIBUTED  
BETWEEN

**26**  
BRANCHES





Innovation, entrepreneurship and enterprise development



115 women

BENEFITED FROM OUR THREE WOMEN IN BUSINESS PROGRAMMES IN 2017

## Support for women entrepreneurs

We are continuing to develop new black women-owned SMEs.

## SUPPORTING ENTREPRENEURS

Our SME Business Incubator and Mentorship Programmes develop and mentor Africa's entrepreneurs and would-be entrepreneurs, across our countries of operation.

We do this by **designing and implementing** business development support programmes in collaboration with our partners.

4 000+ entrepreneurs participated in conferences

250+ businesses reached through structured business development programmes

631 entrepreneurs attended our boot camps and hackathons

RTS [48-49](#) Read more on developing entrepreneurs

Standard Bank and General Electric (GE) prioritise enterprise development, skills development and innovation as core business objectives. Both are strongly committed to supporting more inclusive growth and economic transformation. The Londvolota Trust, GE South Africa's B-BBEE partner, is collaborating with the Standard Bank Incubator to deliver the Women's High Growth Programme. This focuses on **building entrepreneurial capability and capacity within black-owned education sector companies, through mentoring and providing structured business and technical support.**

In South Africa, women make up more than half the workforce, yet only 20% of ICT professionals are women. Standard Bank is committed to bridging this gender gap. Our **Women in Technology** conference, held in October 2017 in partnership with Liberty, provided a platform for women in technology, and those aspiring to enter the field to exchange ideas and experiences. The conference was also a culmination of the Women In Technology business accelerator, which had graduated 20 tech businesses.

Lionesses of Africa is a public benefit organisation launched in 2014. This online community showcases the achievements of African women business builders and assists them to fulfil their potential by creating networking opportunities across national and international boundaries. Since Standard Bank partnered with Lionesses of Africa in 2016, the online community has grown from 4 000 to approximately 460 000 women across 49 countries. In 2017, the second annual Lionesses of Africa conference, co-sponsored by Liberty and Standard Bank, brought together businesswomen from across Africa. This conference celebrated the role of African businesswomen in sectors like manufacturing, green industries and African brands that had penetrated global markets. In mid-2017, 30 women entrepreneurs were selected to participate in the Lionesses of Africa Accelerator 2, also powered by Standard Bank and Liberty. These high growth potential women entrepreneurs are now working towards accessing corporate supply chains.

Supporting entrepreneurs continued



### Supporting women entrepreneurs in Zambia

GBA is a global consortium of financial institutions dedicated to supporting banks to **better serve women**

Building programmes specifically for **women in business**



46 MEMBERS



135 COUNTRIES

PROVIDING ACCESS TO:

CAPITAL    INFORMATION    EDUCATION    MARKETS



### Developing young entrepreneurs

Standard Bank's Youth Accelerator Programme, in collaboration with the National Youth Development Agency, held 15 boot camps for potential young entrepreneurs in 2017. The programme focuses on the mining and construction sectors.

In Olievenhoutbosch, the Giving Wings Youth Development Programme enabled us to encourage entrepreneurial thinking among 100 Grade 10 and Grade 11 learners.

In 2017, Stanbic hosted Africa's first All-Stars Academy, which guides financial institutions in building services and products specifically for women. Stanbic's Anakazi Banking Programme offers specialised training, coaching and mentorship to Zambian women SME owners, as well as access to capital and markets.

Anakazi focuses particularly on **Zambian agriculture**

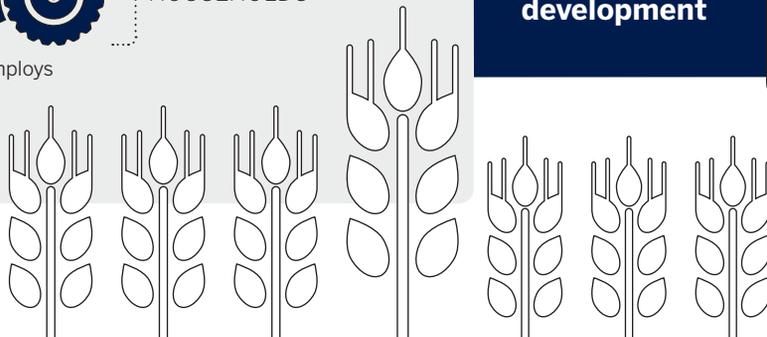


Zambian agriculture employs mainly women

AGRICULTURE SUPPORTS MORE THAN **70%** OF ZAMBIAN HOUSEHOLDS

**Township economic development**

In 2017, we hosted our first township accelerator in partnership with AmaVerkykers and Liberty.





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### Access to supply chains

We're working to improve entrepreneurs' access to supply chains, through preferential procurement initiatives and partnerships with our corporate clients. We are also engaging with government entities to explore job creating consortia and support black businesses within the value chains of larger businesses. Our partnership with the Liberty Blue Skies Enterprise and Supplier Development Programme actively supports transformation by helping SMEs link into corporate supply chains. Over 100 women-owned businesses have become participants.

### Nurturing business skills

'Threads Stitched by Standard Bank' is specifically tailored for fashion professionals. It aims to help South Africa's up-and-coming fashion designers develop into fashion chief executives, with profitable businesses capable of competing in international fashion. This initiative aims to create jobs and grow the South African economy. A 12-week, part-time programme is taught simultaneously in Cape Town, Johannesburg, Durban, and Port Elizabeth. Its curriculum takes participants through the business operations of a fashion enterprise – from financing and retaining employees, to lean manufacturing and eCommerce, logistics, procurement and marketing techniques. Threads Stitched by Standard Bank is presented in partnership with NONZ RO, the E4Impact Foundation and Università Cattolica del Sacro Cuore of Milan, corporate partner Mercedes Benz, and learning and development partners EOH and Mecer. Learn more about this programme by visiting



<https://wearethreads.com/home>

This pilot project was aimed at growing small enterprises in and around Mamelodi in Gauteng.

We conducted two boot camps to enhance entrepreneurial skills, provide practical tools to assess business ideas and accelerate existing products or services.

The 15 most promising entrepreneurs were selected for an intensive five-day accelerator programme delivered by industry experts.

This programme imparted practical skills and the confidence to grow their businesses.

These participants were invited to exhibit at business events to increase their visibility, and will receive ongoing mentorship with AmaVerkykers.

Standard Bank is moving on to localise enterprise development in the form of incubators and industrial parks using green technology. Initial developments are planned for Bushbuck Ridge in Mpumalanga, Umtata in the Eastern Cape, Vilakazi Street in Soweto, and Sol Plaatje University in the Northern Cape.

## Opening doors to funding

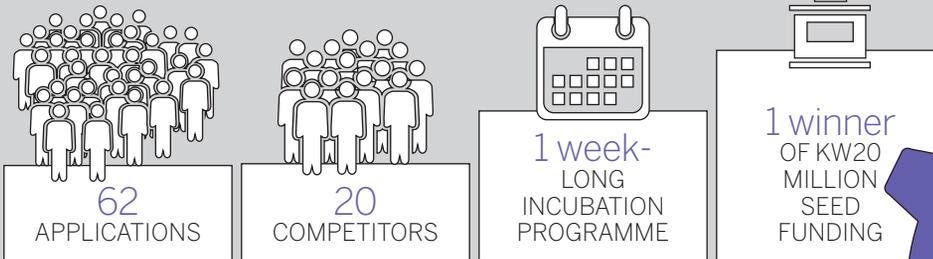
**Platform Business is our partnership with South Africa's National Mentorship Movement. It's an electronic platform linking entrepreneurs and funders.**

Through [Websites for All](#), we helped to procure over 500 000 websites on behalf of entrepreneurs. We are also planning to develop e-learning content for entrepreneurs.

 In 2017, Stanbic Malawi partnered with the mHub technology incubation hub in the country's first Malawian entrepreneurship challenge, 'What Will You Do With 20 Million Kwacha'. This challenge was organised and run by mHub and the Her Liberty organisations. Standard Bank, National Bank and European Investment Bank provided financial support. This challenge was for emerging entrepreneurs who lack the funding to turn their business ideas into reality.

### 'What Will You Do With 20 Million Kwacha' entrepreneurship challenge

COMPETITION RESULTS:



 **Seedstars World** is a global seed-stage start-up competition for emerging markets. In 2017, Seedstars World returned to Uganda, with Stanbic as their main sponsor.

The **Seedstars World** initiative gives young and upcoming entrepreneurs across the country the opportunity to showcase creativity and innovation in business.

#### COMPETITOR COMPANIES NEED TO

- be less than two years old
- have raised less than US\$500 000 in funding
- have built a minimum viable product, ideally with existing traction.

Start-ups pitch against one another for the opportunity to represent their country at the global Seedstars Summit and win **US\$500 000 in equity investment.**





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## Branches as hubs for entrepreneurs

We've piloted a new branch design concept aimed at creating:

- a sense of community
- a welcoming space for entrepreneurs.

In Hatfield, Pretoria, we created co-working and business incubator spaces.

Enabling our customers to work from the branch, connect to free Wi-Fi, book meeting rooms and join networking and business upskilling events and seminars.

## Stanbic IBTC: Empowering young people



Stanbic IBTC's Business Leadership Series brings together iconic leaders from the Nigerian community to address issues that interest business owners.

This year, we featured the Youth Leadership Series. Our theme was 'Against The Odds', with three speakers – Kechi Okwuchi, Member Feese and Cobhams Asuquo, who are shining examples of what individuals can achieve with resilience, hard work and perseverance. Their messages reached thousands of young Nigerians.

Over 2 000 watched at the main venue and the #AgainstTheOdds hashtag was seen over 4.5 million times. Kechi Okwuchi survived the Sosoliso plane crash in 2005, going on to graduate with a university degree and reach the finals of 'America's Got Talent'. Member Feese survived the UN building bomb blast in Abuja in 2011. Cobhams Asuquo is a renowned music producer who was born blind. They became role models by overcoming major life challenges to succeed against the odds.



*The future of Nigeria and Africa is in the hands of the youth and there is no better time to arouse and deepen their knowledge and entrepreneurial skills than now.*

– Yinka Sanni, Chief executive of Stanbic IBTC, Nigeria

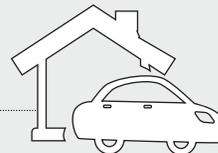
## TRANSFORMING OUR SUPPLY CHAIN

In South Africa, more than 83% of our procurement spend is with B-BBEE compliant companies, with over 23% with black-owned companies and 15% with black women-owned companies. We have revised our preferential procurement policy to accelerate transformation and inclusion within our supply chain.

We work with potential and current suppliers to identify appropriate opportunities, and we provide successful candidates with business development support. We also provide suppliers who meet specific criteria access to finance where needed. For example, we awarded grants to some of our suppliers to enable them to further develop their businesses. In other cases, we provided suppliers with credit facilities at lower than commercial rates.

Standard Bank is working with suppliers that need to improve their B-BBEE ranking. We are also collaborating with strategic suppliers to second tier suppliers (suppliers of our suppliers). For example, Standard Bank's home loan teams are encouraging the conveyancing attorneys with whom we work to transform, if they haven't yet done so. We implemented a new scorecard in September 2017, which requires our suppliers to list their B-BBEE ratings. This indicator is allocated 20% on the scorecard.

The Standard Insurance Limited (SIL) team is committed to using locally-based, black-owned enterprises to service customer claims. We're growing our stable of black-owned small businesses, from panel beaters and electricians to plumbers and builders, and bringing these small enterprises into our formal supply chains. Simultaneously, we're growing township businesses to serve township customers. 98% of our insurance service providers are now BEE compliant.



VALUE OF CLAIMS DIRECTED TO 100% BLACK-OWNED BUSINESSES IN THE HOME AND MOTOR INDUSTRY FROM STANDARD INSURANCE LIMITED CLAIMS (SBSA)

R262.4 million



% OF ALL CLAIMS DIRECTED TO 100% BLACK-OWNED BUSINESSES AS PER ABOVE SERVICE PROVIDERS (SBSA)

28.2%



As Standard Bank, we understand the fortunes of our organisation are linked to the fortunes of the country. We are deliberate about providing non-traditional funding, development and the creation of market opportunities for entrepreneurs operating within South Africa and other African value chains. We are privileged to be the ones who will ensure that African lives and aspirations are truly and significantly fulfilled through deliberate efforts to move this continent forward.

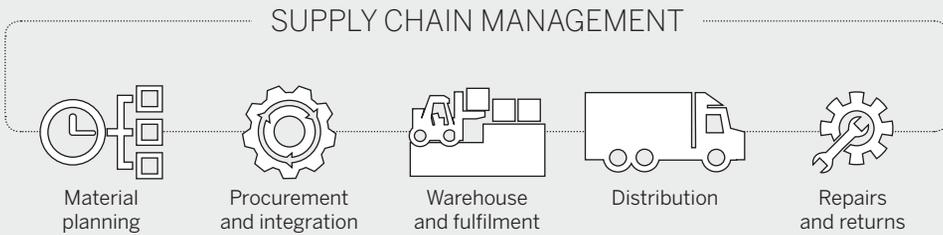
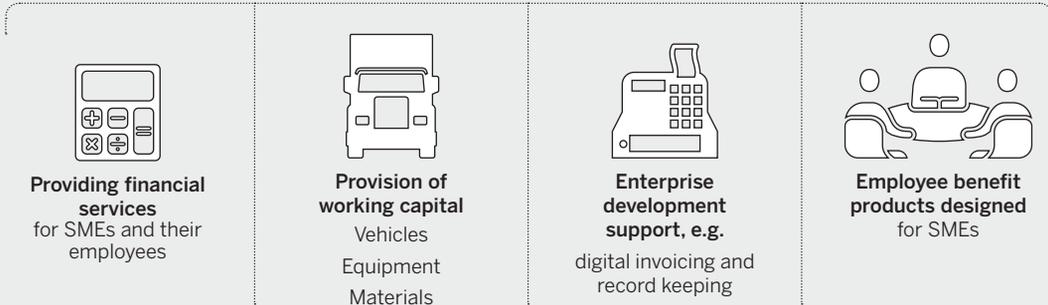
– Mfanufikile Motha, Head of enterprise development (ED), Standard Bank South Africa



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Listing black-owned and black women-owned companies in our procurement database isn't enough on its own.  
**Many need assistance to enter into supply chains.**

WE CREATE PARTNERSHIPS THROUGH:



**PARTNERING WITH FINTECHS**

Standard Bank's Strategic Investments and Alliances (SIA) team works to identify innovative digital start-ups and products with the potential to help the bank deliver better value and convenience to our customers. We've developed a global network of associates comprising fintechs, venture capital firms and non-competing partner banks.

An example is our 75% shareholding in FirePay, a fintech focused on mobile payments via proprietary QR code technology. FirePay conceptualised SnapScan mobile payments and brought it to market in partnership with the bank.

Another example is our 100% shareholding in Ecentric, a transaction switching company that specialises in developing

and marketing secure person-to-person payment solutions for people without formal access to financial services. Ecentric enables Shoprite Money Transfers – a system that facilitates over 60 million transactions per year, worth more than R20 billion. As Shoprite's money transfer provider, Ecentric is growing its services across the African continent.



RTS 13 Read more on SnapScan