

# Finding innovative ideas and tangible solutions for financing young entrepreneurs



## SPEAKERS

■ **Francesca Brown**, Head, Community Programmes, Standard Chartered

■ **Nida Athar**, Director, INNOVentures Global, Pakistan

■ **Wong Keet Loong**, Senior Vice President, Credit Guarantee Corporation, Malaysia

■ **Joyce Mbaya-Ikiao**, Entrepreneur, Founder of Zydii

DATE: **30 JUNE 2020**  
THEME: **FINANCING**  
FORMAT: **ONLINE EVENT**

**Moderator:** Eugenia Koh, Head, Sustainable Investing & Engagement Strategy, Standard Chartered; Natasha Kwakwa, Director, Global Impact, Group Sustainability, Standard Chartered.

## INTRODUCTION

Young entrepreneurs – especially young women and those in low-income countries face numerous challenges in obtaining finance to scale up or develop their businesses. The barriers that they may face include insufficient collateral, underdeveloped track records, immature networks, weak credit ratings, and lack of know-how and role models. This event asked what can be done to overcome these challenges. It explored how to connect investors and young entrepreneurs and how innovative forms of finance can be developed to meet the specific needs of young entrepreneurs.

## KEY INSIGHTS

### BUILD ON EXISTING MODELS OF FINANCING

There are many different financing options that already exist to support young entrepreneurs. Joyce Mbaya-Ikiao highlighted the benefits of **segmented finance**, focusing specifically on women, start-ups, or digital enterprise, and **public sector grants**. Wong Keet Loong explained how **credit guarantees** can encourage commercial banks to “be bolder in investing in untested business areas” and gave insight into other available forms of finance including **Enterprise Capital Funds**, which may combine public and private money and act as a bridge between MSMEs and investors; **peer-to-peer lending** and **crowd-funding**; and **bridge financing**, particularly to help with the disruption of COVID-19. Importantly, the development of **alternative models of credit rating**, for example, based on e-wallets and digital marketplace transactions, are now acting as a bridge to formal finance for those who have previously been excluded.



The event was part of the Futuremakers Forum, a series of events bringing stakeholders together to build partnerships and create opportunities focused on young people.

## CONNECT INVESTORS AND ENTREPRENEURS

Investors and businesses can **leverage their existing networks**, particularly at the local level, while **digital platforms** are giving young entrepreneurs access to a global audience. Networks and platforms must be **designed with inclusion in mind** – particularly of youth, women and disabled people. Partnerships can be developed to **bring together investors and entrepreneurs with a shared sense of purpose**. For example, bringing together those striving for the greater economic empowerment of women, or connecting young investors with young entrepreneurs around common objectives.

## TEACHING SKILLS THAT BUILD THE CONFIDENCE OF ENTREPRENEURS AND INVESTORS

**Building an entrepreneurial mindset** can be achieved through formal educational institutions, incubators and mentoring schemes, but **formal curricula must be directly linked to a practical component**, such as field testing, pricing and establishing partnerships. Joyce Mbaya-Ikiao highlighted the importance of creating space for **peer-to-peer sharing of successes and lessons learned**. Programmes that blend these theoretical and practical skills can be developed through **partnerships between the business sector and educational institutions**.

## OFFER HOLISTIC SUPPORT TAILORED TO NEED

Francesca Brown advocated that companies **“be bold about supporting entrepreneurs with innovative and interesting approaches** and providing emergency support.” Different enterprises will need differing levels of funding and will have different tolerances for risk. Beyond financial backing, **some young entrepreneurs will benefit from a broader package of support** including networking; mentoring; skills training, such as digital skills or online marketing; access to specialised skills,

for example, lawyers, accountants and social media agencies; and accelerator programmes to help scale up, particularly through digital channels.

## REMOVE BARRIERS FOR WOMEN AND DISABLED PEOPLE

Nida Athar commented that **female entrepreneurs may need help to become investment-ready**. Specific programmes can help women to separate their personal finance from their business, develop expenditure statements, understand the power of networking, build confidence, learn how to present their business and articulate their needs. Additionally, such programmes can **connect women with female investors** and **make warm introductions** to other potential funding sources. Another frequently excluded group are visually impaired people. Francesca Brown urged investors to **“be more insistent and inclusive”**, starting with **small initiatives to build confidence** in what can be achieved.

*“Entrepreneurship is not just an act of starting a business; it’s actually a mindset that teaches you flexibility, perseverance, resourcefulness. These are important skills”*

Nida Athar



## BENEFICIARY CASE STUDY: JOYCE MBAYA-IKIAO, FOUNDER AND CEO OF ZYDII

Joyce Mbaya-Ikiao is the entrepreneur behind Zydii, the digital learning platform contextualised for the African learner. She is also a former star of The Apprentice Africa 2008 and author of *GIBEBE: Imagine Your Success Path, Believe In The Impossible, Become Who You’re Meant To Be*.

Joyce’s greatest challenge was securing capital to grow her business. Digital platforms can be challenging to finance due to a lack of tangible assets. Standard Chartered’s Women in Tech programme enabled Joyce to access funds specifically targeted at women who are driving technological enterprise.

“Most importantly, they really took the time to understand our businesses, our strategy, they mentored us and really understood how we wanted to grow our business. So, when it came to financing us, they knew us very well. This also allowed me to meet my first investor.”

## KEY RECOMMENDATION

Create a platform for private sector stakeholders to collaborate and develop a financing model that supports the growth of micro and small youth-led business, solving the challenge particularly of working capital finance.

# Scalability, sustainability and participation in value chains



## SPEAKERS

- **Deniz Harut**, Founder of Gender Score and Executive Director, Sustainable Finance, Standard Chartered
- **Gary Xia**, CTO, Shanghai Binary Food Tech Co. and beneficiary of ENACTUS China
- **Jean Chawapiwa**, Country Director, South Africa, WEConnect International

- **Maria Bobenrieth**, Executive Director, Women Win and co-founder of Win-Win Strategies
- **Susan Tew**, Strategic Sourcing, Diversity and Inclusion, Standard Chartered

DATE: 8 JULY 2020  
THEME: INCLUSIVE VALUE CHAINS  
FORMAT: ONLINE EVENT

Moderators: Kariuki Ngari, Chief Executive Officer, Kenya and East Africa, Standard Chartered; Natasha Kwakwa, Director, Global Impact, Group Sustainability, Standard Chartered.

## INTRODUCTION

This event considered how large corporates, both domestic and multinational, can use their supply chains to make a dramatic difference to the success and impact of small and medium-sized enterprises (SMEs) led by young people and by women. It brought together large companies and potential participants in value chains to discuss how to deliver meaningful actions and commitments. Discussions explored how youth-led enterprises can prepare for and identify opportunities in domestic or global value chains, and how companies can support them to manage the immediate impacts of COVID-19 and grow back stronger.

## KEY INSIGHTS

### REVIEW SUPPLY CHAIN PRACTICES

The supply chains of large corporates can appear impenetrable to youth-led SMEs. Kariuki Ngari stressed that large companies need to **take a proactive approach**, to reassure young – and particularly women entrepreneurs that their product is valued and that they will receive support to participate. Large corporates can **engage with organisations with expertise** in integrating young people into value chains. Maria Bobenrieth suggested three immediate steps that companies can take: develop a **youth responsive procurement strategy** with defined goals; **ask all suppliers to adopt similar policies**; and **require that suppliers include young people, and especially young women, on their pitching team** to help them gain experience.

The event was part of the Futuremakers Forum, a series of events bringing stakeholders together to build partnerships and create opportunities focused on young people.

### PROVIDE OPPORTUNITIES FOR YOUNG PEOPLE TO LEARN ABOUT YOUR BUSINESS

During the discussion, there was a particular focus on the challenges faced by young women. “Women-owned businesses don’t just want to be told about opportunities. They need **a chance to interact with large corporates** and really understand how those organisations work,” explained Jean Chawapiwa. For example, procurement processes could include **training and coaching programmes** delivered by key people from within the sales, legal and procurement teams of the business. **Work experience programmes** for young people help to build their life skills and entrepreneurial ability while growing relationships and providing practical insight into how large companies operate. Deniz Harut advised, “**Technology can be leveraged** as a force for good and to accelerate the good work that has already been done.”



## COLLABORATE WITHIN AND ACROSS SECTORS

Denis Harut highlighted the need for action within industries to **simplify and align procurement policies**, to **improve transparency** and **share compliance data**. This would reduce the costly burden of complex procurement processes and eliminate the need for SMEs to comply with numerous certifications and standards. Maria Bobenrieth suggested that large corporates **leverage their partnerships with larger NGOs**, which also procure goods and services, and Gary Xia highlighted that **SMEs already operating within value chains can offer peer support** to those looking for entry opportunities. Jean Chawapiwa encouraged SMEs and corporates to **engage with government initiatives** such as that of the Northwest Province in South Africa which created training programmes and networking opportunities to boost the involvement of women entrepreneurs in the biodiversity sector.

## HOLISTIC APPROACH, PARTICULARLY TO ENGAGING WOMEN

Holistic approaches address the complex barriers often faced by young entrepreneurs and women in particular. Maria Bobenrieth recommended that companies **engage girls from an early age, working with community organisations** to help **develop financial literacy, life skills and entrepreneurial skills**. Early

*“Entrepreneurship is not just an act of starting a business; it’s actually a mindset that teaches you flexibility, perseverance, resourcefulness. These are important skills”*

Nida Athar

engagement is needed to **help those living in refugee populations and fragile states to thrive**. “More programmes like this will help plant the seeds for what is, I think, potentially a really critical way for young companies to become more stable and enter the value chains.”

## MEASURE AND REPORT PROGRESS

Deniz Harut highlighted the lack of measurement and reporting on action to diversify supply chains. “We need to encourage organisations to report on the results of their investment, on behavioural shifts and the things that generate this change, in the culture and support that exists in the broader ecosystem.”

**Measurement can reveal the scale of the problem:** Jean Chawapiwa cited WeConnect’s research showing that only one per cent of corporate global spend goes to women-owned businesses.<sup>[1]</sup> A clear first step for large corporates is to **assess baseline spend** on youth- and women-led businesses in order to **track progress**, and **report publicly to increase accountability**.

## KEY RECOMMENDATION

Share case studies explaining how youth-led and female businesses have accessed the supply chain of large corporates. With the aim to educate and inform both large corporates and entrepreneurs on successful access routes.

## BENEFICIARY CASE STUDY: GARY XIA, CTO, SHANGHAI BINARY FOOD TECH CO.

Shanghai Binary Food Tech Co. (SBFT) is a Chinese supply chain venture, operating for more than five years. The business works with both SMEs and multinationals, particularly in the agricultural sector, to increase efficiency, reduce costs and cut waste through the innovative application of new and misunderstood technologies.

In response to COVID-19, SBFT used antimicrobial nano-technology, first developed for food packaging, to treat wood and stainless steel furniture. The virus is unable to survive on the coated surface, reducing the transmission of COVID-19. The first products will be used by hospitals in China.

Gary identifies supply chain problems and approaches large companies directly to explain how SBFT can solve them. “When we as youth-led enterprises approach you with solutions, we might just have the power to solve your problems. Larger mature businesses need to review their value chain to better integrate us and give us the chance to actually try and make a difference. I think that’s how your business can thrive in the future.”



## Futuremakers Forum

# Developing skills and quality jobs for young people



DATE: 15 JULY 2020  
THEME: EDUCATION AND SKILLS  
FORMAT: ONLINE EVENT

## SPEAKERS

- **Carolina Perez**, CEO, STEM Hive
- **Eunice Esther Nyadoi**, student and Goal entrepreneurship beneficiary, Uganda
- **Kesia Hudson**, Interim Executive Director, Zahn Innovation Center, Managing Director, Standard Chartered Women's Entrepreneurship Program

- **Ketan Deshpande**, Founder & CEO, Fuel India
- **Susana Puerto-Gonzalez**, Senior Youth Employment Specialist, International Labour Organization
- **Suzanne Biegel**, Co-Founder, GenderSmart Investing Summit

**Moderators:** Tracey McDermott, Group Head, Corporate Affairs, Brand & Marketing, Conduct, Financial Crime and Compliance, Standard Chartered and Natasha Kwakwa, Director, Global Impact, Group Sustainability, Standard Chartered.

## INTRODUCTION

This online event asked how we can support and equip young people with the necessary skills to succeed in employment, now and in the future. The focus was on understanding the skills that will be needed, and identifying concrete actions that the business community can take. The participants gave examples of impactful activity and explored how these can be scaled. The starting point of the discussion was that cross-sectoral collaboration is essential to create long-term, inclusive and holistic change.

## KEY INSIGHTS

### FOCUS ON TRANSFERABLE SKILLS THAT BUILD RESILIENCE

Many of the skills required for the jobs of the future are **transferable 'soft skills'** such as creativity and leadership, or **digital skills**. Suzanne Biegel and Kesia Hudson championed the need to teach **"how to be an entrepreneurial thinker and doer"** and to **"explore the intersectionality between entrepreneurship and intrapreneurship"**. Skills such as identifying opportunities and challenges, problem-solving, overcoming barriers, marketing and a customer-centric approach, will be essential to succeed in formal employment and in the entrepreneurial space. A **focus on growth industries** that will offer long-term career development such as the green economy was advocated by the panel. Tracey McDermott noted that **resilience** will be needed to navigate a more uncertain world of work, and Susana Puerto-Gonzalez remarked that initiatives should **address mental health and wellbeing** to build resilience in the face of this reality.



The event was part of the Futuremakers Forum, a series of events bringing stakeholders together to build partnerships and create opportunities focused on young people.

## CONNECT FORMAL EDUCATION WITH THE LABOUR MARKET

Eunice Esther Nyadoi called for collaborations between business (including investors) and the formal education sector to **integrate more practical experience alongside theoretical learning** through **internships, incubators and acceleration programmes**, and through **different forms of engagement** such as online and near-to-peer mentoring, and gamification. There is also a need to **coordinate formal learning curricula with the actual labour demand** of a post-pandemic world. Susana Puerto-Gonzalez highlighted the need to **"support and invest in the transition** of young people from education into a stable job." Carolina Perez urged business to do more to **explain the opportunities** to better inform young people about their options.

## TAKE A HOLISTIC APPROACH

Preparing young people to succeed in future jobs requires a holistic perspective: skills training, links between education and jobs, and **addressing wider barriers to success**. Susana Puerto-Gonzalez suggested that this could include **access to capital, loans and crowdfunding options**, support with **networking** and other resources to help young people get ahead. These resources include **support to overcome social barriers**, such as increasing access to sexual and reproductive health for women and girls.

## REVIEW CURRENT BUSINESS PRACTICES TO HELP OVERCOME INEQUALITIES

Programmes must be **inclusive of those who face disadvantage and discrimination**. Suzanne Biegel highlighted the development of **new skills platforms** that allow young people to showcase their talent to employers in a way that is not “based on their network or social status”. Businesses can **review recruitment practices**, thinking consciously about diversity and inclusion. There is a role for business to help **address the problems of unequal access to the internet and the private-public education gap**. While **short-term training and mentoring schemes** should be scaled up, perhaps using the public-private partnership model,

it is also important to think long-term, **increasing access to apprenticeships and other forms of vocational and technical education and training**.

## IDENTIFY METRICS TO MEASURE SUCCESS

As circumstances change, so do the metrics needed to measure success. Ketan Deshpande advised, “Before [the pandemic] it was **how many people can get the right jobs and opportunities**, the right internships. I think in relation to the pandemic, metrics will focus on how many people survived with the financial resources they had. I think we will be analysing **how much support people received**, how much was given in loans.” Looking forward, there is likely to be a shift towards viewing success in a more holistic manner, focusing on **measuring the wellbeing of people**.

### KEY RECOMMENDATION

Continue to share learnings from programmes, such as Futuremakers, on holistic skills development.

Create opportunities to connect young jobseekers and employers.

## BENEFICIARY CASE STUDY: EUNICE ESTHER NYADOI, STUDENT AND GOAL ENTREPRENEURSHIP BENEFICIARY, UGANDA

Eunice is studying Social Development at university; she is also a mentor and coach with Goal, Standard Chartered’s girls empowerment programme, delivered with BRAC Uganda. Having previously had to leave her studies because of financial constraints, she opened up a shop selling scholastic materials with an entrepreneurs grant from Standard Chartered, and the income has enabled her to return to university.

Eunice is keen to build on her experience to create opportunity for others. After completing her university studies, she has ambitions to complete a master’s degree, expand her business, train more girls in bookkeeping and start an organisation that supports young women.

Eunice’s experience shows how business can support young women: “Businesses can bridge the gap between the educational and business worlds, bring together like-minded people, and support young women’s financial and other needs.”



## BENEFICIARY CASE STUDY: CAROLINA PEREZ, CEO, STEM HIVE

Carolina is an undergraduate senior at The City College of New York and the CEO of STEM Hive, which aims to “sustain underrepresented students on a supportive path to a degree in science, technology, engineering and mathematics (STEM).”

Carolina’s personal experience of joining a robotics club at school impressed upon her the importance of female role models in encouraging girls into STEM. She highlighted that students also need opportunities to gain hands-on experience, and guidance on the different career opportunities that STEM offers, particularly in lower income communities.

STEM Hive provides near-peer mentoring where more experienced STEM students mentor those who are just beginning their STEM journey. Project-based workshops help students gain skills and exposure to different STEM disciplines, and an online gaming platform called Emblems gamifies resumé-building and connects students with career-building experiences.