

SOCIAL INNOVATION AND DISABILITY EMPOWERMENT AWARDS 2018



Impact Report
January 2014 to December 2018

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About this report

This report was prepared by Greater Impact, trusted impact advisors who specialise in impact assessment and evaluation. The report stems from their three-phased assessment process which includes determining what should be measured and how success should be defined; analysing or empirically testing whether an organisation or programme has had an impact; and evaluating or interpreting outcomes in a way that has meaning or value.

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A note from Bridgit Evans, SAB Foundation Director

I'm passionate about measurement and believe that understanding what we've achieved is vital to effectively plan for our future. Knowing our impact, and where there is room for improvement, helps us design and implement more effective interventions, a process which the SAB Foundation is 100% committed to.

With this in mind, we commissioned experts to analyse our impact. Their findings will help us understand our strengths and weaknesses so that we better assist social innovators in the creation of jobs, profit and, most importantly, new and cost effective ways to address social challenges. As a foundation, set up to benefit South Africa as a whole, we have chosen to publish these results to enhance transparency and encourage others to invest in social innovation and measure their impact.

SOME KEY FINDINGS

I was encouraged to note that **93%** of the social innovators that we have invested in are still working on their innovations, mostly on a full-time basis. This is particularly impressive considering the often long and expensive the journey to profitability. Many of our innovators are highly qualified and could easily have found jobs elsewhere. It is pleasing to see that they have instead opted to stay and make a difference.

Since receiving a Social Innovation Award, **58%** of our social innovators have gone to market, many in other African countries. This is particularly significant considering the important contribution these innovations make to society.

I was happy to find that **48%** of the innovators were linked to further funding and award opportunities by the SAB Foundation, with many claiming that winning a Social Innovation Award boosted their credibility and opened doors. The foundation

recognises that there are limits to the opportunities we can provide to entrepreneurs, therefore we actively research and share additional opportunities with the potential to further assist social innovation award winners.

Survey participants' comments around mentoring and technical support were very mixed and sometimes critical. This is disappointing but not surprising. Our innovators operate in an array of sectors and their businesses are all at very different stages, from those developing early prototypes to established businesses wishing to scale. Finding generalist mentors that are competent in all of the above areas is difficult. We have tried three different strategies in four years and will be adopting another new strategy in 2019. This will be closely monitored and the support will be changed or adjusted as required.

It is encouraging to see that **83%** of our innovators' annual income increased following receipt of the award, which equates to an overall increase in turnover from **R142 million** to **R157 million**. However, income only exceeds expenditure for less than **50%** of participants. This is not surprising given the high cost of research and development, the low margins and high volumes required for low income markets and the current economic climate in South Africa. In recognition of these realities, the SAB Foundation launched a Social Innovation Fund last year to help us to get top performing innovators to a point of commercialisation.

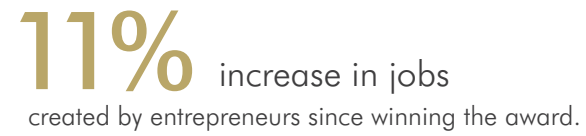
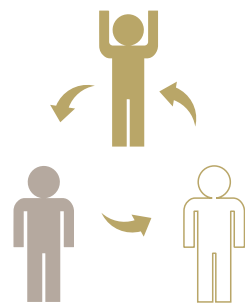
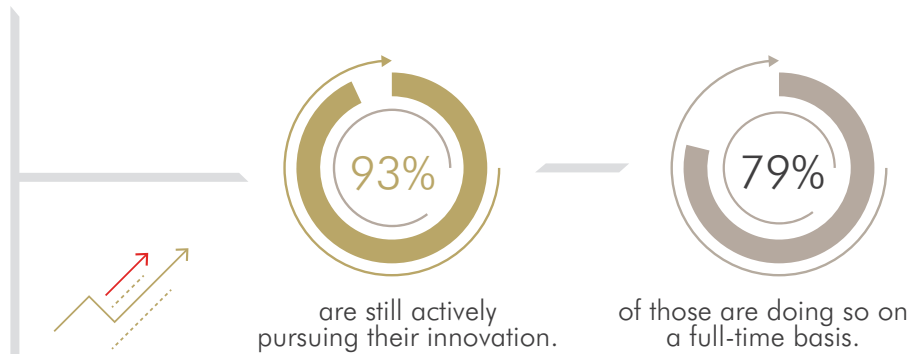
Job creation is one of the SAB Foundation's key focus areas and I am pleased to find that our innovators went from employing 1 180 people at inception to currently employing a total of 1 305. We are happy to have been instrumental in the creation of **125** new jobs, a number which we hope will continue to grow as these business ventures scale. Social impact is critical for these innovators, and we were concerned to find that only **60%** were tracking their impact. These innovators reported a number of significant social impacts across a variety of sectors including water, energy, education, health, sustainable livelihoods and many more.



The SAB Foundation is therefore committed to educating entrepreneurs on more efficient ways of measuring social impact as well as the importance of this measurement to attract investment.

We recognise that the SAB Foundation cannot claim all of the credit for what our award winners have achieved. However it is vital that we keep measuring our impact with the goal of finding more effective ways to assist social innovators, because their success could address many social challenges both in South Africa and beyond.

The impact of the SAB Foundation Social Innovation Awards 2014 - 2017



It is important for social innovators to track their social impact. Therefore, the SAB Foundation is committed to finding more efficient means of measurement as well as enhancing our efforts to educate social innovators on the importance of social impact measurement to attract additional funders.



SAB Foundation's profile

The SAB Foundation is an independently registered trust that is one element of the broad-based black economic empowerment transaction conducted by the South African Breweries Ltd (SAB). The foundation provides funding and mentorship support for small, medium and micro-sized enterprises (SMMEs) with the aim of contributing to the economic and social empowerment of historically disadvantaged persons in South Africa. It supports entrepreneurship development and social innovation through a series of programmes, with a priority focus on providing opportunities for women, youth, people in rural areas, and persons with disabilities. This includes the Social Innovation and Disability Empowerment Awards (SIA & DEA), the Social Innovation Fund, the Tholoana Enterprise Programme and the Rural Catalyst Programme.

Our development impact

5.1 SOCIAL INNOVATION AND DISABILITY EMPOWERMENT AWARDS

The SAB Foundation SIA & DEA find, support and scale SMMEs that demonstrate a sustainable business model, while solving a social problem.

Priority is given to innovations that benefit women, youth, people with disabilities or those in rural areas. Support is provided through challenge funding and tailored mentorship that can directly or indirectly improve the quality of life of awardees.

Applications are open to all South Africans aged 18 years or older. Entries must be the original work of the applicant and display true innovation or a significant improvement on existing technology, products, services, production methods or business models.

Awards range from R150 000 to R1.3 million and the selected awardees are provided with tailored support in the form of a specially selected business mentor and a technical expert. The Disability Empowerment Awards were added in 2016 to reward entrepreneurs who provide access to employment for people with disabilities or products and services that improve quality of life for people with disabilities. This was added as a special category award in order to draw attention to the issues affecting disability.



5.2 METHODOLOGY

This report reflects on the survey responses of 109 SIA & DEA entrepreneurs from 2011 to 2017. Each entrepreneur was asked to complete an annual survey consisting of 33 questions that pertained to:

- Information on the entrepreneurs and their social innovation business.
- Alternative means through which entrepreneurs were able to access additional funding.
- Feedback on support services that were accessed through the SIA & DEA programme.
- Details on the status and impact of their social innovation business.
- Feedback on suggested improvements to the SIA & DEA programme.

A baseline survey was conducted in 2014 with subsequent annual surveys being conducted until 2017. For entrepreneurs who completed the baseline survey and the latest survey, either in 2016 or 2017, a comparative analysis was conducted to determine the entrepreneurs' business growth relating to income generation and job creation.

The insights gained from the survey responses will assist the SAB Foundation in understanding the value of the SIA & DEA, and provide insights on ways in which to improve the Foundation's offering so that it is relevant to the needs of the entrepreneurs.



5.3 THE NATIONAL CONTEXT

As the world leaps from economic crisis to economic crisis, entrepreneurs have started looking at creating sustainable solutions. This has resulted in entrepreneurs adjusting to major generational shifts and establishing business that embed social invocation into their business models. There is a significant demand for entrepreneurs with a new vision to address development challenges through social innovation.

Social entrepreneurship¹ is the combination of good leadership and high- tech innovation to bring about social transformation to the most challenging social issues of poverty, environment, energy, water, education, health, food security, and quality of life. These approaches underline the close bonds between social entrepreneurship and economic and social development, as well as with innovation, entrepreneurial orientation, and social change. South Africa has increasingly begun to birth social innovation entrepreneurs who have become agents that respond to market failures with innovations that are transformational and financially sustainable.

It is within this purview that government and businesses in the private sector have developed initiatives that aim to encourage entrepreneurship and contribute to the stimulation of the economy. The SAB Foundation is a key player with its focus on identifying and funding new ideas and innovations, grooming entrepreneurs, and providing business support services and mentorship aimed at boosting start-ups in South Africa. Besides the direct link to fulfilling the goal of job creation by SMMEs in the National Development Plan, the SAB Foundation's social innovation programmes impact on the United Nation's global Sustainable Development Goals² based on the indicators on the next page.

¹ Nicole, M. "Why Social Enterprise Matters" 17 March 2015.

² Sustainable Development Goals, <http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>



1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.

1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.

1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.



2.3 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.

2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.



3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases.

3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.



4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy.



5.1 End all forms of discrimination against all women and girls everywhere.

5.B Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women



6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all.

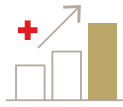
6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.

6.B. Support and strengthen the participation of local communities in improving water and sanitation management.



7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.

7.2 By 2030, increase substantially the share of renewable energy in the global energy.



DECENT WORK AND ECONOMIC GROWTH

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training.



INDUSTRY INNOVATION AND INFRASTRUCTURE

9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.

9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.



REDUCED INEQUALITIES

10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.

10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.



CLIMATE CHANGE

13.B Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities.



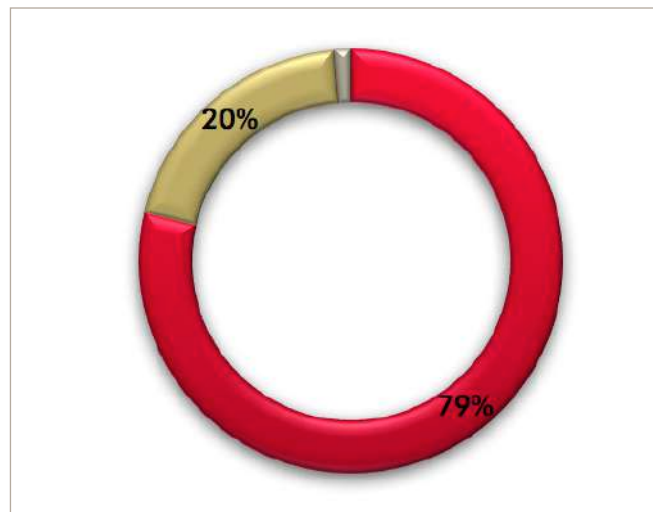
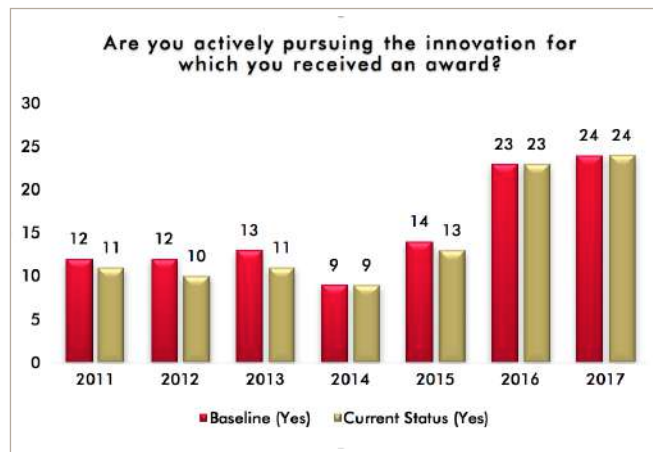
CLIMATE CHANGE

17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships



5.4 Social Innovation and Disability Empowerment Awards programme impact

5.4.1 ABOUT THE ENTREPRENEURS



Of the 109 entrepreneurs surveyed, 93% confirmed that they were still actively pursuing the innovation for which they had received an award. 6% of the entrepreneurs had stopped focusing on the innovation and two entrepreneurs opted not to answer the question. Those who had stopped did so for a number of reasons such as:

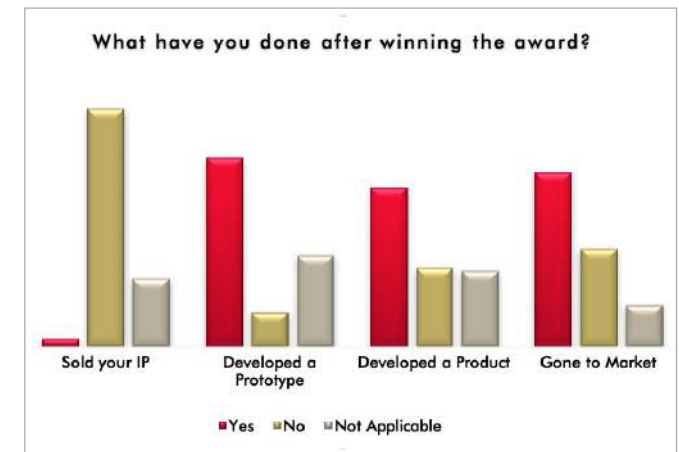
- An inability to make the idea financially viable due to low sales, lack of interest from funders and a lack of funding;
- The innovation evolving to service clients in a different way which resulted in the spin-off of two separate companies; and,
- The entrepreneur undertaking tertiary studies.

Of the entrepreneurs who are actively pursuing the innovation, 79% are doing so on a full-time basis and 20% on a part-time basis. Those who were working on a part-time basis noted that this was due to having a full-time job, the need to raise additional funding and their innovation still being in a development stage.

From the analysis, the attrition rate of entrepreneurs, compared to their baseline, is low indicating that most entrepreneurs are continuing to pursue their innovations. 83 of the 109 entrepreneurs responded to the questions on the current status of their innovation, with 60% confirming that a prototype³ had been developed, and 53% confirming that they had developed a product.

58% of entrepreneurs had taken their innovation to market, while 3% (two respondents) noted that they had sold their intellectual property (IP) to investor/partner organisations.

81% of the entrepreneurs who responded positively to these questions went on to elaborate on the improvements they had made to their prototypes and products, and the markets they were able to access including some in Nigeria, Mozambique, Ghana, Senegal, Zambia and Lesotho.



Many start-ups fail within the first year for many reasons, with the main reason being that the entrepreneur does not have the perseverance to push through challenging times.⁴

Studies show that the main predictor of success of a small-scale enterprise depends on the entrepreneur's personal initiative towards being proactive and persistent.⁵

The fact that 93% of entrepreneurs are continuing to focus on growing their businesses is a positive trend for the SIA & DEA programme and could potentially be a result of the business support that the entrepreneurs receive early in the programme.

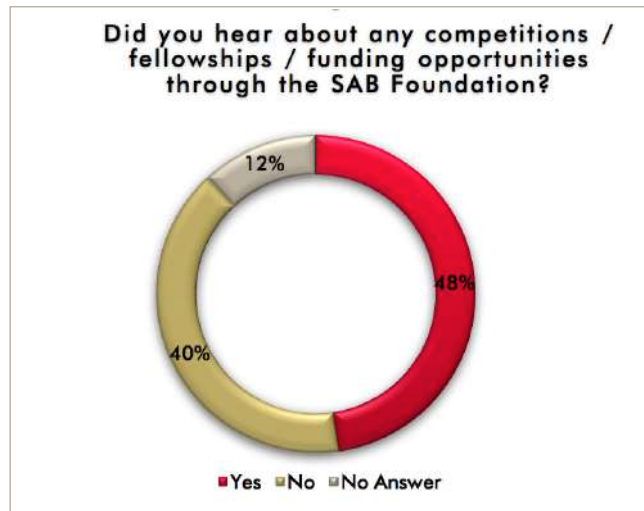
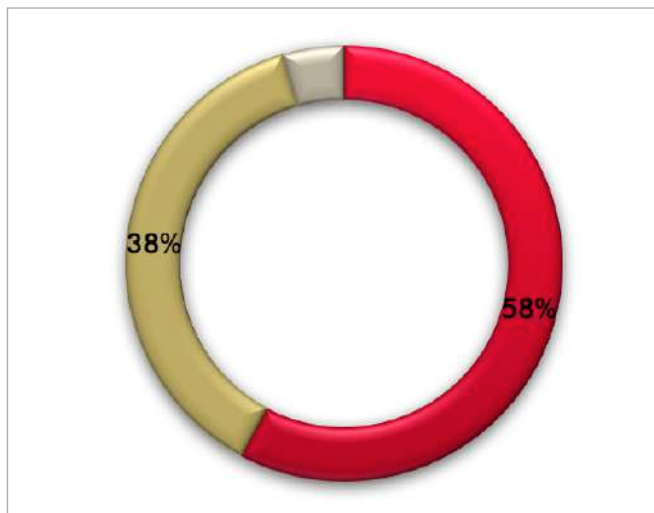
³ A first or preliminary version of a product/device/technology that can be tested amongst clients/beneficiaries

⁴ Entrepreneur Magazine, "One-Year Milestone: Smart thinking that will ensure your start-up makes it past the first year", 3 Aug 2017

⁵ Friedrich, C. Professor, "Why do 70% to 80% of small businesses fail within five years?" 27 Dec 2016

5.4.2 ABOUT OTHER FUNDING OPPORTUNITIES ACCESSED

58% of the 109 entrepreneurs surveyed went on to win other competitions or receive funding from other organisations, with 48% having been linked to these opportunities through communication from the SAB Foundation. Many who responded negatively had entered competitions but were not selected, and continue to seek alternative funding sources. There are many avenues for funding in South Africa, however finding these avenues is time-consuming and confusing for an entrepreneur as there is no single repository of information to consult. While some respondents noted that the funding opportunities that came through the SAB Foundation communication channels were not appropriate for their business, there was overall appreciation for the service, which many found to be extremely helpful. Many entrepreneurs noted that the award they received from the SAB Foundation gave their innovation credibility, which enabled them to unlock additional capital from other funders. There was considerable regard for the legitimacy that the SAB Foundation brand, in the form of the SIA & DEA, offers to the entrepreneurs and the positive perception it has amongst other funders.

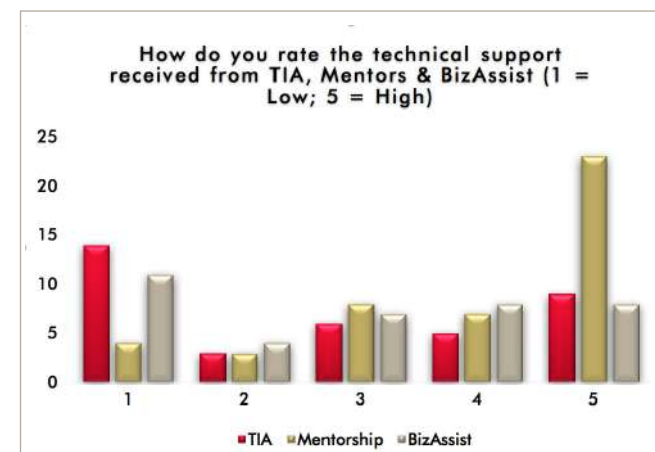
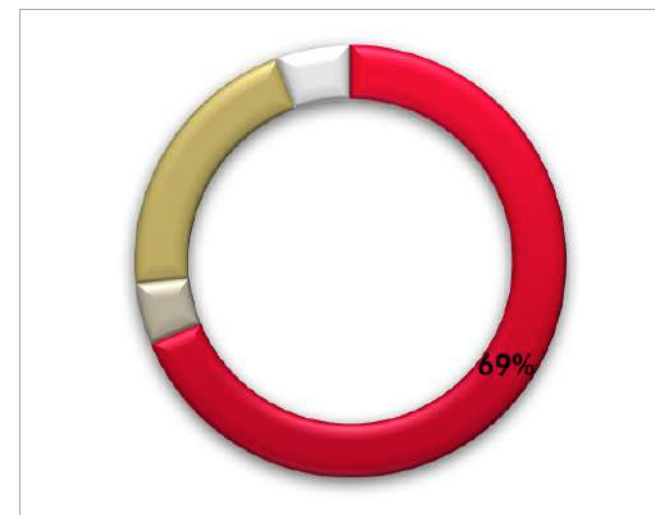


5.4.3 ABOUT OTHER SUPPORT ACCESSED

Part of the SIA & DEA programme is the offer of tailored business support and mentorship to the entrepreneurs. 69% of the 109 entrepreneurs felt that the support they received assisted in their personal growth, as well as in the growth of their business. From the three support options available, entrepreneurs found the mentorship offering to be the most valuable, with personal mentions of the SAB Foundation team members who provided the most support. 38% of entrepreneurs who accessed technical support, and 29% who accessed online support, rated the service poorly due to the lack of response from those with whom they had engaged. Some entrepreneurs noted that the online support was too generic and they were not able to tailor the offerings to fit their businesses.

Access to business support, and particularly mentorship, is valuable for entrepreneurs because of the ability to gain insights from lived experiences and the opportunity to learn about pitfalls without failing which often has a significant impact on an entrepreneur's confidence and motivation. In research conducted by Sage, 93% of start-ups found that mentorship was

instrumental to their success. In South Africa, given the desperate need for economic growth and job creation through SMMEs, it is essential that programmes, like SIA & DEA, aimed at enterprise development and growth, offer tailored support services that enable entrepreneurs to avoid the challenges that often lead to the failure of their ventures.



5.4.4 ABOUT THE SOCIAL INNOVATION OF THE BUSINESSES

A comparison of the annual income reported by the entrepreneurs at the point where they entered the SIA & DEA programme and the latest survey that was completed by the same entrepreneur, either in 2016 or 2017, was undertaken to determine whether the entrepreneurs experienced any income growth through their businesses.

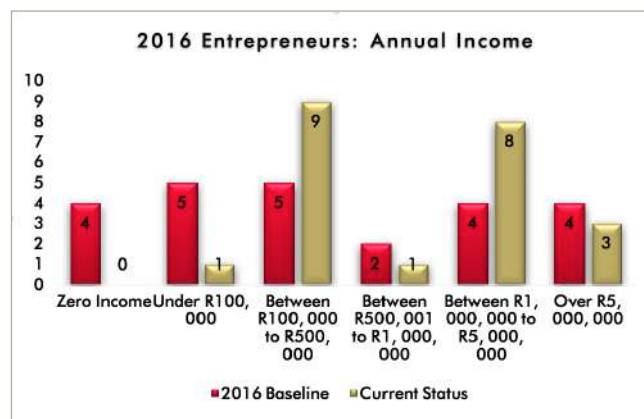
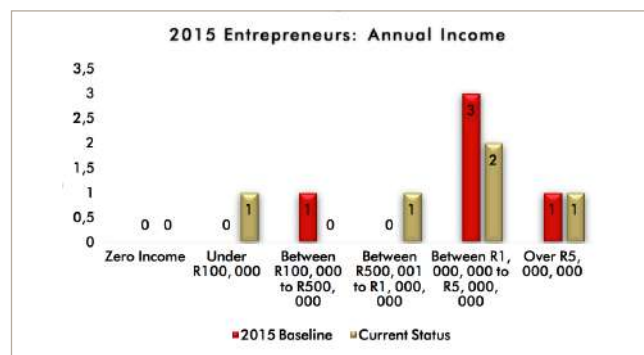
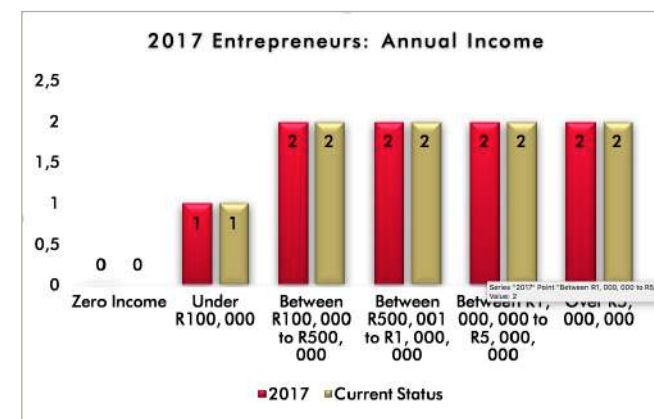
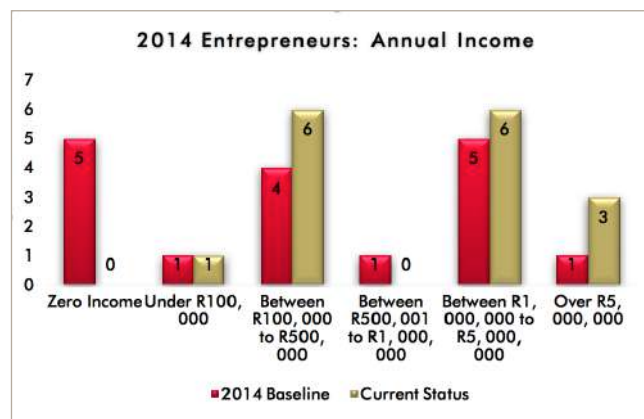
The trends observed reveal that entrepreneurs from the 2014 and 2016 cohort reported a significant rise in annual income, with nine entrepreneurs who reported earning no annual income at the baseline, reporting current business earnings of between R100 000 and R5 million per annum.

Five entrepreneurs reported on their annual income for 2015; however, this particular cohort showed a downward trend with only one entrepreneur recording a remarkable increase of 83% in annual income between the baseline survey and the current completed survey.

The 2017 cohort of entrepreneurs have recently commenced with the programme and will therefore only be able to report on their progress at the end of 2018.

In total, 52 entrepreneurs completed both the baseline and current surveys and reflected a collective annual income growth from R141.78 million at baseline to R156.75 million at the end of 2017.

Nine entrepreneurs (17%) reported a decline in annual income in the current year compared to baseline reporting, with the majority of entrepreneurs (83%) reporting growth in annual income in their businesses since joining the SIA & DEA programme.



5.4.4.1 JOB CREATION⁶

A further comparison was undertaken of the number of people who have been employed by the entrepreneurs, both at the baseline and during the most recent year of reporting. The 2014 cohort of entrepreneurs have employed an additional 28 people in their businesses, and the 2016 cohort has employed an additional 111 people in their businesses.

The 2015 cohort has had to shed 14 jobs. In total, the 111 entrepreneurs who completed the surveys indicated that they currently collectively employ 1 305 people in their businesses, compared to the baseline of 1 180, an increase of 125 jobs.

32 of the entrepreneurs were from the 2014 cohort with 18 (56%) indicating that they had either employed more people or retained the same number of employees in their businesses, while 14 (44%) of the entrepreneurs have had to downsize their employee base. Only two of the 2015 entrepreneurs completed the baseline and latest survey indicating their employee count, with one indicating they had employed more people and one indicating some job losses.

⁶ New positions created, which does not include positions that previously existed in the business

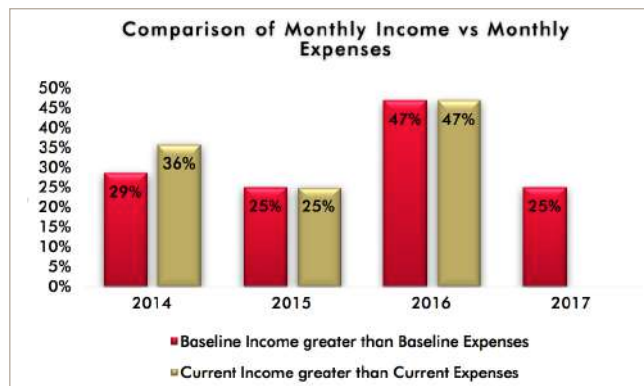
Of the 33 entrepreneurs who responded from the 2016 cohort, 22 (67%) indicated that they had increased the number of jobs in their businesses or retained the same number of employees while 11 (33%) indicated that they had shed some jobs in their businesses. As mentioned previously, the 2017 cohort of entrepreneurs have given a baseline indication of job numbers currently in their businesses, and a comparison will be made at the end of the reporting period for 2018.

In the 2017 Xerox report on 'The State of South African Small Businesses in 2017', many of the respondents (70%) cited economic volatility in South Africa as a major threat to their businesses. The contracting economy and the rise in the Value Added Tax rate will have a significant impact on small businesses who will struggle to succeed without additional support from government and private sector. Despite the challenges, many SIA & DEA entrepreneurs have managed to increase the annual income earned through their businesses; however, there has been an overall negative effect on the ability of just over half of the businesses to create jobs.

5.4.4.2 MONTHLY INCOME VS MONTHLY EXPENSES

A total of 84 entrepreneurs provided details of monthly income and monthly expenditure, made up of 28 entrepreneurs from the 2014 cohort, four entrepreneurs from the 2015 cohort, 32 entrepreneurs from the 2016 cohort and 20 entrepreneurs from the 2017 cohort. An analysis of the figures provided revealed that across all cohorts, less than 50% of entrepreneurs had monthly income that was sufficient to cover the monthly expenses of their businesses. The majority of entrepreneurs across all cohorts have monthly expenses that exceed their monthly income.

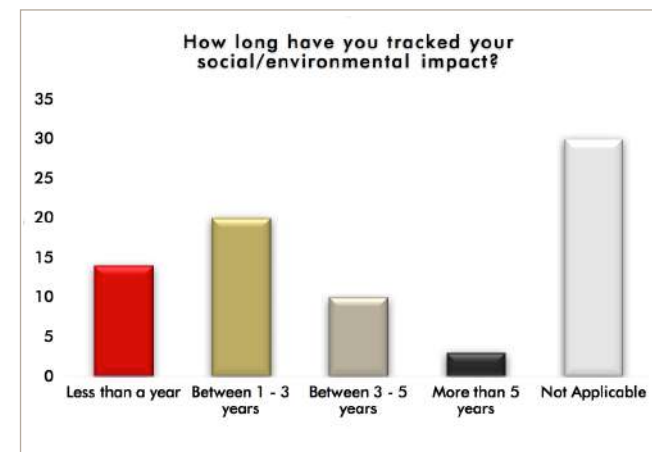
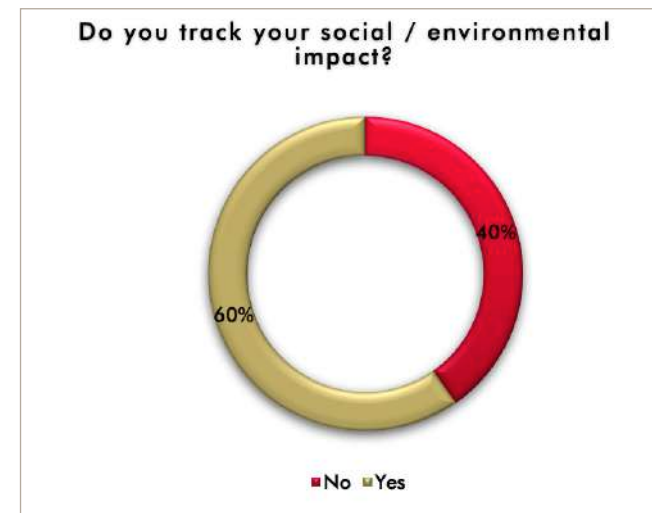
A significant challenge for SMMEs is effective cash flow management as this is the lifeline for any business. Often, entrepreneurs do not have financial cushions and operate on a shoestring budget. Poorly managed cash flow will inevitably result in the failure of an entrepreneur's business.



5.4.4.3 SOCIAL IMPACT

60% of the 77 entrepreneurs responded positively to the question related to tracking of social/environmental impact. Of these, 18% have been tracking for less than a year, 26% between one to three years, 13% between three to five years, and 4% for more than five years. The majority that responded positively, track their impact according to specified indicators and are able to articulate the impact that they are having on their intended beneficiaries. Of those who are not actively tracking their impact, many are able to articulate the perceived impact their innovation has had from a social and/or environmental perspective.

For a business with a social purpose, measuring the impact of activities that result in a social and/or environmental benefit to society is important because this enables the business to access finance through empirical data that provides evidence of outcomes and benefits. Investors and donors are increasingly looking for evidence of the return on their investment, and having the data available to shape the narrative of the impact story for funders is beneficial to a social-purpose business. The information gathered is also important for managerial purposes as it provides insight on whether the business is achieving its intended social and/or environmental impact. It is therefore important for entrepreneurs with social innovations to embed the effective and efficient collection of impact data into their operations.



SOCIAL IMPACT OF SIA & DEA ENTREPRENEUR BUSINESSES

5.4.1 ABOUT THE ENTREPRENEURS



EMPLOYMENT

- Employed 20 harvesters.
- Employed 14 previously disadvantaged individuals that currently make up a 15-person team.
- Created 26 jobs in Eco-Dynamic Toilet.
- 17 women employed through Repurpose Schoolbag.
- 64 jobs created by Tour 2.0.
- At least 30% of those who successfully completed the programme went on to receive full-time employment.
- Registered over 160 waste pickers who have received a profit share derived from advertising on waste trolleys.
- An average of 10 new people with intellectual disabilities employed per annum; total people with intellectual disabilities currently employed is 375.
- Approximately 40 people have been taught how to weave, spin and knot with the cashmere yarn blends.
- 75 disabled people have completed the incubation programme; 18 are permanently employed; two are studying full time and 31 are on a learnership programme with GreenABLE.



ENVIRONMENT

- Created 51 cooperatives who receive income generation from vegetable production and supplying fresh vegetables to our clients.
- Improved fishing operations and financial management of individual fishers, increasing the number of fishers working together to market their catch.
- Employed two full-time staff at a pilot kiosk.
- Saved over 43 million litres of water over the past three years.
- Cultivated 15 species of plant, including two critically endangered species.
- Saved over 352 million litres of water, approximately 141 Olympic size swimming pools.
- Save over 20, 000 litres of water per month with one toilet installation.
- 10 tonnes of plastic bags recycled.
- Contributing to sustainability of community based tourism.
- 20, 000 ecobricks created by supporters and participants.
- Collected over 50 tonnes of recyclable waste.
- Saves over R19 million worth of property through fire reduction.
- Improved overall soil health, added to natural soil microbes and organic matter in soil.

- Reduced CO2 emissions and saving electricity.
- Uninterruptable, safe supply of electricity to communities.
- Created pollution plumes.
- Recycling 180 tonnes each month and saving up to 700 cubic metres of landfill.
- Recycled and collected 327 geysers from scrapyards and made a profit of R82 000 for 5 months of production.
- 650 000 litres of water sold; 1.6 million litres of water saved; 10 500kg of carbon saved; 2 300kg of plastic waste saved.
- More than 20 000 plastic bags diverted from landfill.



SOCIAL

- Provided an income for rural women who supply raw materials to make marula oil.
- A reduction in crime in the areas where the intervention has been deployed – 26% reduction in sexual offences, 9% reduction in murder rate and a seven minute response time down from 30 minutes to 24 hours.
- Reached approximately 1 700 women; drafted approximately 42 protection and/or harassment orders; conducted/assisted in 25 divorce settlement orders.
- Helped 4 265 disabled people and other stakeholders, both directly and indirectly.
- Employees with intellectual disabilities (375 in total) provided with housing, transport, sporting opportunities, drumming and art classes, and two social outings per annum.



EDUCATION

- Provided students with 20 000 books while saving over 60 trees.
- Increased class participation.
- Distributed 5 000 schoolbags.
- 10 000 school students reached through workshops and competitions.
- Improved school attendance for girls.
- Over 4 000 learners engaged on over 100 possible careers to pursue.
- 12 000 learners active on learning platform.
- Increased maths and science scores for grade 12 learners; three received over 75% pass and are shortlisted to receive bursaries worth R100 000 next year.
- Assisted 427 previously unemployed graduates over 8 years; 87% became eligible for internships and placement and 78% have progress to study further or gained employment.
- Reached over 20 000 learners from 50 schools and saw an increase in bachelor's degree passes from 5% to 19%.



MEDICAL

- Sold wheelchair devices that impact directly on the users and indirectly on their caregivers, parents and therapists.

- 22 980 public sector patients assisted; 1 700 health workers assisted; average of 20 patients seen per specialist per month; 68% of specialist response times are now less than 15 minutes, 90% less than an hour; 90% of referrals from township and rural areas.
- More than 40 000 children and adults tested for hearing loss.
- Average medicine collection time of 36 seconds, down from two minutes representing a saving of three hours and 31 minutes per patient; processed 2 933 scripts and over 1 506 unique collections.
- Fitted over 100 children with prosthetics; maintaining equipment for approximately 70 children; five children progressed to mainstream schools and 40 children competed in the sports academy.
- Trained 211 substance abusers; 140 have gone back to school, started their own businesses or become employed.
- Screened over 70 000 (mostly children) people in over 24 countries with the available technology.



TRIPLE BOTTOM LINE

- Reduced customer invoice payments from 30 days to 48 hours.
- Customers have seen between 5% and 15% savings on monthly grocery acquisition costs and transport; the company has paid 2% of revenue as commissions.
- Revenue created for shop owner is over \$50 000 (approximately R700 000).



5.4.5 ABOUT SUGGESTED IMPROVEMENTS TO THE PROGRAMME

Awardees were asked for suggestions on how the SAB Foundation could improve the SIA & DEA. 77 entrepreneurs provided feedback and responses were categorised into three distinct areas:

PROCESS

- Add two more interviews in the final stages of the competition to afford entrepreneurs more time to explain their innovations to the panel.
- Attract better judges for the panel. While some judges are astute and take their role seriously, a few did not seem to portray this to the applicants.
- There was a suggestion not to rank projects as it was deemed unfair to compare garage start-ups with established businesses and university institutes.
- Devise a programme for participants who are older than 35 years of age and one for youth start-ups that are less than a year old.

SUPPORT

- The majority of comments referred to providing additional support in accessing markets especially within the SAB Foundation networks or value chain, as well as through SIA & DEA alumni and through government initiatives.
- Respondents suggested creating an online community where SIA & DEA alumni can potentially work together, share experiences and coach each other through building their businesses.
- Provide access to mentors earlier in the process and allow for more hands-on mentoring opportunities.

- Provide subsidised access to patenting services for intellectual property relating to high tech solutions.
- Suggest tracking systems that would assist with measuring the impact of business activities.
- For online team to be more responsive and for the information provided on finding and securing additional funding be more suitable to new and budding entrepreneurs.
- Provide a clearer timeline on when a mentor will make contact or when the programme will start in earnest.
- Provide more tailored professional services such as legal, IT development and branding.
- Make the website more user friendly.



GROWTH

- Connect entrepreneurs with potential partners/collaborators, angel investors and venture capitalists to avoid pre-revenue stagnation of businesses.
- Provide opportunities to connect with potential investors or clients who can provide feedback on whether the products or business models need improvement.
- Provide funding and support for growth and scale up of businesses, and access to incubators to assist with this particular phase of business growth.
- Form deeper partnerships with universities who have the facilities and supervisors to help innovators further develop their products.

Overall, participants are extremely happy with the way the programme is structured and with the support they have received from the SAB Foundation team and partners.

Respondents noted that the SAB Foundation has a deep understanding of the social entrepreneurship space, and that this is evident in the way the programme has been set out to help early-stage entrepreneurs.

A few respondents suggested that the SAB Foundation could provide valuable insight into similar offerings by government departments, as it was felt that these initiatives are not as well developed as the SIA & DEA.

Case studies of impactful Social Innovation and Disability Empowerment Award businesses

I LOVE COFFEE

CO-FOUNDED, BY GARY HOPKINS, I LOVE COFFEE IS A DEAF-RUN COFFEE SHOP IN CAPE TOWN.

They provide hot beverages and staff lunches to more than 400 employees in an advertising agency building, and is unique because 80% of their staff members are deaf.

In 2016, I Love Coffee was awarded R300 000 at the SAB Foundation Social Innovation and Disability Empowerment Awards.

Through this funding, they were able to buy new and improved equipment, employ more staff members and move into a bigger space where they are able to service more people than ever before.

Before winning the award from the SAB Foundation, I Love Coffee only had three employees, but they have now increased that number to nine permanent employees.

This has also assisted in doubling their profit margin, by extending their services from simply serving coffee, to growing into a restaurant which provides weekly lunches. Currently,

I Love Coffee are in the process of opening a second shop and have joined the SAB Foundation Social Innovation Fund.



VULA MOBILE APP

THE VULA MOBILE APP MAKES IT EASY FOR HEALTHCARE WORKERS, PARTICULARLY THOSE IN RURAL AREAS, TO REFER PATIENTS TO SPECIALISTS IN A NUMBER OF FIELDS



In South Africa's public health care system, there is about one specialist to every 18 000 people, making it hard for low income earners to access specialist care. By connecting healthcare workers with on-call experts, the Vula Mobile App guarantees that, when there is a critical need for expert guidance, a specialist is easily available to provide advice or organise a face to face consultation.

The Vula Mobile App won first place at the SAB Foundation Social Innovation Awards in 2013 and the R1 million in prize money helped founder Dr William Mapham to launch the app for Android and iOS in July 2014. The app was initially only set up for ophthalmology referrals, but it quickly became clear that the functionality had further uses and in 2016 the app was redesigned to include referral forms for any number of specialities. The Vula Mobile App has made outstanding progress with close to 4 000 medical professionals registered and 21 000 patients treated between January and May this year.

GRASSBEEF BY LIVESTOCK WEALTH

GRASSBEEF BY LIVESTOCK WEALTH IS A SHARED FARMING SERVICE THAT BUYS, CARES FOR AND SELLS FREE-RANGE, GRASS-FED CATTLE.

The business purchases young calves from communal farm lands and transports them to their commercial farm, where the animals are cared for and nurtured. They are then resold, but remain at the Grassbeef farm where they are looked after on behalf on their new owners for a small monthly fee. This farming technique provides a reliable source of income to the communal farmers from which the cattle are sourced, while allowing those who don't have access to land to own their own cattle and produce healthy, organic, hormone free beef.



In 2017, Grassbeef by Livestock was the overall winner at the SAB Foundation Social Innovation and Disability Empowerment Awards, receiving R1.3 million in funding for the business. Since winning the award, owner Ntuthuko Shezi has employed his own in-house customer development team and purchased a cattle truck to assist with the transportation of livestock, which has greatly assisted in the management of his business. He now employs a total of 12 permanent members of staff, who help him take care of his herd of 1 600 cattle.

APPLIED AFRICAN CHEMICALS

MTHOKOZISI SIBANDA AND HIS BUSINESS PARTNER FOUNDED APPLIED AFRICAN CHEMICALS OFF THE BACK OF AN IDEA THAT WAS SPARKED DURING THEIR STUDIES AT THE UNIVERSITY OF PRETORIA.



They realised that currently the number one prophylaxis for malaria across Africa is bed nets, however, they were only effective once people were under them. As many bites happen at dusk and early evening. Their innovation was to infuse a chemical that prevents mosquito bites into plastic polymers, spin the polymers into yarn and make lightweight inexpensive clothing such as socks and leggings. To date they employ four people and have expanded past simple mosquito repellent. Their business model is to target more affluent customers, with the hopes that this will subsidise the supply of these products to less fortunate communities that are affected by malaria.

African Applied Chemicals received a total of R150 000 at the SAB Foundation Social Innovation Awards to develop the business. They have progressed onto developing innovative ideas, such as a slow release fibre that releases medicine into the body while in contact with skin. This fibre takes is used in medical socks and patches for pain relief. They have grown from an initial annual turnover of R5 000, to reaching a target of R500 000 turnover in 2018.

MEMEZA HOME SECURITY SYSTEM

THE MEMEZA HOME SECURITY SYSTEM IS A LOW-COST ALARM SYSTEM THAT ALERTS COMMUNITY MEMBERS AND POLICE WHEN A CRIME TAKES PLACE.

The system is monitored by a network of smart alarms which, once triggered, automatically generate an alert SMS that is sent to SAPS sector policing vehicles, police stations, community policing forums and trusted neighbours. A siren mounted outside the home further alerts the community and repels intruders. Their intelligent back-end management system captures data on alarm activity to create reports on incidents in the area and police response times.

In 2012, the MeMeZa Home Security System won R250 000 at the SAB Foundation Social Innovation Awards and was an early stage start up. Since then, a successful pilot of their system in Diepsloot helped to bring about a 26% reduction in crime, a 9% reduction in the murder rate and a seven-minute improvement in police response times. In 2014, the MEC for Community Safety, the MEC for Economic Development, the Gauteng Police Commissioner and (then) Deputy President, Cyril Ramaphosa all hailed the launch of the SAPS and CPF MeMeZa Partnership and Diepsloot Pilot as a success. Last year, as a result of achieving a turnover in excess of R7 million and employing 21 members of staff, MeMeZa was approved as a recipient for the SAB Foundation Social Innovation Accelerator and Fund.



Recommendations



The data from the SIA & DEA surveys provided good insight into the value that the programme has to the entrepreneurs both in terms of funding and the support required to establish their businesses or innovation ideas. However, the data does not provide further insight into SAB Foundation's impact relating to its core beneficiary groups namely women, youth, people with disabilities and people in rural areas. It is recommended that SAB Foundation actively track this impact in terms of how the funding provided is supporting its intended beneficiaries to be able to articulate its impact in this regard.

From a risk management perspective, it would be useful to revisit the support and service offerings from mentors, technical and online service providers to ensure that they are aligned to the needs of the entrepreneurs and to ensure that turnaround times with regard to communication with entrepreneurs is improved.

There needs to be a greater emphasis placed on cash flow management for entrepreneurs so they can better understand the importance of effective management for the health of the business.

Conclusion



The SIA & DEA focus on funding innovation and entrepreneurship is making a difference in the lives of the participants in the programme. 93% of the entrepreneurs are continuing to focus on establishing their innovative businesses and have managed to collectively grow their annual income and create jobs. Economic growth and job creation are the cornerstones of addressing South Africa's socio-economic challenges and, through the support from the SAB Foundation, the SIA & DEA recipients are playing a vital role in South Africa's economic growth and poverty alleviation efforts.

