

# THE ENTREPRENEUR AFRICA

Disruptive Innovation Edition

...celebrating economic freedom

4th Quarter, 2019

+

DATA BOOM:  
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INVESTMENT  
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REVEALED

ENTREPRENEURSHIP,  
NOT AN EASY RIDE:  
HERE'S WHY

# SEYI TINUBU

**ADVERTISING HAS A NEW KING,  
IN NIGERIA**

5 LAST THINGS;  
BEFORE YOU CLOSE  
SHOP ON 2019!

5 REASONS YOU  
NEED AN EXIT  
STRATEGY

MANUFACTURING  
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# THE BUSINESS DINNER

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The Entrepreneur Africa is a media entrepreneurship lifestyle company, with primary focus on African businesses and the people behind them.

We celebrate economic freedom, and reward enterprise and Innovation.

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# One Last Thing; Before You Close Shop On 2019!

2019 appears to be the fastest year in recent time. Or am I alone in this feeling? I hope not. But, fast or not, we're now at the tail of it, and if the year were a shop, the owners should be packing up in readiness to shut down by now. So, as an entrepreneur, here are a few crucial steps you might need to take before you close shop on the year:

## 1. Shut down for good!

Oh, well...not the first thing you expected, right? Ok, this one probably isn't addressing you. However, if you've been on that business for 2 to 3 years and you're yet to fully understand what the hell you're doing, or you're clear enough on what you're doing, but if you were to be totally honest with yourself, you'd conclude that the business is not viable, then it might be wise not to proceed to 2020 with such confusion and non-viability. Sometimes, venture-euthanasia is the greatest and bravest decision we can make as entrepreneurs, and no business is too old to be euthanized, if it has woefully failed to sustain itself, or at least show hopes of being able to do so soon. Stop holding on too long to an obviously failed business just because "you're emotionally attached to it", "you don't want 'people' to regard you as a failure" or for some other sentimental reason or the other. Holding on longer than reasonable and crossing into 2020 with the status quo would only end up as self-inflicted bewitchment against your own progress, business growth, and life development, generally.

## 2. Do a review!

If number #1 above does not apply to you, then this is for you. Find out which of your services or products performed profitably and which ones brought losses. Decide if you'd want to retain that service or product among your business offerings in 2020 and beyond, and why, or if you're better off without them.

## 3. Get ready to hire or fire!

Deciding to fire unproductive staff before end of the year is important, as you'd be better off entering

next year with lesser load of unproductive elements, and lighter payroll. On the other hand, if you've been running your business alone or with few hands, now might be the time to have that crucial conversation with yourself or management team on whether to expand the workforce for the incoming year. This would, of course, depend on the status of your company's purse, plans for growth or expansion, and increasing demand for your services/products.

## 4. Don't forget your customers/clients!

Strategically ensure you're the last business your clients/customers remember as the year comes to a close. Gifts are important here, but gifts may not be sufficient on their own. The thoughtfulness and creativity put into the gifts and the manner of delivery may hold greater impact. This is where a good knowledge of your clients/customers comes handy. Meanwhile, if you don't have detailed database of your clients/customers info, you're wrong. So, here you go, a take-home assignment.

## 5. Hold a robust staff meeting and reward:

You need to be on the same page with your team regarding all plans for the coming year. You need to ensure they're seeing the same vision you're seeing for 2020. And you also need to do a collective performance assessment with them, so they'd be ready to build on the positives and drop the negatives ahead of the New Year. And don't forget to reward outstanding team members. And if you can, let there be something for everyone.

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I would like to appreciate the cover personality of this last quarter edition of The Entrepreneur Africa, Seyi Tinubu, and other featured amazing entrepreneurs, for sharing their inspiring stories to the world, through our platform. And to our external contributors and my team, you guys are the real MVPs. Finally, to our loyal readers, here's a page-turning edition. Please savour it!



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# ARE YOU BUILT TO SCALE?

**...while you are hoping for massive growth, are you really sure you have prepared for it?**

Most business owners pray to sell in bulk. Most of us want one order to deliver 1000 units or 1000 orders coming from one channel? This is our usual prayer in business. Almost every business owner I know wants to sell more.

The question is: Are you really ready to sell more, if the opportunity shows up?

Do you have structure in place to sell more?

Do you have suppliers who are able to deliver 1000 units in one week?

Do you have a team that can deliver on more?

Recently, a bank reached out to Accountinghub to offer bookkeeping and tax services, at a subsidized rate to its over 70000 SMEs. Their objective was to solve the problem of talents, for their SMEs. They had spoken to several other accounting firms before someone mentioned Accountinghub and I was invited. Accountinghub had only one edge - we were positioned and structured for scale. We had defined prices for defined services. We had defined output for the defined services. We have defined timelines to deliver the defined output. It was like magic; the plenty documentation processes began and finally, the deal was signed. It was after the initial meeting with them that I realized why an accounting firm had reached to me. They were struggling to put together a structure that the bank could sell. They had a business run for several years, but had not built for scale. They were brilliant accountants, who were serving SMEs on a one



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by one basis. This is common and there was wrong with them. When the bank approached them and asked for a price list and some structure to offer their services, it was not too easy for them to put up any. They had never considered scaling.

## **What is the lesson here?**

While you are praying to sell in bulk, while you are hoping for massive growth, are you really sure you have prepared for it?

You see a friend wearing a nice dress, you ask of her tailor, she tells you, you take one fabric to the tailor, a nice dress comes out. Next time, you take 5 fabrics, rubbish dresses come out. Do you know why? They weren't prepared for scale. This has happened to several of us. Some people now say that you should only give a tailor one fabric at a time.

Listen please, scaling means sudden or rapid growth in your business. It requires preparation, not just prayers and shouting loud amen in church. You are in church and they declare, "This week you will get 100 orders, you shout amen; meanwhile the 5 orders of last week, you could not deliver.

Dear people-in-business, (this weekend), can you find 3 hours to just sit down and put some structure in your business that allows you grow rapidly, if the opportunity shows up?

- For someone, you need to sign up more suppliers.
- For someone, you need to productize your services and make them easy to sell.
- For someone, you need to train your staff.
- For someone, you need to document your processes.
- For someone, you need to create Templates.
- For someone, you need to hire more people.
- For someone, you need to automate some processes.
- For someone, you need to build a relationship.

What is that thing or things, you need to do, to allow your business scale?

Let me mention here that not everyone wants scale. This is perfectly fine. Not everyone is cut out for too much wahala. However, if you are like me, who is chasing scale, go and prepare for it. When you prepare for scale, the preparedness will announce you. Stop scaling with your mouth alone, scale with actions.

# DO YOU HAVE A BAD IDEA?

*the best ideas in this company came from an array of bad ideas generated in this room*

By Bola Yusuf

"He stared at me for over 60 seconds and said: "We don't need your good idea. If you don't have one, do you have a bad idea?"

Lukas was my classmate in the University. He never liked Mathematics. Whenever it was time to write an exam in any course that had to do with Maths, he would attach himself to one of the so-called gurus in the class. Lukas wasn't the sharpest pitchfork in the barn but he always knew how to attach himself to those who were smarter than he was to get what he wanted.

He graduated with Second Class Lower Division (2.2) in Information Technology. After graduation, he secured a job with a Tech Company that transformed him into a wizard in idea generation and creativity.

Lukas narrated how he became a wizard:

*"We used to hold brainstorming meetings every Monday, at my place of work. Monday was usually a dreadful day for me, I hated it immensely. We had a room called the innovation room in our company; this is where brainstorming meetings took place. Every staff that attended these meetings was expected to have something to say, an idea, or an interesting solution to proffer. No one was allowed to leave any meeting, held in this room, without a contribution.*

*At my first meeting, we were about 20 staff present, the subject of the day was a product that the company was about to launch. They were strategising on a marketing approach that will enable us storm the market. I kept quiet all through the meeting. About 15 minutes to the end of the meeting the Innovation Manager turned to me and said "Lukas, you are welcome once again, do you have an idea for the marketing strategy?" "No sir, I don't have any good ideas, other than what has already been said" I replied.*

*He stared at me for over 60 seconds and said "We don't need your good idea. If you don't have a good idea, do you have a bad one?"*

*I was dumbfounded. "We don't need your good idea. If you don't have a good idea, do you have a bad one?" I re-echoed the Innovation Manager's words to myself. While I was still in a perplexed state, the Manager got up from his seat and walked close to me. I wondered what he was up to. He jerked me and said: "Lukas, the best ideas in this company came from an array of bad ideas generated in this room. We have built this multi-million-dollar enterprise on the basis of meeting here every Monday to generate ideas that are bad enough to keep us sailing in the market. You must generate bad ideas as much as you can. The team will refine them but generating is your sole business. We employed you to generate bad ideas for us." I got encouraged and began to churn out ideas during our meeting, without being worried that they will get shut down. This helped me build my confidence and see the beauty in little, seemingly bad, ideas. It built my confidence and made me love my job".*

Six months later, I met Lukas at an event. He had become a different person. He was now the Head of a Unit in charge of product branding, a solution provider. "Now I can generate 50 bad ideas in 60 minutes. I allow

the ideas go through a refining process for days and come up with a good idea" He asserted.

He had come into his own and he looked really happy, thanks to the values of the company he worked with.

## My Secret Memo to Entrepreneurs and Employees:

Dear Entrepreneurs,

- Build organisations that allow employees to speak up and make contributions to work processes.
- Create an atmosphere of free expressions. Never hinder any staff from speaking against a policy of the organisation. Sometimes, the one who criticizes can proffer a better solution to a lingering problem.
- Grow your employees. Enlarge their capacity to think and reason. Expand their horizons. Change their world views.

Dear Employees,

- Refuse to be a cog in the company's giant wheel.
- Create, innovate and unstuck the company where it seems no future.
- Build a new dream for your organisation. Value teamwork and embrace team spirit.

Keep generating bad ideas and refining them.

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# RECIPE FOR BUILDING PROFITABLE E-NEWSLETTER PUBLISHING BRAND

By Deji Yusuf

Trust me when I say that, if you follow this recipe to the latter, I am confident that you'll be a proud owner of a highly lucrative e-newsletter for either your brand or for an idea you have in mind.

"If You Want to Cook You Need to Follow The Rules & Principles Of What You Are Cooking"

When you want to make a meal, like Efor Riro or Edekaikan, you, you will need to follow certain principles and level of ingredients and preparations that have been found to make it "sweet" or in this case-Successful.

## What Are Newsletters & How Can One Use It to Grow a Brand?

Naturally, e-Newsletters when done right, are a great way for people to turn in profit when done right because there are boundless opportunities in the ongoing internet boom in Nigeria.

You see, Internet connectivity in Nigeria is very massive right now as it's getting more affordable and cheaper (at my last count, we have over 20 ISPs) and according to <https://www.pulse.ng/>, Nigeria has 98.35 Million Internet users with over 24 Million Daily Social Media Users.

For example, we have 25 Million Nigerians on Facebook as I write this and compared to still coming this is an insignificant figure.

Think About It....

## What Would Happen When Half of Nigerian Population can connect to the Internet from the convenience of their homes?

When this finally happens, there will be an enormously huge demand for information about Nigeria, it's people, it's polity, rambling, jokes, and even your immediate business!

Let Me Give You a Perfect Example...

Back when I was in Nigerian Law School, Lagos Campus, I found it hard to Understand, Property Law Principles so I would go online to search for a simpler way of understanding it.

I saw one online and it was well written and easy to understand, it really helped me so well in understanding what even the top-level lecturers in Lagos campus couldn't explain to me back then.

Now, I am forever grateful to the guy who put up that newsletter online as he must have helped myself and a thousand others.

## My Point?

If you have a piece of useful information that will be helpful to others, why not put it online and help them in their thousands.

## So What's the Process For Creating a Useful and helpful Newsletter?

I will explain the process under six distinctive headings.

1. Find Something to Write About
2. Use Technology to Map Out a Way to Write Effectively and Cheaply
3. Think of Your Audience & Best Way to Advertise to them
4. Work on the Financial Angle
5. Start Writing

Rinse & Repeat The Process Over and Over...

Below is a detailed explanation of the above point made by me.

## 1. Find Something to Write About

Do you know you can start a newsletter on virtually anything, starting from mass appeal topics to a more Niche-specific topic?

For Instance, my Wife has gone crazy about having curvy hips, and I don't seem to understand why that's happening.

Believe me when I say she's consuming every bit of information about exercise and stuff and reads stuff that has to do with having a beautiful hip, waist and

even the behind.

Because I'm an "Information Professor" in the family. now that makes me valid and at least have access to so much information that can enable me to create a Newsletter for that Topic of interest.

Now that's an Intriguing E-Newsletter Topic to write on.

- \* What of Football?
  - \* What of Latest News?
  - \* What of JAMB Update?
  - \* What of Info on Latest Tech?
- The List Is Endless!

There is an endless list of topics to write on, but long term newsletters such as Health and Wellness newsletters are the best kind of newsletters to create.

A motivational newsletter can run for a lifetime by a motivational speaker, a religious newsletter can run for a lifetime by a religious leader.

The Key Lies in Using Enabling Technology to Create and Manage Such a Newsletter...

This leads us to Point No.2....

## 2. Use Technology to Map Out a Way to Write Effectively and Cheaply

a. Run your newsletter with a Blog Based website (this can be free or paid) using paid blogs is better for a long term brand while free C.M.S can be used temporarily.

b. Get an Autoresponder-Mailing Software.

Here's how to create a simple blog website.

If you want a free blog, there are two major free blogs. [www.blogger.com](http://www.blogger.com), [www.wordpress.com](http://www.wordpress.com)

All you need do is just head over to those URL and sign up with them.

Simple, No Story...

However, if you have a website you paid for, trust me when I say it already has features and applications to help you create a blog site in less than 30 mins.

All you need to do is just log in to your Cpanel and look for "fantastic" or "softaculous", click on it and go to the section for blogs and install.

Wordpress is the most used, so I will advise to install it anyways.

What's Next?

Once this is done, all you need to do is learn how to



use your new blog, write and publish your works on the go.

To learn more about profitable blogging check out a website like [www.copyblogger.com](http://www.copyblogger.com)

"This is Not The Only Way to Publish Your E-Newsletter"

The other way of keeping in touch with your networks is by using autoresponders.

What is An Auto-Responder?  
What Does This Mean?

What this means is that I can upload Pre-Written messages or schedule it to send it out to a contact list usually called an "Email-List".

So what this means is that if I have a Motivational E-Newsletter I can write all the messages I want to send to them, pre-load it and take a cruise to Hawaii while you still get your daily motivation!

For example, if you have 30,000 subscribers for your email newsletter and you want to send a broadcast to them, all you need to do is log in to your autoresponder and send your message to them.

So What Are The Best Autoresponders You Can Try?

To be honest, it's advisable to go for an auto-responder that has a very Robust Capability. One of such is [getresponse.com](http://getresponse.com), another is [aweber.com](http://aweber.com) and [mailchimp.com](http://mailchimp.com)

Think of Who Your Audience is & How Best to Advertise to them.

Do you know that a man with the cure of HIV will die poor IF no one knows about the cure?

If you start a newsletter today and you make no reasonable move to make it popular, or at least draw attention to it, then forget about the money when it's time to profit from it.

What brings the money is the volume of people reading your newsletter with a cult-like following devotion, people who will be coming back over and over your newsletter day in day out because of the quality of Content you divulge.

The first step is to pull them in....

This is where your advertisement and marketing strategy comes in and for you to achieve this, you'll need all the marketing combination you can think of to achieve this.

There are so many marketing combinations you can use, below listed are some of them...

\* Write and Submit your articles to newspaper and

Magazine directories.

- \* Run Facebook Ads
- \* Run Twitter Ads
- \* Use Search Engine Optimization to Rank high in the Search Engines
- \* Word of Mouth

Pro Tip: Never Forget to use your Auto-Responders to Build lists...

Keep following me to learn more marketing strategies you can deploy to grow your audience and followership

### 3. Work on The Financial Angle

Let's face it.

Even though you are giving massive value with your newsletters, you are doing it because there is a promise of a reward when it gets to the climax.

But in the case, you might have to use the indirect method of selling to make profit from your e-Newsletter.

This is why you need to make some serious planning and map out your Financial Angle. Now the Million Dollar question is...

"How Are You Going to Make Your Money From Your Blog or Newsletter?"

There are several answers to that question & every opportunity must be looked at to answer it.

For example, if you are managing a self-development e-newsletter, the best way to make a recurring revenue off that e-newsletter is to sell motivational books as a back-ed offer.

Better still you could speak at either conferences, Seminars or events at a fee as you newsletter get more popular.

NOTE: Your "front-end offer" is simply what you have for the general readers. Where the real profit lies in the back end offers because this is where you'll be marketing high ticket offers to your customers.

Another lucrative way to make good revenue of your new e-newsletter is to sell Ads Space on your e-blog or e-newsletter as it's getting more popular daily.

Don't forget, your brand can last for a "lifetime", so you should look at the possibilities of "renting space" to Advertisers and advertising network as time goes on.

There are other lucrative ways to earn healthy revenue from your e-newsletter...

4. Start Writing!  
What are you waiting for?

Go write and put your updates, news and insights!

There are so many people willing to hear from you and LEARN from you...

After all, the people visiting your website must see something when they land on it...

So you have to be consistent and diligent.

If you write once a week, make it once a week If it's once a day, just keep creating that content and posting it daily.

If you get to a point where you feel you can't write your newsletter, why not pay someone to help you do it?

Do you think the owners of the newspapers write it all themselves?

Guess What?

They Don't write At ALL!

All they do is pay someone to help them do the writing, while they do the selling. You can do the exact same thing for your e-Newsletter.

Pay someone to do your writing when you are tired.

Rinse and repeat this process over and over again.

The moment you master this process, repeat it over and over again, create more newsletters, manage it and grow them into multi-million naira e-newsletter chain and watch your income soar daily as you do so.

WARNING: This strategy of branding takes time and patience to achieve because there are many things to learn when you start out and then you'll need to grow it, just like you will grow a regular store or kiosk.

However, people with a background of core expertise like Doctors, Lawyers, accountants, coder, e.t.c, will find it fun and easy to do.

Either way, what you just finished reading is a SOLID blueprint for branding either an existing business or a new Idea you have right now, I hope you found it helpful?

Deji R Yussuf is a lawyer by Profession, Entrepreneur by choice Who Runs a Highly Profitable Ecom Firm That Generates an Average of N500k A Week.

An ECommerce expert who is also versatile in Digital Marketing & Small Scale business Management Tactics, he is fondly called Prince of E-com on Twitter....

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COVER STORY



# SEYI + TINUBU

ADVERTISING HAS A NEW KING,  
IN NIGERIA

By David Agu

# SEYI TINUBU:

## ADVERTISING HAS A NEW KING, IN NIGERIA.

In August, 2018, a friend of mine and a former Miss America, was visiting Lagos for the first time, from Florida, USA. As we drove towards the Lekki 1st tollgate, she exclaimed at the sight of the giant digital billboard that runs across the full length of the tollgate. Marveled, she tapped on her phone's camera, leaned out of the car window, and began to take shots. "I'll love to build something like this back home", she said, excitedly. I felt proud. Seeing as 'America was planning to copy Nigeria'. Literally. Then, I did not know which company owned the digital edifice; but I was proud of what they had done. And I thanked them; for helping uplift the face of Lagos (and Nigeria), even as they took home big cheques in the process. Then I would later discover the man behind it - Seyi Tinubu - and I've still not stopped feeling marveled. Seyi Tinubu personifies sheer hard work, tenacity, ingenuity, positive disruption, and youthfulness. Albeit from a background of power, affluence, and political fame, Seyi chose to chart his own path, putting in, in the process, more zeal than probably most entrepreneurs without as much privileges. Through Loatsad Promomedia, a disruptively innovative advertising agency he co-founded about 6 years ago, Seyi Tinubu has become a household name in Africa's, and particularly Nigeria's, advertising business, providing state-of-the-art and engaging advertising solutions to his numerous clientele.

However, he still believes he hasn't arrived yet, and as such, he is constantly, with his team, exploring avenues to offer more innovative advertising services in line with the continuously evolving trends in digital advertising. Such is the avidity, humility, and vision which Seyi exudes.

In this interview with The Entrepreneur Africa, the trained lawyer and mediapreneur bares his mind on his foray into outdoor advertising, the challenges in, and the future of the industry; successes achieved, amongst others. Here we go. Savour it!





**Some say being the son of Asiwaju Bola Ahmed Tinubu surely makes it near impossible for you to experience the daily struggles faced by the average entrepreneurs and business people. What's your response to this?**

First of all, I believe entrepreneurship is a journey where no two paths are the same. Because of my background and my personality, I may not face the same challenges as others but that does not mean that my own path is easy or safe. At the same time there are some challenges that every entrepreneur must face. The qualities that make

one a successful entrepreneur cannot be circumvented by ones parents or family name or, really, anything that provides a temporary advantage. Sound principles like hard work, perseverance and adaptability, Integrity, financial intelligence, understanding how to retain customer loyalty, and networking are all cornerstones of any successful business. An entrepreneur who has no grasp of these fundamentals will eventually fail. Some people would say 'it's because he's a Tinubu, that's why he succeeds or that's why he gets this or that location'. The truth is that it took us over two years to get

the necessary approvals from the authorities before we could erect our billboards at the Lekki Toll Gate. So, it can also be a lot harder at times, because you have to be so careful to get everything absolutely correct when there's so much scrutiny on you.

**You are a trained lawyer. So, why did you venture into Media, particularly outdoor advertising?**

I think I have always been entrepreneurial at heart. My background in law is a springboard for where I am today. Even in law

school I always kept an eye out for what trends would eventually shape tomorrow's business landscape. You will agree with me that the aim of professionalism is to be able to make relevant contributions to the society's growth and economic development. I always intended to forge a path for myself within the entrepreneurial space and the media and outdoor advertising space was simply the one that caught my attention due to the projected growth of that sector and its importance to almost every other industry.

**No doubt, Loatsad Promomedia is the current rave of the outdoor advertising world. What are you doing differently that set you apart from others?**

I think we still have a long way to go. I would like to think about Loatsad as a continuous improvement company thus we employ the Kaizen philosophy in business. Kaizen is basically a Japanese word that means continuous improvement and learning, teamwork, innovation, quality circles and personal discipline. We

have been able to make an impact in the outdoor space because we hold these principles in high esteem and everything we do is geared towards improving our services and products to ensure that our loyal clients succeed at what they do. What makes us stand out is our personalised approach to attending to clients' needs; understanding their unique brand narratives so as to engage effectively with their audiences.

**What specific qualities do you look out for when recruiting your staff and how do you get the most out of them?**

There are a number of things that make great employees like teamwork, loyalty, dedication etc. For me however, I look out for employees who have that entrepreneurial drive to succeed. I am interested in intrapreneurs. You need to work within the organization like you are working for your own business. That means you have to show leadership traits and skills, which also means that you think independently and are

always looking for innovative ways of succeeding at your role.

**All businesses encounter challenges. What are the peculiar challenges involved in outdoor advertising business?**

Even though we have been in the outdoor advertising business for about five years now, I still like to think about us as a startup and as such, we experience similar challenges in acquiring new customers and markets and beating out our established competition. The outdoor space is certainly unique and you have to really think outside the box in order to succeed. For example, your trade is essentially in eye balls, so your company needs to be positioned at key locations which provide excellent return on investment (ROI) for your clients. The more innovative your positioning, the more successful you will be and this is not always easy to achieve in an environment like Lagos. The next thing is differentiating your offering enough so people know your brand for the quality of service you provide.



But when it's all said and done, it is really about client satisfaction and the customer experience and that is where I like to think we excel.

### **What edge does outdoor advertising have over other known means of advertising?**

Advertising is continuously growing in Nigeria, with digital advertising quickly becoming the most prominent advertising form as brand managers continue to shift budgets from traditional media to digital media. This is where we have strategically positioned Loatsad Promomedia to excel. With advancements in mobile technology, the ubiquity of the internet, and the growing importance of big data, we have continued to evolve as a company. When you factor in the PWC reports which puts Nigeria's Compound Annual Growth Rate (CAGR) in media at 12.1% CAGR, it means Nigeria is set to be the world's fastest-growing Entertainment & Media market over the coming five years. The opportunities in this space are phenomenal.

More importantly, we are always seeking to innovate and develop new options and packages to help advertisers take their message further. Outdoor advertising is a dynamic mix of billboards, digital displays, transit, street furniture, cinema, and place-based media that surround and immerse consumers during the 70 percent of the day they spend away from home. In an age of ever-increasing media fragmentation, Outdoor advertising is more relevant and more powerful than ever. Outdoor advertising reaches people no matter how they consume their media, making them stop, notice, and buy. No other advertising format is more ever-present, or more creatively versatile. When Outdoor advertising is combined with other advertising in an integrated media plan, it is proven to extend reach, amplify a campaign, and drive consumers to engage with brands online and in-store. Maybe this is why outdoor advertising is one of the fastest-growing forms of advertising media around.



### **Given the increasing sophistication in technology and digital media preference, what do you think is the future of outdoor advertising?**

The future is exciting for the outdoor space. I think technological developments are shaking up the traditional billboard. From the creative use of data to display highly targeted messaging, capturing the right people at the exact right time, to interactive campaigns pulling together audience contributions sent from smartphones, outdoor advertising is moving at a remarkable pace. One of the things which we will probably see more of is the use of Augmented Reality (AR). AR is any means by which digital content can be displayed 'on top of' the real world. The power of AR is in its ability to deliver context-specific content seamlessly, enhancing the user's experience. It allows us to unlock vast amounts of high-value advertising real estate, as the technology can be used in almost any location and this will shape the outdoor space in the coming years.

**Your brand name, Loatsad, is a combination of your name and that of your partner. Tell us more about that, and how you've been able to make partnership work.**

My nickname in school was Loats, while my business partners name is Aderele, and people used to call him Ade. So, we combined the two names to form Loatsad. As for partnership, all my partners are my childhood friends. I say partners because we have investments in over 12 companies. And the success of our partnership has to do with having individuals that are of the same ideology

and mindset as you and are similarly driven. Plus I think I got very lucky. The reason why most partnerships fail is that a lot of individuals go into it in a rush, and without actually settling down to create structure, such that everyone has their role.

**What other services do you render at Loatsad Promomedia?**

I personally have marveled at the growth of social media in Nigeria, not only in its power to truly connect us as a people, but also as a platform where consumers can interact with brands and brands can learn how their customers perceive them. In other words, brands have become people & people have become brands. That seismic change has also been brought about by the rise of smartphone usage in the country. In order to seize that growing opportunity, we made the move to partner with the most innovative & internationally renowned mobile centric companies in the world offering impactful advertising to consumers across the digital space.

Another area that we specialize in, is experiential marketing. Getting the consumers to interact with brands resulting in experiences that engage the customers and create emotional attachment to the product/service.

**You have aided a lot of startups through funding and mentorship. How do you select the businesses that benefit?**

I have always been passionate about helping young entrepreneurs grow and develop businesses that will impact the well-being of Nigeria. This is why we created the STEP initiative where every year, we select a group of promising startups from thousands of applicants



who pitch to us to receive funding and mentorship to take their business to the next level.

**You are a successful entrepreneur, given your remarkable business achievements. What useful lessons has entrepreneurship taught you?**

Never assume you know everything, because you don't. Always have a strong team around you because you cannot do it alone and you need a team that will understand your

vision and work hard to make it a success. Finally, tough times do not last, it is only tough people that do.

**Could you tell us about the Noella Tinubu Foundation and the Foundation's plans for the rest of this year.**

We have a number of impactful projects lined up which includes our second STEP initiative where we will be impacting more startups with seed funding, and mentorship to our community-based projects where we impact local communities through feeding programs, education and school renovation initiatives.

**How do you balance work and family life?**

The most important thing to me is my family. They are at the center of everything I do and without them it will literally be impossible for me to function. I hear a lot of arguments about work life balance and for me it is really simple. You need to understand why you are doing what you are doing. This means, what is driving you to wake up every morning, work 15, 16, 17 or 18 hours, sleep and do the same thing again tomorrow? Once you are clear on what your motivation is, you will have the right balance to achieve your goals and for me it is really that simple.

**What's your target for Loatsad in the next 5 years?**

Let's start with the next one year, because by next one year Loatsad will be one of the 3 biggest advertising companies in Nigeria. And I would love to conquer my country and continent first, before we go global.



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# INFUSING AFRICAN PRINT INTO EVERYDAY LIFE: HERE'S HOW AYOBAMI MICHAEL IS DOING IT

BY DOMINIC ONYEBUCHI UGWU

What is particularly striking about Ayobami's fashion works is the ingenuity she brings into the craft, and the beauty that becomes the eventual result is often irresistible for all lovers of fashion; especially African fashion. Succinctly put, Ayobami Michael does fashion magic with her unique use of Ankara and leather materials. And she learnt all that craft during her undergraduate days as an Agricultural Extension Management Student of National Open University of Nigeria.

Ayobami Michael is the CEO of Hay Y's World of Creation and passionately believes in the 'African' project. That, perhaps, explains her choice of business - Ankara craft-making. In this interview, she discusses her journey as a budding entrepreneur, challenges and plans for the future.

## How did your interest and passion for the Ankara business start?

The passion for this peculiar business started some years ago when all I used to hear about Ankara were all negative things like "it is just native", "it is just for old and low class people". I then began to think of what could be done to correct this notion because Western culture has already eaten deep into our culture which made things worse. So I started to "revive the love and appreciation of African print fabrics in the minds of Africans especially Nigerians by infusing the fabrics into what we

wear and use in our everyday life". And all these were made possible through the entrepreneurial skills I acquired in the University and some entrepreneurship programmes I attended. Some of the programmes are - Central Bank of Nigeria - Entrepreneurship Development Centre (CBN-EDC) South West, Ibadan, the African Managers Initiative (AMI) online course and the Bank of Industry's Youth Entrepreneurship Support Programme facilitated by Fate Foundation, Lagos.





**What do you do at Hay Y's World of Creation?**

At Hay Y's World of Creation, we produce exciting range of things such as body accessories, corporate wears, leather shoes, bags, interiors and bedding – all made and adorned with Ankara fabrics. We also run a fashion and craft school where we train, mentor and empower people in Ankara fashion and craft-making.

**What do you look out for when sourcing for Ankara fabrics?**

As we all know, there are a lot of adulterated ankara fabrics in Nigeria. So, all we look for is QUALITY, nothing less. This is because we know quality Ankara fabrics are durable and do not easily fade or wash off.

**What's your Unique Selling Point (USP) that sets you apart in the industry?**

Our USP is the non-conventional application of African print fabric "Ankara" into what we wear and use as Africans. Our major business is the promotion of our African culture by using native fabric (Ankara) and leather in the production of corporate wears, shoes, bags and accessories. We solve the problem of inferior and low quality products using top-quality materials. All our products are well packaged, branded, and pocket friendly.

**In your line of business, do you agree that the 'customer is always right'?**

Yes please, customers are always right. However, we "correct" our customers professionally and respectfully when there is the need to do so.

### **As a startuper, what kind of support would you wish to have for business growth?**

At the moment we need spaces and platforms where we can sell and promote our products.

### **What lessons has entrepreneurship taught you?**

Entrepreneurship is both a lone and a long journey. It has taught and is still teaching me lessons, one of which is Growth and Opportunity. When you grow per time, opportunity for your level of growth is available if you recognize it.

### **In the next five years, where do you see Hay Y's World of Creation?**

In the next 5 years i see Hay Y's World of Creation outlets in the major cities of this country with some expansion to parts of Europe much later in future. And we also see Africans (abroad) and the whites rocking our products.

### **In Nigeria and Africa, who are your business role models and why?**

In Nigeria my business role model is Aunty Kikiopefoluwa Okewale of Hope Fashion Atelier. The reason is not far-fetched. All she does is with Excellence. She consistently encourages you to grow. She is also a good listener. The second person would be Adejoke Lasisi, the Director of Jokelinks Clothings. She is one of the business persons I respect so much because she gave me the PUSH I needed.

### **How do you relax?**

When I'm not working, I go to the cinemas or any chinese garden around to relax.

Hay Y's World of Creation can be reached via:

**08069352422**

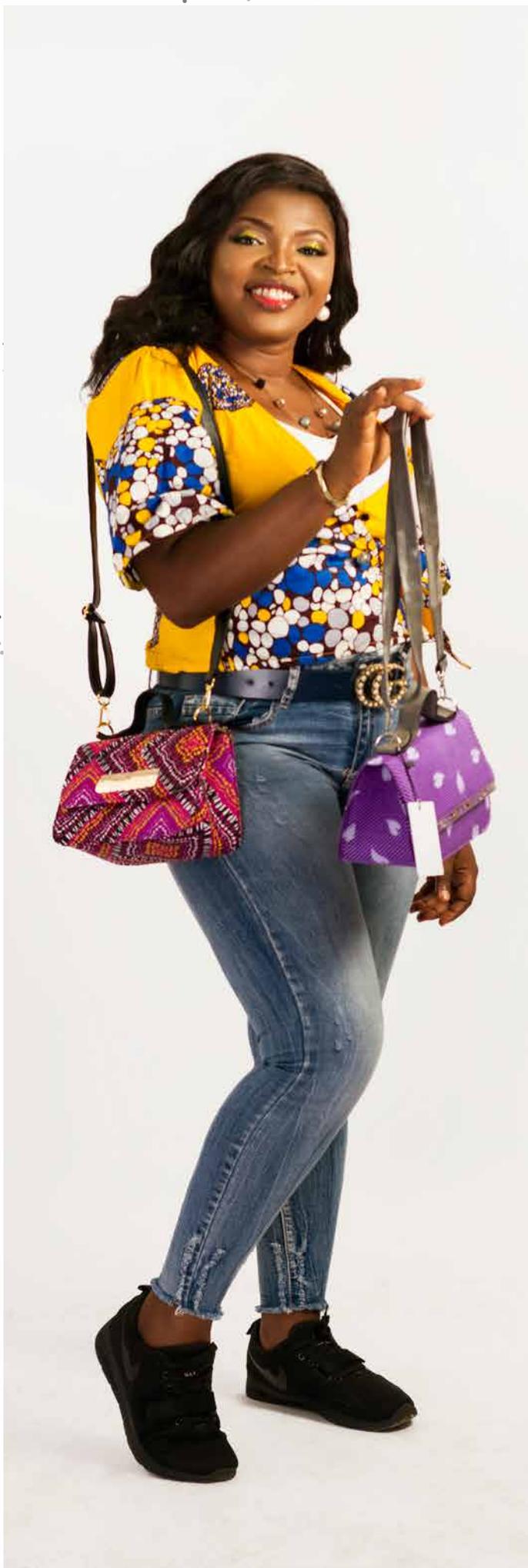
**IG: hays\_world\_of\_creation**

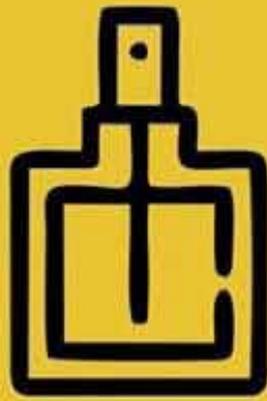
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# BEGIN WITH END IN MIND; 5 REASONS WHY YOU NEED AN EXIT STRATEGY

*Controlling costs is still a major benefit of outsourcing*

Curated by Drusilla I.B.O.

Some entrepreneurs go into business with the intent to build, sell, and move on. Others spend decades building and running their businesses. Regardless of your intentions of starting your business, you need to have a strategic exit plan in mind. Here are five reasons an exit plan is essential:

Here are five reasons an exit plan is essential:

## 1. Everyone Will Exit Their Business

The only variable is if the exit is planned or unplanned. Even if the thought of selling your business seems inconceivable, know that you will not run the business forever. At some point, every business owner steps down from the helm.

This can be due to any of the following reasons: Retirement, Passing it onto children, Selling, Health issues limiting the ability to run the business. Your transition will be defined by how well you plan for it.

## 2. Goals Are Best Achieved on Purpose

Most people have a hard time achieving a goal without a plan. An exit strategy is just a road map outlining steps to achieve your personal goals for the business. Entrepreneurs do, and should have, several different long-term goals for their businesses. Common business goals revolve around personal objectives:

- Using the sale of the business to fund retirement
- Having the business succeed for future generations
- Traveling
- Enjoying more time with family
- Reducing stress and focusing on healthy living

Strategic exit plans allow you to maximize the value of your business. This is a key element to achieving your goals, but it doesn't happen overnight. Without a road map, too many business owners miss the opportunity to achieve their goals.

## 3. Exit at the Right Time

I've seen countless business owners wanting to exit immediately because of life circumstances. The shortest exits are typically due to failing health; other



times business owners are ready to be done. When life circumstances dictate an unprepared exit, it rarely goes smoothly.

Just because you are ready to exit your business, doesn't mean the business is ready. Systems need to be set up so the business runs without you. Value drivers need to be established to meet your ideal sell price. The business needs to be in good financial health.

Exiting your business for the right reasons and at the right time requires planning.

#### 4. A Plan Doesn't Mean You are Ready to Exit

Just because you have an exit strategy doesn't mean you have to exit today. It just means that you know what your exit will look like. Design your business with your end goals in mind.

Your 1-3-5-year business plans should always be measured against the eventual exit plan. That way you are prepared should you decide to exit.

#### 5. Your Business Is Your Largest Asset

Because your business is usually one of the largest assets in your estate, it's not uncommon for business owners to count on the sale of the business to fund their retirement.

Unfortunately, there is a big myth around business value; sale price is not the same as the business value. A key aspect of an exit strategy is business valuation, and there are specialists that can help business owners (and buyers) examine a company's financials to determine a fair value. There are also transition managers whose role is to assist sellers with their business exit strategies

#### Examples of Exit Strategies

Common types of exit strategies include initial public offerings (IPO), strategic acquisitions and management buyouts (MBO). Which exit strategy an entrepreneur chooses depends on many factors, such as how much control or involvement (if any) he wants to retain in the business and whether he wants the company to continue to run in the same way or is willing to see it change going forward as long as he is paid a fair price for his ownership share. A strategic acquisition, for example, will relieve the founder of his or her ownership responsibilities, but will also mean giving up control. IPOs are often seen at the holy grail of exit strategies since they often bring with it the greatest prestige and highest payoff. On the other hand, a bankruptcy is seen as the least desirable way to exit a business.

#### Key Takeaways

- A business exit strategy is an entrepreneur's strategic plan to sell his or her ownership in a company to investors or another company.
- Exit strategies include acquisition, merger, IPO, management buy-outs or shutting down operations.
- An exit strategy gives a business owner a way to reduce or liquidate his stake in a business and, if the business is successful, make a substantial profit.
- If the business is not successful, an exit strategy (or "exit plan") enables the entrepreneur to limit losses.
- Different business exit strategies also offer business owners different levels of liquidity. Selling ownership through a strategic acquisition, for example, can offer the greatest amount of liquidity in the shortest time frame, depending on how the acquisition is structured. The appeal of a given exit strategy will depend on market conditions, as well; for example, an IPO may not be the best exit strategy during a recession, and a management buyout may not be attractive to a buyer when interest rates are high.
- The best type of exit strategy also depends on business

type and size. A partner in a medical office might benefit by selling to one of the other existing partners, while a sole proprietor's ideal exit strategy might simply be to make as much money as possible, then close down the business. If the company has multiple founders, or if there are substantial shareholders in addition to the founders, these other parties' interests must be factored into the choice of exit strategy as well.



# DATA BOOM: TAKING ADVANTAGE OF \$2.2 TRILLION INVESTMENT OPPORTUNITIES IT OFFERS AFRICA

By Ikenna Omeje

Data is currently the new black gold of the global economy that every smart investor needs to take advantage of. Artificial Intelligence (AI), big data and mobile technology are changing the future of industries, and to a large extent, the social and political life of people across the world.

Data features prominently in our everyday life. It is like the air we breathe and there is nothing anybody can do about it than to be in tune with its attendant realities. The increasing usage of data in work places, homes and on social platforms, makes it “artificial breath” that we all need to survive. It presents golden investment opportunities for everyone on the face of the Earth, which Nigerian investors and other investors within the African continent can take advantage of, for their economic growth and advancement.

According to the Associate Publisher of Forbes, an investment advisor, Charles Morgan, there is trillions of dollars investment opportunities in data, which people across the world could invest in for soaring dividends and double-digit gains. He noted that global spending on AI and the Internet of Things alone is expected to top \$2.2 trillion by 2022.

“No matter what new app, computer or social media innovations that may come out in the decades ahead, the one thing they will all produce is data,” he said.

“Just like oil and steel in the early 20th century, data is the lifeblood of every technology megatrend today. Cloud computing, artificial intelligence (AI) and online commerce are all driven by data. Data generation. Data collection. Data analysis. And this business is bigger than anything else on earth (yes, even oil),” he argued.

What this means is that, all that data has to be stored somewhere to achieve growth, he posited. This makes investment in data a profitable investment with potential for high dividends, which is where real estate investment trusts, or REITs comes in. REITs are companies that own and manage pools of properties, including hotels, hospitals, office parks and housing developments.

Morgan in his recent financial advice write-up for investors titled, “#1 Secret for Cashing in on the \$2.2

Trillion Data Boom,” informed that by law, REITs pay zero corporate tax in the United States and must pay 90 percent of their profits to investors as dividends.

And because these profits come from rental payments based on locked-in lease agreements, REITs create the most predictable and reliable dividend payouts on the planet.

You may ask, “what is the relationship between investment in data and REIT?” You may need to know that there are specific kinds of REIT that specialize in owning data storage centers. Their tenants are technology companies that need to store their servers in buildings specially outfitted with the routers and fiber optics required to connect them to the internet. In other words, “big tech” can’t function without data centers.

Companies like Amazon, Google and Microsoft pay hefty rents to use these state-of-the-art facilities. In 2017 alone, Amazon spent an estimated \$19.7 billion on cloud computing expenditures (largely lease agreements)—a 58 percent increase over the previous year.

“That’s why data centers are the foundation of today’s tech revolution—and data-center REITs are the surest, safest way to tap into this unstoppable moneymaking trend,” Morgan stated.

Giving more insight on why prospective investors should be looking towards investment in data, Morgan said, “The Internet of Things—a web of interconnected smart devices such as AI assistants and self-driving cars—produces 5 quintillion bytes of data every day. Data production will soar even further once 5G network technology is online this year.”

According to International Data Corporation, the amount of data created and stored will grow from 40 zettabytes (about 40 trillion gigabytes) in 2019 to an unimaginable 175 zettabytes in 2025. 40 zettabytes represents all the data generated by mankind from the dawn of civilization to today. But in just the next six years, we will generate nearly SIX TIMES more data than we produced over the past 10,000.

With this much data expected, data storage centers will play a critical role in our digital economy for decades to come. The more data we generate, the more data-

center REITs stand to profit  
The Editor of Forbes Real Estate Investor, Brad Thomas, has already identified the data-center REITs that are poised to profit the most.

In his new Special Report, "Data Boom: Top 3 Data-Center REITs For Decades Of Profits."

He revealed three data-center REITs prospective investors stand to reap the most upside from the coming data boom and the urgent need for storage. Each has the potential to turn an investor into a millionaire. And each one is an easy trade at any brokerage. They are the following:

**The Beaten-down Beauty:** This data-center REIT experienced a price pullback after expanding its global footprint. But now it's ready to serve the largest data-center markets in Europe. Expect high double-digits returns in 2020 and beyond.

**The 5G Superstar:** If you want to take advantage of the 5G infrastructure build-up, this data-center REIT is positioned for outsized profits as it focuses on the hyperscale market. Look for a rising dividends and double-digit gains as 5G goes live this year.

**The Cloud Colossus:** With cloud computing expanding rapidly, this data-center REIT has nowhere to go but up. It's a leader in collocation (which IT firms deem essential for cyber security)—and it counts Amazon as a tenant. Buy it now and watch it soar.

Investors who scoop up these winners before the rest of Wall Street catches on will be rewarded with a profit windfall.

According to Jennifer Jones, the 10 best REITs companies in the world are American Tower; AvalonBay Communities; Digital Realty Trust; Equity Residential; Weyerhaeuser, Equinix, Inc; Prologis; Public Storage; Crown Castle International; and Simon Property Group. Look out for some of these companies, find out the ones that are into data storage, monitor their stock price and invest.

Data-Center REITs are virtually recession-proof. Consumers of data will always cut back on things like cars, restaurants and vacations when the economy nosedives, but they WON'T stop checking their Facebook feed, Instagram, Twitter or using their smartphones.

This also applies to the top technology firms. They will have their ups and downs—but the amount of data they produce always grows. And the fact that

these tech companies are locked into long-term lease agreements means data-center REITs have downside protection that few sectors enjoy.

This is why data-center REITs have racked up an average 25 percent total return over the past five years. Morgan believes that these 3 investments are a powerful, predictable way for one to capitalize on the coming data boom—an unstoppable megatrend that represents nothing less than the "industrial revolution" of the 21st century. Why don't you give it a shot. You never can tell what it will bring for you.

# WHY ENTREPRENEURSHIP IS NOT AN EASY RIDE - FILANI OLADAYO, CEO, MULTIFUNGO AND BAYBENDER

BY IKENNA OMEJE



Born in Ibadan, Oyo State, South-West, Nigeria, Filani Oladayo didn't see his humble background as a challenge towards reaching the top. Rather, he saw it as a source of motivation to reaching the top in life. Filani, an indigene of Ekiti State, is fortunate to have parents who guided him through towards knowing what he wanted to do in life. Growing up, he wanted to become an actor, having featured in a movie as a child, but his father wasn't comfortable with that and threatened not to pay his tuition fee if he insisted on studying Theater Arts in the University. In obedience to his father, he chose to study Agricultural Economics/Extension at the Federal University of Technology, Akure, Ondo State. His love for entrepreneurship began in his final year in the university. "The motivation came from the fact that I could actually do something for myself and make money from it," he told The Entrepreneur Africa. After his one year mandatory National Youth Service Corps (NYSC), he ventured fully into business and has gone ahead to set up two companies. In this interview, he speaks on his experiences as an entrepreneur and offers pieces of advice to young entrepreneurs who are facing the challenge of getting access to credit. Excerpts:

### **What was the drive that led you into entrepreneurship?**

I think it was from the University. When I was in my final year, there was this phone called HTC Touch Pro 2. I could get it for N15,000 in Ibadan. So, when I got to school, somebody loved it and said, "Can you sell it to me for N25,000?" That means that I could make N10,000. So what I did was that I collected the 25,000 and that was how I began to travel to Ibadan every weekend to go and buy phones and then sell. So the whole entrepreneurship zeal came from when I was in the university. When I finished my NYSC, I started up with a business. So the motivation came from the fact that I could actually do something for myself and make money from it.

### **You are the Chief Executive Officer of Baybender. Can you tell us about the company?**

Baybender is a software servicing company. Basically, what we do is that we implement software, ERP enterprises resource software, and train people on software. We also train people to become consultants themselves on data base structure and on the software itself, where you can sell and generate income for yourself from it.

### **Tell us how the journey has been so far?**

It's quite difficult for people who actually start with a stock business - a business that involves goods, because you need capital to actually stand. However, if you learn a skill, it's easier. That's why I tell people that if you don't have the capital, learn a skill. A skill is a servicing business. All you need is to sell yourself, be your best and start generating income. But it's always so difficult when you are starting a business, especially when that business includes a big vision. I remember stating, I had to tell one of my friends to resign, that I was going to pay him more than the salary that he was earning in his former company. It was difficult because at that point in time, I had to make provision with my savings for his salary and also make provision for the salary of others. It is difficult, but start from where you are, from there you can grow and start generating revenue.

### **Access to credit has been one of the major challenges facing young entrepreneurs in Nigeria. How did you source your fund?**

For me, I was able to meet with a partner. I tell people, "You can't really get an investor in this country like that. The only way you can get is if you are doing something first, because an investor wants to see return on investment." So, if an investor does not see a vision that can actually generate revenue for him or see your hardwork, there is no way that you can really get access to credit and that was why I was talking about your skill. Start with your skill. Start selling your skill. And from that skill, you can start generating little income and from there, it can be a big one.

### **You are also the CEO of Multifungo. What is it all about?**

Actually, I started Multifungo and Baybender at the same time because I know that Baybender is like a long term business and I needed a short term one to be able to run expenses, to be able to make things work. Multifungo is a venture project management firm,

which involves the integration of vendors and project managers to execute projects for individuals and companies or organizations. So, what we did was to recruit vendors and run assessment for them, because our vision is to bridge the gap against inefficiency in service delivery. Because we know it's one of the major problems we have when people collect money from clients and they are not able to deliver at the rate or level that the person expects. So, what we do is to bridge that gap and so far so good, we have been able to recruit like 40 vendors, 8 project managers and we have handled a lot of projects in building, event planning, renovation, parking and mobile. We have handled lots of repairs in a lot of houses; we have even managed estate, like two estates. And those are the kind of things we do. So basically, what Multifungo has helped us to do is that it has given people a level of rest in anything they want to do. So we carry out a project by bringing project managers to benchmark the work our vendors do to make sure they have effective delivery.

### **Do you deploy your project managers based on areas of specialization?**

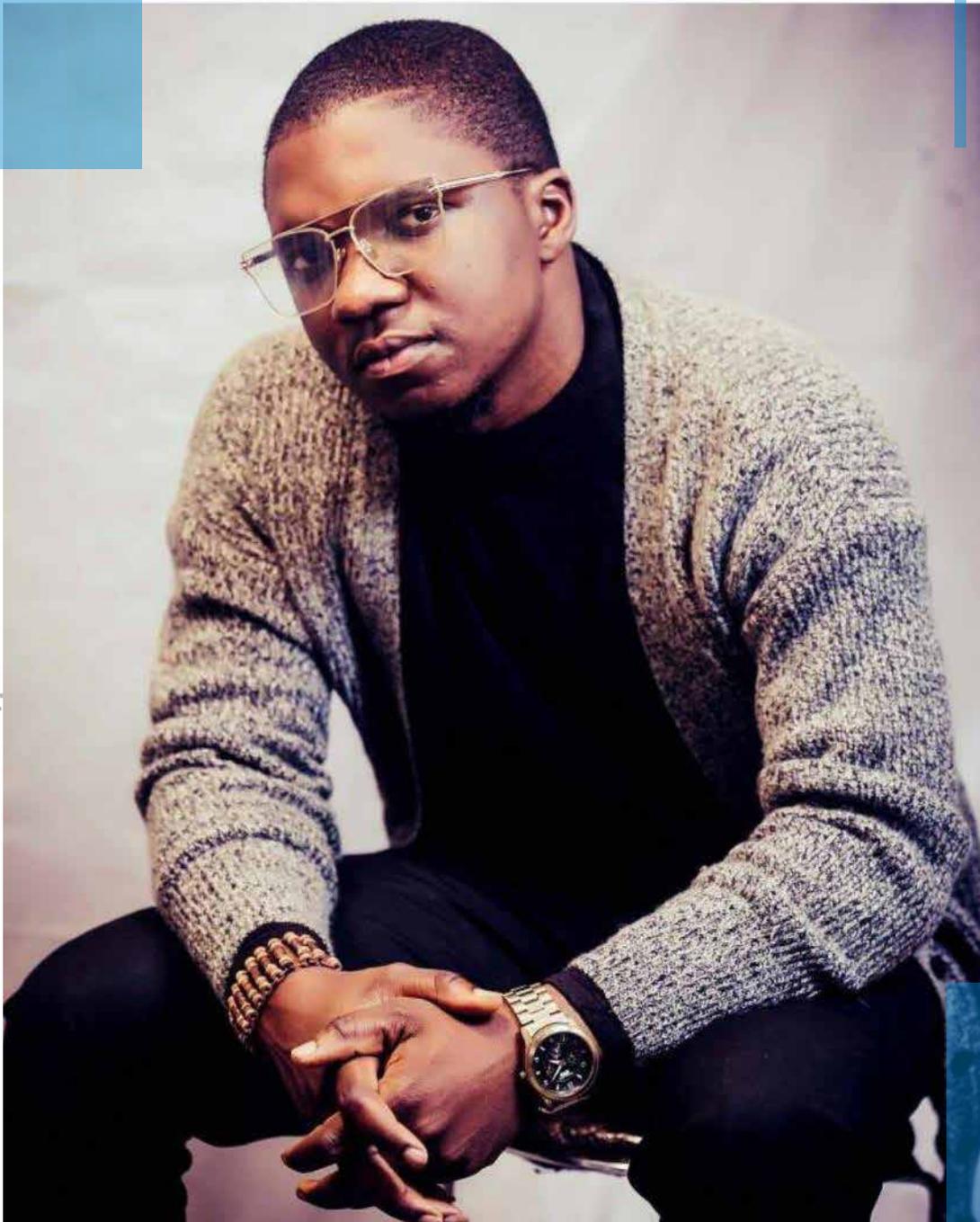
Yes. We have people that have project management background. But what we did was to also train them on specifics. So whenever we have building construction, we have project managers that know about building and construction. When we have events, we have project managers that know about events. When we have renovations, we have project managers that know about it. So what we did was that they had the project management idea of starting and also the evaluation part, but we now also tried to put them in specifics; so that they can be best at what they do. So, that's basically what we do.

### **From your perspective, what is the difference between being an employee and an entrepreneur?**

I tell people that not everybody can be an entrepreneur. That's the truth. Some people can be employees. Some people cannot lead. Some people cannot manage things. Some people cannot be patient, because it takes patience to become an entrepreneur. I tell people that if you want to be an employee, be the best; meaning that you should try and get qualifications. Try and get a lot of certificates, then you can be a great employee. People can pay you more. If you want to be an entrepreneur, you should be resilient, you should be ready because it's not an easy ride. Sometimes in a month you may not earn nothing. Are you ready to stay? Do you have a team that believes in that vision? At the same time, make sure you don't put too much pressure on yourself. If you know that you don't have money to pay some people, don't employ them. Start on your own. So the only difference between an entrepreneur and an employee is that if you're working in an organization and that organization earns N20 million on a project, it is what you agreed with them as salary that they will pay you and not on what they earned. But if you're an entrepreneur and you earn N100, it's your money. The day you earn N20million, it's also your money. That means that you will be a richer person as an entrepreneur than being an employee.

### **What advice do you have for young entrepreneurs who are struggling out there?**

I have two pieces of advice for people that fall into two



categories. The first people are young entrepreneurs who do not have those that can invest; and that's when you don't have access to income. Stop blaming the government because the government is not going to help you. What you should do is to start from where you are, get your vision clear and start from there. Get the skills you need and start from there. The truth is that when we started MultiFungo, I told my team that it can sell. As long as one person can buy it, then, two persons can buy it, then three persons. So start from where you are. For those that have investors, make sure that you own the business, because an investor may want to create an ambiance for you; to tell you how the company should be. Remember that at the end of the day, you still have to make returns on investment. What I'm saying in essence is that you should make sure that you are able to manage the little fund that come from your investment. Don't ever make the mistake of renting an office of N1 million, when you have not even made One Naira, because that will increase your expenses. So, any money that you receive, make sure that you start with it, focus on marketing, focus on the core first before you start going bigger.

# Electricity: 90% of Africans will live in darkness by 2030...Unless.

By Vizon Research Ltd

In Africa, the fastest urbanising continent in the world today, our data shows that more people will migrate from rural to city centers, over the next 10 years in their quest for a better living. However, many African countries which have high urbanization growth rates such as Nigeria, Kenya, Tanzania, and Ethiopia still experience challenges with electricity access and distribution.

It is estimated that of the almost 1.3 billion people living on the African continent, about 49% have no access to direct power supply in their homes. Compared to other continents across the globe, Africa's electricity access rate is the lowest, causing experts to believe that this, and several other factors will impede development over the coming years if policy and infrastructural measures are not made top priority.

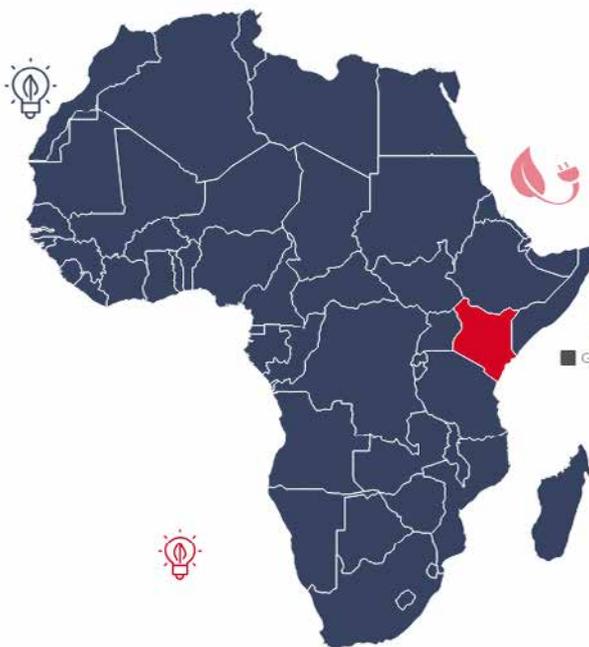
Developmental indicators such as a reduced cost of engaging in business activities, job creation, advanced health care, and educational facilities, all depend - in some part - on access to electricity. Plus, a low electricity access rate ultimately limits the implementation of advanced technology in sub-sectors such as education and agriculture.

Although the percentage of people worldwide, living without electricity has dropped, by over 30% in recent times, it is predicted that by 2030, there will be over 650 million individuals living without electricity, and 90% of such people, will be living in Africa. In Africa, there are over 100 million people who live in close proximity to the electrical grid, but do not have access to electricity due to the cost of connectivity.

Our experts at VIZON are positive this problem can be solved by taking steps towards improving the output of the renewable energy sector.

Africa has vast renewable energy potential, but only a fragment of it is utilized. A few countries are on the right path towards greener options for energy generation. At the forefront is Kenya, which has undergone reforms in its economy, and has increased social development and growth.

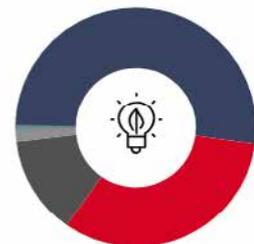
Most recently, the biggest wind power plant in Africa



**KENYA GENERATES**  
ABOUT

**70%**

OF ITS ELECTRICITY FROM  
RENEWABLE RESOURCES



■ Hydro-Power (52.10%) ■ Fossil Fuels (32.00%)  
■ Geothermal (13.20%) ■ Biogas (1.80%) ■ Wind (0.40%)

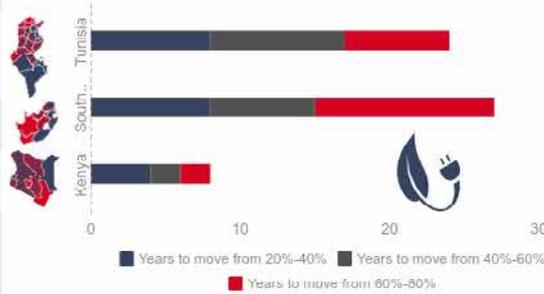
# ELECTRICITY IN KENYA

## Lake Turkana Fact Sheet

Distance	600 KM North of Nairobi
Operations began	March, 2019
Nameplate Capacity	310 MW
Development Cost	\$700 Million USD

## Kenya moved from 26% to 46% electrification in 4 years

Meeting Best-in-Class Benchmark

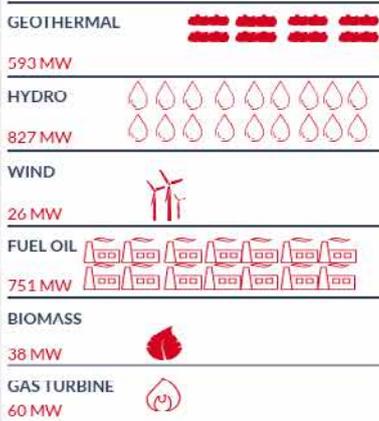


## KENYA'S ENERGY MIX

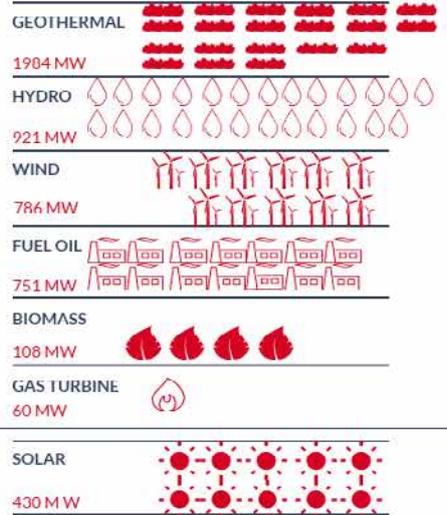


## KENYA'S POWER GENERATION LANDSCAPE

### 2015 Reports



### 2020 Forecasts



### Sources:

- VIZON Research Market Report
- Kenya Power Sector Report

was commissioned, by the Kenyan government. The Lake Turkana Wind Power farm, in Kenya's Rift Valley, has a capacity of 310MW, with 365 turbines, allowing the production of low-cost, reliable energy. The Kenyan government is focused on meeting the set goal of 100% green energy use by 2020 as a means to plug more of its communities on the energy grid. In 2014, Kenya removed the value added tax (VAT) introduced a year earlier on solar energy products to boost accessibility to power for its citizens.

Countries such as Malawi, which rely heavily on hydro-power generation, but are constantly constrained by drought and low water levels, have also begun to explore high potential solutions available in solar and wind energy generation.

Access to electricity is critical for development, and is a key driver of inclusive growth for people of all genders and ages, living in urban and regional areas. A shift from underutilization and overdependence on one source of electricity will do Africa a lot of good.

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# ENTREPRENEURIAL BURNOUT: *Here's How To Deal with It*

Today's society makes us believe that we can only be successful when we work incredibly long hours, and "sacrifice" our health, our personal time, and our relationships. This can't be further from the truth, for what is success when we lose our health, our inner connection, and our relationships with others? Moreover, when we spend more time with ourselves (not working), we are able to have better mental clarity, more abundant creativity, and improved ability for sound business decisions.

Another societal belief lies around the fact that everyone has to have a job that reflects their own sense of purpose. As idealistic as this notion may sound, it is as equally wrong as it is harmful. It first presupposes that we can only express that purpose through a job; when the reality is that our purpose is expressed through everything we create, say, interact with, etc. And second, it makes people ungrateful to the fact of having a job in the first place, which pays the bills and puts food on the table. It may seem noble to identify personal purpose with that of the job in a society that glorifies optimal productivity and financial success over personal wellbeing; all so much more in the startup world, as successful entrepreneurs are almost deified. It is not my aim here to dismiss the importance of either productivity or success, for they are both outcomes we thrive for through our job occupations, and they are both measures of our creativity, excellence, and validation. But again, there is a fine line between creativity and pretentious dishonesty, excellence and selfish obsession, validation and validation-seeking. To paraphrase a quote mantra by Dr. Jimi Wollumbin: Your enterprise is a journey, an art, a duty, a trap, but not the destination. Our purpose is initially internal, personal and intimate. It can be reflected outwardly through our actions, occupations and relationships, but only after we do the inner work on ourselves. Once burnout is reached, it is of course a case of supervised medical care. Having witnessed it first hand, I know how hard it is, and I don't wish it upon anyone.

Perhaps there are a few things to keep in mind for entrepreneurs to avoid getting there. First, keep your external values in check. That includes balanced time with family, friends, and personal nurturing hobbies outside of work. Second, keep your physical health in check. That includes healthy eating, exercising, sleeping, and outdoors activities. Third, keep your mental resilience in check. That includes not letting daily setbacks and obstacles, negative feedback, or erratic schedules affect you. You can grow it every day through small goal gains, as simple as committing not to miss your daily workout, setting time to meet your friends

on weekends, or pledging to eat natural foods for a month. And lastly, keep your personal sense of purpose in check. That includes knowing the difference between external and internal sources of validation. It also includes doing our best, then letting go of the desire to control everything outside of us, and becoming the witness of everything unfolding with gratefulness and humility.

In the end, we each determine for ourselves what truly matters, and what is truly worth pursuing. All the different parts of our existence will then become a natural expression of that which truly matters to us, and naturally our professional path

will follow. When we get into that frame of mind, we embody a sense of purpose that is ever transforming, evolving, and built upon. We also emanate a sense of confidence knowing that there is a higher intelligence and that things will always happen the way they are supposed to happen.

# 4 ways to deal with burnout as an entrepreneur

Here are 4 ways to re-approach your situation and continue moving forward productively, effectively, and most importantly, healthfully.



## **1. Make the time to ask yourself how you're feeling and what's going on beneath the surface.**

There's a reason why I titled my first book, *All In*. Because when you're an entrepreneur, that's what you have to be--you have to be 100 percent invested, involved, and consumed with your business.

However, this is a careful balance.

Yes, your business and your entrepreneurial pursuits will need to be your number one priority for quite a while (if you want to build a successful company). But that doesn't mean ignoring yourself and your personal health completely. In fact, you are your company's most valuable asset. Without you, the whole thing falls apart. Which means it's actually in your best interest to make time, all along the journey, to check in with yourself and see how you're doing. Do you need to sleep in one morning so you don't get sick? Do you need a night off so you can get some distance from a problem you're wrestling with? Give yourself these things. You'll be thankful you did in the long run.

## **2. Work to understand what is causing these feelings of burnout.**

Do you have too much on your plate? Did you take on too many clients, too quickly? Did you make a bad hire, and are they costing you time, energy, and resources?

There is always an answer as to why you're feeling burned out.

The key to keeping yourself engaged and committed to business over the long term is to constantly assess what is taking up the lion's share of your headspace. Do you find yourself constantly having to tend to a difficult client? Consider what else could be accomplished within your business if you let that client go and moved on. Or, have you been working late nights, seven nights

per week, non-stop? What can you delegate? Who can you bring on board to help lighten the load?

Burnout is often (unintentionally) self-inflicted. So, pinpoint the problem, and then fix it.

## **3. Don't beat yourself up for taking a night off. Being a workaholic is a real thing.**

The problem is, it can be very difficult to discern between "over-working" and "doing what needs to be done in order to be successful." This is an issue founders everywhere struggle with--because the reality is, startup life is exceedingly demanding.

That said, building a successful company is a marathon, not a sprint. And even though you might feel like you have "so much to get done," you need to consider the time you'll lose if you work so hard that you get yourself sick (or worse, I've seen it, give yourself an anxiety-induced mental breakdown).

Play the long game.

## **4. Talk to other entrepreneurs who have had similar experiences.**

Stress is one of those unspoken aspects of entrepreneurship a lot of people don't like talking about.

In the startup world, people love talking about how hard, and how often, they work. Stress, then, is something a lot of founders keep to themselves--and this becomes a dangerous thing. To avoid reaching a complete state of burnout, then, it's crucial that you keep your circle of entrepreneurial friends close, and actually talk about ways to continue striving for your goals without compromising yourself in the process.

Trust me; you're not the only one wrestling with this.

If you found this article helpful please send your comments to [drusilla@theentrepreneurafrica.com](mailto:drusilla@theentrepreneurafrica.com) with the subject comment on dealing with burnout. And your comment may stand the opportunity of getting published in the next episode of your favorite startup magazine!

# Manufacturing in Africa: The Ethiopian Good Example

By Vizon Research Ltd

With the global economy evolving significantly away from the third industrial revolution, there is still much optimism tied to the idea that manufacturing will play a key transformative role in developing countries in Africa today.

It is commonplace to subscribe to the notion that a well-developed manufacturing industry is sacrosanct to forward economic development. A popular example of this principle is the People's Republic of China, which up until the 1980s was a G20 country, whose strong economy is primarily backed by its manufacturing industry.

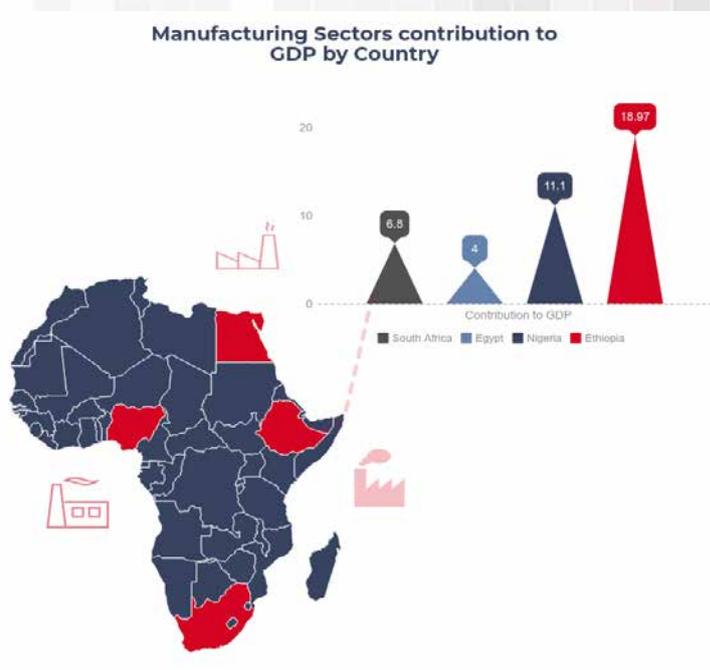
The obvious rewards attached to a developed manufacturing sector appear lost on Africa, and its countries. Data proves that the manufacturing subsector in over 90% of African countries, contributes less than 20% to the countries' GDP. Besides incomplete and inefficient policies, high labour costs, high energy costs, bad transportation and so on are some factors that continuously make the African manufacturing industry unattractive to foreign investors, thereby impeding the growth of this sector.

A deep dive into available data sheds a bit of optimism for the sector and continent. The African continent is largely a youth population, which in turn translates to a burgeoning work force, and a growing demand for labour-intensive goods and products such as telecommunication devices, footwear, and clothing. In fact, it is determined that by 2025, one-in-five young Africans will spend over 70% of their income on such items. According to experts at **VIZON Research**, this young and cash conscious population will serve to generate a huge and untapped market, which foreign investors are beginning to notice.

Optimistic reports show that an industrial revolution in Africa is imminent. Not only are foreign investors beginning to see that the manufacturing sector in Africa is but a diamond in the rough, policy-makers and government bodies are enacting changes and reforms to boost the sector. Analysts at **VIZON Research**, determined that better transport infrastructure could double Africa's produced goods supply, and increase revenue by about \$326billion per year in the consumer goods sub sector alone.

Of noteworthy mention is Ethiopia, which for over a decade has experienced rapid economic growth. A double digit GDP, 10.5%, a growing manufacturing output of about 17.9% in 2017, and over \$3billion in Foreign Direct Investment, points to the fact that the country is on the right path and best positioned for huge advances in the manufacturing sector. Low wages, affordable power and stable political conditions have attracted international companies such as H&M to source from Ethiopia, with other companies such as Aldo, Calvin Klein and the likes looking for opportunities to enter the Ethiopian Market.

The importance of industrial development cannot be overemphasized, and its rewards to both the people and continent are vast, as it leads to job creation, increased productivity, which all translates to a booming economy. It is projected that African business-to-business spending in manufacturing will grow by 43.3% to reach an estimated \$666.3billion by 2030. A robust manufacturing sector additionally keys into the implementation of the Sustainable Development Goals in the continent. The conditions for growth in the African manufacturing sector are present, the onus lies on the people and government to recognize this potential, and support the industrialization which will be underway.



# MANUFACTURING SECTOR IN AFRICA: Ethiopia

KEY INSIGHTS AND FORECASTS

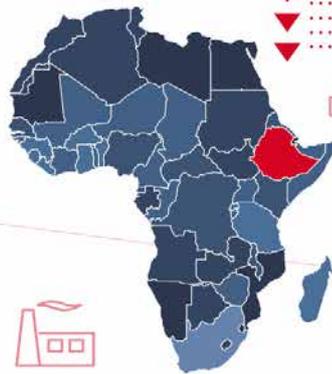
## Rise in Manufacturing

Manufacturing in Africa grew 3.5% annually from 2005—faster than it has in the rest of the world. Some countries, such as Nigeria and Angola, have experienced an increase in output of over 10 percent per year. Along with upstream and downstream sectors like construction and extraction, manufacturing is now among the top sectors for investment flows into Africa, accounting for 22% of total foreign direct investment (FDI) in 2015.

2015

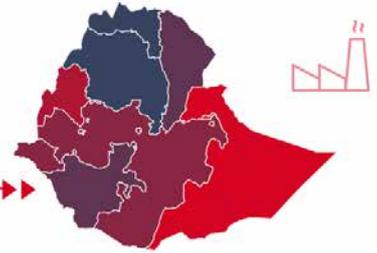
## Manufacturing in Ethiopia on the rise

The Ethiopian industrial sector, and manufacturing within it, grew much faster than most African countries. The annual rate of growth of industrial output doubled to nearly 20% by 2015, while manufacturing output grew by 17.9% by 2017. During the same period, the annual growth rate of the industrial sector almost doubled from 10.1% to 19.8%.



## Ethiopia: Africa's Manufacturing Hub

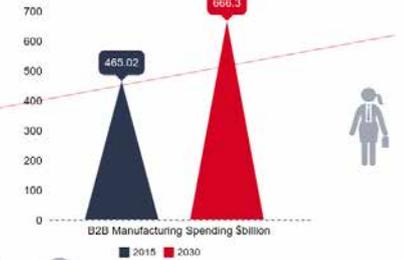
Ethiopia's economic success over the past decade is outstanding. With double-digit rates of GDP growth, \$3 billion of FDI in 2016, and strong assessments by international credit rating agencies, Ethiopia has made huge advances in its goal of reaching middle income status by 2025.



## The Future of Manufacturing in Africa

Business to business spending in manufacturing is projected to reach \$666.3 billion in 2030 and experts predict that Africa is set to take a huge part of the estimated 100 million labour intensive manufacturing jobs to leave China by 2030.

2030



Sources:

The World Bank  
VIZON Research Limited Reports

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# Outsourcing: Why, When, and How

Controlling costs is still a major benefit of outsourcing

Curated by Ojeh Toju



These days, outsourcing helps companies of all sizes shore up skills gaps in their teams, boost efficiency and sharpen their focus.

And companies that opt to outsource won't be at a loss for qualified candidates, thanks to the ever rising number of freelancers around the world. In addition, because freelancers can complete projects from anywhere on the planet, business leaders don't need to shell out a lofty sum for travel and expenses.

Thanks to technology, outsourcing has become an affordable option -- especially for smaller companies and entrepreneurs with little capital to burn. However, that doesn't mean you'll automatically benefit, so it pays to make sure that outsourcing is a good fit first. If you have trouble accomplishing a task

on your own, then outsourcing may be the answer.

So how do you better gauge whether or not your business will benefit from outsourcing a particular task? Before piece-mealing out your organization or project, ask yourself these three questions.

## 1. Will it propel my business forward?

As Deloitte's 2018 Global Outsourcing Survey highlights, controlling costs is still a major benefit of outsourcing, but the motivation behind the decision to outsource has changed. Now companies opt to outsource as a way to work with partners and integrate services that they couldn't provide on their own.

For entrepreneurs, especially, outsourcing can be the key to propelling their startups forward faster and more effectively than they could do alone or with a small in-house team. You can even outsource product development. For instance, when Alex Turnbull wanted to launch Groove, he realized he lacked the technical expertise to build the SaaS (software as a service) product. He outsourced the online customer support platform's entire early development so he could get his idea off the ground.

## 2. Will it boost my team's capabilities?

Outsourcing can amp up your team's skill set. For instance, say your marketing team can check off nine out of ten industry expertise boxes but lacks understanding of one area, such as graphic design or video production. By outsourcing this capability, you can complete the ecosystem. Whether it's IT, accounting, marketing or any other function that needs help, building it up through strategic outsourcing helps everyone else excel.

The IT function offers an excellent example. With the exception of IT companies proper, most businesses don't specialize in the types of technologies they depend on. To establish and manage any program, Christine Alemany, Chief Growth Advisor for Trailblaze Growth Advisors, says that "you have to have much more than a

cursory understanding of the technologies involved in the entire ecosystem." Outsourcing with a partner that has this understanding will help your business thrive.

## 3. Will it make my team more efficient?

Outsourcing is not about just handling areas in which you don't excel. Sometimes you should even outsource some of your core competencies, too. By outsourcing some tasks that fall under the expertise of your team, you can free up time for in-house departments to flex their efficiency and productivity muscles. Outsourcing can streamline a process or help your team complete a time-consuming project while not abandoning all of their daily tasks.

For instance, with outsourcing's help, Penske Truck Leasing, which leases equipment and provides logistics services, redesigned and centralized its back-office operations to better leverage a global delivery model. The company's administrative and finance teams outsourced tasks to Genpact transition experts, leaning on them for some of the research and process mapping required to determine how operations should be redistributed.

The truth is that most companies, big and small, can relate to these three goals. Now, however, smaller organizations can have the same opportunities for success as their larger competitors thanks to strategic outsourcing. Before jumping in, though, take a comprehensive look at exactly what it is you should outsource for optimal results.

# EMPLOYEE COMPENSATION PLAN: A Guideline For Employers

Curated by Drusilla I.B.O.

A compensation plan is a complete package that details your employees' wages, salaries, benefits and terms of payment. If you own a small business, you need to learn how to pay your employees—it's that simple! In this article, we are going to walk you through how to pay your employees, from how to establish a compensation plan all the way through to picking a payroll provider.

Creating a compensation plan isn't just a matter of personal preference. Wage and hour regulations, as well as other federal and state laws, are very specific about the requirements for employee compensation

## Step 1: Start from scratch.

Think about how many employees your business will need and what positions are essential to your business operations. Write all of these job titles down.

## Step 2: Create a job description for each position.

You should have full job descriptions for every position in your company. You can get ideas for job descriptions by researching your competitors.

## Step 3: Establish a Pay Philosophy

The first step in designing an employee compensation plan is deciding what your pay philosophy will be. This means you need to think about not just how much you want to pay your employees, but what we call a "total compensation plan"—a compensation plan that includes other factors like benefits, performance bonuses, incentives, and company-provided perks like gym memberships or free lunches.

In this step, you should ask yourself questions such as: Do I want to pay more or less than those companies that compete with me for talent? (Your location and industry will help determine your answer to this question).

Do I want to give a lot of other benefits, like health insurance, or fewer benefits so I can pay more in salary? How do I want to incentivize performance? Do I want to have a bonus or commission plan and create an incentive compensation plan?

Will everyone be on the same compensation plan or will managers, my business partners or fellow owners, and I be on a different plan? Why or why not?

Are most of my employees salaried or paid hourly? Exempt or non-exempt?

Throughout each stage of developing your total compensation plan, you should test yourself by asking if the plan meets the needs of all three of the primary

stakeholders in the company, which are:

1. Employees – Are you providing fair compensation? Will employees be motivated to work for you?
2. Clients – Will employees be serving your clients in a genuine way? Meaning, if you sell products and use commissions as a main source of pay, will your employees now be hounding your customers for products they don't want? This can backfire on the business.
3. Owners – Will the pay philosophy keep the business owners motivated and rewarded for their risk and hard work?

## Step 4: How Much is Your Competition Paying?

When thinking about the fairness of their compensation, employees are going to focus their attention to a large extent on how much they are being paid relative to similar positions at other firms and other positions within your firm.

If you have not done so already, you will need to put together a job description for each of the positions in your company so you can compare what you are paying with the competition. Once you have an outline of the duties and responsibility level of each position, then you can find out what other businesses who are offering similar positions are paying.

There are three primary ways to do this:

1. Talk to people within your industry and ask them what they are paying. Make sure you describe the duties and responsibilities of the position so you can compare apples to apples. You could also use a forum on LinkedIn to do this online.
2. Use Indeed.com's salary calculator or a website like PayScale, Salary.com, or Glassdoor. (Although these may not be applicable for all job roles)

3. Look for salary surveys online by searching “Your Industry + Salary Survey” on Google.

By now, you should have some data on what companies in your area and with comparable jobs to your company’s are paying and you’ll want to compare it to what you are currently paying, or to what you had budgeted for. Do you need to recalibrate to fit your budget? (Like look at less or more experienced employees)?

With your research in hand, as well as factoring in what your employees consider to be fair, you can then move to step 3:

### **Step 5: Set the Salary Level or Hourly Pay Rate**

Competitive compensation is necessary for an employee to be happy, but it is not always a motivator for better performance.

With this in mind, we generally recommend paying salaries that are in line with your competition, meaning small businesses in your city and industry.

Exceptions to this rule would be:

If you feel a role is particularly valuable to your firm and warrants paying above the competition

If you have a role that is not very important, and you feel you can pay less

If you have a strong performance incentive or bonus system where the employee can receive higher compensation based on good performance

You must also keep in mind how salaries will be viewed internally. The salaries you choose, even if you think employees won’t or aren’t supposed to share them with each other, need to be fair in the context of the responsibilities and experience required to do this job versus others. You also need to ensure you are not paying with any discriminatory practices. For example, all of the male sales reps cannot have a higher base pay than the females, which can land you in hot water.

### **Things to Consider When Choosing Salary versus Hourly Pay**

Here are some things you will want to think about when deciding whether to pay employees hourly or with an annual salary:

**Industry and Role**

Conventions on pay differ based on the industry and position. For example, hourly pay is appropriate for a restaurant waiter or convenience store cashier, but likely not for the restaurant general manager. Similarly, salary may be more appropriate for a marketing associate at a PR firm or a writer at a publication. You can find out more about your industry by researching the competition and talking to fellow business owners. You may lose talent to your competitors based on your choice of hourly versus salary. Say you have a small marketing agency but you want to pay hourly (which is not the norm for that industry). You might lose talent to a competitor providing a salaried income — how can you get them to stay if you really want to pay hourly

(think benefits, bonuses, office environment)?

On the flip side, if you are in an industry that tends to pay hourly with no paid time off, and you decide to pay salary (e.g. baristas at your cafe), you might get the best applicants banging down your door to come work for you!

### **Overtime Pay**

If you choose to pay hourly, unless you are paying a significant amount per hour like \$25/hour+, you will need to factor in the possibility of overtime. Overtime kicks in an hourly rate x 1.5 after 40 hours worked in 1 calendar week, and then double overtime (hourly rate x 2) kicks in for other states at a certain point as well.

**Fear of Paying People to Do Nothing**

Both kinds of pay bring up the same fear from small business owners — what if I am paying people to stand around? With hourly employees, you might find people clocking in early while they then take off their coat, use the washroom, and make themselves a cup of coffee (or other things like this throughout the day). With salaried employees, you wonder the same thing- “Well, jeez, Donna took a 2-hour lunch during her day and still left at 5 pm.” These are horses of the same color- you need to stand your ground and communicate firm rules to your employees on expectations.

### **What About Benefits?**

As you set your employees’ base salaries or hourly pay rates, you also need to factor in if you will be offering them benefits as part of compensation. Some benefit plans, like health insurance plans, can be worth well over \$10,000/year to employees! You will want to make sure you consider offering the following:

Health insurance

Dental and vision insurance

Retirement plans

Life insurance, tuition reimbursement, and other perks

Once you have picked salaries and benefit packages for everyone, you’ll want to then think about if you want to create bonuses for performance.

### **Step 6: Create Incentive Compensation Plan Components**

Paying for performance is a controversial subject. You might read from one blog that paying for good performance is not a motivating factor for many employees (versus other things like company culture and being praised). You might then read a book or magazine that says the only way to motivate people is to pay them well. Our advice is to think about your company and its culture, or the culture you are trying to create. For example:

Do you want a Jack Welch-like GE situation where the bottom 10% are cut every year for their performance?

Do you want a community-like culture where sales and achievements are shared among teams or all



employees together (i.e. company-based performance bonuses)?

Do you want to have a combination of the two, where you perhaps have contests for small bonuses on a weekly or monthly basis?

If you decide to implement a pay-for-performance system, such as if you have a sales team or another role that usually has a sales component, you might want to consider how the policy you are creating will:

- Enhance employee satisfaction

- Improve company processes or results and customer satisfaction

- Help with implementing new products or protocols

- Provide innovation or cost-savings to operational methods

Basically, how will a performance bonus system impact your business as a whole, not just your employees? Still, whether or not you choose to have a bonus or incentive program, you might also want to think about offering periodic pay raises.

### **Step 7: Pay Raises**

Once you have your base level of compensation set (aka salary or hourly rate plus incentive plan if you have one) for each level of employee, you want to consider budgeting for pay raises to reward your top performers and make sure that your salaries keep pace with inflation.

The first thing you want to do when budgeting for raises is to make sure that your job descriptions and salary ranges for each job are up to date. If your salary ranges have become outdated, then you may need to factor in a raise for everyone in order to get your employees back in line with your competition.

Once you have made sure that your pay is still fair relative to the competition, you will want to make sure that pay is fair internally as well. To do this, you will want to consider implementing a performance management system.

At the very least, we suggest creating some sort of ranking system (i.e. by behavior and by performance as 2 separate categories) and make sure that employees are being compensated in alignment with their ranking. While this is easy to do with sales positions, you might find trouble doing this with, say, your accounting team, which is why we recommend implementing performance management as a way to be fair with your employees.

Once your pay practices are in line from both an external and internal standpoint, you can look at rewarding top performers with raises. It is important to give raises at the same time that performance reviews are given. That way, employees understand that there is a well thought-out process behind the raise and that they are not just being given a raise on a whim. Keep in mind that it is about percentages and not the total dollar amount. Anywhere from a 0 to 5% bump in salary is the norm for most companies for pay raises, and companies rarely raise someone more than 10% in any one year, unless a promotion is also given and the person's duties and expectations have expanded (which then can call for a 10%+ pay raise).

### **Step 8: Detail your decisions in a document.**

After you have determined the compensation for each position, how much it will increase what incentives and benefits you will offer, etc., you can put all of these details down in one document. By having all of this information in one document, you can share your compensation plan with your employees when they are hired.

### **Step 9: Choose Your Payroll Software**

Once you have your compensation strategy set, it's time to make sure you have the systems in place to successfully implement that strategy. You will need to set up several components, including state and federal tax forms and workers compensation coverage.

This is why we recommend taking the headache out of payroll by using payroll software, which can take care of all of these things for you for a reasonable monthly fee.



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