



CULTIVATING THE ENTREPRENEURIAL MINDSET IN SIERRA LEONE

Innovation Sierra Leone

Global Entrepreneurship Network

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Cultivating an Entrepreneurial mindset- Why

To meet the
SDGs we need
transformative
action across
three key sectors

Youth
unemployment



No single
organisation can
deliver

Cultivating
Entrepreneurship
is crucial



Sustainable Development Goals (SDGs)

- ▶ Transformative action is needed across all three key dimensions of sustainable development: economic, social and environmental.
- ▶ **Economic:** Inclusive and sustainable economic growth is the key driver of poverty reduction. Policy innovation and good governance are needed to create the right enabling environment and product, service and business model innovation are needed to meet the needs of all the region's citizens in ways that preserve natural resources for future generations.
- ▶ **Social:** Africa's young and growing population needs to be healthy, educated and equipped with the right skills. Concerted action is required to transform education, health and food systems and other essential infrastructure, including water and sanitation, and to ensure equality of opportunity for women and other marginalised groups.
- ▶ **Environmental:** the same token, for Africa's natural capital to remain abundant and productive, effective governance mechanisms for the management of natural resources and ecosystems will need to be strengthened and action taken to tackle shared risks including water scarcity, environmental degradation and climate change.



All hands are needed

- ▶ **No single organisation or even sector can do it alone: systemic challenges require co-ordinated responses from inter-connected and interdependent stakeholders**
- ▶ In the African context, to turn jobless growth in to job creating, poverty reducing growth, governments will need to transform their economies to be more competitive, productive, diverse and supportive of business, especially the small businesses that are the engine room of Africa's growth and job creation.



The Context

- ▶ World Bank estimates 600 million jobs must be created by 2020, mainly in developing countries, just to keep up with population growth.
- ▶ The private sector provides nine out of every 10 jobs.
- ▶ In the African context, unemployment remains acutely high, particularly amongst the young and women.
- ▶ Between 2000 and 2008, Africa's working age population (15-64 years) grew from 443 million to 550 million, an increase of 25%.
- ▶ In annual terms this is a growth of 13 million, or 2.7% per year
- ▶ If this trend continues, the continent's labour force will be 1 billion strong by 2040, making it the largest in the world, surpassing both China and India

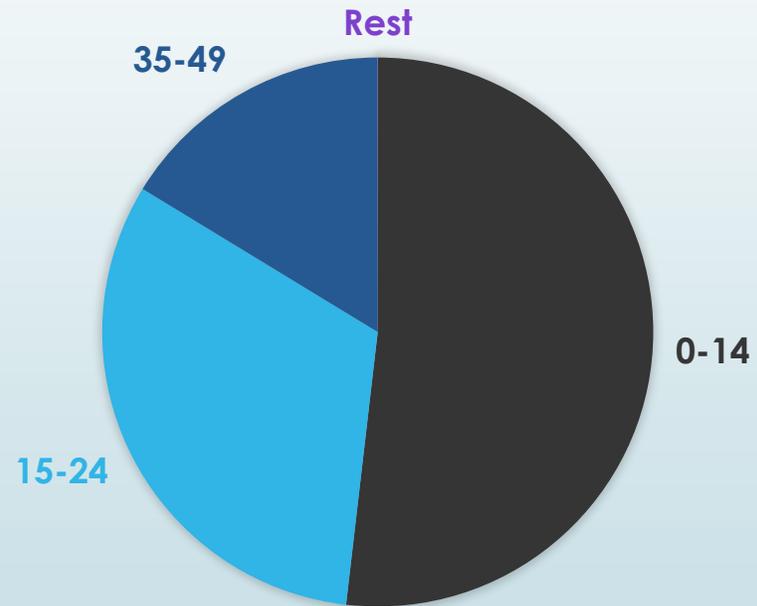


Problem or a «Demographic Dividend»?

- ▶ More than 60 percent of the population of Sub-Saharan Africa is under age 24, and the number of youth was expected to grow by 19 million just between 2010 and 2015.
- ▶ Youth unemployment rates in the region are around 60 percent, and even those youth who are employed tend to work in low-skilled jobs that pay very little, with 72 percent living on less than U\$2 per day.
- ▶ Since the majority of job growth in the region is expected to be in the informal sector, it is critical that youth be equipped with the tools and skills to succeed as **entrepreneurs** if they are to be part of that “demographic dividend.” International Youth Foundation 2012 report, *Opportunity for Action: Preparing Youth for 21st Century Livelihoods*.

Sierra Leone-Break of Pop- Total 7.092 millio

POPLATION BREAKDOWN



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The Private Sector Role

- ▶ The private sector will need to make the investments in jobs, skills and technology required to upgrade the region's comparative advantage, and together, governments and the private sector will need to finance and build the essential infrastructure including energy, technology and transportation required to support trade, industrial development and growing enterprises.



Role of Entrepreneurship

- ▶ Profitable business operations create jobs and livelihoods throughout their value chains, generate tax revenues, raise skill levels and drive game changing innovations with the potential to tackle many development challenges.
- ▶ A series of systemic barriers impact job creation in the private sector, especially amongst micro, small and medium-sized businesses, which include a weak investment climate, inadequate infrastructure, limited access to finance, and insufficient training and expertise

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The importance of Agri

- ▶ In Africa, 60-70% of the population lives in rural areas and is mostly dependent on agriculture.
- ▶ Agriculture employs 65% of Africa's labour force and accounts for 32% of GDP
- ▶ Increasing agricultural productivity and access to markets for farmers is therefore a powerful way to raise incomes and reduce poverty.



Recommendations

- ▶ **Focus on strengthening the building blocks needed for systemic impact**
 - fostering mindset change and dialogue amongst stakeholders;
 - building human capital and capability;
 - strengthening institutions or creating new ones
 - developing viable business models and processes
 - informing and advocating for policy reforms; and
 - aligning financial and other incentives.
- ▶ **Cultivating an Entrepreneurial mindset**



Sources Referenced

- ▶ Business ActionForAfrica
 - ▶ Harvard Kennedy School
 - ▶ The partnering Initiative
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