Asukume Training

Let us rise

Our Vision

The Asukume vision is to support entrepreneurs to develop successful enterprises that create value (wealth for their founders, jobs in their community and other enterprises), so as to to transform society.

Our Mission

The Asukume mission is to develop entrepreneurs and their enterprises in a structured (holistic) manner.
This is done by creating and maintaining a collaborative, holistic ecosystem that develops the individual, then builds the enterprise and ultimately facilitates enterprise funding.

Why we do it

Unemployment and poverty eat away at our peoples hope and spirit. Building enterprises addresses both issues.

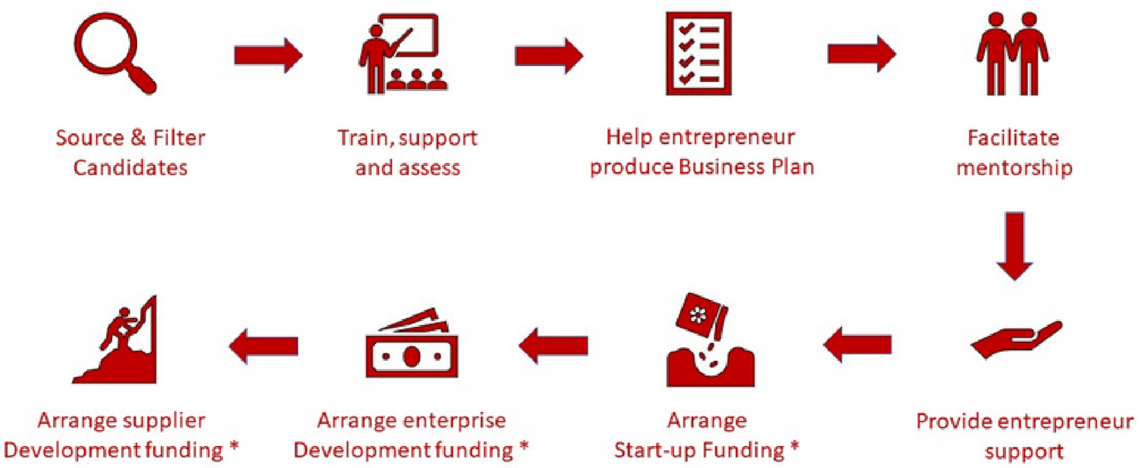
A few of our Core Beliefs

Entrepreneurs are THE solution to the unemployment crisis in SA(for themselves and as job creators).
Entrepreneurship and real enterprise development are critical to economic transformation.
Enterprise development must start with the development of the individual.
Enterprise development requires a systematic and patient approach (training and development are just the first step).
We believe in the power of big numbers and the need to make the programme accessible (and affordable).
We need to redirect corporate ED and SD funding....funding is available.
Unemployment is a national crisis that needs many role players to work together.

Our Solution

The complex challenges of unemployment and enterprise development demand a co-ordinated, systematic approach and the positive contribution from a variety of role players (NPO's, funders, faith groups and funders)
.....a collaborative mindset is at the core of our solution.
Our programme is holistic, practical, accessible, affordable and focused on developing entrepreneurs first and developing their businesses second.
At the heart of the solution is the recruitment of good candidates and the initial 'investment' in them to give them the knowledge and skills required to build a viable enterprise

The Asukume Way



* Only suitable candidates receive funding support

Use your ED budget to make a difference, be part of the solution, not the problem.

The Asukume Way

We turn the established enterprise development / supplier development model on its head, deferring BIG funding to the later stages of ED/SD. The majority of the funding goes into development overtime and not just initial training. Everything is built on the Asukume Way, but with different emphasis:

Phase 1

- Asukume will source and filter suitable candidates from a variety of places such as faith groups, corporates or communities.

- Asukume will then pass the relationship to Judea who will train, assess and facilitate candidates.
- Judea will train candidates with the study guide, workbook, Mobi site and additional readings and videos on the online platform.

- Candidates are supported in developing a viable business plan..
- Preparing the business plan is an important part of the learning process.

Phase 2

- Asukume will evaluate the business plans and those that are viable will be eligible for further development where the relationship is passed back to Asukume.

- Faith groups or volunteers that want to provide mentorship are connected to the candidates where they will be guided and further developed.

- Asukume assist the entrepreneur in finalising the business plan and critical support, so as to prepare the enterprise for enterprise and supplier development support (funding).

Phase 3

- Candidates can receive support in the form of micro loans, and start-up funds.
- The relationship with the mentor does not necessarily need to end, however qualifying enterprises are referred back to Asukume to receive ED/SD.

- Enterprises that have been filtered and qualify for enterprise development will be put into contact with a funder that may be an external organization or by Aukume's internal fund.
- The terms of the funding can be varied and will differ on an case-by-

- Enterprises that have proven to be operationally viable will be considered for supplier development with the goal of integrating into the network of suppliers

"If everyone is thinking alike, then <u>no one is thinking</u>"

Benjamin Franklin

Roleplayers

Asukume Training

- Facilitates the entire ecosystem (co-ordinate all partners)
- Creates and maintains content (printed guide and workbook and online material)
- Creates and maintains the online system (to monitor delegate progress)
- Can help to source and filter candidates
- Takes active role after mentor phase with greater focus on enterprise development

Judea

- Judea are the lead training facilitators for Judea network and corporate delegates
- Judea Harvest & Hope recruit pastors for training
- Judea Training provides facilitation of training sessions and support candidates

Programme Sponsor

- Entities funding or part funding candidates to join the programme
- This funding will either go towards
  - training of Entreprenurial skills, or
  - towards enterprise and supplier development, or
  - Both training and ED & SD funding

Faith Groups

- Provides mentorship to support candidates who have been selected for further development
- This will be done for 3-6 months

Funders

- Corporates can fund entrepreneur development (training) or engage Asukume to run ED / SD Programmes on their behalf
- This will be done over a year

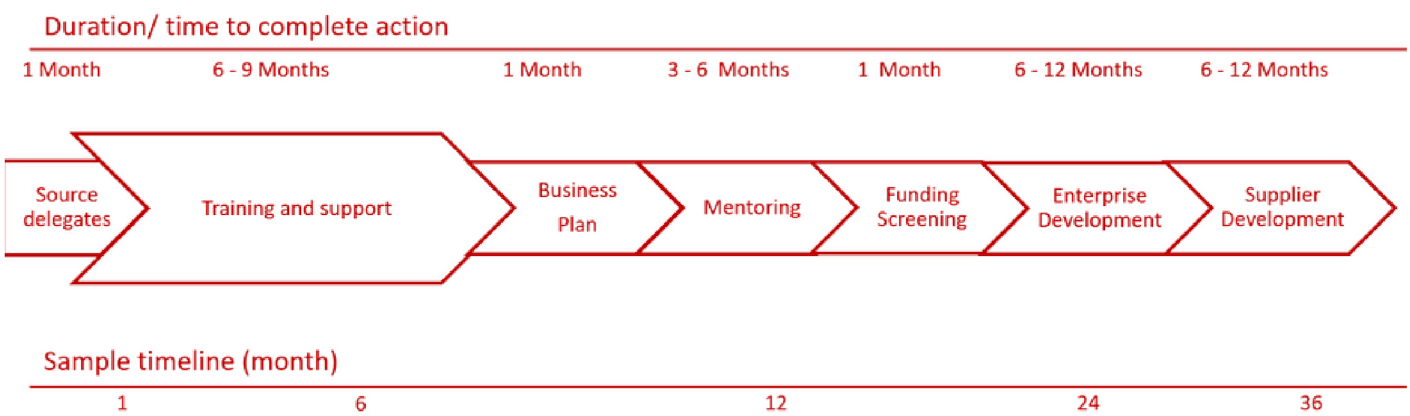
NGOs/Other

- Partner with and develop programmes for Like-minded NGOs
- May provide facilitation
- Potential funding partners

It is crucial that all roleplayers in the ecosystem collaborate effectively to ensure the candidates have the best possible chance to grow into entrepreneurs that can operate viable and profitable enterprises that will ultimately be integrated into your enterprise and supplier development requirement.

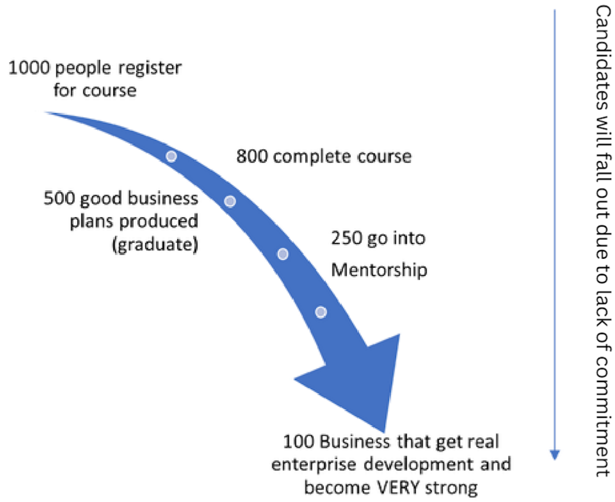
We aim to achieve this by following an estimated timeline that is depicted below.
This illustrates the different stages of the Asukume Way and the phases that they belong too.

Timeline



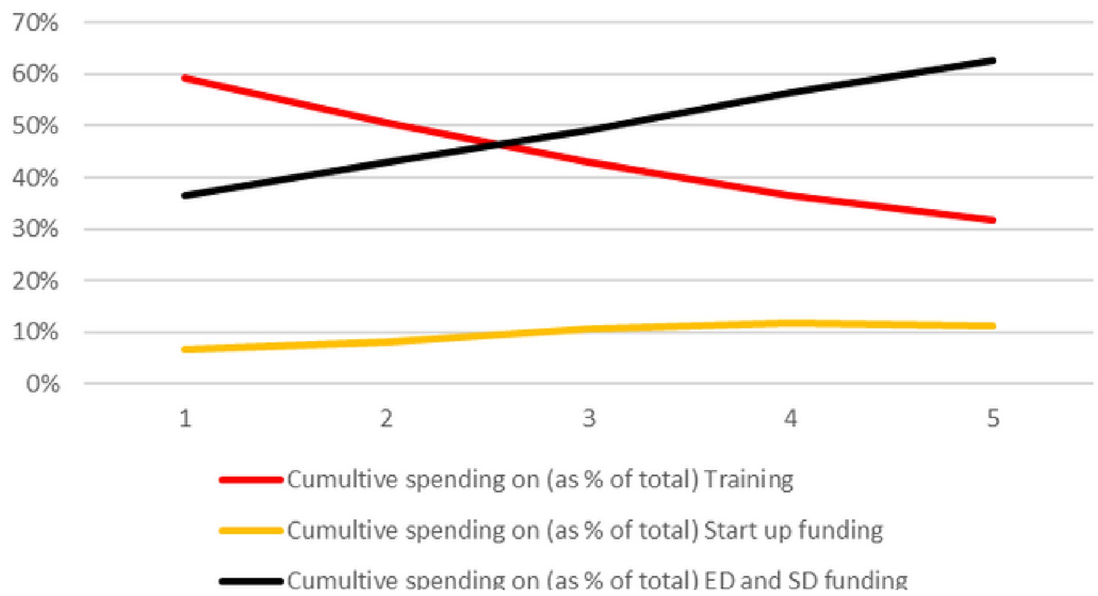
Real networking is like the concept of "Ubuntu" in action as it speaks to our connectedness ... I am because we are

Who receives the funding?



- The image here illustrates that the candidates go through the process of training and development where at each critical stage, some will drop off where they do not meet the criteria to continue.
- The criteria is specifically around the viability of the business plan the candidate develops and the operational ability they can implement in their enterprise.
- The best of these will be filtered to receive the ED and then possibly the SD funding and guidance. This is where the bill of the funding will be allocated over the period of time.

The Conceptual Aggregate allocation Over a five year Project Life



- The cost credited to the training portion of the course will be higher in the earlier years (around 60%) and decrease over time as less training is conducted (around 30%), and more funds are allocated to the ED / SD spend.
- This also works in reverse for the ED / SD funding as it will form a low percentage of the total accumulated costs in the earlier years (roughly 30%) and will increase in proportion (to roughly 60%) for the same reason the training decreases in proportion.
- The start-up costs increase marginally across the 5 years but remain around the 10% mark.

The net effect is that funding received will be allocated over a time horizon and not all at once. This shows that Asukume and the other roleplayers in the network are committed to developing the candidates and their enterprises for a long-term sustainable solution to the unemployment epidemic.

Enterprise and Supplier Development and how it affects your B-BBEE Scorecard

In order to contract with certain companies, your business needs to meet certain requirement levels.

Previous iterations of the BEE codes heavily skewed the points on the scorecard for Qualifying Small Enterprises (QSE's) towards the ownership and management of the business. This creates an issue where the ultimate beneficial owners (who are likely the managers as well) did not want to give up control of their business or bring in new owners and managers for the sake of BEE points.

The B-BBEE codes have recently been updated (see the image below) showing the shift of the points allocations toward enterprise and supplier development, allowing for three crucial issues to be solved:

1. The Business owners and managers now have a more realistic path towards attaining a more desirable BEE score without having their control removed.
2. Actual empowerment can be achieved.
3. Long term value can be unlocked by developing the entrepreneur first and the enterprise second, which results in your ED/SD budget being effectively spent and not wasted on those who are undeserving.

The main benefit of the enterprise and supplier development spend for corporates is the contribution towards the scorecard, and it is worth more creating something that can be of further value to the business when the enterprise can be integrated into your supplier network.

B-BBEE ELEMENT	CODE SERIES 600	POINTS AVAILABLE
Ownership	Statement 601	25
Management control	Statement 602	15
Skills development	Statement 603	25 (plus 5 bonus points)
Enterprise and supplier development	Statement 604	30 (plus 3 bonus points)
Socio-economic development	Statement 605	5
	TOTAL (including bonus points)	**108**

For most businesses, achieving satisfactory points for ED/SD is critical to achieving good B-BBEE levels

Cost Breakdown

The basic cost breakdown of the programme per candidate is as follows:

Roleplayer	Item	Cost
Asukume	Registration, printed material, Mobi Access, Business Plan and support	R1,000
Judea	Facilitation and training	R2,000
Asukume (Optional)	Mobile Device	R1,200
Total		R4,200

- Asukume's price point compared to other solutions is much more cost effective, this focus on cost allows the same spend amount to put more candidates through the programme, impacting more lives and ensuring that the best are filtered through to receive mentorship, enterprise development and ultimately supplier development.
- More lives are touched, even if they don't make it to ED/SD phases of the journey.
- The cost of the programme is modular and flexible to allow access to a greater number of potential funders.

Asukume Content and Mobi Examples

THE SIX BASIC ELEMENTS EVERY BUSINESS NEEDS

Any business without ALL the six items mentioned above will struggle to make any real progress. Some of these elements, like staff, skills, capital, or suppliers may be obtained, employed, or secured in due course, but the **TWO** that **MUST ALWAYS** exist are:

- A product or service that has real demand, and
- customers or clients that have the money to buy your products or services.

A deeper look at 6 things every Business needs.

We will now briefly look at the two critical elements but encourage you to watch or read the recommended content for a better understanding of the other four required elements.

A REAL PRODUCT OR SERVICE

You may feel that it is obvious that every business needs to offer customers and clients real products for which there is a real need.

GOOD GOVERNANCE STARTS WITH GOOD RECORD-KEEPING AND ACCOUNTING

Bad administration and record-keeping will result in poor accounting and financial records. Which in turn will make it impossible for you to comply with the regulations and requirements of various regulatory or industry bodies. As a result, it will be impossible for you to tender for any contract with the government entity.

Sales or Revenue

Sales, also known as revenue or turnover, is one of the important concepts you will need to understand. Revenue is the total amount of money you receive for the products you sold or services you delivered. Just as a motor vehicle needs petrol or diesel to work, sales are like the fuel that drives your businesses. The driver of a motor car needs to know how much fuel they have in the tank, so you, as a business owner, need accurate information about your sales.
You need to keep a record of all sales by recording the actual selling prices of every transaction. Sales revenue is worked out by multiplying the selling price by the number of units sold. Add the sales of all products and services together to give you your total sales or total revenue.

Sales Revenue Calculations.

Selling Price

Selling Price or Sales Price is the price of the unit/ product which you sell. Each product you sell or service you provide will have a selling price, depending on your costs and desired profit margin. Your selling price may vary from time to time; depending on factors like:

- Your cost to produce the product.
- If you offer discounts to customers who buy in bulk or pay cash upfront.

You must keep accurate records of the prices that you sold.

Sales Volume

Sales volume or units sold is the number of units of a product sold over time. It is important to track sales volumes so that you can estimate the demand for your products over the time-period.

Tracking units sold is an important administrative task. It is how you ensure that you always have enough stock available to supply your customers.

* Please remember that

Chapter

1. What every business needs
2. Good Governance & Business Structure
3 .People
4. Understanding your environment
5. Branding
6. Marketing
7. Accounting Basics
8. Accounting Next Steps
9. Accounting Advanced
10. Networking
11. Management
12. The Business Plan

Chapter 2 Quiz 1

Question 1) What is Good Governance and Accountability? *

- A. It is when a business does "the right thing" and behaves in a way that is also good for the greater society.
- B. It is when a business does "the right thing" and behaves in a way that is only good for themselves.
- C. It is when a business does "the wrong thing" and behaves in a way that is also good for the greater society.

Question 2) Which of the following is not one of the 4 P's of Governance? *

- People
- Process
- Prices
- Purpose
- Performance

Question 3) Which of the following combinations are examples of good Governance? 1. Policies promoting record-keeping that is honest, accurate and effective, 2 Making sure the person responsible for the accounting knows to make corrections to records to hide money that may be taxed, 3. A zero-tolerance policy to corruption, 4. Hiring staff with the intention of not paying them. *

- 1 & 2
- 2 & 3
- 2 & 4
- 1 & 3

Question 4) True or False?: Good governance is only for the Government requirements? *

- False
- True

Question 5) Which of the following is a benefit of good governance? *

- A. Good governance builds good staff morale
- B. Gains the trust of customers, suppliers and other stakeholders enabling the business to charge them a higher price,
- C. Correct governance procedures will remove all risks from operating a business.

How Asukume can benefit you

Allocating some of your budget to Asukume can benefit you in the following ways:

Corporates:

- As the ultimate focus is on ED/SD funding your QSE can receive up to 30% of your scorecard points, which is the most significant contributor.
- Additionally, this has the potential for actual empowerment.
- By using Asukume as your preferred Enterprise and Supplier Development partner, you can achieve
- Asukume will also reduce the risk for a corporate when funding candidates in this programme by focusing on developing strong candidates first instead of retrospectively training a jockey that is not suitable.
- If your company is having issues with your ED/SD programme or current contracted suppliers, Asukume can in time take over existing corporate programmes.
- You will be able to consolidating of ED/ SD into a single partner.
- The odds that the Supplier development will be successful are greatly improved.
- Flexibility in the modular cost breakdown.
- Corporates can start small using fractions of their budget to begin laying the foundation for replacement of their existing contracts once they come to an end.

Faith Groups:

- Non-financial ED support like the mentors can be easily accommodated.
- Asukume can have a positive impact on individuals as well as the community.
- Faith groups that have been mandated to make a difference on people's lives can now impact the lives of many throughout the Asukume journey.
- Impact communities, lack programmes and budget, asukume provides a viable solution
- "Mission in a box" for groups that need a single, one size fits all solution.

Helping others is the way we help ourselves

Oprah Winfrey