

LEADERSHIP STRATEGIES FOR A SUSTAINABLE BUSINESS SECTOR IN AFRICA

Liz Guantai | 25 years | Kenya

“As a man thinketh in his heart, so he is.” This aphorism was first coined by the Holy bible, and is used frequently by motivational speakers and writers. I think about the phrase everyday as I pass by Ruth, a bubbly woman who seats by the roadside waiting to wash clothes for any potential client who is too lazy to wash their own clothes. She charges ksh 300 (3\$) per bundle. She recently told me that her ultimate dream is to start a salon business, but unfortunately, her meagre savings cannot guarantee enough capital. She once tried to borrow from a microfinance institution, but could not be given any loan as she could not provide anything valuable to secure it. On my way home, I also think about that old man who sells roast maize, his colleague who sells boiled eggs, and another who sells low grade ice-cream on sunny days. Every time I buy their products they ‘bless’ me with encouraging phrases, that one day I will be a leader and I will liberate their struggling businesses.

Very few leaders, especially in government, genuinely care about the welfare of the ordinary citizen, popularly known as *‘mwananchi’* in my capitalist society. I hope to be a leader with a difference. To improve the standards of living in my developing country, I have to rescue the business industry. Our lifestyles are mostly directly proportional to the kind of money we earn, as it determines how we spend, and what we save. With statistics¹ showing that in 2012, most people in Sub Saharan Africa lived on less than a \$1.90 a day, then many people cannot comfortably afford good medical care or housing, to name a few important basic needs.

Businesses contribute to national revenue in form of taxes and provide goods and services that we require for survival and luxury. Good leadership is synonymous with improved welfare in any society. In order to achieve sustainable development goal (SDG1), reduction of poverty, African leaders should find solutions to challenges facing African businesses.

As a leader, I would certainly encourage innovation and enterprise. My focus would be in low income areas where the only factors of production are unskilled labour. Village polytechnics offering skills like tailoring and hair dressing to those who have not gone past basic primary education should be encouraged. Like Ruth, many Africans, especially those in low income areas, cannot achieve their business goals due to lack of capital. A great lesson from the Republic of Tanzania is the establishment of Village Community Banks, ([VICOPA](#)) that has enabled individuals and informal investment groups in the rural areas start small scale businesses. I shall borrow that as a leader, foster establishment of community banking, microfinancing and SACCOs in slums and rural Kenya, to ensure that even the unemployed and casual laborers have access to friendly financial services.

Last year, at the graduation square on my graduation day, the speaker was honest enough to tell us that the jobs are not sufficient for all thousands of graduates. He encouraged us to venture into entrepreneurship and start businesses. I was confused about this. Nobody taught me how to do business in my four years of Law school. How do I start? What can I do to make it successful? With this in mind, I put another goal on my leadership bucket list. I would lobby for a change in the education curriculum.

The 8-4-4 system, used in Kenya has been accused of awarding thousands of degrees every year to graduates that are neither properly equipped nor possess the necessary life skills. Perhaps one can only boast of a university certificate to distinguish himself from the rest of the academic dwarfs in society. We laughed at the joke when a presidential aspirant Mwalimu Dida in a 2013 presidential debate alleged that a person with a PhD in electricity may spend the night in the dark, but the truth is that many of the best skilled artisans have never seen the doors of a tertiary institution. Therefore, I would like the system to be more practical, other than theoretical. Students should be taught how to apply their knowledge and skills to create a relevant business venture. It makes more sense for a Mechanics graduate to be able to run an engine repair garage. A course on entrepreneurship and business should be made compulsory, and teach important business skills such as planning, organization, marketing, and risk management; skills whose negation frequently lead to the death of potentially profitable businesses.

¹ Source: World Bank “Poverty and Equity Databank”. Link Available at <http://povertydata.worldbank.org/poverty/region/SSA>

Others have the capital, knowledge and the skill, but do not know how to combine these factors to come up with a profitable venture. As a leader, I would form a Business Mentorship Forum. This would be comprised of mentors already in business who are willing to mentor aspiring business men and women on how to begin and continue. I believe this would go a long way in encouraging many to have confidence in running businesses.

Agriculture is the main economic activity in Kenya.² I live in Nairobi city, where food is very expensive. When I visit upcountry, I realize there is too much food that the farmers do not even know where to take. Fruits rot and milk is poured as waste. The farmers do not have any links to the market. As a leader, I would encourage free market policy, eliminate illegal entry barriers that thrive on unfair controls by middlemen who extort poor rural farmers and run with most profits. With this in mind, farmers can directly benefit from agricultural sales.

I would address the lacunas presented in certain legislation that discourage efficient running of businesses. This include reducing irrelevant formalities for registration, advocating for better Intellectual property rights, especially to protect innovation patents and African traditional knowledge. I would also seek to promote good regional integration in terms of trade and commerce, by the strengthening of regional cooperations such as COMESA and the East Africa Community (EAC), which have so far enhanced mobility of Africans to establish businesses in other African countries.

A major milestone in my country was the establishment of government services centers, known as [Huduma Centers](#). Through this initiative, business registration and license renewal services have been automated and integrated for efficiency. Another milestone is the establishment of the [Uwezo Fund](#), low-interest loans, to grant business start-up capital to women, youth and persons with disability. As a leader, I would ensure such programs are maintained and that citizens in marginalized areas, are educated on how to access and use the services.

Certain groups have been prevented by social and cultural stereotypes from embarking on some ventures. For instance, women have traditionally kept off from engaging in science and technology. Recently I got a perfect pedicure service from a male beautician. Therefore, we ought to break from social norms that business is gendered, and support every person's idea.

Lastly, I would encourage good corporate governance. Many businesses are languishing because of unethical practices and mismanagement. Sadly, in most recent procurement scandals in my country, a government leader is involved. I plan to bring a different culture of leadership, with a motto of integrity. The late Indian leader and philosopher Mahtma Ganthi mentioned 'Commerce without morality' as one of his 1925 list of seven deadly moral sins. As a leader, I would establish a specific Agency to ensure that business ethics are adhered to. For instance, products and services should meet the required standards, procurement of tenders should be open and transparent, recruitment should be fair and meritorious and tax returns should be remitted for every business. This will not only ensure that businesses are sustainable, but also provide confidence to customers and creditors in transactions and purchase.

With these sentiments, I believe my leadership ideas and strategies to improve African businesses shall be sustainable, and alleviate poverty levels in the long term.

² Agriculture is the biggest contributor to Kenya's Gross Domestic Product (GDP).
https://en.wikipedia.org/wiki/Economy_of_Kenya