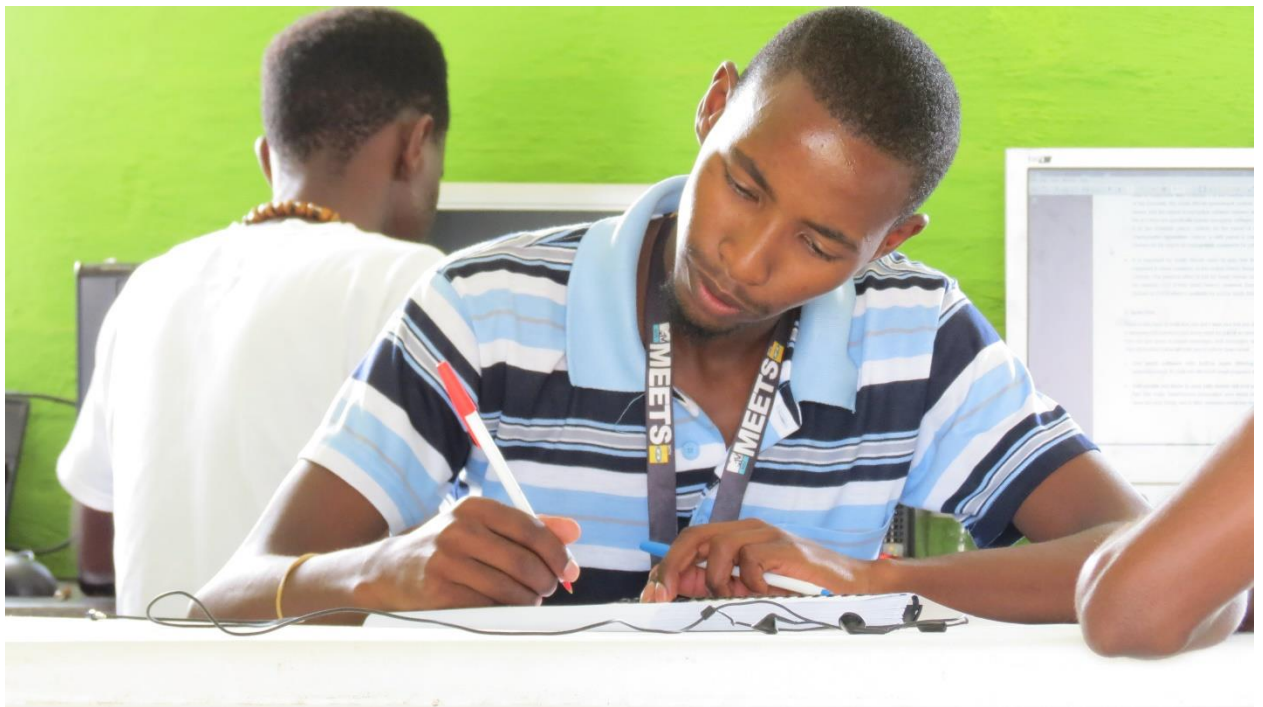


JOZi Business Hub

Developing JOZi's Township Communities



Name: Jozi Business Hub – Employment Agency
For: Kwasa
Subject: Employment Agency & Business Incubation
Targeted at: Youth from Diepsloot and Orange Farm Townships
Location: Bophelong Centre
Author: Board Rhiza Babuyile
Date: August 2015

Index

Project

JOZI Business hub overview

Objectives of the proposal

Approach to achieve our objectives and financial indications

Benefits and beneficiaries

Conclusion

JOZi Business Hub Overview

The JOZi Business Hub is a newly implemented approach that focuses on the socio economic development side of the Babuyile Community Development Project operating from Diepsloot. It will officially start operating from the 1st of September 2015 and is managed by Tyronica Oliobi and Team Project Hope. Tyronica is passionate about helping and developing the youth, she has been in the corporate industry for almost 9 years in various fields and positions until she decided to join the NGO sector to fully give back to the communities. During her time in the private sector she gained a lot of experience which she will apply to run the business hub.

The aim of the hub is to incorporate the learners into the corporate world and to bridge the gap of unemployment and create sustainable income for our learners after they graduate in I.T. and Fashion & Design by seeking entry level and on job training type of employment opportunities via our recruitment agency. The recruitment agency estimates that 80% of all students will be placed in various companies via these opportunities. Currently our database consist of 59 graduates that are seeking employment and a further 79 students who are projected to graduate end of 2015, making it a total of 136 graduates that we need to empower in one of the 3 aspects of the JOZI business hub.

The second aspect of the hub is to help self-starters with interest free micro-credits and to assist them to achieve their goals in entrepreneurship through coaching, training and planning which will also include registering the companies with CIPRO and SARS compliance. We also want to extend our efforts by training youth in financial administration; the training will be accredited through FASSET (Finance and Accounting Services Sector Education and Training) and will be for a period of 4 weeks. The financial training will primarily serve as a support to the young entrepreneurs, so that their decisions are based on a minimum of basic knowledge of financial accounting.

The third and last aspect is to train and equip the students in I.T. and Fashion & Design with the intention of grooming them to enterprise development so they can employ others from their communities within both fields. These students will also require financial administration training; the training will be accredited through FASSET (Finance and Accounting Services Sector Education and Training) and will be for a period of 4 weeks. The financial training will primarily serve as a support to the young entrepreneurs, so that their decisions are based on a minimum of basic knowledge of financial accounting.

All courses are accredited through the relevant SETAs .Business experts from our project partners, such as Experian, Rivers Foundation and Absa can mentor the youth who are starting their own businesses and entering the enterprise development space.

Objectives of the Proposal

The main objective of this proposal is to request for funding for the recruitment agency within the JOZi business hub to help us develop our community better.

Kwasa generally collaborates with organizations similar to Babuyile, and as we've already collaborated regarding three microcredits in 2014-2015 we see it fitting that we join forces regarding one of the major enterprises within the business hub. Through this microloan for the recruitment agency we can make an even bigger impact and difference in improving lives of the disadvantaged people in our communities.

Our other objective is to get the business hub to be self-sustaining in the future, so a portion of the graduates' stipend, I.T and F&D stipend, and payback of the micro-credits from the entrepreneurs will be re-invested in the hub-pool of funds. So not only will your microloan assist with the current project, it will also help us in our future projects. Tyronica will train **3 local young women** to run the recruitment agency. We envisage that these women, after the recruitment agency will run for 3 months, are able to get a salary of at least R3000.

Approach to Achieve our Objectives and Financial Indications

| Budget Recruitment Agency | | | |
|----------------------------------|----------------------|-------------------|---|
| Unit Cost | Amount in Rand | Amount in Euro | Description |
| 3 laptops | ZAR 16,647.00 | € 1,173.98 | 3 laptops for the women who will run the agency |
| Software | ZAR 1,500.00 | € 105.78 | Microsoft Office |
| Paper | ZAR 400.00 | € 28.21 | Initial amount for paper |
| Printer/ copy/ scan | ZAR 899.00 | € 63.40 | For contracts, etc |
| 1 phone | ZAR 200.00 | € 14.10 | To call companies for recruitment purposes |
| 2 desks | ZAR 2,100.00 | € 148.10 | n.a. |
| 2 chairs | ZAR 1,400.00 | € 98.73 | n.a. |
| Total | ZAR 23,146.00 | € 1,632.30 | |

| Projected Quarterly Income | | | | | |
|-----------------------------------|-----------------|-----------------|-----------------------|--------------------|---------|
| Unit | Income per Unit | Amount of units | Total in Rand | Total in Euro | Quarter |
| Youth Employed | 1500 | 6 | ZAR 9,000.00 | € 634.70 | Q1 |
| IT and F&D | 250 | 2 | ZAR 500.00 | € 35.26 | Q1 |
| Entrepreneurs rent | 150 | 5 | ZAR 750.00 | € 52.89 | Q1 |
| Entrepreneurs microcredit | 833.33 | 5 | ZAR 4,166.65 | € 293.84 | Q1 |
| Total Q1 | | | ZAR 54,166.65 | € 3,819.93 | |
| Youth Employed | 1500 | 9 | ZAR 13,500.00 | € 952.05 | Q2 |
| IT and F&D | 250 | 2 | ZAR 500.00 | € 35.26 | Q2 |
| Entrepreneurs rent | 150 | 5 | ZAR 750.00 | € 52.89 | Q2 |
| Entrepreneurs microcredit | 833.33 | 5 | ZAR 4,166.65 | € 293.84 | Q2 |
| Total Q2 | | | ZAR 75,666.60 | € 5,336.15 | |
| Youth Employed | 1500 | 12 | ZAR 18,000.00 | € 1,269.39 | Q3 |
| IT and F&D | 250 | 2 | ZAR 500.00 | € 35.26 | Q3 |
| Entrepreneurs rent | 150 | 15 | ZAR 2,250.00 | € 158.67 | Q3 |
| Entrepreneurs microcredit | 833.33 | 10 | ZAR 8,333.30 | € 587.68 | Q3 |
| IT and F&D sales | 10% | 5500 | ZAR 550.00 | € 38.79 | Q3 |
| Total Q3 | | | ZAR 118,533.20 | € 8,359.18 | |
| Youth Employed | 1500 | 15 | ZAR 22,500.00 | € 1,586.74 | Q4 |
| IT and F&D | 250 | 2 | ZAR 500.00 | € 35.26 | Q4 |
| Entrepreneurs rent | 150 | 25 | ZAR 3,750.00 | € 264.46 | Q4 |
| Entrepreneurs microcredit | 833.33 | 25 | ZAR 20,833.25 | € 1,469.20 | Q4 |
| IT and F&D sales | 10% | 9500 | ZAR 950.00 | € 67.00 | Q4 |
| Total Q4 | | | ZAR 194,133.00 | € 13,690.62 | |
| TOTAL ANNUAL INCOME | | | ZAR 442,499.45 | € 31,205.89 | |

Recruitment agency: We will negotiate with an I.T. organisation to hire 6 of our graduates so they can get the relevant work experience and Babuyile will provide the stipend that will motivate them and enable them to get to work. Babuyile proposes to Kwasa R5000 per graduate per month, we will however pay the graduates R3500 and the rest will be re-invested in the recruitment agency. The reason for the placement fee or the R1500 we deduct is that we intend to get the hub/recruitment agency to be self-sustaining over a period of time and therefore require these funds for the hub-pool.

I.T and F&D ED (Enterprise Development): Babuyile will setup and start-up 2 graduates from our database within the hub. We will help them get registered with CIPRO, compliant with SARS, help with the marketing and generating income from the services offered. The stipend for the graduates will be the same as above. Rental space is R150 monthly; the first month charged at R250 to cover administration. A total of R1900 will be chargeable for per 12 months. We will then buy the equipment and tools needed by both graduates to get the project off the ground, this is projected at R19 000 per graduate. After 6 months 10% of the income of these two projects will be reinvested in the JOZi Business Hub.

After 6 months the project should be self –sustaining and the graduates making profits from their respective fields, and we should hopefully expand this team.

Entrepreneurs Micro-Credits: 5 entrepreneurs to start various businesses- From October 2015, with an average microloan of R10 000 per entrepreneur. We will help them get registered with CIPRO, compliant with SARS, help with the marketing and generating income from the services offered. After 3 months the entrepreneurs should start the payback process of the interest free microloan which should be fully paid in 12 months from the start date. These funds will also be re-invested in the hub-pool to help start-up new projects. The rent for entrepreneurs at the hub is as mentioned earlier R150 per month; the first month charged at R250 to cover administration.

Benefits and Beneficiaries of this Proposal

In collaborating with Babuyile, Kwasa would have directly empowered a few young people who will in turn help improve their families and communities. The beneficiaries of this project will be given a second chance in life through your sponsorship, they will live improved quality lives and we would have bridged that income gap and developed lives. Babuyile will send monthly reports to Kwasa on the updates and progress of this project.

The three local women who will be trained to run the recruitment agency are:

Thimbe Mashilo: is 31 years old, has one child, is passionate about developing the community in particular in IT.

Molatela Mothapo: is 24 years old, has one child, is from Limpopo and aims to have her own business.

Karabo Ratebe: is 26 years old, has good communication skills and has a passion for development in general.

Underneath you find two pictures of Thimbe, Karabo and Molatela.



Photo: Thimbe (Right) and Molatela during their IT classes.



Photo: Karabo during her graduation with her teachers and Alef.

Conclusion

This project and its objectives was thought through and aims to empower the South African youth by granting them access to sustainable income and stable jobs. This will help them to lead better improved lives and we are confident that we can make this work and be of great value to these young ones. We trust that Kwasa will see the significance in funding this opportunity and investing in the youth of Diepsloot and Orange Farm.

Through a microloan to the recruitment agency of €1.632.30 we will be able to provide three women from Diepsloot with a full time job and provide many of our students with jobs and micro-credits.

Looking forward to hear from you,



Tyronica Oliobi

Manager JOZi Business Hub