

Hands-on

Experience Learning

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Investing in South Africa's potential

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RESOURCEFUL YOUNG
CHILDREN
INCLUSIVE, ENABLING
COMMUNITIES
GAME-CHANGING
LEADERS

TRADE-MARK

An increase in income equals an increase in quality of life – or does it?

TRADE-MARK is an innovative social enterprise giving home and business owners access to exceptional artisans from the townships, challenging preconceptions and bridging the economic divide.

Over the last 18 months we have provided support to 10 painters, pavers, tilers and carpenters, primarily in township communities within the Helderberg Basin. We are working towards adding a further 40 tradesmen in the greater Cape Town area, and to opening a branch in Johannesburg with 20 tradesmen, all by early 2015.

Levelling the playing field

The reality is that without some way of knowing whether a particular tradesman is reliable and

skilled, most middle-class home and business owners are simply not willing to take a chance on a tradesman from the townships. Despite the fact that many tradesmen from these communities are highly professional and able to provide clients with an equal or better service than their competitors, the preconceptions of distrust towards workers from the townships that still exist make it difficult for these tradesmen to access the market. There is a perception that formal contractors are much more likely to be reliable and to deliver a professional service.

Back in 2008 the idea for TRADE-MARK was inspired by Simon, a tradesman from Diepsloot township, who was also a friend and ex-employee of TRADE-MARK founder, Josh Cox. Simon, a skilled painter and tiler, was struggling to break into the

Changing mind-sets and bringing hope

The impact we hope to see through our work goes beyond giving people from low-income communities opportunities to earn additional income. People within middle-class South Africa often expect workers from the townships to be unreliable and unskilled. When they end up receiving an exceptional service that far surpasses their expectations, it inevitably challenges the preconceptions they hold towards people from these communities. In this country, more than any other, bridges of trust and understanding need to be built across the racial and class divide, and our work is aimed at achieving just that.

Some time back a prospective client asked if she would be safe with one of our tradesmen in her home. A month later, with the job complete, we heard that she had given him a key to her house to let himself in when she was away. A bridge has been built. This is a common reaction from our clients, who most times are completely won over by our tradesmen, as reflected in our average client rating which is currently over 9 out of 10.

In township communities very few opportunities exist with many people looking to the state to provide jobs or, failing to secure employment, they might turn to a life of crime. The impact of individuals who have become successful and provided work not just for themselves but for others, all through honest means, is tremendous. Part of our work is to celebrate these individuals and give profile to their successes, to inspire hope within the younger generation in particular. The pride felt by a tradesman who appears in the local newspaper is something that cannot be measured.

market because of a lack of credibility and limited resources and skills to market his services. After requesting a reference letter from Josh he was able to secure regular contracts, some of them up to R30 000 in value.

Fast forward to today and not only does Simon still use that same reference letter to secure new clients, but his experience resulted the establishment of TRADE-MARK as an operational and impactful social enterprise, that addresses the very same needs of tradesmen in a similar situation to his.

Finding the best tradesmen

We put all our tradesmen through a strict screening process to select the very best. This process is designed to test both their reliability and their skills in their particular trade. As part of the screening an on-site inspection of their previous work is done by an industry professional to ensure that their workmanship is of the highest standard. After joining the TRADE-MARK family we continue to hold them accountable for delivering an exceptional service, using our client feedback and rating system. This allows us to monitor the level of service provided. Also, getting candid feedback

from clients for us to share constructively with the tradesmen enables them to continually improve their service.

With a strict screening process and client feedback system we can confidently recommend our tradesmen to clients, who are happy to use the services of someone with a track record of professionalism who will also be held accountable for their work.

Building successful businesses

Over the last eighteen months TRADE-MARK has generated approximately R500 000 worth of business for our tradesmen, which has had a significant positive impact in their lives. At least 30% of our tradesmen have doubled their income as a result of business secured through TRADE-MARK.

Access to the market is however just one element of building a successful enterprise. Having the necessary skills to manage your business effectively is just as important and the second component of our work to date has been aimed at addressing this issue. While having an entrepreneurial mind-set and having set up a business to some degree are both criteria in our screening process, the reality is that many of our tradesmen are first and foremost artisans; this is their real domain of expertise. Providing a great service or product is a long way away from running a successful business and specific skills and capacity are required to bridge this gap.

While our initial focus was solely on providing our tradesmen with access to the market, nine months ago we initiated a tailor-made training programme aimed at equipping our tradesmen with very practical skills to apply to their business. For example, part of the training focused on the preparation of professional quotations for clients. Moving away from vague, verbal quotes to providing detailed, written quotes helped a number of our tradesmen develop a more professional image, which aided them in securing additional business.

At first glance it would seem that being skilled in their trade, having access to the market and having the skills and knowledge to run their business effectively and efficiently are the three ingredients necessary for our tradesmen to become successful



and improve their quality of life. We were surprised to see that this isn't in fact the case.

Increasing income is not enough

While we did not have a formalised monitoring and evaluation programme in place, through discussions with some of our tradesmen we were able to get a sense of the tangible impact that an increase in income was having on their quality of life. For some the positive impact and improvement in quality of life was clearly evident; not so for others. A rapid increase in income resulted in one of our tradesmen spending money on luxury items, such as a car, and a couple of months later he was without regular contracts and struggling to cover school fees for his children.

Increased access to material possessions can increase one's desire for even more material possessions, which can end up taking priority over the basic necessities of life. Planning for the future and budgeting is also a near impossible task when you live hand-to-mouth. So when you find that your income increases significantly and for the first time you have a bit of extra money, planning and budgeting become increasingly important if you are to realise the full benefit of such opportunities.

This revelation highlighted to us the importance of setting our tradesmen up for success not just in business, but in life.

Working towards this requires that we also address the vulnerabilities that entrepreneurs in low-income communities face by equipping them with the necessary emotional tools to cope better with challenges that arise in their own personal circumstances. For some this might well end up being the most important aspect of the support they receive from TRADE-MARK as these are skills that will benefit them for the rest of their lives, even if they decide to close down their business for other reasons.

It's simply not enough to increase our tradesmen's income, if this doesn't ultimately translate into improved quality of life for them and their families.

A broader lesson

Having learned this lesson through experience, the importance of life skills coaching now seems obvious, but the truth is that many entrepreneur development programmes fail to include, or even

consider, this aspect in the work that they do. In our opinion this is therefore a valuable lesson for any initiative involved in entrepreneur development.

One cannot assume that having a successful business will necessarily improve someone's quality of life. Having the skills to manage personal finances and to deal with other vulnerabilities and social problems you are faced with in a low-income community are crucial. Ultimately they are also crucial to the success of the business itself.

So many organisations fall into the trap of monitoring and reporting only on number of businesses supported, number of jobs created and amount of revenue generated (or similar figures). When looking at an organisation's impact, figures such as these are indeed useful, but by no means do they give the full picture. Some organisations will go a bit further, augmenting these figures with personal stories of individuals impacted by the programme. This is useful to get a sense of how lives are being changed, but again it can give a false impression of the overall impact.

Our view is that the best way to measure one's impact is to conduct a detailed assessment on the quality of life for each beneficiary (a sample of individuals for bigger programmes). The emotional and spiritual aspects of someone's quality of life are indeed very difficult to measure, but the material comfort and basic needs provided for are readily assessable. The net benefit to an individual is not how much extra income they receive, it is how these measures are changing and improving. We believe that life skills coaching can multiply the benefits gained as a result of an increase in earnings, and so looking at these measures is the best way of analysing how effective we are in addressing the challenges of poverty in a holistic manner.

Moving forward

In partnership with The Business Place, in Philippi we will be rolling out a training programme for all our tradesmen, called Business Builders. This business- and life-skills training is being customised for our tradesmen to ensure that it is both relevant and practical.

The format of the business training element will be group training sessions, with 20 tradesmen per group as well as one-on-one mentoring sessions. This is to ensure that our tradesmen are equipped

with all the tools they need (group training) and are able to apply them effectively to their own individual businesses (individual mentoring). The life-skills coaching will take the form of group sessions with 6-8 tradesmen where the focus will be on discussing and equipping our tradesmen with the skills necessary to better cope with challenges in their personal life.

We believe that the four cornerstones necessary for our tradesmen to build successful businesses and lives are as follows:

- Technical skills in their trade
- Access to the market
- Business skills
- Life skills

If we are able to support our tradesmen in obtaining these key elements, they will indeed go on to become successful individuals with all the recognition they deserve. This is what we believe, but again we don't want to get caught out by assumptions. We want to know and understand the true impact our support is having.

The true test is to determine how people's quality of life is improving, and measuring this is no easy task. In looking around for such measures we came across an exciting new tool, called 'The Poverty Stoplight'. It is a practical methodology, developed in Paraguay, used to capture the multiple

dimensions of poverty using the colours of a stoplight (red – extreme poverty; yellow – poverty; green – non-poverty). It is a highly useful tool for identifying gaps that individuals and families need to close in order to overcome poverty-related challenges.

This methodology is still under development and we are exploring the possibility of using it to assess our tradesmen as they join the programme. We believe it will prove a very effective tool to monitor how their lives change and improve as a result of the support received from TRADE-MARK.

Conclusion

Any intervention aimed at addressing social challenges is based on assumptions: we assume that doing X will achieve Y. Sometimes these assumptions seem so obvious that they no longer appear to be assumptions; in our minds they have become truths. That an increase in income would lead to an increase in quality of life (our end-goal) was not even a question for us when we started out. It was an obvious truth and so increasing income was something we started to aim for.

Seeing that an increase in income was not necessarily leading to an improvement in quality of life, taught us a most valuable lesson: if we only measure our results (increased income) and fail to measure our progress towards our end-goal (improved quality of life), we might find ourselves becoming experts in achieving results that on their own bring us no closer to our end-goal at all.

This learning brief tells of the hands-on experience of:

trade-mark | SKILLED TOWNSHIP TRADESMEN

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The DG Murray Trust encourages its implementing partners to share their experiences and learning in the form of a Hands-on learning brief. Download guidelines on writing a Hands-on brief from <http://www.dgmt.co.za/what-we-learned/>
For more information visit <http://www.dgmt.co.za>

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