
The Townships Project

Quarterly Report

July-September 2023

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PROPERTY^{POINT}
TRANSFORMING THE INDUSTRY

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Executive Summary

Property Point and the Small Enterprise Development Agency (SEDA) collaborated to launch a Township Hub in Kagiso. The objective was to stimulate and foster the growth of sustainable businesses in the electrical, plumbing, and diesel mechanical sectors. Through a holistic approach, this programme has been developed to address the gaps within small businesses in township economies.

The Kagiso Incubation Programme is a 24-month programme that specialises in providing business development support to businesses in Kagiso and the neighbouring regions. Business and technical assistance, as well as networking platforms, will be provided as key areas of support. Following the completion of the screening process, eleven businesses were accepted into the programme. There are five plumbing businesses out of the eleven in the programme, and three of them are owned by women. The incubation phase has already begun, and the businesses have been inducted to guarantee their grasp of the programme's structure and to manage their expectations.

The Townships Project was extremely interested in our business incubation programme, particularly the plumbing businesses. The Townships Project identified an obstacle for the plumbing businesses on the programme, which was not being able to reach clients in addition to having the right tools to continue with their normal plumbing jobs. Consequently, they helped the hub acquire a truck loaded with the tools and equipment needed to provide plumbing businesses with a competitive advantage in their varied jobs.

The objective of this report is to provide an update on the success of the business incubation programme, with a focus on the plumbing businesses on the programme and their planned activities. The below is an overview of all the plumbing businesses that are part of the Kagiso incubation programme.

Introduction to the Businesses

Zamava Construction and Projects



Lwazi Lutya (33) and Thozama Gomba (30) own Zamava Construction and Projects. The business was founded in 2019 when the two ladies met while working part-time at a retail shop and quickly clicked, thanks to their profound love for plumbing the business was born. Both ladies are experienced plumbers with vast expertise in providing plumbing services to Kagiso homeowners. Zamava has struggled to "fit in" in a male-dominated sector and has frequently had to rely on male counterparts to tender work on various projects.

Their every-day challenges have not prevented them from pursuing their interest in the construction sector, but rather have strengthened their commitment to improve their technical and business skills. This is one of the reasons they applied to be a part of the Kagiso Incubation Programme. Under the supervision and support of the resident technical workshop mentor and resident business advisor, the programme seeks to strengthen their technical and business abilities, as well as their networking relationships. They now have access to the infrastructure.

Property Point has already discovered that Zamava requires interventions such as financial management, costing and pricing, sales and marketing strategy training, and access to resources such as leak detection and drain cleaning machines through their baseline assessment.

Tsotello General and Projects



Tsotello General and Projects was established in 2019 by Lerato Rikhotso (36). Lerato founded the business after seeing a gap in the number of female-owned businesses in the plumbing industry. Despite her initial excitement, Lerato continues to experience difficulties breaking into the construction industry as she grapples with being marginalised due to her gender. It is difficult for her to sustainably build her business in the township due to the present reliance on community-based initiatives, which has been inconsistent, and residential clients who are continually wanting to bargain for lower pricing.

Tsotello's plans include development and expansion into the private sector, with the goal of serving more corporate clients. Tsotello discovered and applied for the opportunity to be procurement-ready and have access to knowledge to reach the private sector through the Kagiso Incubator Programme. Following the completion of baseline assessments, the programme intends to support Tsotello with business development interventions such as branding strategies, personal mastery, financial management, costing and pricing, and other similar activities.

Tshireletso Projects



Sandra Sebothoma (58) founded Tshireletso Projects three years after being in a vehicle accident that left her with a fractured spinal cord. She had always intended to establish a business in the construction industry, but owing to a lack of information and guidance, the venture could not get off the ground properly the first time. Sandra revived the business in 2009 after five years as a customer service consultant in the banking industry.

Tshireletso Projects has executed projects in the public sector (government projects) as well as community-based plumbing projects. Sandra has not let her medical condition stop her from operating her business and pressing for greater job possibilities. Sandra registered for the Kagiso Incubator Programme because she recognised a gap in her

knowledge of some facets of business, such as contracts, sales and marketing strategies, technical expertise, costing and pricing, and financial management. She now has access to business development support through the Kagiso Incubator Programme, which will help her overcome the difficulties.

Samcon Construction



Samuel Mokgothu, a 34-year-old entrepreneur and skilled plumber from Randfontein, founded Samcon Construction in 2012. He was inspired to launch Samcon Construction since he grew up in a family of entrepreneurs and has never wanted to work for someone else. Samcon Construction's objective is to become Gauteng's premier plumbing business, providing commercial services. Currently, the business serves the banking and finance sectors as well as certain private sector clients, such as property developers.

As an aspiring leader, Samuel is deeply committed to community development, particularly the empowerment of young people to become competent professionals and entrepreneurs. He joined the Kagiso Incubator Programme to provide technical and managerial training to his staff. He is also seeking a professional space to have client meetings because the business is currently based at his home. Sales and marketing are additional challenges in the organisation that will be addressed in the programme.

Goodman Plumbing



Goodman Plumbing was founded in 2014 by Goodman Mahlaule, a 42-year-old man who lives in Kagiso with his wife and children. Being a plumber and self-employed individual, Goodman has vast expertise in the plumbing industry. Following the business's formation, Goodman concentrated on the technical aspects of the business, which resulted in missed chances because this needed compliance, which the business lacked. When the Kagiso

Incubator Programme became available, Goodman recognised a chance to enhance his compliance and enlisted the business in the programme.

Goodman Plumbing has provided plumbing services to households in and around Kagiso for many years and has participated in community projects as a plumbing subcontractor. He is now motivated to transform his self-employment status and become a successful entrepreneur who provides services to private sector clients. Being a part of the Kagiso Incubator Programme gives him hope for success in the construction industry because the programme provides business development assistance such as acquiring compliance documents, technical training, personal mastery, access to tools and equipment, financial management, and costing and pricing training, to name a few. These interventions are intended to prepare him to sustainably build his business.

Previous Activities Implemented

The Following activities were implemented as from August 2023 to date:



Kagiso Enterprise Development Programme Induction, including Sanette Mostert from The Townships Project

Induction

The incubator was formally launched at the beginning of August, and the selected businesses were then enrolled in the programme. This featured an introduction to Property Point as well as some insight into what the training programme will look like over the course of the 24-month period.



Tools and Equipment Workshop

The plumbing workshop at the Kagiso Incubator is equipped with various tools and equipment, and the plumbing businesses were instructed on how to utilise the tools and equipment.



Financial Management Training

Individual business baseline assessments revealed the need for financial management training. A training session was organised with all of the businesses, including the plumbing businesses, to provide them with the knowledge they needed to understand their companies' financial performance.



Costing and Pricing Workshop

This was another intervention identified as a requirement for businesses during baseline assessments. The objective of the workshop was to educate businesses on the necessity of understanding how much it costs them to supply their services, as well as to present them with an alternative viewpoint on costing and pricing for their services.

Activities planned for the next quarter

In the next quarter, we are planning to implement the below activities:

- Company branding workshop
- Site visits
- Company profile update
- Procurement of plumbing field vehicle, including its tools.

Conclusion

The Kagiso Incubator Programme aims to produce businesses that are better than they were when they first joined the programme. This will be evident in the interventions that will be implemented and tailored to the specific needs of each business. Following the one-on-one workshops on financial management, costing, and pricing, businesses have already begun to show a fresh perspective on the financial aspects of running their businesses. The acquisition of the plumbing vehicle also promises to provide them with the chance to take advantage of additional employment possibilities that they would have otherwise missed due to a lack of resources.