



Sanlam BlueStar Conference

Songezo Masiso: General Manager - SME & Indirect Channels

everywhere you go

AGENDA

1. Introduction

- SA Economic Overview

2. The Power Of Partnerships

- Business Stages
- Identifying and Building Successful Partnerships
- The Value of Partnerships
- Types of Partnerships
 - Partnerships Case Studies

3. MTN SME Hub

SA ECONOMIC OVERVIEW



- The COVID-19 crisis has weakened an already fragile economy.
- South Africa's growth underperformed during the past decade:
 - GDP per capita was already lower in **2019 than in 2008**
 - Unemployment remains high, at **around 35%**
 - Youth unemployment even **exceeds 50%**
- Spending pressures are mounting to close the financing gap in health, infrastructure and higher education.
- Finance the above while putting public finances on a more sustainable path, which is key to restore confidence.
- Spending efficiency should improve and be accompanied with increased government tax revenues.

Economic Outlook Note - South Africa – June 2023

- GDP growth is projected to slow to **0.3% in 2023 before picking up to 1% in 2024.**
- Investment will become a much-needed driver of growth as the energy crisis requires additional power generation capacity.
- Higher interest rates and inflation are denting consumption, while electricity outages and lower global growth are weighing on exports.

THE POWER OF PARTNERSHIPS

The best partnerships aren't dependent on a more common goal but on a shared path of equality, desire, and no small amount of passion." – Sarah MacLean, New York Times bestselling author

THE BUSINESS STAGES

Research shows that about **90% of business** startups fail in their first year, under **50% make it to their fifth year**, and only **33% make it to the 10-year mark**, for a number of reasons including a lack of financial support, skills and resources.

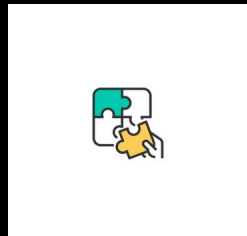
1

Seed and
Development



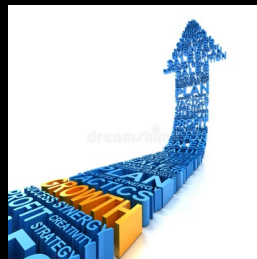
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Startup



3

Growth and
Establishment



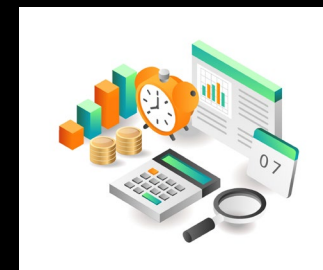
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Expansion



5

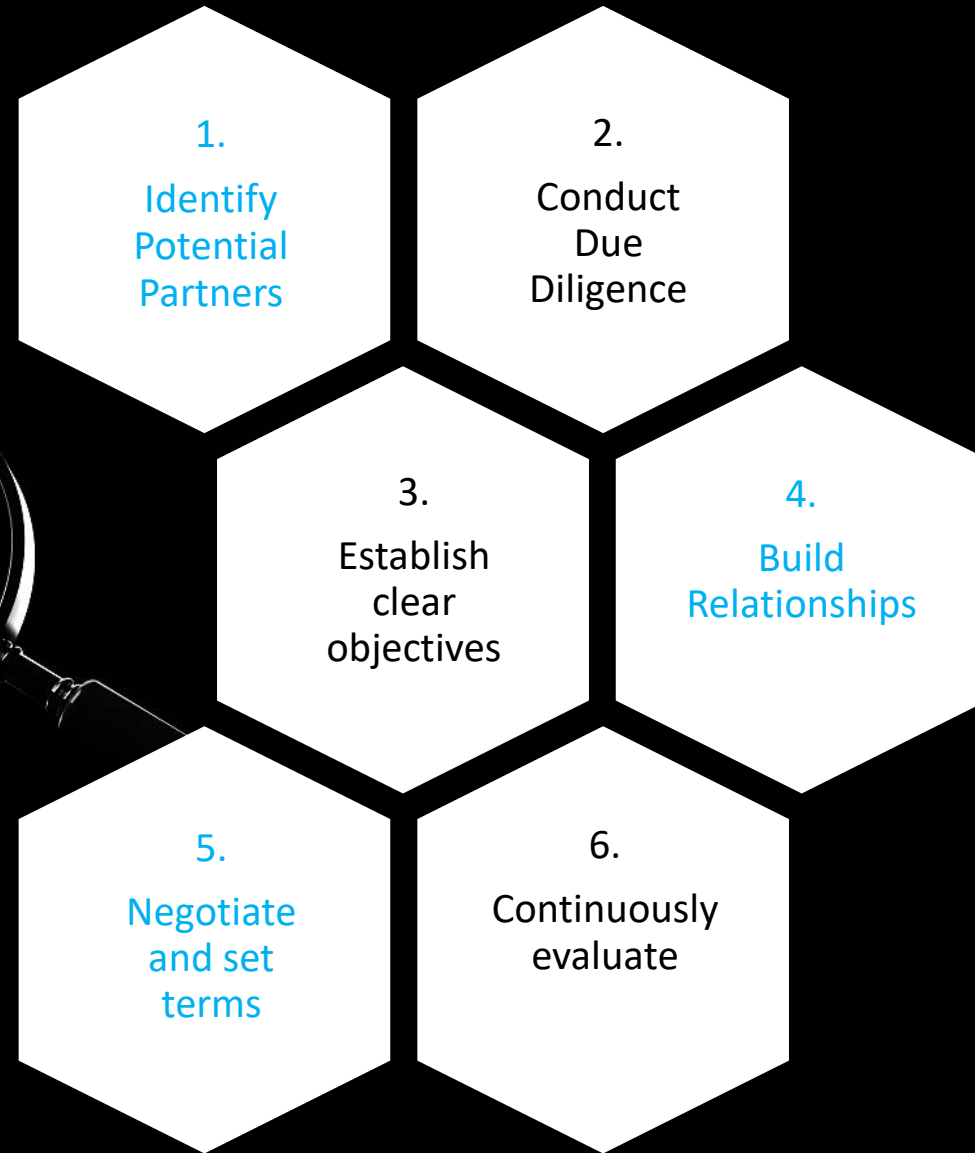
Maturity



Partnerships play a critical survival or success role through the business stages

IDENTIFYING and BUILDING SUCCESSFUL PARTNERSHIPS

Bradley L:Business Growth Specialist



THE VALUE OF PARTNERSHIPS



INNOVATION

- Every business needs to innovate for differentiation and growth
- A diverse set of skill, experiences and ideas enable businesses to remain relevant and respond to the market.

RISK MANAGEMENT

- By partnering with other organizations, business can spread the risk of closing down, especially with the current challenges we are experiencing in the country.

ACCESS TO MARKET

- Help a company and its products to reach markets by evading barriers to market entry

SHARING OF RESOURCES

- Companies require to share resources, especially SMEs who are on the introduction phase of their business
- The resources can range from specialized skills, capital and customers to some extent

DROPPA AND SKYNET PARTNERSHIP



ACTIVE PARTNER

- Participates in the management of an organization
- Has unlimited liability
- Contributes capital in the firm and gets a share in the company's profit or loss in return.

SANLAM and MAXHOSA COLLABORATION



SLEEPING OR DORMANT PARTNER

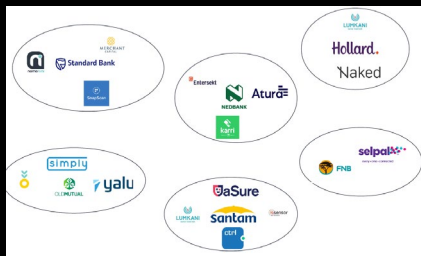
- Are bound by the activities performed by the active partners
- Have unlimited liability
- Contribute capital in the firm and get a share in the company's profit or loss in return.

SECRETE PARTNER

- Has unlimited liability
- They also contribute capital in the firm and participate actively in the management of a company.

TYPES OF BUSINESS PARTNERSHIPS

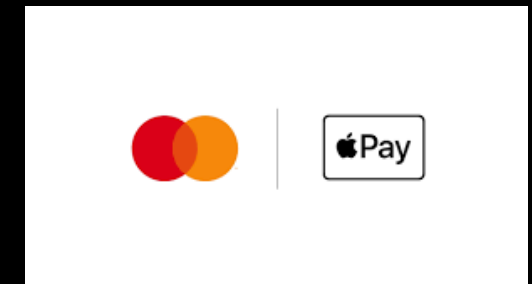
HOW SA BIGGEST FINANCIAL SERVICES COMPANIES ARE CONVERGING



NORMAL PARTNERS

- Do not contribute capital
- Do not have unlimited liability
- Do not participate in the management of the firm, and do not get any share in the profit or loss of the company
- Lend their name and reputation to benefit the company

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THANK YOU!

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