FEEDBACK TUTORIAL LETTER

1st SEMESTER 2019

Assignment number 1

Innovation Creativity and Entrepreneurship (ICE712S)
Entrepreneurship in the age of technology in Namibia

Growing up in Namibia there were several careers to choose from we were told, says local innovator, Melkisedek Shivute Ausiku. Study hard, become a doctor, lawyer, accountant, nurse or architect. Perhaps even an engineer if you were that way inclined. However, no one ever stimulated you to be an entrepreneur. Someone who sees an opportunity and grasp it with both hands and runs with it. I, for one chose the path of an education and studied to become an electrical engineer. Even worked in that field for some time and followed the beaten path, there was however always a fire in my belly a spark in my eye. A yearning to create and develop something of my own. The idea of being my own boss, growing my own business, helping develop Namibia was what I was born to do…I just knew it.

With the rapid developments in technology and the sheer level of innovation around the world my dreams became bigger, brighter and seemingly ever more within reach. But, being in Namibia and being a Namibian, they were always just beyond my grasp. That was until last year when I finally eschewed the beaten path and decided to strike out on my own and launch the LEFA Transportation services, a ride-hailing app for Windhoek and in future for the whole of Namibia.

With a stable, fast internet now available almost everywhere in Windhoek, smartphones becoming the norm it seemed the perfect time to introduce a ride-hailing app. Almost every other country had its transportation status quo disrupted by a ride hailing application, there was no reason why Windhoek should not follow suit.

With a dream, a small team and sadly a shoestring budget we set to work to creating this app for the people and bringing online services to Namibians. The embracing and development of technology is unstoppable and rightly so. Development and innovation creates new opportunities, new jobs and enhances Namibia’s reputation as a knowledge-based society and fits in perfectly with its ambitious Development Plans. It became very clear very quickly that although the people, the market were ready for an app such as LEFA, the support network to help develop the business and assist entrepreneurs still had huge gaps in it.

Each person knows the stories of how Silicon Valley started out with young whizz kids developing technology in their garages, but that was a long time ago. Silicon Valley now fully embraces start-ups, helps develop the ideas and applications that young entrepreneurs have and nurtures this talent. There are organisations in Namibia that do this, but they are also constraint by budgets and market parameters. This of course doesn’t and won’t deter real entrepreneurs and innovators. It does make the journey a little more challenging though.

My hope is that we as Namibians and especially the young and people dreaming of a career realise we don’t all need to be doctors. It is no longer just a pipedream to think that the next Elon Musk, Mark Zuckerberg or Steve Jobs can come from the African continent, even from Namibia. All we need is access to technology, innovation a great idea or concept and hopefully support and funding and we can truly transform the Namibian economy into an innovative and technology driven country. Where technology makes our lives easier and
better. Investors and venture capitalists and banks have reaped the rewards of backing start-ups.

I for one will be championing this at every step and every turn, developing our own app further, but engaging and motivating others right here in Namibia to do the same. Let’s take the positives that technology can bring and use it as a force for good and develop ourselves, our economy and our nation. We can build a Silicon Valley right here in Namibia…could even call it Silicon Sub-Saharan.

Source: NAMPA (2018)

1. How does the Melkisedek Shivute Ausiku in the article describe an entrepreneur

   **Someone who sees an opportunity and grasp it with both hands and runs with it.**

2. What motivated the Melkisedek Shivute Ausiku to open his own business

   A yearning to create and develop something of my own. The idea of being my own boss, growing my own business, helping develop Namibia was what he was born to do… I just knew it.

3. As an entrepreneur how did the Melkisedek Shivute Ausiku came about to open up his business

   He identify opportunities in the market.

   He is willing to take calculated risks

   He gather and apply resources appropriately to make a profit.

   He establish and grow his own business, alone or with a team.

   His motive is to make a profit

   His is creative and innovative in various ways

4. The author had his own business.

   (a) What type of business was it?

   **Transportation business**

   (b) What made his business different from other similar business?

   His transport business made use of a ride-hailing app. A taxi-hailing service that employs a business model based on a mobile app that instantly connects people who want a ride with drivers in the area. Almost every other country had its transportation status quo disrupted by a ride hailing application, there was no reason why Windhoek should not follow suit.
5. According to the case study, why is entrepreneurship important for a country such as Namibia?

* It creates and drives new businesses
* It reduces the level of poverty
* Forms a direct link between the entrepreneur and the customer
* It sustains economic growth and development
* Presents a career option for women and youth

(Students are required to link the content with the information from the case study)

6. The LEFA app has a sustainable competitive advantage over similar products in Namibia. In accordance with the case study, what is a sustainable competitive advantage and what are the bases of competitive advantage?

Sustainable competitive advantage exists when a firm offers a product or service that customers perceive to be superior to those of the competitors and one that the competitors find very difficult or impossible to imitate. (3)

The bases of competitive advantage are:

- Unique service features
- Value for money
- Customer convenience
- Customer experience
- Notable product attribute (5x2=10) (link our answer to the content in the case study)

7. Discuss how Melkisedek Shivute Ausiku used personal criteria to screen the opportunity for his business.

Successful entrepreneurs have a good fist between what they wish to derive from the venture an what the venture requires of them.

An attractive opportunity does not have excessive downside risks attached to it.

An attractive opportunity is both desirable an good for the entrepreneur to pursue.

A successful entrepreneur takes calculated risks and has relatively high stress tolerance levels, in addition to being opportunity obsessed, committed to excellence, exhibiting the need to achieve, being creative and innovative, tolerant of ambiguity and uncertainty, and possessing an internal locus of control.