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Making small business grow into big business: strategic lessons from the Mining Indaba

22 ON SLOANE

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THIS week marks my first time attending the Investing in African Mining Indaba or colloquially known as the Mining Indaba.

The Mining Indaba has been running for more than 30 years and has marked itself as the premier event for leaders in the mining industry.

Firstly, as a newbie, I was thoroughly overwhelmed by its sheer scale, but it does feel like the entire mining industry has converged to the Cape Town International Convention Centre . Secondly, the mining industry's value and supply chain is quite expansive. From the mining houses themselves, to government, trade unions, financiers, telecommunications, logistics, occupational health and safety, energy, academia and other technology enabling sectors. It doesn't just feel like all the hard hats from the mining shafts are here –but all of corporate Africa has come together in one place.

This is of no surprise when one considers how economically significant mining is. According to the African Development Bank, Africa produces more than 60 metal and mineral products, and it hosts about 30% of the world's total mineral reserves and an even higher share of deposits of diamonds, vanadium, manganese, platinum, cobalt and gold.

It is the second largest mineral industry in the world with a current market value of $248 trillion and the Minerals Council of South Africa estimates that the mining industry employs more than 477 000 people in the country which is just under 5% of all formal employment in South Africa.

These numbers increase significantly when you take into account its entire value chain. This in my view, makes the Mining Indaba one of, if not, the most important economic conference on the continent. Pronouncements by captains of industry here can move markets globally.

From my observations of the Mining Indaba, I could not help but think about how the entrepreneurship ecosystem gathers or conducts its conferencing. I believe there are some helpful lessons we can learn. The economic contribution of small and medium businesses in the continent is nothing to be sniffed at.

The World Economic Forum estimates that small medium enterprises (SME) are responsible for more than 80% of the continent's employment and 50% of the gross domestic product. This I would imagine includes the some of the junior miners.

Despite this, when the ecosystem around entrepreneurs converges, it does not appear to be cognizant of this. There is a sense of seriousness in the Mining Indaba that I think we as an ecosystem may need to start applying in our conferences. The importance of the conference stems from the economic implications of the sector. The numbers I shared earlier on SMEs warrants us to have critical reflection and discussions on how SMEs' contribution can be further encouraged.

As an example, a fireside chat at the Indaba was scheduled between the executive of two critical utility companies in electricity and logistics. The fireside chat had a sense of accountability and path setting. Why? Because listening to them intently, were mining executives, financiers and policymakers.

Clients and principals who are key stakeholders to their business. Every statement would reflect on whether their businesses and the countries they serve are worthy investment or not.

I would like to believe that working towards enabling small business is economically crucial matter. Our conferences would do well to not forget this. Our work is consequential.

A second point I would like to reflect on is that the discussions, panels and keynotes were mostly centred on three themes: reflecting on what's been done, lessons learnt from the work done or work done by other contemporaries and lastly what are the implications going forward. In between those three themes are the obvious complexities of transactions, dealing with stakeholders, but the conversation was largely centred on the three points.

This structured approach not only provides valuable insights but also lays the foundation for actionable strategies to drive meaningful progress.

Lastly, the mining sector is incredibly complex and faces a number of challenges in the continent. This means developing a compact of intensive collaboration and cooperation. For this to be successful, mutual or shared prosperity must be realised. Everyone around the table has a vested interest for mining to be successful from government to the mining houses, investors and the rest of the mining value chain.

THE Mining Indaba has been held at the Cape Town International Convention Centre this week. | ARMAND HOUGH Independent Newspapers

This does not necessarily mean relations are not strained but because each stakeholder is vital in their respective role, it means that participants will always come back to the table to negotiate and find ways to better collaborate.

The Mining Indaba serves as one of the key vehicles to achieve this goal.

The entrepreneurship ecosystem can take a page from this. No matter how frustrating a stakeholder can be, one should never leave the partnership table. If there is a mission to drive and centre entrepreneurs, it means shaking some hands a bit more rigorously than others and continuously seeking new ways to foster cooperation.

Entrepreneurs drive economies. Their businesses may mostly be small in nature, but they stand quite tall in their stature. If an opportunity arises for the supporting ecosystem to come together to discuss ways of growing and enabling entrepreneurs, it should not be taken lightly.

While many of their businesses do not venture into mines or support the mining industry, we can never dispute that all small business is gold.

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