

Study shows entrepreneurship (even on a small scale) eradicates poverty

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A four-year social impact survey has proven the power of entrepreneurship in tackling poverty and uplifting families to financial and social independence.



Bongiwe Nomala (left) is a TCB Ambassador and Nozuko Mahala (right) is currently in the Resell programme HR

The Greenlight Survey measured feedback from 84 previously unemployed graduates of <u>Taking Care of Business</u>' (TCB, formerly known as The Clothing Bank) Resell programme between 2017 and 2022. Results showed that within year one, each respondent had successfully eradicated poverty in their family's lives, with the impact sustained over time.

Resell is one of TCB's three poverty relief and enterprise development programmes that teaches unemployed women to run their own businesses by selling second-hand clothing. Large retail stores donate the stock from their customer returns or end of season lines, eliminating their fast fashion waste.

The Greenlight Survey is unique in that it measures 50 poverty indicators as respondents move through the Resell programme, culminating in a final assessment 12-months post-graduation.



Fazlin Hendricks



Ncebakazi Kuta

Tracey Gilmore, TCB co-founder and chief operations officer, says: "This Greenlight Survey proves that our programme does eradicate poverty and helps families achieve financial and social independence. The best part is that our impact is sustained and in many cases continues to improve long after leaving our programme. South Africa is critically in need of entrepreneurship and small-business development to address the problems of poverty and inequality. TCB is actively empowering people who are raising the next generation through our core enterprise development programmes, Resell, Repair and Remake."

The national Resell programme supports over 1,000 unemployed mothers annually by equipping them to become successful clothing traders. After a rigorous selection process, TCB recruits enroll on a holistic two-year training programme. They are

taught to establish and run their own small businesses, from computer skills and selling techniques to personal counselling and time management, by trading in the excess or waste clothing TCB sources from its 13 retail partners. All Resell recruits are female, unemployed South African citizens, taking care of children younger than 18 years.

"We aim to make self-employment aspirational, rather than getting a job, which creates a pathway out of poverty. Last year our approximately 1,570 Resell beneficiaries and graduates made over R70,8m in profits for themselves through buying and selling of the excess clothing stock donated by our generous retail partners," adds Gilmore.



Bongiwe Nomala



Nono Majiza, HR

"We can only increase our capacity and extend our reach with more financial support and access to quality waste stock sourced from the retail supply chain. Our two most ambitious goals in the new financial year are to raise R5m to help us sustain our programmes and recruit up to 900 new beneficiaries, and to expand our retail supply chain partnerships to ensure the sustainability of the trading businesses that our Resell participants start," she says.

Key insights from the Greenlight Survey:

- Resell helps to eradicate poverty within the first year and that impact is sustained over time.
- Resell's most significant impact is in year one.

- 77% of Resell participants earn R5,000 per month by the end of year one.
- The Resell model supports participants by helping them develop their own stable income.
- Family savings in South Africa is very poor and takes longer to improve.
- Resell significantly improves participants' knowledge and skills to generate an income.
- · Learning how to plan and budget supports people's long-term money management skills.
- Being digitally and socially connected and confident is crucial to entrepreneurial success.
- TCB's focus on setting and sharing personal goals helps turn dreams into realities.
- Entrepreneurial spirit and motivation is a skill that can be learnt.

Resell operates in Cape Town, Johannesburg, Durban, East London, and Paarl, receiving over two million items annually, valued at over R100m, from its retail partners, which are essential to the long-term success of Resell micro-enterprise owners.

TCB Greenlight Survey Results

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