10 Lessons

from over 1,000 Kingdom Entrepreneurs in Africa and Beyond

***Courtney Rountree Mills** tells the story of her personal experience in trying to tackle poverty in Africa. From theoretical beginings she went on to try helping the poor directly out of her own pocket, but failed because the poor did not have the skills to support themselves. The solution was to train local middle-class, educated entrepreneurs, who would then employ the poor. She outlines ten ways that entrepreneurs can be enabled to be successful.*

My story starts in January of 2009, and I was stuck in a roundabout. I was completing research in Kenya on how to ease bottlenecks in the private sector as part of my Master's thesis at Harvard. I was in downtown Nairobi, when my cab shook pitifully and crept to a halt. While sitting in the sweltering heat as the cab was being fixed, I made a decision to buy my own car. So, I talked to a wise Christian Kenyan friend about where I should look, and he said "Courtney, the one piece of advice I can give you is that **if someone tells you he is a 'born again' Christian, do not buy your car from him. He is almost certainly a con artist."** I laughed at first. A funny joke to be repeated at a dinner party.

But the more I thought about it, the less funny it became. Had participants in the marketplace in Kenya prostituted Jesus' name for economic gain to the extent that claiming to be a Christian now had a negative connotation, *one equal in fact to being called a con artist?* If this was true, it was a tragedy of epic proportions.

Nairobi car bazaar

Photo: Kenya Auto Bazaar Association

Everywhere around me I saw potential in Kenya, but the more time I spent there the more I realised the extent of this problem. A country with more churches than Texas (as a Texan this is hard to believe) and 85% of the population claiming to be followers of Jesus, yet it is also ranked in the top 40 most corrupt countries in the world. How does this add up?

I realised there was certainly an economic poverty problem, demonstrated by the endless sea of tin roofs in Kibera, one of Africa's largest slums. But there was a bigger and related poverty too: **a poverty of leaders that would reflect Christ's light and lessons in the marketplace.** Nearly all Kenyans know about Jesus and can quote scripture better than I can, but there is an integration issue. Life on Sunday and life on Monday is sometimes as different as life on Mars and Venus.

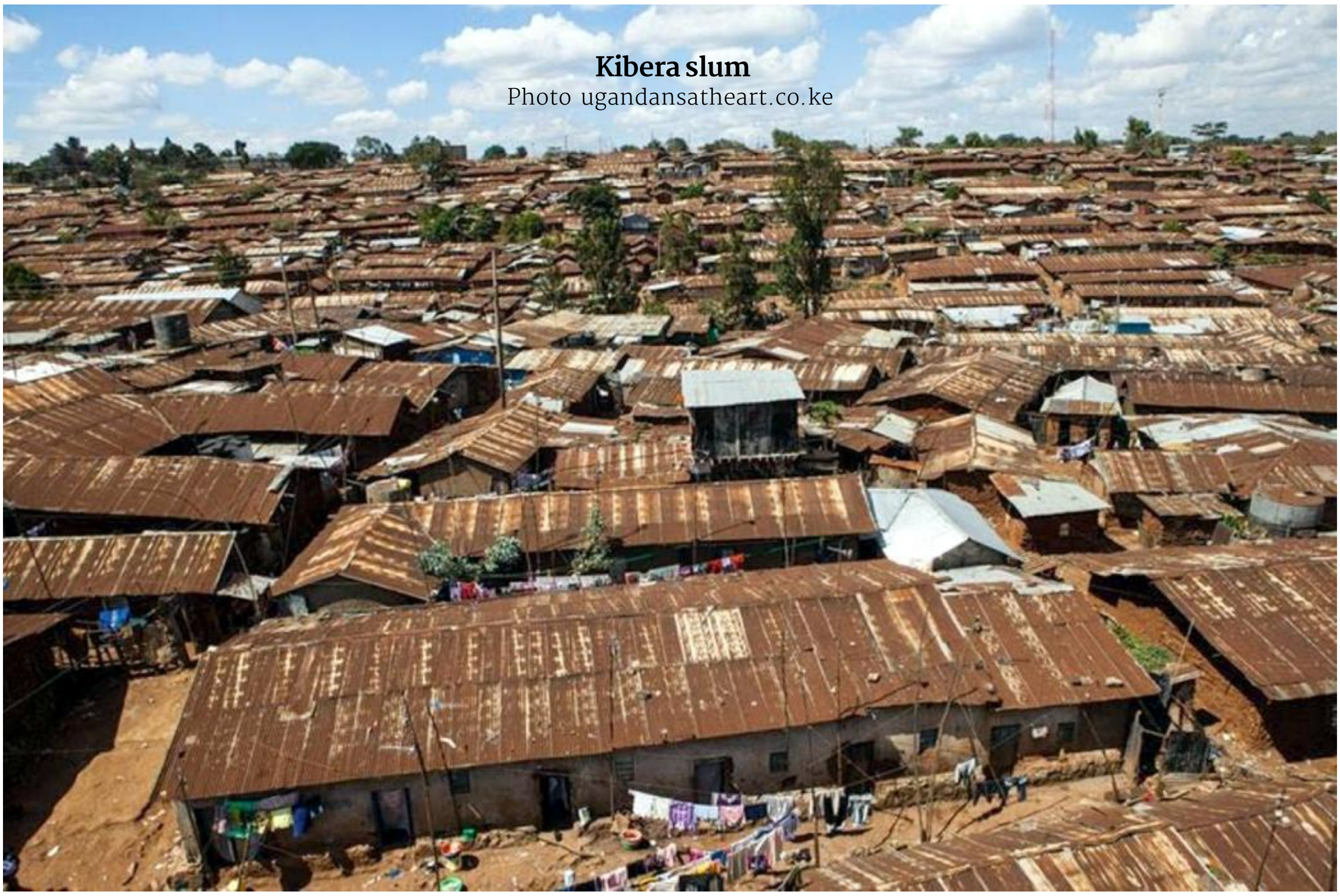
So, I returned to Harvard, finished my thesis and found the most important bottleneck that would help alleviate economic poverty: early-stage entrepreneurs above the micro level. While there was financial support for micro entrepreneurs through MFIs and support for growth stage and corporate stage companies through investment funds and banks, there was a real dearth of support for the many educated, middle-class entrepreneurs that had innovative ideas and companies at the early stage. The solution then was to open up the bottleneck by providing support for early-stage entrepreneurs in order to get more of these companies to the growth stage, where existing support was available, thereby stimulating the entire private sector.

It was also at this time that I started to understand how to solve the second challenge, the challenge of Christ-like leadership, because I began to fully recognise the profound cultural influence of successful entrepreneurs globally, for good or for bad. People avidly read their biographies and listen to their quotes (think Steve Jobs), use their companies to start political revolutions (remember how Twitter was used in Egypt?) and as we know, even support them to run for President. The influence of successful entrepreneurs today is undeniable. This is also true in countries like Kenya, indeed at all levels of business. Even the entrepreneurs in Kibera that are the most successful with their micro-businesses are often also the community leaders, the movers and shakers in their environment.

So, here is the real first lesson for you to remember:

Lesson 1: Entrepreneurs have the potential to solve both economic poverty as well as a poverty of Christ-like leadership.

They create jobs and economic wealth for their country through their ingenuity and perseverance while also often becoming influential. And *if*, and *only if*, these



Kibera slum
Photo ugandansatheart.co.ke

entrepreneurs are Christ-like leaders themselves, they can lead their communities as good and sacrificial examples to others around them. Sinapis was born with this mission: to make disciples and alleviate poverty through the power of entrepreneurship. Sinapis is also the Latin word for the mustard seed. Just like our biblical namesake, our goal is to help entrepreneurs take seeds of ideas and grow them into enterprises that glorify God.

We do this by providing them with advanced business training that also teaches how to integrate your faith with your business paired with consulting, mentorship and access to capital. To date, we have 1,500 early-stage companies in our programme and now operate in five cities across Kenya as well as Uganda, Ghana, Rwanda, Liberia, Brazil and Egypt. Our goal is to empower 10,000 Kingdom entrepreneurs around the world, in every country where economic poverty and a poverty of Christ-like leadership exists. By doing so, we want to play a major role in taking back the marketplace for the Kingdom of God.

Although we are now starting to reach more impressive numbers, our beginnings were a little more humble. After developing the concept for Sinapis in graduate school, I moved to Nairobi in August 2010. One of my first actions was to set up a legal non-profit organisation. My co-founder was an amazing Kenyan I met at Harvard named Karibu. He and I submitted the paperwork and then we waited…and waited…and waited. Finally, with our first cohort of entrepreneurs starting in only a few weeks, we went to the NGO board to understand the delay. They could *smell* our desperation. It was the moment they had been waiting for. The "friendly" case officer said that he would meet us at the coffee shop right next door the next morning. I was hopeful, but Karibu looked worried. He told me to let him do most of the talking and handed me a hand-held recorder to put in my purse.

The case officer wanted a minimum of $1,000 "facilitation fee" to get the NGO permit expedited. Karibu expertly persuaded the case officer to tell us each of the seven different beneficiaries of this money, one of whom being the head of the NGO Board, as well as the case officer's "target" number of facilitation fees for the month from his supervisor. *This is the definition of systemic corruption*. Karibu then informed the case officer that due to strict anti-corruption rules, we were actually required to report this bribe. The panic on his face was evident! Needless to say, our permit was signed on the spot the same day.

After this, we realized that systemic corruption is not just something that *we* face, it's what our entrepreneurs face *all of the time*. They have factored in the bribes, delays and poor government services as just a cost of doing business. And we knew that it would take real intentionality to give them the courage to stand against it. So, this is the second lesson:

'It's actually not uncommon for me to hear some of our Sinapis alumni complaining about being arrested because they refused to pay a bribe.'

Lesson 2: We must equip local leaders to fight systemic corruption, but this change must first happen from the inside out

We use a fantastic biblical ethics model called Holiness-Justice-Love created by Alexander Hill in his book *Just Business (*Paternoster Press 1997). We combine this with realistic case studies and very lively debate to help our entrepreneurs understand the righteousness that God requires of us, even in the marketplace, and the faith that it takes to trust God even when doing the right thing costs you everything. And we do see real transformation as a result. In our impact studies, 72% say that they have refrained from paying bribes in the last year as a direct result of what they learned at Sinapis.

It's actually not uncommon for me to hear Sinapis alumni complaining about being arrested because they refused to pay a bribe. These are not consequences that most of us face in the US or the UK, so it's easy for us to pass judgment. But if we don't have a strong focus on this area when we are working with local leaders, we will just continue to have "salt and rot" in these environments instead of "salt and light".

So onward with our story. In late 2010, after receiving our NGO permit, we finally launched our programme with our first seven companies! Hooray! To raise support, we then produced our first video. When I started showing the video with entrepreneurs talking on the screen, some people were shocked to see them dressed well in their business clothes, smart phone in hand and speaking perfect English. Some would even ask me "So…do you give these entrepreneurs business suits and teach them English for the video?" I had the hardest time explaining that our entrepreneurs are middle-class, highly educated and yes…own decent business clothing. "So, wait," they would say "why am I supporting them if they're not poor?"

I want to answer that question for you by telling you about Robert, a man I met when I first moved to Nairobi. When I first arrived, I rented a house with roommates that had a beautiful large garden. The busyness of founding a new non-profit soon caught up with me, and I found that my garden was looking more like a game park. As I was leaving my house one day, there was a young man sitting outside my gate with tattered clothes and old tyres for shoes. He said he was looking for work and that he had heard that there was a lady with an untidy garden in this house (forget about Linkedin, this was an efficient word of mouth-job recruitment market!).

Eventually, this man became my gardener who would come and cut my grass for me and tend to my flowers. Robert was from Kitale in Western Kenya. He was uneducated and married with a very young baby. His wife and child had remained in Kitale while Robert had gone to Nairobi in search of work. He had found work impossible to find, until that day when I let him come cut my grass.

But then, in 2011, I got married, and my husband and I moved into a smaller house that came with a gardener as part of the rent. So this left us with a predicament: what do we do with Robert? We tried finding him a gardener job elsewhere, but no one we knew needed one. He had no other skills, so I decided to help him start his very own micro-business. I was absolutely *sure* that I could help him succeed.

So first I tried lamps. One day, I saw some lamps that were basic and affordable, something I had found very difficult to find when I was furnishing my house. With the seller's permission, I bought ten lamps as inventory for Robert which he would sell in other parts of Nairobi. I even had business cards made. I sent him out with the lamps to sell....feeling pretty darn chuffed with myself for my good deeds!

At about 6pm, I received a call from Robert...*from jail*. The city council had picked him up because apparently, in Nairobi, you are not allowed to place your inventory on the ground when you are selling them on the street unless you pay a very expensive fee. Unfortunately, that was the end of my business idea because it was very difficult for Robert to carry his lamps all day long.

Then I tried computer work. Some expat friends were setting up a business process outsourcing company. So I gave Robert my old computer and taught him to type and use the internet over the course of four weeks. But then my friends announced that they wouldn't be pursuing a business expansion in Kenya after all. Back to square one a*gain*.

I tried to call Robert with the bad news, but I couldn't reach him. It turned out, that he had sold his cell phone for $10 to pay for critical medicine for his sick baby. When I finally found him, he said he was tired of the hard life in Nairobi. He wanted to go back home to his rural village and buy some dairy cows and try selling the milk in Kitale. This time I decided that I was going to teach him how to run the business properly and even helped him write a proper business plan. My husband and I loaned him $1,000 to purchase his first cows.

At first things seemed to be going well. Then, one night at around 4am, Robert called from the hospital.

Homeless man on Nairobi station

Photo
taylorneider.weekly.com

Robert's wife was pregnant with their second child, but she was so fearful that the baby would die of sickness or hunger that she had tried to pull the baby out herself to end the pregnancy. Without a car, Robert wasn't able to get her to the hospital in time to save her or the baby. The next few weeks got worse. Robert had never paid his dowry to his wife's parents. Because he had no money, they seized the cows as payment and took his living child.

At this point, I realised that I had utterly and completely failed to help Robert and his wife and his unborn baby. With all of my good intentions, I had completely failed to help this man pull himself out of poverty. I felt that I had failed in the eyes of God. So why am I telling you this sad story? Because the lessons I learned on this journey with Robert have been very influential in how I now think about helping the poor:

1. The simple fact is that there aren't enough jobs in poor countries, so we must create new companies and new jobs.

2. Foreign companies are not as sustainable as local ones. We must develop home-grown entrepreneurs.

3. The very poor are sometimes not able to be successful entrepreneurs themselves. Their life situation is too fragile to take on the lack of security that goes hand in hand with entrepreneurship.

What follows from this logic is my third lesson:

Lesson 3: Sometimes helping the poor can mean not working directly with the poor.

While it's true that I failed Robert, I was succeeding in helping others like him through the work I was doing with Sinapis with local middle-class, educated entrepreneurs. New businesses were being created out of our programme. Almost 60% of our participants that start with no business have created a business within one year. These businesses are generally early stage, but they are operating in the formal sector and are spread across all sectors (services, tech, agriculture, manufacturing, etc). Most importantly, they are creating jobs. In fact, the businesses are creating about two jobs on average per year. These businesses are growing. On average, they are growing their revenues by over 78% in the year following the programme. And the businesses are surviving. In fact, nearly 70% survive 3 years or more, significantly higher than the average start-up rate.

When I saw the first set of businesses start to grow and employ more people, I saw Robert's face in each one. But, unlike Robert, they were earning an income, feeding their families, and sending kids to school. Today, Sinapis entrepreneurs have created over 2,500 new jobs that are supporting over 12,000 people economically. Every time I see that number grow, I feel that I am helping one more Robert.

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So let's get back to our story. In the first few years of starting Sinapis, Karibu and I worked with Acton School of Business in Texas to create a rigorous curriculum and then spent years customising it for the local context. We thought we had nailed it! But then we encountered the real world where we saw the inadequacy of focusing on brilliant business training alone.

In 2012, we took 15 new companies as our second cohort of entrepreneurs at Sinapis. This is when I met Daniel Mwaura, an architect in Nairobi who became fed up with the extreme inefficiencies in construction. He developed an interlocking concrete block that would act like a giant Lego block and allow people to build decent housing much faster and cheaper. Daniel was an ideas guy, so he brought on Naomi as his co-founder. Thanks to Daniel's brilliant ideas and Naomi's ruthless execution, Buildmart became one of the leading companies in our accelerator. We helped Buildmart finalise their pitch and raise $85,000 in angel investing to help them buy a machine and set up their first factory. We were really excited about their potential!

Then, a few weeks later, Daniel showed up in my office with Naomi and his wife. Both ladies looked highly irritated. The core issue was that Daniel's wife would not sign the paperwork transferring 10% of the shares of Buildmart to Naomi, which was the agreement Daniel had made with her in exchange for the hard work she was doing for the company. In what could have at times been mistaken as a marital counselling session, I tried to understand what the underlying fear was from the perspective of Daniel's wife. In the end, what it boiled down to was a common fear that many Kenyans have about giving up ownership. It is easy to understand why giving up ownership would be a sensitive issue for those who, not so long ago, were subjected to colonialism where their rights of ownership were largely stripped. So, when it came to letting others in - not just Naomi but also this new investor group - Daniel's wife was fearful to the point of even wanting to close the business rather than let others in, even though that could add tremendous value.

I managed to sway her mindset from one of a small pie that never grows to a pie which has the potential to be much larger, even if it's not 100% their own. But, as we experienced these types of challenges with mindsets, we started to recognise how important it was not only to teach business, but to address the underlying mindsets that were preventing entrepreneurs from realising their full potential. This leads me to my fourth lesson:

Lesson 4: Business training is easy, but mindset shifts are hard.

It's the mindset shifts in combination with the business training that make the difference. How do we address these mindsets in the programme? Just like Jesus did, through story. Our stories are a set of case studies which we developed about a husband and wife team (named Joseph and Mary) that start a milk processing business, which is actually based on one of the businesses that went through our programme in 2011.

As the entrepreneurs go through the programme, they watch Joseph and Mary transform from short-term hustlers doing a copycat venture to being long-term strategic visionaries with an innovative business model, operating with excellence, standing up to corruption, inspiring and developing their employees and giving their company to God with humility and obedience. The beautiful thing is that we often don't have to tell the entrepreneurs which mindsets they need to change. They speak the words back to us as they read the story.

Of course, the biggest mindset change that we hope to achieve with our entrepreneurs is how they view faith in terms of their business. At the beginning of the programme, most entrepreneurs have no idea what faith has to do with their business. We were extremely fortunate to be given a fantastic Kingdom Business Framework from Gateway Church. As the entrepreneurs go through the course, they dive deep into each part of the framework, and they also watch Joseph and Mary wrestle with it through the cases. The good news is that we see our entrepreneurs experience their faith in a totally different way because now it is something that they can engage with every day of the week, not just on Sunday. In fact, 76% of our entrepreneurs say that their faith was significantly strengthened, and 72% say that they completely changed their mindset as to how their faith relates to their business.

'Jesus ... makes it clear that his Kingdom activity is in the nitty-gritty of our world of material reality.'

While we were excited about these results, there was, however, still something missing in our programme. We realised that while internal transformation is fantastic, without external action it doesn't produce many results. So this leads me to our fifth lesson.

Lesson 5: A spiritual integration plan is as important as a business plan.

We started having each entrepreneur also write a detailed spiritual integration plan and commit to putting their faith into action. Even more exciting for us is that 76% of our alumni today, even the alumni going all the way back to 2011, report that they are still actively following a spiritual integration plan for their business. These spiritual integration plans help our entrepreneurs stay accountable for producing external actions to reflect their internal transformation.

For some people, the key issue they have when I talk about how we integrate faith and business is where we are operating to begin with. "Kenya is already Christian", they would say. "Why would you go there? There are better evangelism opportunities elsewhere." While it's true that the missionaries in Kenya have done an excellent job of spreading the word about Jesus, I always tell people that Kenya is one of the most reached and simultaneously unreached places I have ever been. It's still a frontier for mission, just one focused on discipleship instead of conversions. In my opinion, the greatest frontier left in missions is the marketplace. The marketplace exists in every country around the world, and it is highly influential. This leads to my sixth lesson:

Lesson 6: One of the places we need missionaries the most is in the board room.

To prove this point, our impact data shows that 22% of our alumni reported that at least one person came to know Jesus as a result of their business efforts as Kingdom entrepreneurs. With over 1,500 alumni, you can start to see what kind of numbers we are talking about. It just goes to show that if you want to do missions effectively, the marketplace is a fantastic place to start.

So, back to Sinapis. After the first few years, I felt that we had really come a long way with our programme, but we had only accelerated 22 companies. While I was proud of that, I also wanted to reach exponentially more. I started to recognise that job growth comes from two sources demonstrated by two of our alumni:

- Frank is a macadamia nut processor and exporter. His business is called Ten Senses Africa. Frank went through the programme in 2013. Subsequently, through a combination of learning key business principles that helped him unlock operational bottlenecks and being a naturally gifted businessman, Frank grew tenfold from $250,000 in revenues to $2.5M in only a few years and now provides income for thousands of smallholder farmers and hundreds of employees.

- Sharon is the owner of a lovely photography business that also went through the programme in 2013. Within a little over a year after the programme, she doubled her revenues from $60,000 to $150,000 and tripled her employees from three to nine.

Who has the bigger impact? On a one-to-one comparison, you'd probably say Frank, but Frank is actually pretty rare. There are many more "Sharons" that are operating small businesses across Kenya, all making a tremendous amount of impact altogether. I wanted to meet the needs of both groups, but couldn't offer all of our services to everyone. So in 2013 I decided to take the business and faith integration training and scale it to as many businesses as possible. Then we took the consulting, mentorship and access to capital, the parts of our model that are much harder to scale, and reserved that only for the highest performers and called it the Fast Track Fellows Program. As a result, we went from 15 companies to 120 in 2013 alone. That separation of services helped us reach many more businesses while still keeping our Fast Track Fellows programme small to provide customised support to entrepreneurs like Frank that have the necessary potential. Last year alone, we accelerated over 425 businesses across six countries.

The main lesson here is that:

Lesson 7: We must figure out how to empower the 1,000 as well as the '1 in a 1,000' with different though at times overlapping support.

When we first started this separate Fast Track Fellows programme, we questioned whether we would continue to invest in entrepreneurs directly through Sinapis or whether we would move to an investor matchmaking model to work with local investors in Nairobi. It really came down to one question: Is the primary barrier to growth for our entrepreneurs more about capability or capital? The answer was, beyond a doubt, capability. Investors always report that there aren't enough entrepreneurs whose businesses are ready to accept capital now. Most of the entrepreneurs were showing up to investor meetings with inadequate financials or poorly written business plans. So, the problem was not that there wasn't enough investment capital available; it was that there weren't enough entrepreneurs ready to receive it. So we focused all of our efforts on capability, and it has paid off.

To date, without Sinapis investing anything beyond 2012, our entrepreneurs have raised about $24 million in investment capital from local sources. In fact, our impact data shows that our entrepreneurs raise more investment capital in the year after our programme than they do in total before.

This leads to our eighth lesson:

Lesson 8: Capability unlocks capital, but capital doesn't always unlock capability

As Sinapis scaled, so did our alumni base. With over 1,500 alumni today, my interaction with our entrepreneurs is quite different than

Amanda Gicharu, Sinapis-trained entrepreneur, winner of the Kenya TV chef competition

Photo: Sinapis

it was at the beginning. While having this number of alumni presents incredible opportunities, it also comes with challenges. Namely, how do we continue to support these businesses as they grow while also continuing to focus on our own growth as an organisation and reach more businesses?

Remember my story about Buildmart? Well, after getting his factory up and running and experiencing significant trials, Daniel finally got his big break. He won a $6 million government contract to build all of the police housing units in Nairobi. His angel investors were very excited. But we gave that loan in 2012 as a three-year loan. It is now 2019, seven years later, and we are still waiting. Years of delayed payments and false promises from the government about fulfilling his contract have meant that Daniel is only *just now* completing the work.

So, here is the ninth lesson:

Lesson 9: It took seven days to bring down the wall of Jericho, seven years and counting to support one business

We must remember that our programme is not going to be long enough to support entrepreneurs through the many challenges ahead. Does that mean that our programmes need to be seven years long? Not necessarily. But it does mean that we need to figure out how to support entrepreneurs after they leave the nest. Sometimes this can be through our own alumni programming, and sometimes it can be by partnering with other organisations that are already working downstream. After all, we know many hands make light work.

So, in late 2017, after having my second child, I transitioned from Executive Director to being on the board of Sinapis, and I was extremely lucky to find two amazing leaders to pass the baton to. When I transitioned, many people asked me how I wanted to see us achieve our vision of accelerating 10,000 Kingdom entrepreneurs globally. This is the number of entrepreneurs we feel we need worldwide to solidify a movement and provide a tipping point.

My answer for that is simple:

Lesson 10: Serving a movement is better than creating an empire

My vision for Sinapis is that we would help to catalyse a movement of faith-based accelerators that want to support Kingdom entrepreneurs worldwide. To prove it, here is an opportunity to join us on this adventure. After getting requests for years to license our curriculum, we have designed a programme just for that purpose. We are actively looking for individuals or organisations that want to start or grow a faith-based accelerator in their own communities to empower God-glorifying enterprises around the world. We are looking for those that have a heart for our mission, have the deep business skills required to effectively train entrepreneurs with the curriculum, have intimate knowledge of the region where they want to launch, have the ability to raise the funding to get the programme started and to sustain it, and are committing to longer term presence, not just a "fly in" approach. But, we aren't just looking for people that want to solely copy our programme as it is. Instead we really want fellow creators, people that will create new value and in return share their knowledge back with us and with others.

We will give the selected groups access to all 40 modules of our curriculum, toolkits where we provide step-by-step guidance on how to do all parts of the programme, and a community of like-minded people that want to share resources, knowledge, and pray for each other so that we can all grow faster together. We invite anyone that is interested to get in touch at info@sinapisgroup.org.

I am going to end this article just by saying that even if you are not interested in creating a faith-based accelerator, I hope that you will take this opportunity to figure out what your role is in this greater movement of business as mission. I remember reading a fantastic quote (and wish I could remember the author!) that said "If Satan is winning the battle for the marketplace, it is because we (Christian business people) are sitting on the sidelines and watching." So, my question to you is: will you continue to watch on the sidelines or will you join us?

__Courtney Rountree Mills__ has worked for McKinsey, Procter & Gamble and the Michael & Susan Dell Foundation. She began developing the idea for Sinapis in her graduate thesis about angel investing in East Africa. Later, after a feasibility study with fellow Harvard students Matt Stolhandske and Karibu Nyaggah, she moved to Nairobi, Kenya and launched Sinapis in November 2010. Courtney served as Executive Director until 2017, and remains an active member of the Sinapis board while now resident in Barbados.