

## **SPEECH BY JOHANNES !GAWAXAB AT THE POLYTECHNIC ANNUAL AWARD CEREMONY ON 10 APRIL 2008 AT 18:30 IN WINDHOEK**

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The Rector of the Polytechnic, Dr Tjama Tjivikua

Chairperson of the Council, Registrar and Directors of the Polytechnic

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Distinguished invited guests

Students

Members of the Media

I am honoured and privileged to be invited to deliver the keynote address at the Annual Merit Award Ceremony at one of the finest institutions of higher learning in Namibia. In all corners of Namibia, the Polytechnic commands respect. Graduates and students of this great institution has brought creativity to every field of endeavour, while industry, evidenced by its involvement and participation tonight, has endorsed and given thumbs up to the institution. The poly is definitely in touch with the skill set required and is evolving as a serious player in meeting the needs of industry and the country.

Allow to me congratulate each and every award recipient tonight with your outstanding achievement. You are recognised for being top of the class, best in a specific discipline and for having pushed the envelope a bit further than your colleagues.

The recognition is given against a specific background and developments in the real economy and fabric of our society. It is a challenging and a different world out there; markets and work forces are increasingly global and diverse. Change is rapid and fundamental and no one individual can't hope to keep abreast; customer sophistication levels and preferences are changing, while expectations from the breed of graduates are profoundly different from what was expected previously.

In Namibia we are faced with specific challenges including unemployment at around 37%, poverty, food inflation of more than 16%, consumer inflation of 8%, and we are importing more than 60% of our food consumption. Furthermore, the macro-environment is generally unfriendly, at least over the short term, and the real disposable income of the middle and lower income groups has fallen. This is bound to result in strong secondary inflationary effect in the form of much higher wage and salary demands on the part of labour to protect their incomes and standard of living.

In this milieu, a profound call is being made to those who are recognised for their achievement to embrace entrepreneurship with the view to make a positive contribution and become creatively involved. Namibia needs to take great strides towards a healthy environment for inventiveness and business creativity. The country desperately needs young entrepreneurs. You are the “intellectual “cream of this fine institution, so to speak, and have proven that you are able, when your time comes, to make a difference in improving the dignity of our people and the competitiveness of Namibia. In the final analysis, the real litmus test lies in the application of the knowledge acquired.

Entrepreneurship is a mindset and can be defined as the pursuit of opportunity beyond resources the entrepreneur controls. The key words are opportunity and resources. An entrepreneur tends to bite off a little more than he/she can chew hoping to quickly learn how to chew.

To enhance an economy’s innovative capacity, entrepreneurship needs to be a key feature in a country’s national agenda for growth and development. Entrepreneurs are essential change agents who can accelerate the generation, application and spread of innovative ideas. As they do so, they expand the boundaries of economic activities.

Entrepreneurship remains critical for economies to flourish. In Namibia, SME’s and by extension, entrepreneurs, contribute more than 10% to the gross domestic product, employ a significant number of the labour force and thus stimulate competition and innovation, create jobs, and alleviates poverty.

In today’s innovation-driven world, entrepreneurship remains critical for economic growth. Economic dynamism is no longer determined by the size of markets and the amount of physical factors of production, but by the innovative capacity of nations, from which products and services are created to meet global demands.

Nokia is an excellent example. With almost 35% share of the world’s mobile phone market, from a small country of only 5 million people, it represents the best in class in mobile telecommunication.

Another example of entrepreneurship is that of Steve Jobs, CEO of Apple Computer who help developed the Macintosh computer. He dropped out of college after six months, returned and quit permanently after another 18 months. His company was on the brink of bankruptcy when he responded to the call to make a difference as you are called upon tonight to help create employment rather than seeking employment and to make a positive difference in society. He designed the I-Pod, of which more than 100 million units have been sold world-wide and followed that up with the I-Phone, a hit with consumers at the moment. The best known and richest entrepreneur of all, Bill Gates, asked how he started commented that: “We were young, but we had good advice and lots of enthusiasm.

But how does one start? The key elements include:

1. Identification of the opportunity: is there a market? What is the need? Who is the customer
2. Establishing the value proposition
3. Mobilising the required resources
4. Assessing the risk/reward and exploit the opportunity

A condition sine quo non for all entrepreneurs is a can-do attitude. You need to be passionate, committed and must persevere and have the required tenacity.

We fully appreciate the challenges faced by SME's and entrepreneurs in Namibia. The single largest constraint is access and affordability of capital. Many start-ups are in design and research and development and lack tangible assets that can be used as collateral. Most financial institutions do price for risk and given the low borrowing needs of SME's in the country, the terms are mostly unfavourable due to lack of skills, inadequate management, and overall viability of projects.

Where are opportunities for Namibian entrepreneurs?

Entrepreneurs and SME's are the primary engines of economic growth, driving innovation, productivity and quality jobs. Namibia's competitive advantage, in my view, revolves around Mining, Tourism, Agriculture, Manufacturing and the services sector. Tourism, ICT and providing in the fresh produce needs of Namibia are immediate needs crying out for entrepreneurs to exploit.

SME's and entrepreneurs do play a vital role in the economic development of Namibia. It is thus encouraging to note that the Polytechnic has been such an active driver of entrepreneurship in Namibia. We have a great opportunity to extend a just society by replacing poverty and unemployment with hope of a better day.

In conclusion as we heap recognition to our stars, I wish to leave you with a word of encouragement from May Kay Ash:

"When you reach an obstacle, turn it into an opportunity. You have the choice. You can overcome and be a winner, or you can allow it to overcome you and be a loser. Go that extra mile that failures refuse to travel. It is far better to be exhausted from success than to be rested from failure.

Thank you.