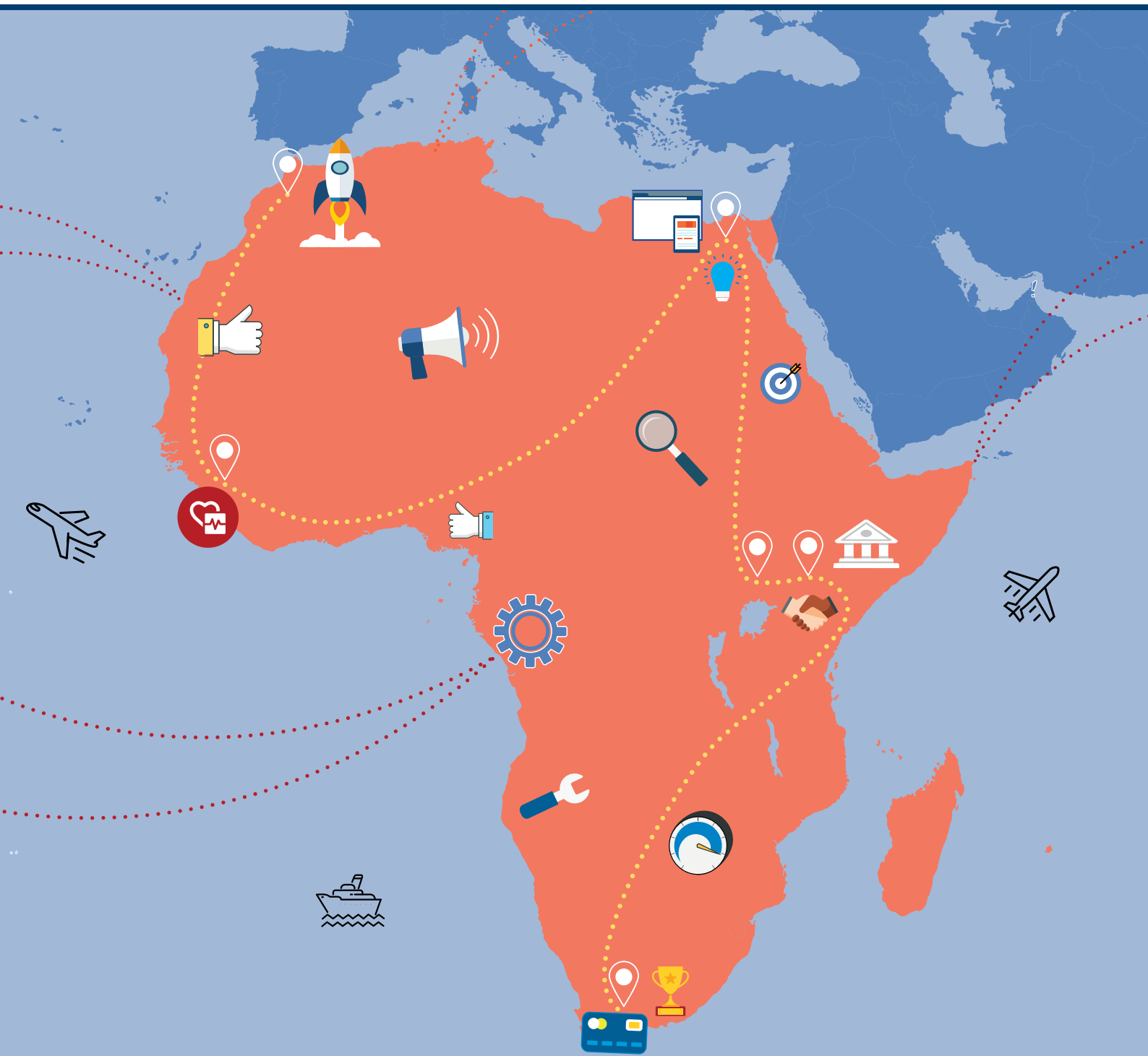# UNLEASHING AFRICA'S CORPORATE INNOVATION POTENTIAL

Navigating intrapreneurship and open innovation paths across the continent

MAZARS IS AN INTERNATIONAL, INTEGRATED AND INDEPENDENT ORGANISATION, SPECIALISING IN AUDIT, ADVISORY, ACCOUNTING, TAX, AND LEGAL SERVICES. AS OF 1 JANUARY 2017, THE GROUP OPERATES IN 79 COUNTRIES AND DRAWS ON THE EXPERTISE OF 18,000 WOMEN AND MEN TO ASSIST MAJOR INTERNATIONAL GROUPS, SMEs, PRIVATE INVESTORS AND PUBLIC BODIES AT EVERY STAGE OF THEIR DEVELOPMENT. IN AFRICA, MAZARS IS PRESENT IN 25 COUNTRIES WITH 2,500 PROFESSIONALS OPERATING OUT OF 45 OFFICES.

AS AUDITORS, WE BUILD TRUST; AS ADVISERS, WE ADD VALUE. WE BELIEVE THAT OUR ROLE AS AUDITORS AND ADVISERS IS TO HELP OUR CLIENTS 'THINK AND ACT LONG TERM' IN ORDER TO ENHANCE BUSINESS PERFORMANCE AND PURSUE PROFIT RESPONSIBLY FOR THE MUTUAL BENEFIT OF COMPANIES, THEIR STAKEHOLDERS AND SOCIETY AT LARGE, THUS 'CREATING SHARED VALUE'. THROUGH VARIOUS INITIATIVES, WE FOSTER A CULTURE OF INNOVATION, INTRAPRENEURSHIP, EDUCATION, LEADERSHIP, STEWARDSHIP AND TRANSPARENCY.

THE AFRICA CEO FORUM IS THE FOREMOST MEETING FOR CEOs OF AFRICAN AND INTERNATIONAL COMPANIES, BANKERS AND INVESTORS AS WELL AS HIGH-LEVEL DECISION-MAKERS. THE FORUM ACCOMPANIES AFRICAN COMPANIES AS THEY DEVELOP AND PROVIDES THEM WITH A PLATFORM TO PROMOTE THEIR ACTIVITIES IN AFRICA AND INTERNATIONALLY.

EACH YEAR, THE AFRICA CEO FORUM IS ATTENDED BY BANKING, PRIVATE EQUITY AND FINANCIAL MARKET SPECIALISTS, TOGETHER WITH REPRESENTATIVES OF GLOBAL FINANCIAL INSTITUTIONS: MORE THAN 1,000 ATTENDEES IN TOTAL, INCLUDING OVER 600 CEOs FROM ALL FOUR CORNERS OF THE CONTINENT, OVER 100 PROMINENT SPEAKERS, REPRESENTING 63 COUNTRIES (INCLUDING 43 AFRICAN COUNTRIES).

SUMMARY

METHODOLOGY

The study was carried out between November 2016 and February 2017.

It is based on qualitative interviews conducted face-to-face or by phone with intrapreneurs, innovation managers and CEOs working in large organisations, start-ups and innovation platforms. The interviewees are mentioned at the end of this study in the "Acknowledgements" section. They are based in the following countries: Egypt, France, Kenya, Morocco, Nigeria, Rwanda, Senegal, Singapore and South Africa.

We also conducted a quantitative survey via social networks (Facebook and LinkedIn) between February 5th and February 19th, 2017, among a sample of employees from large companies (at least 1,000 employees) in English-speaking (Egypt, Nigeria, Ghana, Kenya, Rwanda, South Africa and Tanzania) and French-speaking Africa (Cameroon, Ivory Coast, Mauritius, Morocco, Senegal and Tunisia). A total of 643 people responded to the survey.

EXECUTIVE SUMMARY

Africa's decisive transformation is gaining speed, driven by entrepreneurship and innovation. By giving increased access to new ideas, knowledge and technologies, the digital revolution is playing a key role in the emergence of innovation on the continent. The movement goes beyond the concept of technological leapfrogging[1], regularly vaunted in recent years. Africa is not a continent seeking to 'catch up' by activating the innovation lever. It is inventing its own model and generating innovative and pragmatic solutions to its own particular developmental and growth challenges by activating various drivers.

Among these drivers: intrapreneurship and open innovation

Intrapreneurship and open innovation experiments are multiplying across Africa and for Africa. While they are not new in Nigeria, Ghana or South Africa, they have recently gained ground in other countries, creating pan-African momentum. In order to gain further insight into this trend, we decided to dive into a learning expedition around this topic.

The expedition took us to the African continent first, to discover local initiatives where large companies connect with the worlds of entrepreneurs/innovators, or where they unleash the 'intrapreneurial' potential of employees, including:

• A Moroccan start-up catalysing the open innovation of large organisations via hackathons[2];

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1 Theory which may accelerate development by skipping inferior, less efficient, more expensive technologies/industries and move directly to more advanced ones.
2 A hackathon is a collaborative, typically a 24 or 48 hours event, where developers, designers and business experts, etc. come together to co-build an innovative solution.

- A Senegalese telecom group supporting an employee intrapreneur with his start-up initiative in the health sector;

- An Egyptian crowdsolving[3] platform enabling African companies to find African solutions to the industrial challenges they face;

- A start-up in Kigali driving the digitalisation of Rwanda through the development of its platform;

- An HR start-up and a bank co-building an innovative offer for small and medium-sized businesses in South Africa.

At a time when some are putting up walls, others are building bridges between Africa and the rest of the world, to get the best out of both and leverage the continent's potential for innovation. Our learning expedition therefore continued beyond the borders of Africa to show:

- How start-ups from the African diaspora can join forces with a large corporation, headquartered in Paris, to extend the adventure to its African subsidiaries;

- How international start-ups are taking growing interest in Africa, particularly fintechs;

- How a telecom multinational entity provides African developers with its technology via a pan-African platform, as part of an open innovation initiative.

Five key factors of success emerged from these open innovation and intrapreneurship initiatives:

- Secure top management's strategic buy-in;

- Engage operational teams via cultural change management;

- Be agile while adopting a structured approach;

- Manage the short and the long term when partaking in open innovation initiatives between start-ups and large companies;

- Adopt an open mindset.

In addition to promoting these kinds of initiatives and innovation in Africa, our ambition is to inspire:

- companies in Africa and the world to innovate in and for Africa;

- employees to turn to intrapreneurship;

- entrepreneurs to work with established companies.

Our interviewees advise CEOs to:

- Find ways to constantly reinvent their business;

- Familiarise themselves with the many case studies in African entrepreneurial ecosystems;

- Trust these ecosystems;

- Consider innovation as a commitment, not as an end in itself;

- Focus on the growth of entrepreneurs.

Our advice to intrapreneurs is:

- Build alliances within your organisation;

- Get out and network with other professionals from various fields to get new ideas;

- Spur on ideas with the 'lean start-up' methodology;

- Don't fall in love with an idea, fall in love with solving a problem;

- Adopt the *"Captain one minute, pirate the next"* mentality.

In the face of uberisation, companies that survive will be those that succeed in 'self-disrupting', by bringing the best of the start-up world into their organisation and turning internal resources into innovators who, in open cross-functional teams, will then create new offers, new products and services, new business units or new start-ups.

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3 Crowdsolving: a problem-solving method involving all possible and useful skills.
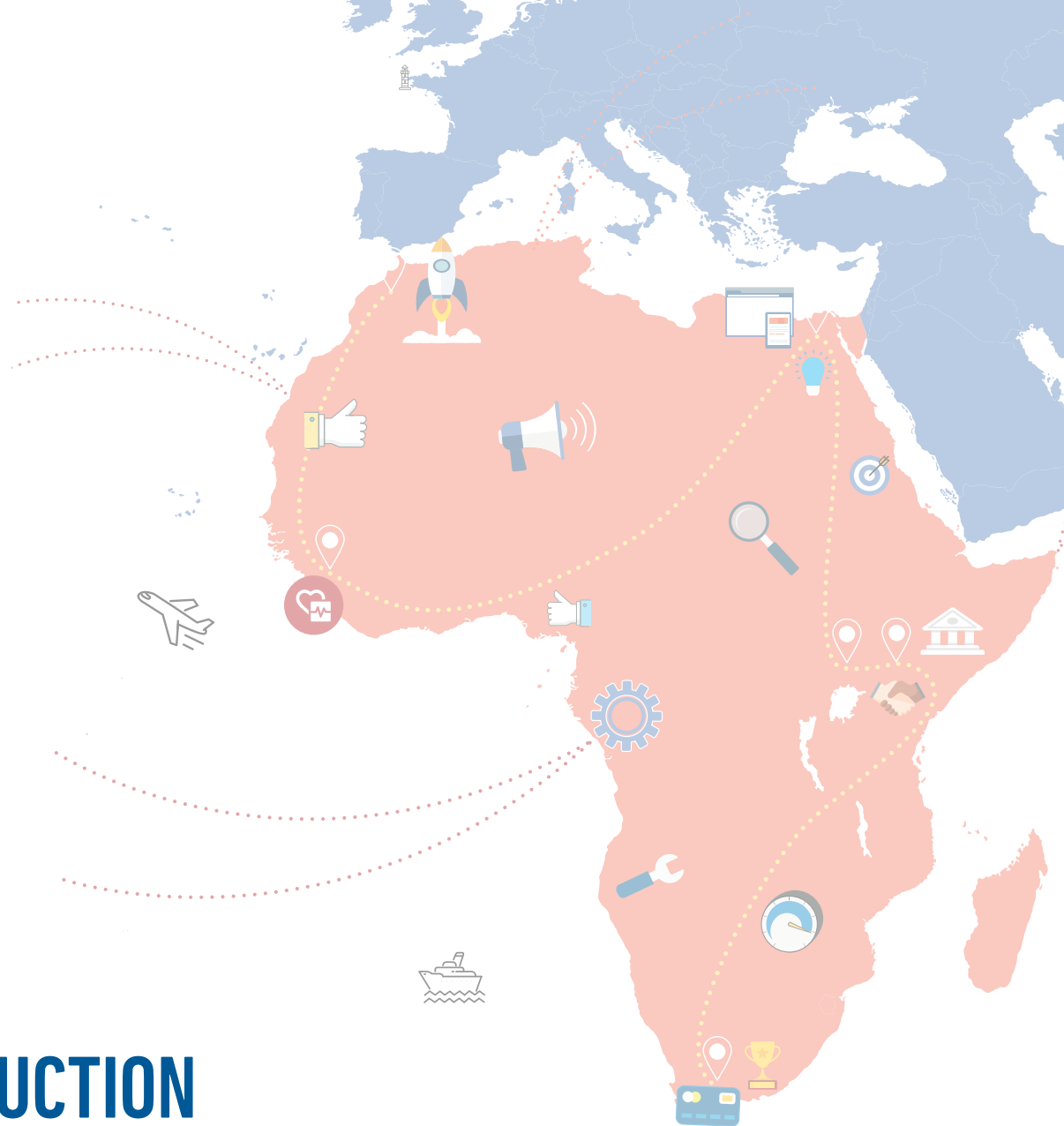
INTRODUCTION

When Hassan al Wazzan, aka Leo Africanus, embarked on his tour of Africa at the turn of the 16th century, the world had just experienced a decisive revolution: the invention of printing. At the time, the Africa he was about to discover and reveal in his work _Cosmographia de Affrica_, was not a part of it. Yet, a few centuries earlier, it was on the African continent that, through locally developed scientific knowledge –algebra, medicine and astronomy– many innovations and inventions had emerged and brought solutions to some of the challenges of the time. These innovations gradually spread around the world, being replicated, adapted and enhanced. Today they continue to meet the needs of the global population.

FIVE HUNDRED YEARS LATER, DISRUPTION IS THE WORD ON EVERYONE'S LIPS AND IS COMING TO THE EARS OF BUSINESS LEADERS THE WORLD OVER.

In response to the widely brandished threat of uberisation, innovative experiments have recently emerged. Innovation is often regarded as the silver bullet. Technology, particularly digital, is triggering a radical change in business models with companies jumping at this formidable opportunity to reshape their offering, operating and economic models.

Innovation generally leads our thoughts to the Silicon Valley, Israel, certain European capitals or South-East Asia. And rightly so, because in technology, recent developments in artificial intelligence, machine learning and big data (to mention but a few) have been spectacular, bringing as many promises on an economic and social level as they do uncertainties.

WHAT ABOUT AFRICA?

While there is undoubtedly less of a 'blaze' of innovation in Africa than in the countries above-mentioned, anyone lucky enough to plunge into the continent's ecosystems (emerging or structured) will find there is a lot to learn.

A decisive transformation is currently taking place in Africa and gaining speed, driven by entrepreneurship and innovation. The digital revolution is playing a key role in the emergence of innovation on the continent. The movement goes beyond the concept of technological leapfrogging[4], regularly vaunted in recent years. Africa is not a continent seeking to 'catch up' by activating the innovation lever. It is inventing its own model and developing innovative solutions to its particular challenges.

> The question of 'how' to innovate is crucial. Some businesses bank on the innovative potential of their workforce. Others turn to external sources, including start-ups, via co-innovation and co-business development initiatives, building win-win partnerships.

NEW INNOVATION MODELS IN AFRICA AND FOR AFRICA

Entrepreneurship is one of the main vehicles. Inspired by the role models of Silicon Valley (but without copying them), and drawing on resources available online (hasn't knowledge become a commodity?), innovative African entrepreneurs are helping to invent new models in Africa and for Africa. Start-ups are emerging and rising to the challenges of local development by designing and deploying technological and other tailored solutions for health or agriculture, for instance. Others offer answers to the continent's need for growth. But locally, these new emerging business models often struggle to find the right regulatory framework, to fund their first stages or to access markets.

At the same time, innovation is becoming a strategic priority for a growing number of African companies that rarely have the internal resources and agility they need to bring about rapid change. The question of 'how' to innovate is crucial. Some businesses bank on the innovative potential of their workforce. Others turn to external sources, including start-ups, via co-innovation and co-business development initiatives, building win-win partnerships: the start-up helps the company innovate; the company speeds up the start-up's time to market; and together, they bring innovative responses to market needs.

From Dakar to Nairobi, from Cape Town to Casablanca, intrapreneurship and open innovation experiments are multiplying. While they are not new in Nigeria, Ghana or South Africa, they have gained ground in other countries in recent months, creating a pan-African momentum that is the focus of our study.

TRACKING DOWN THE CATALYSTS OF INTRAPRENEURSHIP AND OPEN INNOVATION IN AFRICA

Let's embark on a learning expedition to discover the champions behind the local initiatives that connect these worlds (established companies and entrepreneurs/innovators), structure internal innovation processes or unleash the 'intrapreneurial' potential of employees.

Economic globalisation will naturally take us beyond the borders of Africa: we will explore how, at a time when some are putting up walls, others are building bridges between Africa and the rest of the world, to get the best out of both and leverage the continent's potential for innovation.

Our study will focus on recent and innovative experiments, two characteristics which, for want of historical perspective, do not make the analysis easy. However, through our expedition we will assess the success factors already identified and certain context-specific features to be borne in mind, putting together an innovation backpack that we encourage you to carry with you as you set off, if you haven't already done so, in pursuit of innovation.

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4 Theory which may accelerate development by skipping inferior, less efficient, more expensive technologies/industries and move directly to more advanced ones.
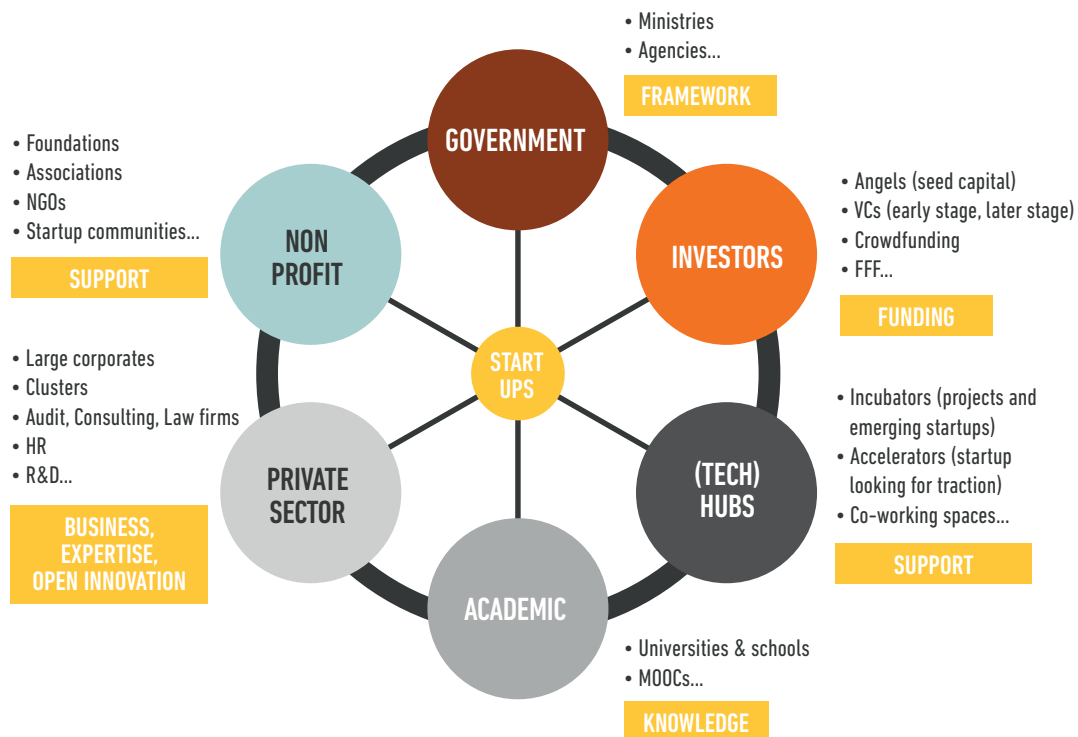
1. GETTING READY FOR THE LEARNING EXPEDITION: OUR FRAMEWORK

The study highlights a number of initiatives in a few countries at a given time; it therefore does not claim to be exhaustive. Before we embark on our learning expedition, let us first explain the framework.

Whichever viewpoint we take, Africa has multiple facets. Our expedition takes us into the 'entrepreneurial ecosystem', also known as the 'start-up ecosystem' or 'innovation ecosystem'… rightly or wrongly. Despite popular belief, a start-up is not necessarily about innovation. But it is always about growth; exponential growth. These entrepreneurial ecosystems have the wind in their sails in Africa as they do worldwide. Whether just budding

(like in Central or French-speaking Western Africa), experiencing accelerated development like in Kenya, or already exceptionally structured as they are in South Africa, they bring together different stakeholders, each with a specific role to play. The study does not set out to describe these ecosystems; however, a simplified view of the players and their roles is presented below[5]:

• Ministries
• Agencies…
FRAMEWORK

GOVERNMENT

• Foundations
• Associations
• NGOs
• Startup communities…
SUPPORT

NON PROFIT

• Angels (seed capital)
• VCs (early stage, later stage)
• Crowdfunding
• FFF…
FUNDING

INVESTORS

START UPS

• Large corporates
• Clusters
• Audit, Consulting, Law firms
• HR
• R&D…
BUSINESS, EXPERTISE, OPEN INNOVATION

PRIVATE SECTOR

• Incubators (projects and emerging startups)
• Accelerators (startup looking for traction)
• Co-working spaces…
SUPPORT

(TECH) HUBS

ACADEMIC

• Universities & schools
• MOOCs…
KNOWLEDGE

5 Source: Mazars.

- The government acts as an enabler, creating a regulatory framework conducive to the emergence of entrepreneurship.

- Academic players train entrepreneurs in hard and soft skills, namely engineers, developers and programmers.

- Investors and financial institutions offer funding adapted to the degree of business development, from start-up to scale-up, via growth.

- Non-profit players can provide support and even funding for entrepreneurs in various areas.

- Incubators and accelerators provide varying degrees of support over different timeframes, sometimes in particular areas.

- The private sector, particularly international groups, helps entrepreneurs get to market; some companies create in-house accelerators or build partnerships with entrepreneurs as part of an open innovation process.

We will therefore meet these different players, in various regions of Africa, in seven entrepreneurial ecosystems, each representing a degree of maturity and often interacting with other ecosystems outside Africa.

Casablanca, Dakar, Cairo, Kigali, Nairobi, Johannesburg and finally Lagos will be our ports of call.

While we will touch upon some good practices within an ecosystem as a possible source of inspiration for others, we will primarily seek to outline two movements: intrapreneurship and open innovation. Although still in their beginnings, they hold innovation potential for Africa in general, and for businesses in particular.

Given the many possible interpretations, these notions should be defined. 'Open innovation' is a recent concept promoted in 2003 by Henry Chesbrough who defines it as:

{ OPEN INNOVATION }

The use of purposive inflows and outflows of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively[6].

Open innovation encompasses practices that organise and implement innovation activities both inside and outside a given company.

The diagram[7] below illustrates the three main modes of open innovation:

OI MODE		DEFINITION
Inflow	*In-sourcing*	Use of external knowledge to reduce time-to-market and find new ideas
	Venture investment	Investing in a promising start-up to get new ideas
	Customer involvement	Finding new ideas by involving customers and consumers in design and R&D processes
Two-way	co R-D	Conducting R&D activities with external partners
	Alliances or Merger & Acquisition	Buying or building alliances with new businesses to gain from their knowledge
Outflow	Licensing-out	Granting licences or selling unused technologies to maximise profit
	Spin-off	Spinning off internal organisations to market disruptive technologies
	Open Sourcing	Granting free access to an internal project to create a new market and test potential consumer reactions

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6 Henry Chesbrough, Wim Vanhaverbeke, and Joel West, Open Innovation: Researching a New Paradigm (Oxford University Press, 2006).

7 Moo Ahn et al. 2013, Institut Open Innovation.

For intrapreneurship, we have chosen the following definition:

{ INTRAPRENEURSHIP }

Initiative within a company giving employees the opportunity and support to create new products and services, in either an incremental or full-on manner, outside the company's established processes and protocols and by taking the risk of straying from the traditional path marked out for salaried staff.

To render these concepts tangible, we will start from the field and ask the players of open innovation and intrapreneurship to present their experiments. Once again, it would be impossible to cover the entire movement which is at work in many African countries. We have tracked down and selected several initiatives, but others are still to be discovered.

One last important point, on two counts, is the question of time. The initiatives described here are recent, rendering an objective analysis of the results tricky. As the movement gains speed, they might be legitimately overtaken or replaced. This is a snapshot at a given moment in time, which we will examine in as much detail as possible to achieve the dual aim of our expedition:

FIRSTLY, INSPIRE

Inspire companies in Africa and the world to innovate in and for Africa.

Inspire employees to turn to intrapreneurship.

**Inspire entrepreneurs** to work with established companies.

SECONDLY, PROMOTE AND FOSTER INNOVATION IN AFRICA

Our other goal is to give more visibility to Africa's innovation, beyond technological leapfrogging, by illustrating success stories, admittedly still under construction but off the beaten track.
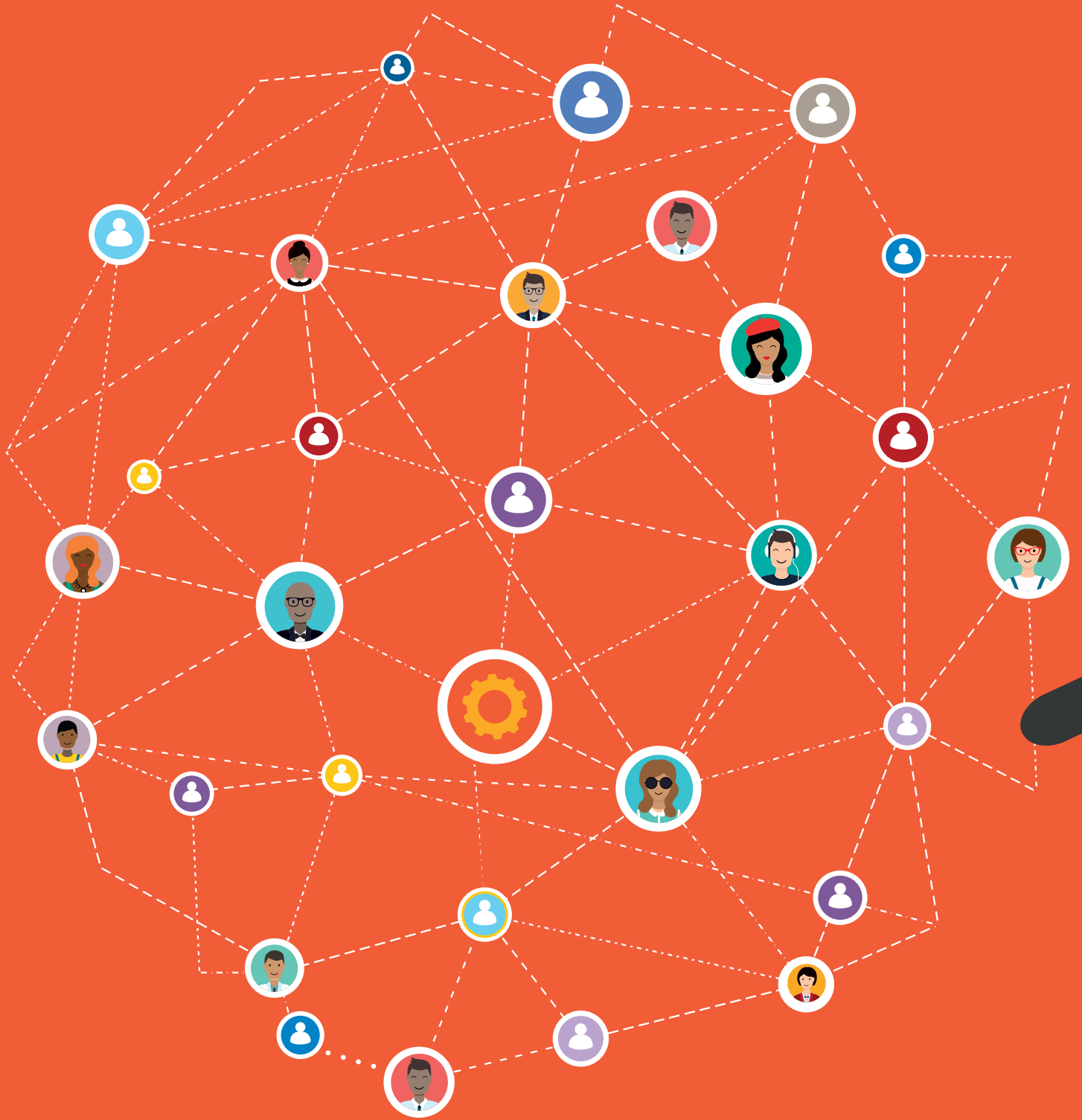
2. FROM NORTH TO SOUTH AND FROM EAST TO WEST: FORERUNNERS PAVE THE WAY IN AFRICA
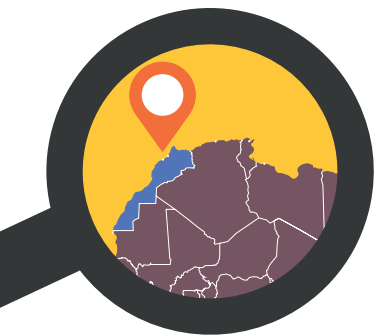
CASABLANCA

Our trip first takes us to Casablanca. Morocco's economic capital continues to speed up its development with the aim of consolidating its role as one of the continent's hubs. The country's historical ties with the US and geographical proximity with Europe, combined with its presence in Africa, make Morocco a key player on the continent.

Very active in the regional economy (through financial firms consolidating their position in Africa), and relying on Casablanca Finance City to become a point of reference in African finance, the kingdom has seen a real craze for entrepreneurship and innovation in recent months. Joe Biden's invitation ("Dream! Take chances!") in his opening address at the

2014 Global Entrepreneurship Summit in Marrakech appears to have been inspiring. The entrepreneurial ecosystem is still finding itself but initiatives are taking shape, in Casablanca particularly: the New Work Lab co-working space is gradually becoming an incubator; accelerators are emerging, frequently in association with international players like **Numa**[8]; the government is progressively introducing regulatory changes, particularly in finance. While there are still few local business angels, other start-up funding initiatives are emerging. One example is the Morocco-based **Outlierz** fund providing pre-seed and seed funding for projects across the continent. Thus, some start-ups are faring well, driven by the vision, passion and energy of their founders.

Screendy, the open innovation catalyst

Our first interviewee, **Mehdi Alaoui,** is one of these Moroccan entrepreneurs. He is even a serial entrepreneur who, after founding several start-ups and meeting with both failure and some constructive success, set up Screendy in 2012. Screendy is a platform whose mission is to bring mobile application development into general reach.

8 Start-up accelerator also supporting large organisations, present on four continents.

Open innovation is at the very centre of this start-up. Screendy provides its technology to communities of developers so they can develop their project while contributing to enhancing the platform. At the outset, to attract these developers the team at Screendy used several means, including hackathons. A hackathon is a collaborative, typically one or two-day event, where developers, designers and business experts come together to co-build an innovative solution. In 2016, 18 hackathons enabled Screendy to build up its community to almost 10,000 developers in 180 countries, promote its technology and create projects based on operational prototypes.

Given the success of the approach, Mehdi Alaoui then structured a programme around hackathons, particularly to support winning projects on their way to becoming Minimum Viable Products[9] (MVP) and then durable start-ups. This is how the **Hack & Pitch** programme emerged. The programme then crossed the Moroccan borders with hackathons in Senegal, Mali and Jordan at the end of 2016. Other African and Middle Eastern countries are on the agenda for 2017. Mehdi Alaoui treats each one as an opportunity to immerse himself in the local ecosystem and draw inspiration from adaptable best practices to constantly enhance his programme. Hack & Pitch has been so successful in Morocco that major companies seduced by its potential for agility, rapidity and value creation have spontaneously approached Screendy to co-develop an open innovation programme triggered by a hackathon. Two major Moroccan groups (a bank and an e-payment solution editor) have successfully initiated their open innovation programme in this way.

Innovation is irrigating LYDEC

A third Moroccan player, LYDEC, will be organising its open innovation programme in 2017. LYDEC is a public services operator managing water and electricity distribution, public lighting and sewage collection in the Greater Casablanca region. Through our talk with Innovation Manager **Zineb Bennouna,** we identified a first key aspect of this kind of approach: disseminating a culture of innovation in a large organisation. LYDEC co-developed its open innovation programme in the second half of 2016 with Screendy, but this was not its first shot. Innovation has been a strategic priority for the group for three years, a *sine qua non* for securing employee support and retention.

It designed and deployed several internal –but not intrapreneurial– initiatives aiming to raise awareness of innovation among its 3,580 employees and gradually encourage their active participation. *"We began by communicating extensively about the initiative. We trained employees in innovation coaching to promote both spontaneous and induced innovation. And we created an intranet site where everyone can submit their ideas (with a text, a sketch, or a film for example)".* The process continues with an assessment of the ideas based on precise criteria, the first being originality and value creation for the company. A panel of internal experts in the idea's field or topic then evaluates the suggestion. If the idea is selected, the process goes on: *"The innovator is given assistance to turn the idea into a concrete project and this is greatly appreciated by employees. Finally, the implemented project goes on to compete in the LYDEC Innovation Awards. This year, we received 52 applications, 32 projects were deployed, and 10 winners were selected with three special awards".*

This initiative helped create breeding ground for Zineb Bennouna to launch the open innovation process. In this context, it was easier for her to convince management of the advantage of turning to external partners, despite questions over the timing, particularly given the relatively small number of start-ups in Morocco.

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9 Minimum Viable Product (MVP): version of a product with just enough features to gather validated learning about the product and its continued development.

At the time of our interview, LYDEC was still fine-tuning the co-development of its programme with Screendy, focusing on the launch of a major Open Innovation Hackathon event and on easing certain internal procedures. Outside the partnership, LYDEC is exploring other dimensions of open innovation with other players, including agreements with national schools and universities, heightened synergies with the Suez group, and active involvement in the Moroccan innovation and entrepreneurship ecosystem. LYDEC is a prime example of a major group committed to an open innovation programme developed patiently and jointly with external partners and creating value for the company, its partners, and even the population. Through gradual, structured change management, it has increased the innovative potential of its workforce.

LYDEC is a prime example of a major group committed to an open innovation programme developed patiently and jointly with external partners and creating value for the company, its partners, and even the population.

While large companies face the challenge of employee adjustment to innovation, start-ups must kindle their innovative spirit, keeping up the momentum and driving their innovation culture. The case of Avito provides insights in this regard.

A pool of intrapreneurs at Avito

Larbi Alaoui Belrhiti is a special case in Morocco. He is another serial entrepreneur who today runs **Avito.ma**, the country's leader in online classified ads. Although not the founder, he was the one who created the Moroccan entity, after being given the keys by the Swedish group Schibsted, of which Avito is part of. Schibsted has pioneered online ads since the years 2000 and has gradually branched out into Europe and Africa. To do so, the group created an incubator in Stockholm where product managers first identify opportunities for development on the various markets, before finding an entrepreneur present in the target market to develop the business locally. Although Larbi inherited the concept, he subsequently played a vital role in adapting it to the local context, hiring the teams and developing the business.

As he showed us round the three floors of office space in the centre of Casablanca's Gauthier district, he gave us the figures of Avito's success: 40,000 ads a day; 5 million active users a month; and brand awareness among 90% of Moroccans overall. The atmosphere is both studious – with developers programming in the open space, and relaxed – some employees begin a game of pool while others finish a session on their PlayStation®. The furniture is modern, the walls painted bright. Although already five years' old, the company's start-up spirit remains. And it remains because, beyond appearances, Larbi has always made sure to fuel the innovation mindset.

Innovation is the first of Avito's five values and is in the company's 'DNA' as he says. *"Innovation is extremely important to continue offering the very best user experience; without this mindset, we could lose our competitive edge or the added value we have always offered users".* Avito tests all new hires on their ability to innovate and once in the company, the innovation culture is conveyed to them non-stop: *"Innovation culture means making room for innovation, allowing everyone to innovate in their own way rather than simply aiming for operational excellence. It means learning to accept failure and learning from it."*

Initiative-taking is the norm at Avito.ma. Employees are trained in innovation processes and encouraged to innovate to solve the company's own business issues. It has the same breeding ground for innovation as LYDEC, but Avito has opted for a different way to develop potential for innovation among staff. A year ago, Larbi Alaoui Belrhiti created an internal Innovation Lab[10] to promote intrapreneurship.

"Innovation takes place outside Avito's core business, in an area separate from the open space so it remains independent and free. Via an innovation process, a specially created team first does the spadework on various issues of everyday life, totally unrelated to classified ads. At the moment for example, work is underway on a tracking solution for school buses".

As Larbi says, each project follows a clearly defined process consisting of successive steps. The first phase involves validating the hypotheses: a web page describing the service is communicated to a user base, with a blank field users can fill in with their email address if they wish to request more information. Based on the number of responses received (according to variable defined thresholds), a second polling phase begins. Certain interested users are questioned to explore needs in greater depth and pre-validate

the solutions. This is followed by a brainstorming session on solutions, and then user tests. After that, a MVP is developed, the project goes through the incubator and if it reaches a certain level of use, it is integrated into production and gains from the expert input of Avito's operational teams. The project then becomes a new service, marketed under a specific brand, possibly with the creation of a spin-off. Two projects are currently moving from incubation to production and others are

"Innovation culture means making room for innovation, allowing everyone to innovate in their own way rather than simply aiming for operational excellence."

taking shape in the Innovation Lab, now firmly established at Avito. Ever keen to keep the spirit alive, Avito has launched a new intrapreneurial initiative called 'Pet Projects'. Employees can submit personal projects developed in their spare time in which the company's teams could be involved. And when asked about the next initiative, Larbi said he was thinking about... open innovation.

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10 Innovation Laboratory.

DAKAR

Our second leg takes us South. On the advice of **Samir Abdelkrim**, an expert in African innovation ecosystems which he has been exploring for three years and presents on his blog **startupbrics.com**, we met one of these entrepreneurs who create value by pure innovation, developing new solutions to existing problems that traditional players simply do not address.

Sonatel takes good care of its intrapreneurs

It's in Dakar, Senegal, that we met our first African intrapreneur within an international company. **Adama Kane** is an employee of **Sonatel**, the local subsidiary of the telecom group **Orange**. In 2013, through personal events, he realised he had a large stock of partly used medicines he no longer needed. So he devised a secure web and mobile application to create more equitable access to drugs. The idea for a virtual community pharmacy, named **JokkoSanté**, then emerged so that unused medicines could be taken to member health centres in return for points representing the financial value of the deposited drugs. Members use the points they earn to retrieve other medicines and can swap points using a bank card via the app.

Moreover, JokkoSanté offers the possibility for companies to finance the medication of the segment of population of their choice (depending on location, age, gender etc.), offering them at the same time more visibility on their social investments. The company's Corporate Social Responsibility (CSR) initiatives and visibility is garanteed by the fact that the beneficiary receives automatically a text message with the name of the company that financed his or her drugs. A third way to gain points is to directly buy or swap points between community members. This is particularly useful for those who wish to transfer points to a family member or a loved one.

Adama was convinced he had a good idea, so he told his manager at Sonatel about it, who then helped him present the JokkoSanté project to top management. The project kicked off in 2015 with the CEO's support. On top of his paid job, Adama was assisted by the teams at Sonatel to develop a pilot application, with the company providing several forms of support:
- financial above all, as Sonatel subsidised the project in its early days;
- technological naturally, with Sonatel handling the developments and the SMS component; and
- on the communication front, by promoting the project in the many events in which Sonatel takes part.

> This raises a legitimate question for a business manager: why bank on initiatives that can lead talented employees to leave?

Capitalising on this now international success story, Sonatel has decided to launch an internal call for innovation projects. Here, the focus will be on CSR. For his part, Adama is now preparing to leave the group to develop his own business. This raises a legitimate question for a business manager: why bank on initiatives that can lead talented employees to leave? In the case of Sonatel, the company gains from the publicity, the investment (if it materialises), and by capitalising on the JokkoSanté experience to launch internal calls for projects, some of which will be deployed in the company without necessarily becoming start-ups. In a large company, this kind of culture is also a strong vehicle of appeal, considerably enhancing the employer value proposition.

At the end of the interview, Adama Kane told us he was considering an open innovation initiative, called **Living Lab**, also health focused. His project will swell the ranks of highly engaged incubation and acceleration players (like **Jokkolabs** or the **Centre for Information and Communication Technologies** – **CTIC**) and it will strengthen Dakar's ecosystem in which promising start-ups are emerging, particularly in fintechs like **Wizall** (money and voucher transfers) or **Intouch**

(integration of mobile payment solutions and digital services), which recently won a start-up competition in Boston. Like JokkoSanté, these start-ups meet local needs that traditional solutions and players fail to address.

. . . .

"There is a clear ambition to develop Senegalese or African innovations, without copying initiatives or innovations developed elsewhere, but to come up with new projects geared to local realities."

. . . .

A hackathon in the public sector in Senegal!

Such is the thinking that led **the Senegalese Ministry of Economy, Finance and Planning** to organise the first public sector hackathon in 2016, with the help of **MakeSense,** a non-profit organisation catalysing social entrepreneurship with a community spanning 60 countries. Arthur Massonneau pilots **SenseCampus,** a partnership between MakeSense and the African Management Institute. From the Institute, located in the Mermoz district, he tells us about this experiment jointly organised with the Ministry of Economy, Finance and Planning and the IMF.

"Over 150 participants met in Dakar late in 2016 to co-develop innovative solutions to modernise Senegal's tax administration. People from different regions, of all ages and from different business sectors provided their complementary experience and expertise. Ten teams were formed to work on problems identified with the Ministry and spent two days brainstorming, creating and working together according to a structured method and processes, in the healthy spirit of the competition. Ten projects were ultimately submitted and three winners selected. The top winning project proposed an innovative electronic tax filing and payment solution for taxpayers with no internet connection, via an ordinary mobile phone. A commitment was made to roll out the winning projects and their implementation is now underway."

Although the impacts for the population cannot yet be assessed, this open innovation approach has already delivered many benefits. The administration now has tools for its modernisation, generated in record time, in an environment where it still takes time to get the ball rolling. Since internal resources from the Ministry took part in the hackathon and were immediately caught up in the momentum, they can now take over to handle the implementation. All the projects, not just the winners, could be further exploited or turned into start-ups, creating jobs and se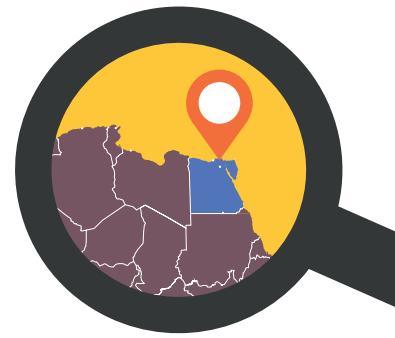rving as examples for replication in other countries. Arthur Massonneau sees an undeniable open innovation drive in Senegal: *"Today, we can sense that a whole body of companies is keen to innovate, to do things differently compared to the past. There is a clear ambition to develop Senegalese or African innovations, without copying initiatives or innovations developed elsewhere, but to come up with new projects geared to local realities. These companies generally turn to external players to drive their innovation. They want to drive these initiatives fast and well, and often in quite a radical way."*

But working in open innovation mode does not mean outsourcing everything, far from it. Integration is key to the long-term success of this kind of initiative. Otherwise, it is difficult to achieve the ultimate goal of creating value both inside (through staff involvement) and out (by generating business). To secure that integration, a growing number of large companies are setting up internal innovation teams. *"More and more jobs and teams are dedicated to innovation in certain firms, even though it is still not common in Africa so far. Innovation projects catch on better in these companies because they facilitate dialogue with external innovation drivers (incubators, fablabs[11], etc.) that need people who speak their language and understand their methods,"* adds Arthur Massonneau.

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11 Fabrication laboratory: workshop open to the public providing computer-controlled tools and machines to design and produce objects.

And finally, innovation is not limited to technology. Social entrepreneurship is also a vehicle for innovation, thanks particularly to its characteristic ecosystem approach. A social entrepreneur seeks to integrate the entire ecosystem into his project including all the stakeholders. *"To me, drawing inspiration from social entrepreneurs in the company is a good way to involve all the stakeholders and share value creation. For example, with a large construction company, we held workshops with workers to identify the challenges and problems they face on sites. The workers then worked on solving them, their projects were escalated to top management and some are now being implemented. Working up from the bottom of the company is a pattern we have borrowed from social entrepreneurship and social innovators."*

Otherwise, it is difficult to achieve the ultimate goal of creating value both inside (through staff involvement) and out (by generating business).

CAIRO

Time now to head to Cairo for the third stage of our expedition. Egypt is firmly rooted in Africa and enjoys a privileged position close to the Middle East. Several factors explain the city's dynamic ecosystem, namely its access to Middle Eastern funds and its larger domestic market compared to its Moroccan or Tunisian neighbours (over 90 million inhabitants). This is where **Tamer Taha,** a 28-year-old economist, launched his crowdsolving[12] platform Yomken.com.

Yomken.com, the crowdsolving trail-blazer in Egypt

The platform came about in 2012 when Tamer identified an unmet need. On the one hand, he detected strong demand from industrial firms for affordable, expert-approved and rapidly developed innovation meeting specific requirements and local challenges. On the other, he realised that, despite a good academic background, many innovators, researchers and engineers do not have the business acumen they need to promote their novel ideas and concepts. Working on innovation for the World Bank at the time, he discovered open innovation and decided to put the concept into practice. He set out to build a gateway between industry and innovators, to bridge the gap between the two worlds and solve the problem he calls 'mistrust'. The virtual platform Yomken (meaning 'it's possible' in Arabic) saw the day, bringing a solution to match industry needs for innovation with creative crowd solutions through 'challenges'.

The challenge is at the heart of the platform and a structured process is implemented to solve it. The first step involves identifying the challenge in companies. To find candidate firms and detect needs, Yomken.com partners with large company networks and works closely with

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12 Crowdsolving: a problem-solving method involving all possible and useful skills.

chambers of commerce or industry federations. The challenge must be scientifically developed to appeal to innovators, must feature all the technical specifications and present some multimedia content – the innovation may be technology-centred or market-driven (meeting market, development or environmental needs for example).

The demand is made on or off-line and Yomken.com prepares the content of the challenge jointly with the company. In the second step, solutions are submitted via the platform then disseminated via information sessions and social networks. During the implementation phase, a panel of experts and the company (which has the final say) select the winning solution before a bilateral or trilateral agreement is signed. The solution is then implemented in very precise steps, with Yomken.com possibly playing a supervisory role. The winner also gets a grant, funded either by the company or a sponsor.

While Yomken.com relies on physical operations in Egypt and Tunisia, 80% of transactions and exchanges are virtual. *"The company posting the challenge might never meet the innovator as they can communicate 100% online, thanks to the power of IT and social networks. This reduces costs and boosts access to innovation. Challenges come from all over Tunisia and Egypt, from the Arab world and even sub-Saharan Africa (one challenge from Nigeria). And as do the solutions! A team from Morocco won the latest challenge posted in Egypt."* With its trilingual (Arabic/English/French) format, the platform covers almost all African countries. At the end of our discussion, Tamer Taha shared an important factor in the success of Yomken.com: *"We have a large-scale project with the Egyptian government, with the* **Academy of Scientific Research and Technology (ASRT)** *to be precise, which has taken great interest in Yomken.com and our results. The idea is to enhance R&D in factories, rural societies and less privileged communities in Egypt. The Egyptian government has been very supportive and we hope to see other African governments follow suit."*

KIGALI
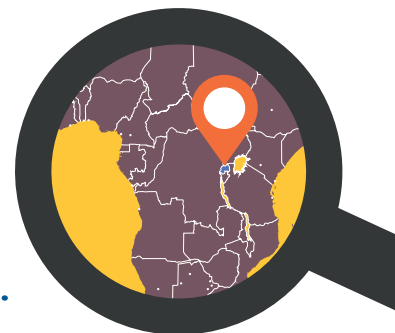
We bet that in a country like Rwanda, our next stop, Tamer Taha would have no difficulty making himself heard. Widely regarded as one of Africa's rising stars in technology, the country has undergone tremendous transformation in recent years, driven by the Government. Every step has been taken to develop the country through technology. By laying the foundations and creating the framework, the Government has been an enabler and set an example many countries would gain from following. The start-up ecosystem has emerged and rapidly expanded. Our host in Kigali was one of its builders, by founding K-Lab in 2012. While still involved in the ecosystem and the incubator, **Clément Uwajeneza** has also co-founded an investment fund and chairs the Rwanda ICT Chamber. He is first and foremost a tech entrepreneur, who founded and managed the software development company AXIS, and then **RwandaOnline** in 2015, through which he contributes to the digital transformation of his country.

From Rwanda to e-Rwanda, with Irembo

Before he tells us about his initiative, Clément has a question: what exactly do we mean by open innovation? When we give him our definition, Clément replies: *"I didn't know about this concept of open innovation! I only know innovation, but when I heard your definition of open innovation, I would say that it applies perfectly to Africa. With the exception of South Africa, most sub-Saharan African companies do not have the resources to innovate from the inside, and they do not have any dedicated teams within their organisation. The only way for them to innovate is by opening up to the outside: by either acquiring companies or partnering with companies that are innovative."*

Clément has been at the Head of RwandaOnline for two years now. The company's 34-strong team works on digitizing certain public services that it provides via a 'one-stop-platform' it developed. Going by the name Irembo, the platform provides citizens of Rwanda with government services via three channels: Irembo Online Portal, Irembo Mobile USSD and a network of Irembo agents. At the start of 2017, 45 services were already available. More than 60,000 transactions are completed every month and almost 400,000 people have used the platform. The government has set the goal of reaching 100 services by the end of 2017, and 500 by 2020.

Clément explains how it all happened: *"The project started in 2009. A small task force of private and public players started thinking about the next steps of the country's technological development as well as key projects to lead. A platform that would facilitate the creation of government services was one of them. Then, this idea evolved with the help of a company called* Ngali Holding, *when the government accepted to move into a complete public-private partnership; which helped this project happen and take shape."*

This partnership is the first of its kind in African government services and shows just how the Rwandan government has opened up, not only by going down the innovation route but by putting its trust in what was then only a nascent start-up – although to be eligible, RwandaOnline had to joint venture with a partner offering certain guarantees.

. . . .
"With the exception of South Africa, most sub-Saharan African companies do not have the resources to innovate from the inside, and they do not have any dedicated teams within their organisation."
. . . .

Drawing a parallel with the business world, this is an example of the strategic support vital to any long-term innovation initiative. *"Rwanda's top leadership is highly engaged in the use and adoption of new technology and sees it as a pillar for development, starting with the President.*

Nevertheless there are still many challenges when it comes to actually putting these services into place and making sure citizens get the full benefits of digitization." Managing nationwide change is unquestionably an immense task. Administrative practices must evolve and users must be persuaded to change their habits. The emphasis was therefore placed on selected services with the most visible benefits, to swiftly secure adoption and convince other users. On top of user benefits, the administration has also gained from better governance: equity, transparency, efficacy and efficiency are all aspects fostered by the platform.

The public-private partnership runs for 25 years. The first three years are devoted to delivery: building the organisation, integrating the technology and galvanising the ecosystem. After that, transformation will begin and the open innovation dimension will take on a new form with APIs[13] being made available to third-party developers. These developers may be freelancers, students, or employees of other firms, hand-picked by RwandaOnline and then trained in the technological specificities without actually becoming RwandaOnline employees. Of the six half-year sessions scheduled, each with ten participants, the first has just come to an end.

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13 Application Programming Interface (API): a set of tools designed to facilitate the work of a developer using a given language.

NAIROBI

With no doubt that Irembo is on the right track, we fly across Lake Victoria to discover the benchmark ecosystem in East Africa, Nairobi, and its never-ending traffic nightmare. Stuck on Ngong Road, we move slowly. Our journey takes us past **i-Hub**, a forerunner founded in 2010. i-Hub is an open space for tech players, an incubator, accelerator and a gateway to investors and corporate venture funds. It is one of the only two places that Mark Zuckerberg visited during his short spell in Africa in 2016. In the same building, another more recent accelerator, Nailab, offers a short acceleration programme for innovative technology projects. I-Hub and Nailab both embody a flourishing, albeit still developing ecosystem in which start-ups are emerging.

Many projects have seen the day in Nairobi, for instance **mSurvey**, an online, user-friendly platform for businesses to create surveys, giving them instant access to data from the most remote parts of Kenya via SMS (financial incentives are provided to motivate the respondents). mSurvey announced the beta version of '**The Consumer Wallet**', in partnership with telecom operator **Safaricom**. The solution will map Africa's cash-based economy as it pairs mSurvey's data research function with Safaricom's internal resources and distribution network. Investors make no mistake: according to Partech, almost 93 million dollars were invested in young Kenyan start-ups in 2016.

Open innovation gradually makes its nest in Nairobi

The pandemonium of Ngong Road now far behind us, we arrive in the quieter Westlands district. There we meet **Muthuri Kinyamu** and **Aaron Fu** to discover the innovation activities they are driving in Kenya and towards other African countries.

Muthuri Kinyamu is Programme Coordinator Africa for **Nest.vc** and he tells us about the company's three business lines: Nest Ventures, Nest Innovation and **Metta.** Nest Ventures invests in early-stage tech start-ups in the fields of health (HealthTech), finance (FinTech) and Smart Cities. Nest Innovation creates change-through-innovation programmes for large firms and entrepreneurs. The latest addition in Nairobi, the Metta platform, connects up innovation stakeholders, but we will explain more about this in the third part of this study.

Aaron Fu, Nest.vc Managing Partner for Africa, then presents us with an initiative conducted for **Barclays Bank** in 2015 – illustrating the step toward open innovation that some major groups are beginning to take in the country. Nest developed and ran a ten-week programme within the bank between Barclays employees and external, exclusively freelance innovators identified via Nest. They developed prototype solutions for a set of previously defined problems. From the prototypes developed over the ten weeks, two projects were selected and integrated into the bank's operational teams. The first service has just been launched on the market.

When we asked him whether open innovation had any specific features in Africa, Aaron Fu, who splits his time between Nairobi, Asia and Europe where Nest is implemented, explained: *"I think that it is still very early to talk about open innovation on the African continent. There are two distinct categories when it comes to large organisations, the local branches and local subsidiaries of multi-nationals as well as the locally born, locally run corporations."*

He illustrates with an example in the financial sector: *"I feel like most of the local banks are still at the learning or even the discovery phase when it comes to the concept of open innovation. There have been some challenges around putting it into operational practice and these are potentially due to a number of factors directly linked to the internal capacity of the organisations to deliver these kinds of programmes while meeting the CEO's expectation."* The other main limit according to Aaron Fu is the still shallow start-up deal flow in the ecosystem, even in a hub like Nairobi. Nest therefore supports large organisations in structuring their innovation programmes while helping start-ups to grow and improve, particularly through access to expertise. *"There is an existing desire to develop this practice; but operationalising it is still a challenge."*

JOHANNESBURG

Kenya may have overtaken South Africa in 2015, in amounts invested in start-ups, but its ecosystem still has a way to go to rival its South-African peer. South Africa is a singular case on the continent in terms of economy, infrastructure, and entrepreneurship, being the only country to boast two structured hubs: Johannesburg and Cape Town. Many people believe that one of these two cities will give birth to the first African 'unicorn14', as they have an extensive deal flow, engineers with superior training, business angels, venture capital funds, designers, large local organisations and subsidiaries of multinationals.

14 Start-up valued at over $1 billion.

While coordination of ICT policy can still be improved, this is nonetheless a complex ecosystem producing its own network effects.

Large organisations open up to star entrepreneurs

Our first meet-up in South Africa takes us to downtown Johannesburg, where we talk to **Marcello Schermer**, the new Managing Director of **Seedstars**. As its flagship activity, Seedstars organises an international start-up competition, focused on emerging markets. Each year, the programme's teams scour the tech ecosystems of some 70 countries in search of new gems: start-ups, entrepreneurs, innovators. Marcello sums up Seedstars' vision: *"We aim to build a network, a community for both entrepreneurs and the stakeholders that form the entrepreneurship ecosystems, in order to connect entrepreneurs to relevant corporations, investors, governments or foundations that can then essentially help them grow and scale their business."* The competition is not therefore an end in itself, but a potential trigger for cooperation between innovation ecosystem players. This match-making between start-ups and large organisations via an open innovation process is also one of Seedstars' main businesses, including in the 30 African and Middle Eastern countries the company covers.

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"The local banks are still at the learning or even the discovery phase when it comes to the concept of open innovation. There have been some challenges around putting it into operational practice and these are potentially due to a number of factors directly linked to the internal capacity of the organisations to deliver these kinds of programmes while meeting the CEO's expectation."

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Before heading up this programme globally, Marcello Schermer spent two years as Regional Manager for Africa. He has hands-on experience of many of the continent's ecosystems as well as large organisations on the look-out for innovative start-ups with which to partner. *"To illustrate this with an example, we built a partnership with Intel last year. They were looking for innovations in the*

hardware and IT areas, and their mandate was essentially across Africa and the Middle East. We first helped them source interesting ideas and technologies, before introducing them to the right stakeholders." Start-ups are sourced based on clear requirements that Seedstars helps identify: criteria, company type, region, possible forms of cooperation, etc.

Seedstars acts both as an "educator" for the organisation and "translator" between these two worlds that many things initially divide, particularly culture.

This information facilitates the search and maximises the chances of success when the partners are connected up. Seedstars then assists the large organisations in their collaboration with start-ups, the company's teams providing guidance to foster interaction, work and co-development. This is either done in consulting mode or as part of an internal programme co-developed with the company. According to Marcello, Seedstars acts both as an "educator" for the organisation and "translator" between these two worlds that many things initially divide, particularly culture.

Another example of collaboration generated and enabled by Seedstars is the partnership between **Standard Bank,** a leading bank in South Africa, and **Giraffe**, a local start-up. Giraffe is a South-African match-making platform between job-seekers and recruiting businesses, focusing on the medium to low-skilled segment (cashiers, drivers, workers, etc.). Giraffe's founders detected this segment as a gap in the offer of traditional recruitment agencies, owing to the difficulty in finding a viable economic model. The start-up thus developed an algorithm to solve the problem by matching job-seeker profiles to companies' needs. The service is provided free of charge to job-seekers and at a cost to companies, which include large organisations, SMEs and very small firms. Reaching these latter categories is a real challenge, but one that Giraffe overcame by joining forces with a partner

having a corporate customer base. Two targets were identified: banks and telecom operators. This was when Seedstars played a key match-making role, helped by the fact that Giraffe had won one of Seedstars' competitions and already had credibility on the market. Via the partnership, a joint offer was co-created for some of the bank's corporate customers. These businesses now have a bank account with an amount of credit they can use to hire staff via Giraffe.

This experiment illustrates the win-win dimension of co-development. Giraffe gains faster access to market opportunities via the bank's customer base, and the latter gains a novel differentiating factor, implemented swiftly and with agility, while offering customers a value-added service. Marcello Schermer emphasises that the main value a start-up gets from an established company is market access: *"I'd like to see companies shifting from the idea of 'we need to invest financially in start-ups' to the idea that the most valuable asset is market access, access to opportunities, access to knowledge, expertise and that leveraging these is a more beneficial investment to accelerate the growth of start-ups and will help them diversify their service offering".* The Standard Bank / Giraffe service will gradually be expanded in South Africa before seeking to capture new markets on the continent.

The success story of Giraffe is still a one-off. Marcello confirms that collaborative initiatives like this are not common on the continent. But putting things into perspective, he adds that these trends are also still recent in Western economies. He particularly senses a profound movement taking shape in Africa with a growing number of businesses realising that they should, or need to, open up. *"They (companies) know that innovation these days can happen anywhere: Angola, Egypt, Sudan, Liberia. However, on the flip side, companies cannot be present everywhere. Therefore, we are witnessing a paradigm shift, because until recently, companies with large resources could innovate from within. But now, with the proliferation of innovation from the outside, companies must adapt and open up."*

For this groundswell movement to achieve its potential, the other vital component is an available deal flow of quality start-ups. Marcello Schermer has great faith in the ability of African

"I'd like to see companies shifting from the idea of 'we need to invest financially in start-ups' to the idea that the most valuable asset is market access, access to opportunities, access to knowledge, expertise and that leveraging these is a more beneficial investment to accelerate the growth of start-ups and will help them diversify their service offering."

entrepreneurs to generate this deal flow, while insisting on the role large organisations have to play. *"I've travelled to about 17-18 countries on the continent to meet with entrepreneurs and interact with them. I am 200% convinced that there is incredible talent and incredible innovation on the continent. I would like big companies to stop looking at the continent simply as a great opportunity to sell products and services, but also as an inspirational innovative and technological breeding ground where they can actually build partnerships and advance their global strategy."*

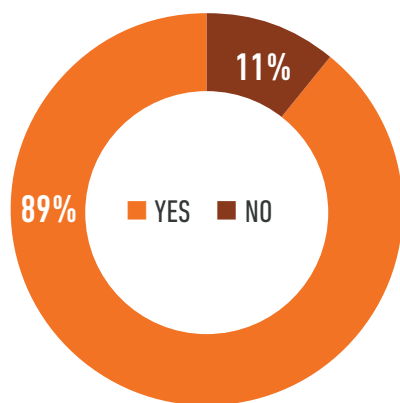## One intrapreneur less, but dozens of newly engaged employees

We left the city centre to meet **S'onqoba Maseko** in a suburb of the economic capital. S'onqoba started out as an intrapreneur in a large bank, the **First National Bank** (FNB). She then led the firm's intrapreneurship programme before switching sides to innovate through her own business in education. S'onqoba admits that she was not destined to work on innovation, but her time at FNB marked a turning point in her career. The bank had integrated innovation into its development strategy, identifying two categories of innovation: '**minivations**', incremental innovations aiming to cut costs, and more radical '**full-on innovations**'.

Via a decentralised approach, the bank integrated innovation into each business unit and each business line. S'onqoba led a small three-strong team, supported by an **innovation champion** in each business unit, working together with the management and innovation teams. This organisational model therefore involved all the staff, from junior to top management, with the aim of treating each stakeholder fairly. To stimulate a healthy competitive spirit, a challenge was organised between business units. Each year, three MVPs were selected for implementation over the next three years.

The winners also received special treatment: *"The company usually organised annual events focusing mostly on business and leadership, gathering the top 400 leaders. For innovation, the company also organised a conference comprising award-winning innovators and top leadership of the business and at this conference the winning innovations aligned to the business where presented."*

Cash bonuses awarded to the winning projects' team members also heightened motivation: 1 million Rand for minivations; 3 million Rand for full-on innovations.

This kind of initiative has a crucial impact, not only retaining but also motivating, developing and attracting talent.

This model of integrating innovation into the business units has a decisive operational advantage, because innovation is not perceived as an additional workload: "*This model encouraged each employee, in his day-to-day work, to look for opportunities to innovate or improve or radically change his work, in line with business objectives.*"

According to S'onqoba, FNB had already developed quite a culture of employee empowerment which further helped staff embrace innovation tools and methodologies. Going back to the Human Resources aspect, S'onqoba says this kind of initiative has a crucial impact, not only retaining but also motivating, developing and attracting talent. The graphs hereafter, taken from a survey Mazars conducted on social networks among employees of large organisations in English and French-speaking Africa[15], illustrate this propensity to attract and retain talent.

Would a company's lack of openness to innovation or intrapreneurship prompt you to leave it?

33%

YES ■ NO

67%

Is a company's openness to innovation and intrapreneurship a criterion that would encourage you to join it?

11%

89%

YES ■ NO
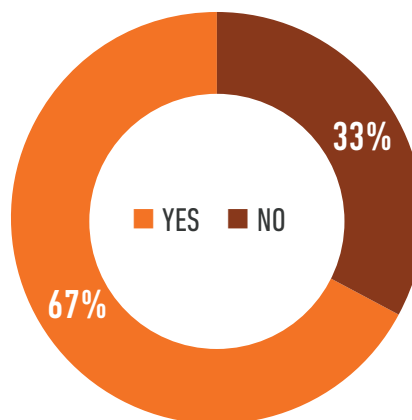
The intrapreneurship programme was mainly internal but involved some interaction with external stakeholders, particularly start-ups. Being at the interface between the two worlds, S'onqoba discovered more about start-ups and decided to set up her own.

LAGOS

Before we explore how open innovation and intrapreneurship can be catalysed in Africa through international connections, we will swiftly stop by another of the continent's huge countries, Nigeria. It is obviously not by chance that Facebook's founder visited the Lagos ecosystem first, particularly the Co-Creation Hub **(CCHub)**. Since 2011, CCHub has been boosting Nigerian start-ups projects through three main programmes: 'Community', 'Pre-incubation services' & 'Open living Lab'. The Hub[16] serves as an open innovation ecosystem in which user-centric innovation is fully integrated in a co-creation process for new products, services and societal infrastructures. Focusing on the social dimension, the Lab enables various stakeholders to co-build: citizens, social entrepreneurs, experts, public authorities, etc. CCHub's model also enables citizens to influence the development of services potentially beneficial to the whole society, while easing technological innovation's integration within society.

Open innovation has been ongoing for several years in a clearly trend-setting country. The latest proof being the hackathon organised by **Imsi 3D**, the leading virtual reality lab. The first of its kind in Nigeria, it brought together five teams around three topics: Education, Health & Tourism. Sponsored by partners such as **Facebook**, **Samsung** or **Virtual World Society**, Imsi 3D set the trend. **Bosun Tijani,** one of the judges and founder of CCHub, said this event reminded him of the first hackathon organised in 2010 which launched the beginning of the tech scene in Nigeria - this virtual reality hackathon might play the same role[17].

CCHub's model also enables citizens to influence the development of services potentially beneficial to the whole society, while easing technological innovation's integration within society.

16 Source: http://cchubnigeria.com/our-approach/.
17 Source: http://cchubnigeria.com/imisi-3d-holds-successful-virtual-reality-hackathon-nigeria-first-nigeria/.

3. BUILD BRIDGES, NOT WALLS: INTERCONTINENTAL INNOVATION

Openness is, as we have seen, a pivotal concept in these local initiatives. For open innovation, it is tautological. For intrapreneurship, it is more about the mindset: CEOs are adopting a new mentality to nurture new ideas among their workforce. This openness is also geographic. Globalisation and instant communication technologies are strengthening interconnections between ecosystems. An idea may emerge on one continent to be applied on another. Purely local ideas may also find unexpected developments in other environments. The two examples hereafter show how these bridges are being built between continents.

PARIS

Our expedition takes us now to Paris, France, although similar cases can be found in other European or American countries where the African population has settled (more than 30 million Africans live outside the continent).

For about five years, France has seen a real boom in digital technology, prompted particularly by the government's '**La French Tech'** initiative. The capital is the bridgehead and the Parisian ecosystem is roaring, the latest example being the upcoming opening of **Station F**, soon to be the world's biggest start-up incubator. Fintechs are faring best among these new businesses, with no fewer than 225 set up in France in recent years!

It is in Paris' La Défense business district – not necessarily where we would expect to find start-upers – that we went to meet two of these entrepreneurs, **Steve Fogue** and **Vladimir Nguekam**, who have several points in common.

Start-ups incubated in Paris, then accelerated in Africa

First, they are founders of fintech start-ups. **Particeep**, co-founded by Steve Fogue, provides technological solutions to assist financial institutions with their digitization, helping them build platforms to distribute financial products or create investment marketplaces. As for Vladimir Nguekam, he saw an opportunity created by the Eckert law in France, requiring banks and insurance companies to identify and sort out dormant accounts and unpaid life insurance benefits; his start-up, **Mister Doe**, uses big data and algorithms to track these accounts and contracts down.

The second point they share takes us back to Africa: they are both members of the Cameroonian diaspora in Paris, and have both harboured the ambition of expanding into the African continent since creating their business.

The last thing they share, and the reason why we met them in La Défense, is that they both took part in **Mazars' LAB**, the open innovation programme of the international audit and consulting group **Mazars**. Mazars launched into open innovation in 2013, in France, spearheaded by the vision of an intrapreneur, **Aymard de Scorbiac**. Having anticipated threats of disruption in some of Mazars' business lines, he structured the programme: Mazars innovates with an ecosystem of partners, including start-ups; these partners speed up their commercial and product development thanks to Mazars; and together, in the ecosystem, they co-innovate both in R&D and business development. This now booming concept in France, but a forerunner at the time, was embraced at a strategic level in the firm. The experiment quickly took off the ground, namely with Particeep and Mister Doe's incubation and acceleration, along with offers created jointly with Mazars, for the French market initially.

Two decisive factors prompted Steve and Vladimir to join Mazars' LAB: the group's international footprint and its local foothold in Africa. Mazars' 25 African offices are all effectively potential business accelerators for these start-ups, provided offers are tailored to the local context and launched at the right time.

As a natural follow-on, Mazars' office in Morocco is now co-building a service to support the country's banks and insurance companies with their digitization based on Particeep's technology. And when Vladimir Nguekam sees opportunities for Mister Doe in an African country, he naturally looks to Mazars to help him develop contacts and get to the market.

The benefits for Mazars are multiple, including innovation in business, culture and image. Building on its success, and after some adjustments to the Moroccan context, the programme is now moving from Paris into Africa via the Mazars' LAB ecosystem of local partners providing support for entrepreneurs. Key achievements so far include an entrepreneurship web platform designed for a leading Moroccan bank. Locally, the Mazars' LAB team is also on the look-out for African start-ups based on the continent with a view to co-innovating in Morocco. That's of course before it supports their African or even international expansion, by letting them cross, in the other direction this time, the bridge now built between Europe and Africa!

Our talks with these Mazars' LAB participants tie in with the view of Aaron Fu, in Nairobi, when he insists on two key factors in the successful adaptation of a programme: contextualisation and timing. ***"Most of the existing multinational entities established in developed countries have already implemented open innovation practices – whether in London, Paris or Asia, etc. Those initiatives are often designed within developed countries, then pushed on to developing ones. In some cases the multinationals' subsidiaries in Africa are pressured into putting into practice these programmes without taking into consideration their relevance, nor the African ecosystem's specificities. It is certainly a plus that the multinationals' local branches can rely on head office inherited***

guidelines, but it is necessary to take the time to contextualise these intrapreneurship and open innovation programmes as well as to win the buy-in of the local leaders." Aaron Fu is definitely well positioned to talk about contextualisation, after living in Nairobi for two years and being active on the African continent. But he also points to African potential in Europe and Asia, where Nest has operations.

"Most of the existing multinationals established in developed countries have already implemented open innovation practices – whether in London, Paris or Asia, etc. Those initiatives are often designed within developed countries, then pushed on to developing ones. In some cases the multinationals' subsidiaries in Africa are pressured into putting into practice these programmes without taking into consideration their relevance, nor the African ecosystem's specificities. It is certainly a plus that the multinational entities' local branches can rely on head office inherited guidelines, but it is necessary to take the time to contextualise these intrapreneurship and open innovation programmes as well as to win the buy-in of the local leaders."

He was the one who piloted Nest.vc's adjustment for Africa and is now focusing on extending another programme from Asia called **Metta**. Metta is an entrepreneurs' club, connecting up people, ideas and resources via two centres in Hong Kong and Nairobi. The club's members are stakeholders of innovative entrepreneurial ecosystems: entrepreneurs, start-ups, multinationals, large organisations, investors, NGOs, etc., active in different sectors. Metta only recently launched activities in Nairobi, in December 2016; they include events, workshops, panels, master classes[18] and short programmes like bootcamps[19]. Large organisations particularly contribute to the club via sponsoring, mentoring, or services the club's member entrepreneurs require. These organisations may also give their

staff, for example developers, the possibility of working with start-ups. Metta is highly ambitious and involved with companies on several projects that unfortunately Aaron Fu could not tell more about, given the platform's recent creation and the applicable non-disclosure agreements. However, he enthusiastically explained the project Nest is implementing in partnership with the payment group **Visa**.

As part of the programme, a four-day bootcamp on fintech in Africa will be held in March. The event will aim to facilitate collaboration between fintech start-ups and Visa, and build relations with potential investors in Africa. The programme focuses on financial inclusion and 'peer to peer' merchant payments, with selection open to any start-up, whether from Africa or not. Mentors from Nest will team up with mentors from Visa in Kenya, South Africa and the United Arab Emirates to train selected participants. *"We have received some top quality applications from all over the world. The opportunity to work with Visa is particularly interesting for start-ups given the group's broad panel of partners. Visa also sees the programme as a great chance to help partner banks innovate."*

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18 Experience-sharing development course given by an expert in a discipline.
19 Accelerated training courses.

AURÉLIEN DUVAL-DELORT, DIRECTOR OF THE ORANGE OPEN TECH HUB, ANSWERS OUR 5 QUESTIONS

Our last meeting takes place in Casablanca, with a French intrapreneur from Paris, on a trip to the white city for the open innovation programme launched by Orange from the French capital. **Aurélien Duval-Delort** is director of the **Orange Open Tech Hub** within IMT (Innovation, Marketing and Technology campus). Based in Paris, he is part of the Africa Middle-East division and agreed to answer our five questions.

1.

Can you tell us what your open innovation programme in Africa involves?

"Three years ago we developed a pure innovation activity consisting in creating commercial offers that allow any company to access Orange's IT platforms in Africa and the Middle East, to create mobile services. We adopted a novel approach for API presentation and use, along the lines: 'The developer is our customer. He will be using our platform. We must be in open innovation mode and ensure he can easily access our technology'.

It's a B2B2C business, quite new to Orange, which relies on platforms and involves intermediation between an ecosystem of companies and an ecosystem of individuals. We address the ecosystem of businesses interested in Africa and allow them to create mobile services for Orange customers. However, our customers in Africa have 'entry level' mobiles, even though smartphones are gaining ground. To enable companies to create mobile services for these basic phones, we give them access to Orange's platforms, particularly SMS and USSD (the protocol these terminals use for dynamic exchanges even on a 2G network), and voice services, of course. In some countries, as much as 70% of the population is still illiterate and needs voice services in every sector."

2.

Do you have a concrete example to illustrate the open innovation aspect?

"Today, both start-ups and large companies use our platforms. One of the most striking examples is **Mlouma**, a farming sector start-up in Senegal running a match-making platform between farmers and buyers of agricultural commodities. Mlouma was faced with the problem of providing access, in addition to the web, suited to practices in rural parts, i.e. via a non smartphone mobile. We spotted the start-up during a challenge we ran in three countries, Senegal, Ivory Coast and Mali. They won the challenge and gained immediate access to Orange's APIs to demonstrate their ability to develop the service beyond the PowerPoint pitch. Orange then gave them access to the USSD, SMS and billing platforms. The start-up handled the development and was then launched on the #112# in Senegal, with a communication plan from the local operator and a dedicated marketing budget. User numbers leaped from 1,000 to 75,000 in just six months."

"Today, both start-ups and large companies use our platforms. One of the most striking examples is Mlouma, a farming sector start-up in Senegal running a match-making platform between farmers and buyers of agricultural commodities."

Another example is the partnership with **Vox Africa,** for their pan-African talent show **The Voice.** Vox Africa was seeking to develop a digital channel for mobile customers who wanted to do more than just watch the show, for example do a quiz about the programme's personalities, or vote live in a more novel way than by text message. Via the platform, Orange delivered a solution in four countries simultaneously, making The Voice its first client on the new #303# My Store portal. With the help of a partner, Vox Africa developed a USSD interface available on any mobile phone for viewers to navigate through the The Voice menu, sign up for a quiz delivered by SMS and vote in the finals. Not only was access to the interface more dynamic, but above all technically less complicated. Instead of dealing with each national operator to get an SMS short code, implement flows, and integrate the technology, etc., a single TV ad was produced and broadcasted to inform viewers they could vote via #303*3 on their mobile phones.

Vox Africa wanted to allow as many viewers as possible to vote, while keeping its investment to a minimum. By working with us, they found a balance and were able to reach out to a broad customer base in four countries, via a minimum development and integration effort, and with cross-country communication."

"This new project, Open Tech Hub, has now become intrapreneurial, and has just been selected for Intrapreneurs Studio, a new programme Orange has created to fully support employee innovation. So I am now creating my start-up!"

to let them adopt a pan-African approach. That's when the idea emerged, at the start of 2014.

We then carried out large-scale technical and organisational projects. And above all, we introduced a new business model, breaking with the operator's conventional model. In addition to the innovative dimension of B2B2C, our work is now more pan-African than in the past, where the scheme was exclusively local. And we have rolled out our offers in about a dozen countries.

We have very recently moved into a new phase. Pan-African B2B2C required such extensive organisational changes in operations at Orange that we needed a dedicated commercial entity to handle international business and allow companies to create a pan-African mobile service. This new project, Open Tech Hub, has now become intrapreneurial, and has just been selected for Intrapreneurs Studio, a new programme Orange has created to fully support employee innovation. So I am now creating my start-up!"

3. How did the open innovation initiative come about, and how did you develop it?

It was an iterative process with many things emerging gradually over the three years as the project progressed. It started out from an internal decision to pool the technical platforms across the Africa region, in order to roll out pan-African Orange services. At the same time, the Orange group was thinking globally about open innovation. As we had already developed this shared African platform, we decided to open it up to companies

4.

What are the key factors of success and the difficulties you encountered? And how did you solve them?

"You have to start with a strategic vision, that's the key to galvanizing resources in a big organisation. Then you must quickly get operational with resources testing the various options on the ground, and working openly. Working in silos is a definite no-go. You need to go meet the ecosystem, and partner up with incubators and accelerators. They are highly dynamic and very open in Africa.

> "You need to know what you're looking for in the ecosystem, because otherwise you can go round in very lengthy circles."

It's test and learn on the ground, as close to the ecosystem as possible, with a clear strategic focus. You need to know what you're looking for in the ecosystem, because otherwise you can go round in very lengthy circles. That's the main risk: if things aren't really clear, you can use up a lot of resources and feel like you're doing nothing more than communicate, with no particular benefits. Communication alone is not enough, because African start-up ecosystems soon lose interest if they think you're trying to sell wonderful solutions but with nothing concrete to use. There's a real risk in making hasty announcements, a mistake we paid for when our promises didn't materialise on time."

5.

In your opinion, do African countries have any specificities?

"In Europe, large organisations pitch into collaboration with start-ups to reinvent their business and transform their model. In Africa, the context is different. There are extensive needs in all sectors, and a multitude of start-ups have emerged in the past three to four years to respond to local issues. Through their hands-on experience, Africa's entrepreneurs are aware of the challenges and they devise the solutions to them. But they are still lacking investment, coaching, visibility, and the capacity to distribute and market. That's what big organisations can offer. No doubt more than anywhere else, African start-ups need large companies to emerge, and if they want to meet needs in Africa, diversify their services and swiftly go digital, large organisations need start-ups to bring concrete, innovative solutions fast. The win-win potential is greater in Africa because needs are significant and the skills very distinct.

> No doubt more than anywhere else, African start-ups need large companies to emerge, and if they want to meet needs in Africa, diversify their services and swiftly go digital, large organisations need start-ups to bring concrete, innovative solutions fast."
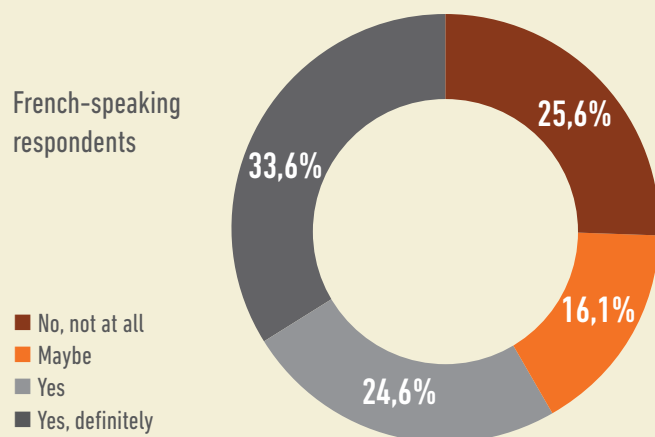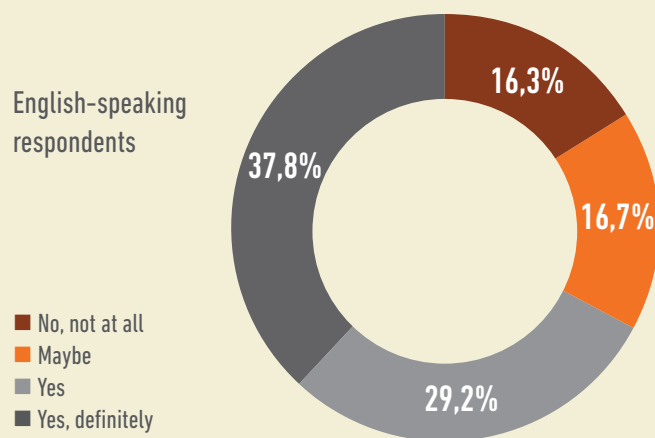
Although a positive change is occurring, there are still large gaps between English-speaking and French-speaking ecosystems (see chart hereafter). English-speaking Africa has a quite exceptional innovation well ahead, in Nairobi, Lagos, Johannesburg and Cape Town, Accra or Kigali. At start-up events and conferences organised there, we can see that start-ups are often more mature, and regulatory and initiative frameworks more flexible. In Rwanda, the government plays a proactive role in facilitating business creation and supporting the start-up ecosystem.

This ambition does exist in French-speaking Africa, undeniably so. But it has yet to deliver any major success stories, even though we have met some great start-ups with good ideas and the will to succeed. They often have less access to local funds, they have fewer resources and conditions are possibly less conducive to business creation. Fortunately, the situation is improving and quite quickly. It's also interesting to see the bridges being built. On a commercial level, start-ups from East Africa are interested in Orange's offers to distribute their services in French-speaking Western Africa. Two years ago, these were still two separate worlds, but communication is growing; digital technology is gradually bringing the boundaries down."

TO THE QUESTION: "IN YOUR OPINION, HAS THE ORGANISATION YOU WORK FOR MADE INNOVATION A PRIORITY?", FRENCH AND ENGLISH SPEAKERS RESPONDED AS SHOWN BELOW[20]

English-speaking respondents

- No, not at all
- Maybe
- Yes
- Yes, definitely

16,3%
16,7%
29,2%
37,8%

French-speaking respondents

- No, not at all
- Maybe
- Yes
- Yes, definitely

25,6%
16,1%
24,6%
33,6%

20 Between 5 and 19 February 2017, Mazars ran a survey via social networks (Facebook and LinkedIn) among a sample of employees from large companies (at least 1,000 employees) in English-speaking (Egypt, Ghana, Kenya, Nigeria, Rwanda, Tanzania and South Africa) and French-speaking Africa (Cameroon, Ivory Coast, Mauritius, Morocco, Senegal and Tunisia). 643 people responded to the survey.

4. GET EQUIPPED: USEFUL TOOLS AND TIPS FOR THE INNOVATION BACKPACKER

From the cases we studied through our expedition, we identified five key factors of success (KFS) to maximise the chances of success for intrapreneurship or open innovation programmes in an established company.

5 KEY FACTORS OF SUCCESS

SECURE STRATEGIC BUY-IN

ENGAGE TEAMS

BE AGILE IN STRUCTURED APPROACHES

MANAGE THE SHORT AND LONG TERM

ADOPT AN OPEN MINDSET

#KFS1 – Secure strategic buy-in

At the risk of repeating ourselves, nothing will materialise unless top management gets involved at some point. As we have seen, its buy-in is absolutely vital, be it a 'top-down' approach in which management addresses the issue and sets the direction, or 'bottom-up', where the impetus comes from operational teams that must ultimately convince their boss. While management retains the prerogative of setting the goals, most of the cases studied are very business-centric. Whether you are seeking to co-develop an offer with start-ups for the market, or generate new offers internally, business innovation is the target. It's a vital lever of 'real' transformation (i.e. creation) for large organisations.

While integrating innovation into the company's business is not the easiest model to deploy, it is the one that speaks to top executives most. A leader's involvement sets the example and embodies his quest for transformation. Although symbolical, seeing the bank's CEO in a T-shirt coaching his teams during the weekend conveys that commitment. Finally, in the case of open innovation projects with a start-up, a shared vision must be defined as early on as possible and each party must be prepared to transform their value proposition.

#KFS2 – Engage teams

The support of the company's operational teams is also vital to the success of intrapreneurial and open innovation initiatives. It is striking to see just

how well the employees at LYDEC, Avito or FNB seem to have 'digested' innovation to integrate it into their day-to-day work, even though the initial situations were very different. While innovating spirit is a pre-requisite at Avito, it still has to be cultivated, beyond the company's core business. At FNB, the groundwork was done by previously nurturing employee empowerment, making good habits easier to adopt. Preparation at LYDEC consisted in awareness-raising, training and practice to engage employees in open innovation.

Engagement is a cultural challenge and these three examples illustrate an important point: an initial diagnosis must be done to assess the nature and extent of the change to be made, and activate the right levers to maximise the chances of success and sustain the actions launched. Successful initiatives have significant impacts on human resources: improved employee/talent retention and greater employer appeal. Team motivation can be heightened in several ways, through an internal competition or incentive bonuses, etc. All the companies that failed to invest in change management were unsuccessful.

From an organisational viewpoint, there are several options. When innovation is deployed in different business units, 'innovation champions' play a key role. Elsewhere, innovation teams may be created, or in other cases innovation correspondents appointed. Each company must identify the right structure, based on team maturity, top management's involvement, and its degree of agility, etc.

In open innovation, particularly the relationship with start-ups, a role as '**enabler-educator-translator**' is emerging – as Marcello Schermer explained. This role is at the interface between the inside and outside environments to facilitate the relationship. It may be played by a company resource: the **Institut Open Innovation** (*Centrale-Supélec* chair in innovation management co-founded by Vinci, Altran and Mazars' LAB) refers to a "gatekeeper" who "plays [...] a capital role in connecting what is outside and inside the company. He helps to 'build bridges' between entities that by definition are different, using his knowledge of the organisation and its environment to enable mutual recognition[21]."

#KFS3 – Be agile in structured approaches

This is the cost of sustaining your initiative. Hackathons undeniably bring frenzy when teams set about solving problems. But they work according to a clearly defined, meticulously framed method. Before this operational phase, a process must be followed for ideas to form in ideation workshops. After the operational phase, projects take shape and deliver tangible results for the company with progressive support.

Structured approaches no doubt 'reassure' established companies because relations with external stakeholders are easier to manage. But they do not guarantee fluidity. Companies should be prepared to cope with hectic situations. In other words, **organisations need to gain in agility and there are good practices to be learned from external partners**. For example, agility is at the heart of the lean start-up methodology that David Nosibor, Innovation Evangelist at Mazars Asia Pacific, will explain hereafter and which should be carefully adopted. This agility is one of the keys to success in these approaches.

It is not impossible to dive into intrapreneurial initiatives unknowing, as we saw with Sonatel and JokkoSanté. But the experience must be leveraged using the experimental dimension in a structured process ex-post. Lastly, contextualisation is also vital. Initiatives cannot be applied 'as is'; they must be adapted to the characteristics of a country and to the corporate culture.

#KFS4 – Manage the short and long term

Timing is the other factor common to the initiatives we have seen here and it requires good judgement. You cannot embark on intrapreneurship or open innovation overnight.

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21 Source: Hmimda Nassef and Pasquet Nicolas (2016), *La relation grand compte/start-up dans un cadre d'open innovation.*

First, you must give things time, to find the right approach, to convince others, and to prepare and manage the change.

Also, in the case of intrapreneurship, aim for maximum integration of innovation into operational business and day-to-day work, to avoid overburdening your teams.

If the open innovation initiative is well prepared and implemented, it enables large organisations to innovate at lower cost and much faster than if they did it from within.

Manage short and long term compatibility. Start-ups think in weeks when big corporates think in months. As the Institut Open Innovation[22] explains: "The various players have different obligations and expectations. Time is short for start-ups that must swiftly deliver results to turn their value proposition into marketable services and/or products. But time is long for large companies that need to optimise production, control and maximize profit. The baselines necessary for any concerted, collaborative initiative should align the timeframe of the start-up with that of the large organisation and make the short and long term compatible at key periods, i.e. during acceleration and incubation. The relationship process nonetheless takes time and is a material factor in gradually building trust between the two partners."

#KFS5 – Adopt an open mindset

As we said above, open innovation initiatives are open by definition: opening up to external partners is part of the process. But it is as easy to say as it is difficult to do in companies that have in-sourced operations and worked behind closed doors for decades. For example, a company that wants to federate partners in an ecosystem approach must be prepared to go through several steps: define the need, identify internal capacities to meet it, accept its shortcomings and open up, define the types of external structures that can fill the gap, shortlist potential partners,

meet them, interact and then repeat the process to eventually find a partner. **It demands effort, but a worthwhile effort, because combining the expertise of partners generates value.**

In both intrapreneurship and open innovation, you must open up to new methodologies (like design thinking or lean start-up, that we will see below) and help your teams do the same to integrate the new ways of working.

To finish, you must be open to the idea of failure, without lapsing into the currently popular 'failure attitude', i.e. you learn (only) from defeat. We above all learn from and must capitalise on our success, but without ruling out failure altogether. Learn to accept your defeats, understand why you failed and change your tack — fast.

Before you pave your own way towards intrapreneurship and open innovation, we suggest you fill your backpack with the tips hereafter, whether you are a rising intrapreneur or a CEO convinced that you have a lot to gain.

22 Source: Hmimda Nassef and Pasquet Nicolas (2016), *La relation grand compte/start-up dans un cadre d'open innovation.*

David Nosibor, Innovation Evangelist at Mazars Asia Pacific and leader of the Circle of Young Intrapreneurs in Singapore, offers his guidance to budding intrapreneurs.

On top of being comfortable with uncertainty and showing resilience, intrapreneurs can follow the five suggestions below to boost the chances of success of their initiatives.

5 TIPS FOR INTRAPRENEURS

#1

BUILD ALLIANCES IN YOUR ORGANISATION

An intrapreneur increases his chances of success by securing alliances within his/her organisation. Being a change agent is like running a political campaign. Identifying potential sponsors, winning their buy-in and building strategic alliances are some first steps to helping your ideas on their way. Tools such as the 'customer empathy map' or the 'personal development canvas' can help you identify common beliefs with your potential sponsors. If you detect an urgent need, implementing quick wins will help you earn their trust and will lay the foundations for smoother collaboration on long-term game-changing projects moving forward.

#2

GET OUT OF THE BUILDING, NETWORK WITH OTHER PROFESSIONALS FROM OTHER FIELDS TO GET NEW IDEAS

Meeting with fellow intrapreneurs, corporate innovators or even entrepreneurs is of paramount importance for an intrapreneur to keep his sanity and feel supported. Stepping out of the office and listening to people that have faced similar challenges can help change makers adapt what worked elsewhere in their organisations.

#3

'BUILD MEASURE LEARN': GET YOUR IDEA OFF THE GROUND WITH THE 'LEAN START-UP' METHODOLOGY

Testing the assumptions one has about a business idea in an iterative manner is the safest way to develop a solution that is answering a need and solving a problem.
• Before building or developing anything, use the business model canvas to frame your assumptions and test them; that way, you will ask users or potential customers the right questions and see whether your idea aligns with their expectations.
• Once you have gone through a few customer interviews, you can start building a minimum viable product, a version of your solution with the minimum features allowing customers to solve their problems.
• Use that feedback and measure the results: you can then either validate part of your MVP and move forward, or redefine the key components of your business idea.
I invite you to follow Steve Blank's online course[23] to learn more about this process.

#4

DON'T FALL IN LOVE WITH AN IDEA, FALL IN LOVE WITH SOLVING THE PROBLEM

Intrapreneurs and entrepreneurs alike can end up falling in love with their idea and as a result, they may be reluctant to listen to obvious comments from customers, employees or partners. This can be detrimental given the limited time they have to create their proof of concept. Always focus on the problem you're trying to solve. You may need to tweak your business model if your idea does not get the necessary traction or your target's support.

#5

ADOPT THE "CAPTAIN ONE MINUTE, PIRATE THE NEXT" MENTALITY

An intrapreneur must be an ambassador of his organisation to secure support and resources and will mainly play by the rules. But achieving his own goals and main beliefs may require someone to go off track and create their own reality distortion field. Like every entrepreneur, what makes the success of an intrapreneur is the passion in what he or she does. An intrapreneur should not hesitate to try out unapproved things to innovate and unlock value for the organisation as long as the interests of the company and its stakeholders are preserved.

23 https://steveblank.com/2015/05/06/build-measure-learn-throw-things-against-the-wall-and-see-if-they-work/

We hand over one last time to our interviewees, who offer five tips to CEOs keen to embark on the intrapreneurial or open innovation adventure.

5 TIPS FOR CEOs

#1

AARON FU
MANAGING PARTNER
NEST.VC

"It is important to have as many conversations as possible with your local stakeholders. Try to embark them on a journey with you where you can learn as much as possible from each other. There are a multitude of case studies and scenarios outside of your own company, which you should definitely familiarise yourself with.

It is important to define ahead what deliverables you are expecting from an open innovation project, or at least what results you are expecting. At the end of the first year, make sure to assess, evaluate your project and keep in mind that this is an ongoing process. Make sure your project has the adequate budget in line with realistic objectives you have set.

It is necessary to have an innovation champion within your organisation - it can be you as CEO or someone from your executive team; but it is essential to choose someone who will be able to strongly push the message to the rest of company leaders, someone with the legitimacy to do this."

#2

MARCELLO SCHERMER
MANAGING DIRECTOR
SEEDSTARS

"Today, the reality is that if you don't innovate, you die. Just because you're successful today, doesn't mean you're going to be successful in five years from now. If you don't keep on growing and innovating, if you don't keep on bringing out new products and services, going into new markets, launching new technologies, you're going to die. Therefore, really make it a matter of survival to constantly reinvent your business, notably through new technology and innovation."

#3

AURÉLIEN DUVAL DELORT – OPEN TECH HUB DIRECTOR, MIDDLE-EAST & AFRICA – ORANGE TECH HUB

"The risk lies in underestimating the potential of Africa's start-up ecosystem. There are some obvious problems and it's a bit more complicated for entrepreneurs to sustain their business in African environments, particularly in terms of investment and training. But above all, don't underestimate this ecosystem and go out to meet it, in start-up conferences, incubators and accelerators. That's the only way to understand entrepreneurs, their needs and solutions, and realise the advantage of working with them. There are a lot of new ideas out there to capitalise on."

#4

S'ONQOBA MASEKO
CHIEF OPERATIONS
OFFICER – SIFISO
LEARNING GROUP

"First and foremost, innovation should not be considered as an end in itself, but rather as a real commitment. This commitment needs to be embraced by top management, it should not be a facade but a concrete strategy that translates into tangible results and measurable indicators aligned to the business model. It entails real dedication in terms of time, but also the commitment to be willing to bring together people and innovators, to let them evolve. It is important to hear their ideas and make resources and budget available to make some of those innovations happen. It can also sometimes require a change in the priority pipeline."

#5

JAYSHREE NAIDOO
HEAD OF STANDARD BANK
INCUBATOR

"Beyond open innovation, in its traditional definition, the key concept is really entrepreneurship. If you focus your attention on the growth of entrepreneurs, the outcome will be innovation. You will hence obtain innovation without necessarily calling it 'open innovation'."
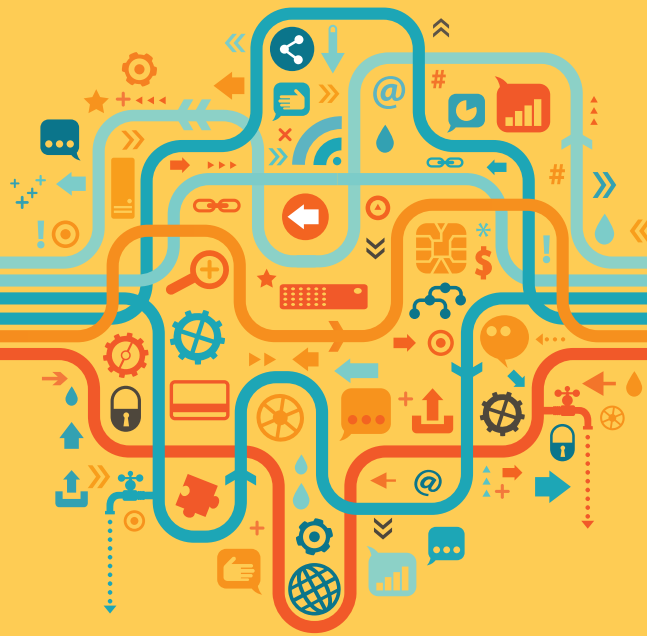
CONCLUSION

It is difficult not to get carried away by the passion, ambition and energy of these people who are bringing down the barriers and building bridges in Africa. The intrapreneurship and open innovation movement is gradually gaining ground and visibility in Africa, building on local stakeholder needs and bringing local solutions or drawing on international practices. **Intrapreneurship and open innovation are not ends in themselves, and are still closely interlinked, with permeable borders, and one core common denominator: entrepreneurship.**

Supporting, developing and accelerating entrepreneurship are the keys to boosting African economic growth, turning passion into realistic findings. **There is still a lot to be done in most ecosystems for durable entrepreneurs to emerge: frameworks need easing (regulatory, fiscal, etc.) by government; training must be improved by cross-pollination (business and technology); business angel networks need structuring in more African nations; and market access must be facilitated by established companies.**

A growing number of companies on the continent know that innovation can happen anywhere in the world, including Africa. While some already believe in the benefits of intrapreneurship and open innovation, most think the start-up deal flow still lacks depth. But as we have seen, it is never too soon to start preparing: acculturation of an organisation's human resources takes time, whereas start-ups emerge fast.

Established companies can be a catalyst for entrepreneurship in Africa more than anywhere else:

• By building partnerships with start-ups to co-create value;

• By helping create businesses while gaining from technology to address their own pain points;

• By doing the spadework to avoid their own disruption which can effectively occur at any time.

Companies that survive will be those that succeed in 'self-disrupting', by bringing the best of the start-up world into their organisation and turning internal resources into innovators who, in open cross-functional teams, will then create new offers, new products and services, new business units or new start-ups.

GLOSSARY

Application Programming Interface (API): a set of tools designed to facilitate the work of a developer using a given language.

Bootcamps: accelerated training courses.

Crowdsolving: a problem-solving method involving all possible and useful skills.

Fablabs or 'Fabrication laboratory': workshop open to the public providing computer-controlled tools and machines to design and produce objects.

Hackathon: a hackathon is a collaborative, typically a 24 or 48 hours event, where developers, designers and business experts, etc. come together to co-build an innovative solution.

Intrapreneurship: initiative within a company giving employees the opportunity and support to create new products and services, in either an incremental or full-on manner, outside the company's established processes and protocols and by taking the risk of straying from the traditional path marked out for salaried staff.

Leapfrogging: theory which may accelerate development by skipping inferior, less efficient, more expensive technologies/industries and move directly to more advanced ones.

Lean start-up: Lean start-up is a methodology for developing businesses and products. The methodology aims to shorten product development cycles by adopting a combination of business-hypothesis-driven experimentation, iterative product releases, and validated learning. The central hypothesis of the lean start-up methodology is that if start-up companies invest their time into iteratively building products or services to meet the needs of early customers, they can reduce the market risks and sidestep the need for large amounts of initial project funding and expensive product launches and failures. (Ries, E. (2011), *The Lean Start-up: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses,* Crown Publishing).

Unicorn: Start-up valued at over $1 billion.

Open Innovation: "The use of purposive inflows and outflows of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively." (Chesbrough, H., Vanhaverbeke, W. et West, J. (2006), *Open Innovation: Researching a New Paradigm,* Oxford University Press).

Minimum Viable Product (MVP): version of a product with just enough features to gather validated learning about the product and its continued development.

ACKNOWLEDGEMENTS

MAZARS IN AFRICA

Mazars operates in 25 countries in Africa and draws on the expertise of 2,500 professionals. Mazars can also meet its customers' needs all over the African continent through correspondence agreements, joint-ventures and several representative offices.

In 2015, we extended our geographical coverage to Mozambique. In 2016, not only did our correspondent firm in Tanzania fully integrate our international partnership, but we also opened an office in Rwanda and signed a correspondent agreement in Ethiopia.

"Active in Africa for over 40 years, Mazars is proud to pursue its uninterrupted growth on the continent and to contribute to its entrepreneurial boom, accompanying leaders from all generations throughout all the phases of their development."

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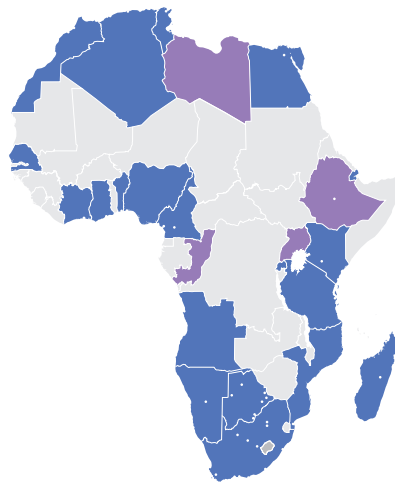
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