



blue nile

AFRICAN AUSTRALIAN
BUSINESS MASTERCLASS

A black and white photograph of a woman sitting at a desk in a dimly lit room. She is wearing a light-colored sleeveless top and dark trousers. She is holding a mobile phone to her ear with her left hand and a pen over an open notebook with her right hand. A laptop is open on the desk to her left. The background shows a curved wall with horizontal wooden slats.

**BLUE NILE AFRICAN
AUSTRALIAN BUSINESS
MASTER CLASS PROGRAM**
Co-Design Phase Report

EXECUTIVE SUMMARY

Aims

The “Blue Nile” African Australian Business Education program has been developed as a concept supported by the [Melbourne Social Equity Institute](#) at the University of Melbourne to provide the unmet business education needs of recently arrived African Australians operating in business communities within Australia. The program targets African Australian entrepreneurs and leaders who wish to expand their business knowledge so that they can access and network with mainstream Australian industry, building their own economic prosperity and that of their communities. To design a program that is relevant and tailored to African entrepreneurs we needed to understand their unique business needs.

Research

To understand the unique business challenges of African entrepreneurs in Australia we conducted research using secondary sources and community engagement. The community engagement used a combination of roundtables, focus groups and personal interviews and involved 68 African community leaders, entrepreneurs and business owners.

Findings

Through the research we found that African entrepreneurs and business owners:

- Struggle to navigate Australian business systems and structures
- Lack local business networks
- Lack mentors
- Feel they need to do more than their local counterparts to prove they are capable
- Do not enjoy support and patronage from the African community in Australia
- Tend to compete with each because many do the same business targeted at the same small African community, leading unhealthy competition

These challenges are not experienced equally by all entrepreneurs. We found three emerging segments of African entrepreneurs and business owners. We label them refugees, migrants and new migrants. Each segment experiences these business challenges differently, and some more than others.

Blue Nile’s Masterclass

Our Masterclass is therefore designed to address these specific challenges identified. We therefore intend to run the following courses that will help African entrepreneurs who take the Blue Nile Masterclass overcome these challenges and thrive:

- Marketing
- Strategy
- Finance
- Negotiations
- Managing People
- Leadership

In addition, we will provide cohort building projects that will help our Masterclass entrepreneurs collaborate with each other. We will also give each graduate a mentor to provide business guidance and access to local networks.

THE CO-DESIGN PHASE

We have begun the co-design phase of the project, collaborating with African Australian entrepreneurs, business leaders and community leaders to understand their economic challenges and business education needs so that we can tailor the program to suit their business development and growth needs. We wanted to co-design the course with the community for both relevance and legitimacy. We therefore undertook a 2-month research surveying secondary data on Africans living in Australia, as well as engaging with African community leaders and entrepreneurs through roundtables, focus groups and personal interviews.

METHODOLOGY

Secondary Research

- Demographic data (AAIP)
 - Ancestry
 - Country of birth
 - Local Government Areas
- African-Australians' Business database

Community Engagement

- 3 Roundtables
 - 42 participants
- 1 Focus groups
 - 8 participants
- Personal interviews
 - 18 participants
- Total: 68 participants

Locations:

- Carlton
- Docklands
- Footscray
- Melbourne CBD

FINDINGS: UNIQUE BUSINESS CHALLENGES

Through our engagement with African community leaders, entrepreneurs and business owners, we unearthed a number of challenges that we aim to tackle with our Business Masterclass. We found a number of unique challenges that we group under two broad categories: negotiating Australian business systems and networks, and establishing entrepreneurial legitimacy.

Negotiating Australian Business Systems and Networks

Most African entrepreneurs were not born in Australia; they came in as migrants or refugees. Many are therefore finding that doing business in Australia is very different from the way it is done in their home countries. This manifests as three interlinked challenges: adapting to systems and processes, lack of local networks and lack of mentors.

Adapting to Local Systems and Processes

First, some do not understand Australian business systems and processes including specific industry regulations and standards, management practices, consumer laws, taxes, consumer culture and market dynamics.

We don't know how to keep our records, how to keep up accounts, how to ensure a lot of things we don't know, there are a lot of things we don't know, African businesses are still going the traditional way that don't work in this country. [Restaurant Owner, Footscray]

For these reasons, many run into problems with regulators like local councils, and some businesses even collapse due to the inability to understand and adapt to Australian business systems.

Lack of local networks

Another related problem is the lack of local networks. Networks are very vital for entrepreneurial success. But because most African entrepreneurs did not grow up in Australia they do not have the social and business networks that local entrepreneurs may find relatively easily. Although continued networking is necessary for all businesses, unlike their local counterparts, African entrepreneurs feel disadvantaged networking from a zero starting point.

We don't have those connections that people probably have... they've got this connection from growing up here, high school, parents and generations [Entrepreneur, Melbourne]

Lack of mentorship

Mentors are important for new entrepreneurs because they have the knowledge, experience and networks to offer useful advice and connections to help the new entrepreneur survive and thrive. But due to their lack of local networks, African entrepreneurs also lack mentors to guide them, especially early on in the business.

So, I think one of the things which would have helped some of my challenges would be if I had someone I could go to, someone I can talk to, and be like this is my idea, this is where I have been to, this is where am going to, it would have been great. [Entrepreneur, Melbourne]

Establishing Entrepreneurial Legitimacy

Proving performance

Proving your self is a very Aussie ideal, and so all entrepreneurs need to prove themselves to potential clients and partners. But African entrepreneurs feel that they

often start from a point of negativity, rarely being given the benefit of the doubt. Our participants believed that potential clients do not think African entrepreneurs are up to the task, and that compared to non-African entrepreneurs they need to do more to prove themselves as equally or more capable to deliver value for the client or customer.

When they see you are African they don't even take you serious. They think you don't know what you are doing [Entrepreneur, Tarnet]

One common attribution of this negative image is media coverage of Africans in general.

A lot of people watch news and all they see is African gangs...the media portrays us as gangsters so you need to work twice as hard...because most of the times, we are told we are inadequate. [Entrepreneur, Melbourne]

Lack of community support

The negative image of African entrepreneurs as inadequate is not just peculiarly from non-Africans. Even African clients and customers have similar distrust for African entrepreneurs and expect them to do more

Africans don't trust themselves when it comes to business, even when you have African clients, they would expect you to do more for them than they would expect you to do for a non-African customer. [Entrepreneur, Prahran]

For this reason, some African entrepreneurs do not realise a lot of support and patronage from other Africans, unlike some other ethnic communities like the Jewish and Indian communities that are known to support each other's businesses.

When someone from our community opens a shop people may not go and buy from him, they go and buy from other places [Community Leader, Melbourne]

Many of the African entrepreneurs and community leaders suggested that the lack of community support was a key reason why African businesses fail to thrive or succeed. They strongly advocated for communal support and patronage of African businesses and products by Africans.

I think we need to start drumming that into our people to start supporting our community members [Community Leader, Melbourne]

Competition

Many African businesses tend to be saturated in particular sectors of Australian business, mainly restaurants and shops selling African food products and clothes. This homogeneity of African businesses has created perceptions of the stereotypical African business.

The moment you talk about business people are like what if you open a restaurant or cultural clothing [Community Leader, Footscray]

This means that often these African businesses are mostly targeting Africans, losing out on the opportunity of starting businesses in sectors that caters to the larger Australian (and non-African) market.

We are very myopic when it comes to our businesses, when it comes to our community collectively, we are targeting 90,000 (Africans) when we live in a 6 million state [Entrepreneur, Melbourne]

Because many African businesses tend to target the same small African customer base, they compete with each other, and this can result in price wars that hurt the businesses involved.

One of the dangerous things that the African community across board is involved in is price war. When I see you open your shop I saw you put \$20 I will come and do \$10, now you have no choice but to go low... price war is killing a lot of our businesses [Community Leader, Melbourne]

The findings presented above summarizes unique business challenges of African entrepreneurs, but these challenges are not all experienced in the same way by all our participants. We found that there were three different segments of African entrepreneurs and business owners, with varying education, skills, and socio-economic status. Thus some challenges and business needs are more important to some segments than others. This will be demonstrated through the table on the next page.

THREE SEGMENTS OF AFRICAN ENTREPRENEURS AND BUSINESS OWNERS

Table 1 below summarizes these three segments and their specific businesses and unique business needs.

	Refugee	Migrant	New Migrant
Demographics	35-65 yrs, Married	25-60 yrs Single/Married	20-35 yrs, Single
SEC	Less than \$40 k, Sole/Major Earner Centrelink Support	\$60 k – \$150 k Double Income household	\$60 k – \$90 k Sole/Major Earner
Education	Primary or No Formal Education English proficiency (Low)	Bachelors-PhD English proficiency (High)	Bachelors English proficiency (Native)
Business	Restaurants; African food items; Beauty	Law; Real Estate; Travel; Transport; Art and design; Social enterprise	Employee; Social enterprise
Unique Business Needs	Regulations; Admin; Sales; Finance and cash flow; Competition; Community support	Marketing; Mentoring; Finance; Community support, Proving performance	Finance; Mentoring; Proving performance

HOW BLUE NILE SEEKS TO ADDRESS THESE CHALLENGES

The goal of Blue Nile is to provide relevant training for African entrepreneurs to help them build and grow their businesses in Australia. Following our understanding of these challenges, we are designing a Business Masterclass with 6 courses and Mentorship that will address these challenges head on. Additionally, these courses will provide African entrepreneurs with added training and resources that are necessary for success in Australia and globally. This is summarized in Table 2 below.

Blue Nile MasterClass Courses	Challenges Addressed
Marketing	Competition Local Systems and Structures
Strategy	Competition Local Systems and Structures
Finance	Local Systems and Structures
Negotiations	Local Systems and Structures
Managing People	Proving Performance Local Systems and Structures
Leadership	Proving Performance Community Support
*Mentoring	Mentorship Local Networks

Marketing

This course will cover sales, marketing strategy, understating your target market, and branding. The course will help entrepreneurs differentiate from competition and navigate Australian marketing structures.

Strategy

This course will address how to understand your business environment, and how to set up your businesses to build and sustain competitive advantage. The course will help African entrepreneurs understand different aspects of the Australian business environment, market opportunities outside stereotypical African businesses and how to understand and outperform your competition.

Finance

The course will cover Australian financial practices and regulations, taxation, managing cash flow and basic accounting for small businesses. The course will help African entrepreneurs understand Australia's financial systems and tax regulations as well as pick up useful tools to manage their cash flow.

Negotiations

This added course will teach you how to effectively negotiate deals, contracts and manage disputes. The course will equip African entrepreneurs with the skills necessary to negotiate and manage conflicts with business partners and clients.

Managing People

Being a business owner often means managing employees. This course will teach good management practices and managerial decision making. African entrepreneurs taking this course will be under Australia's Fair Work policies regarding hiring, wages and workplace safety and regulations.

Leadership

A leadership course will teach resilience, mental health and wellbeing, and how to make an impact with their business, partners and community. The course will teach African entrepreneurs to be both business leaders and community leaders. This will help African entrepreneurs manage negative images of Africans in business and help them connect and impact their community.

Mentoring

At the completion of the course, African entrepreneurs will be assigned to mentors to provide them with continued business guidance and access to the mentors' networks. This will address the problem of lack of access to local networks and mentors. In addition to these courses and mentoring, many activities and projects will enable African entrepreneurs in any cohort to connect and collaborate with each other.

ABOUT BLUE NILE

The classroom experience is key to the learning process. But equally important are the networks which have the potential to open doors and provide opportunities for our students.

The “Blue Nile” African Australian Business Education program has been developed with the support of the [Melbourne Social Equity Institute](#) at the University of Melbourne to provide the unmet business education needs of recently arrived African Australians operating in business communities within Australia. The program targets African Australian entrepreneurs and leaders who wish to expand their business knowledge so that they can access and network with mainstream Australian industry, building their own economic prosperity and that of their communities.

African Australians demonstrate high levels of entrepreneurship and engage in small businesses in various areas, such as transport and logistics, hospitality, cleaning, finance and banking. However, often due to a lack of network connections, a limited understanding of Western business, and the absence of experienced mentors within their communities, they are unable to grow and expand their business.

The Blue Nile program builds on three previous, successful programs. We combine the insights gained from the activities of our partner, the African Think Tank (ATT), in the delivery of the African Leadership Development Program; their collaboration with National Australia Bank in NAB’s African Inclusion Program; and our pioneering program designed for Indigenous Australian entrepreneurs, the MURRA Indigenous Business Masterclass program.

IMPACT

The classroom experience is key to the learning process. But equally important are the networks which have the potential to open doors and provide opportunities for our students. Blue Nile participants stand to benefit from the faculty at the University of Melbourne who specialise in business education; from the corporate connections gained through ATT’s efforts such as the NAB African Inclusion Program; and from the cultural connections of other African leaders who have completed the African Leadership Development Program.

Our mission is to strengthen the capacity of African Australian entrepreneurs at the individual level, through their own enterprises, and as a community group, to provide an economic and social benefit for all Australians.

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COLLABORATIVE PARTNERS

- African Think Tank
- Jesuit Social Services
- Brotherhood of St Laurence
- Incubate Foundation
- AAMEYS

Learn More About Blue Nile

<https://fbe.unimelb.edu.au/research/streams/health-and-wellbeing/blue-nile-african-australian-business-education-program>