Sustainable Livelihoods through Economic Strengthening: Lessons from Ford Resource and Engagement Centre (FREC)

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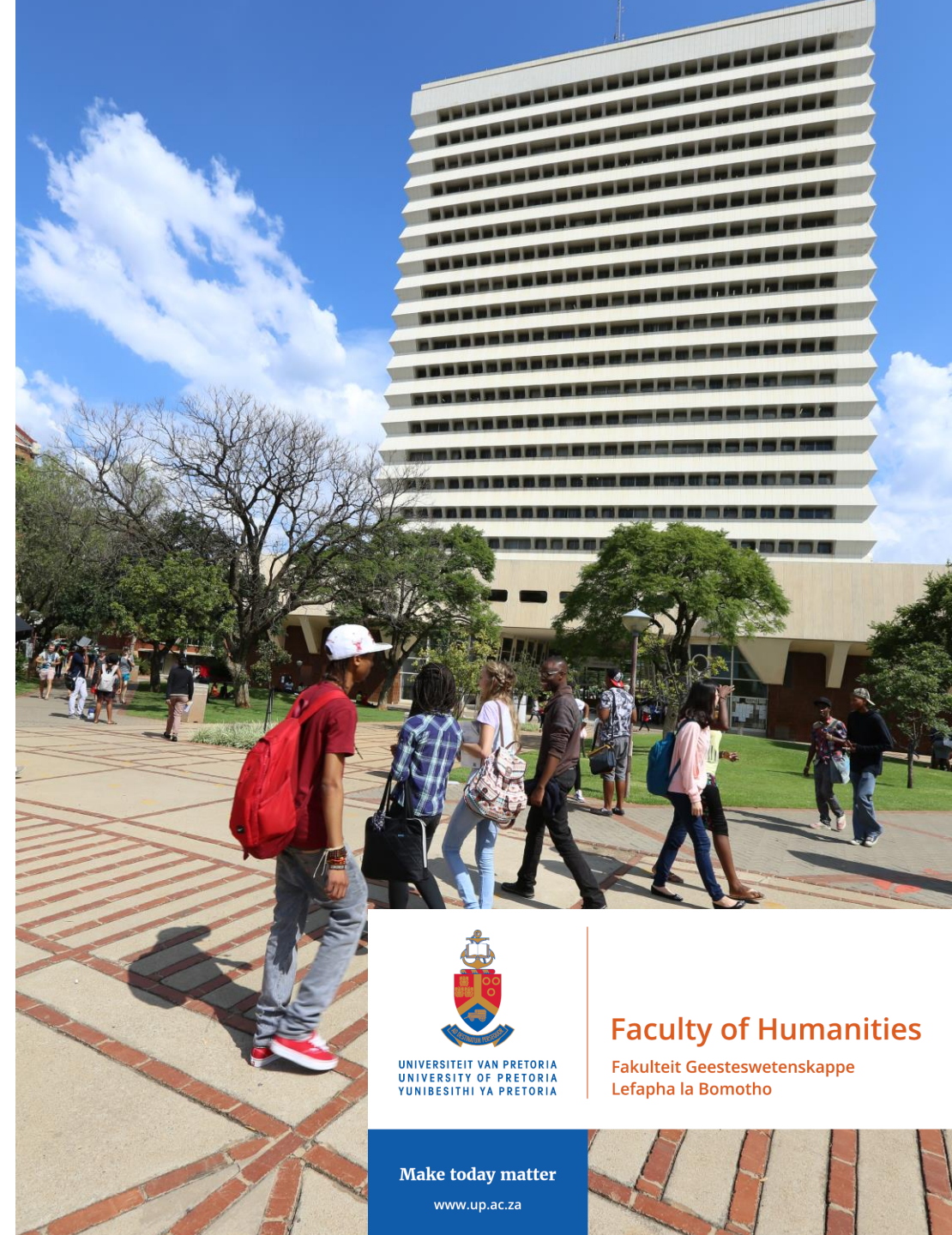www.up.ac.za

Overview of Paper

- Background of the Study

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Background of the Study

- Poverty status

- Main focus of the study

- FREC participants perspective

- FREC contributing to mitigating poverty

- Re-analysed findings using sustainable livelihoods through economic strengthening programmes

Ford Resource and Engagement Centre (FREC)

- Ford Motors partnered with Future Families Organisation:

  - Provide training, mentorship and potential funding for microbusinesses

  - Mentor entrepreneurs and create an incubator for microbusinesses

  - No clarity on joining the programme, the role of poverty, survivalist

  - Participants had to complete 5 phases of educational entrepreneurship

- Resilience in South African SMMEs:1,9 Million non-VAT registered

Research Methodology

- Qualitative study

- 10 registered FREC participants

- Data were collected through semi-structured interviews

- Thematic analysis guided by Sustainable Livelihoods Framework (SLF)

- Data analysis according to emerging themes, interpreted in the theoretical framework of the SLF

Conceptual framework for analysis

- Purpose of this paper adopted Sustainable Livelihoods approach through the following themes:

- Theme 1: Reasons for joining the FREC programme

  - Vulnerability context: Struggles livelihoods Security

- Theme 2: The benefits from the FREC programme

  - Livelihood assets: Empowerment through Skills and strengthening resources

- Theme 3: Expectations for livelihood outcomes

  - Livelihood strategies and outcomes: Progress on achieving sustainable livelihoods outcomes

Key Findings

1. **Struggles livelihoods Security**

- Equipment and stock shortage

- Electricity and Rental

- Family responsibility

- Lack of human resources

P3:"because with my sisters and brothers, I am the only one who is working and my mom lives with them in Mamelodi. They have been applying for jobs they haven't been going anywhere."

P7: "It's still very hard for me for now, for me and my it's my kids but yeah that's my situation for now. It becomes so hard because for now I'm still using my money to buy stock

Key Findings

2. **Empowerment through skills and strengthening resources**

- *Human Capital*: Financial literacy, business operations and management skills

- *Social Capital:* Ongoing mentorship, peer networks, wider access to support

- *Financial capital*: Ability to save, formalise accounts, reduce debt, reinvesting

P7 : "they have helped to grow my business to be able to know the cost. to be able to know how you market and your "market segment because you're able to differentiate between your target market, how to do cost and how will you be able to run your business on daily basis so it's it really helps a lot."

- *P4: "I sell hair products, so telling people about organic hair products while I wear a wig and sometimes, I am covering my hair. So, when I represent my brand I need to show them what I am talking about."*

Key Findings

3. Progress on achieving sustainable livelihoods outcomes

- Business growth and scaling

- Job creation

- Improved household wellbeing

P9: *"we haven't breakeven but we are getting there. Before I used financial module, I never used to know but now I know I am on minus, even last month I was on -R2000 but this month it was only -R800. So here you are pushed, you try to push. Also they taught me about accounting, especially record keeping. That discipline of recording was not there. I know budget and how to adjust, so they really helped me. And I want to tender. "*

P3: *"When there is time for packaging, I include my sister as well. I can only hire her when there are deliveries. So, when there are deliveries, there is another person who is getting income. So, for me there are two people from my family I would even say in the community as well because there is less two more people looking for employment""*

Conclusion

- Social workers play a vital role in inclusive development

- SLF appropriate framework to understand the complexities of economic strengthening and livelihoods

- Developmental social work emphasises on promoting social justice, participation, and integrating economic strategies into social work practice

- FREC demonstrates how social workers can contribute to sustainable poverty reduction aligning with national policy and SDG 1
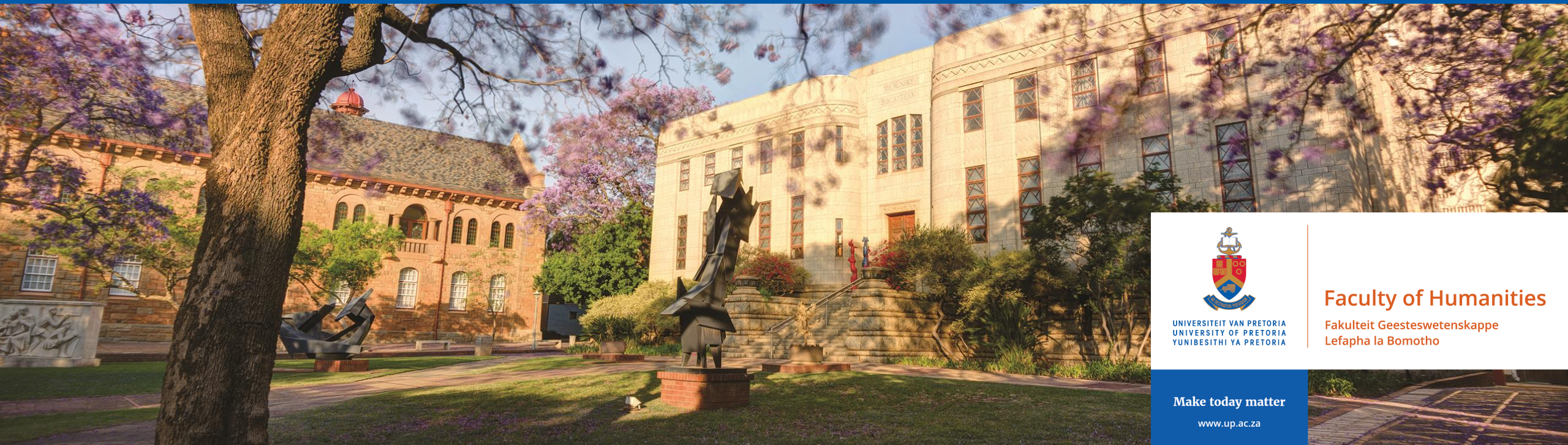
Recommendations to improve using SLF

1. **Person-centered:** Determine participant-specific training needs for more responsive support

2. **Responsive and participatory:** Promote inclusive programme delivery methods

3. **Sustainable** Mentorship in same business, flexible funding methods

4. **Dynamic:** Consider funding in different phases of the programme

5. **Multi-level:** Include local and government programmes, follow-ups, monitoring and evaluation

Thank you