

the Opportunity

- Rising prices in traditional outsourcing destinations such as India and China are forcing companies to look elsewhere for skilled labor
- Millions graduate from sub-Saharan Africa's tertiary institutions each year and face staggering unemployment rates
- Educated young people have two options: either stay in their home countries and face unemployment, or go overseas and contribute to the "brain drain"
- Some African regions contain the right talent, business environment, and infrastructure to attract outsourcing business
 - Pockets of talent with few opportunities - 60% unemployment among university graduates
 - Large supply of English speakers, many with multi-lingual capabilities
 - New, pro-business leadership in several countries; increased government funds for tax incentives and ICT training programs
 - East African Submarine Cable System (EASSy) and a regional backhaul link to go live in 2008

the Challenge

- Outsourcing has provided over a million jobs in India, China and the Philippines. So why hasn't a similar phenomenon swept Africa?
 - African entrepreneurs have few opportunities to build personal relationships with clients in the West – few are able to work or study abroad
 - The sector has smaller, scattered players with disparate marketing needs and lacks a critical mass of providers to attract established industry brokers
 - Quality-based certification programs such as ISO are needed to establish credibility, but are very expensive for small firms -- fees start at US \$70,000
 - High political risk in some countries damages perceptions of the entire continent and discourages larger firms from expanding to Africa

Market for Change



the Innovation

- Market for Change aims to tackle the challenges associated with outsourcing to Africa by:
 - **Developing a global set of quality and fair trade/social impact ("Responsible Outsourcing") standards** designed for small and medium-sized companies in developing countries
 - **Creating a web-based brokerage and escrow service** that screens vendors according to these standards and acts as a legal and financial intermediary between US clients and African firms
 - **Showcasing social impact** with a custom-built wiki for audio, photo, and video content generated by students and workers in the industry