

Startup tips crucial to vocational students

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Trainees from various vocational institutes work during the opportunity identification exercise during the Skills for Life training in Gulu Town in December last year. Failure to create employment is one of the challenges vocational graduates face. Photo by Ismail Musa Ladu

In Summary

- Often vocational graduates join the pool of other job seekers yet their education aimed at training them on creating jobs. Mentoring them in entrepreneurship could solve this problem.

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By Ismail Musa Ladu

One of the major challenges vocational graduates face is lack of start-up capital despite being trained to be job creators not seekers. This sometimes forces them to end up in the job seekers pool which their training was trying to avoid.

For a long time, Sophie Joyce Laker, a Fashion and Design student at Kitgum Technical Institute, would worry about starting a business citing lack of money. What Laker did not know

though, was that mindset is the first capital and for as long as one's brain is functional, they can do anything they set out to do.

She also came to learn that an entrepreneur must not keep complaining about challenges such as rent and delays in supplies but rather always devise solutions.

The Fashion and Design student has since started a business; Rwot-Twero Workshop in Kitgum Town. But it was not until the Skills for Life programme recently that Laker realised all this and more about mentorship in business.

Thirty youthful entrepreneurs from Kitgum Technical Institute and Daniel Comboni Vocational Institute in Gulu, received training in business start-ups and expansion skills from Enterprise Uganda experts, to ensure their dreams are realised. Subsequent follow-up visits to measure their progress coupled with mentorship have been ongoing since.

Funded by Uganda Breweries (UBL), this expert training and mentoring under the Skills for Life programme aims at avoiding this. Launched in 2001, the programme has so far seen more than 114 scholarships awarded to academically deserving yet economically disadvantaged students with the aim of curbing youth unemployment and high school dropouts.

The problem

Uganda's small and medium scale businesses are estimated to be between 150,000 and 250,000; employing 2.5 million people (about 90 per cent of private sector jobs) and contributing about 20 per cent to the country's Gross Domestic Product, while producing 80 per cent of manufactured output.

In fact, studies have ranked Uganda as one of the most entrepreneurial nations in the world. However, the business failure rate is equally high – standing at more than 50 per cent.

This is due to various challenges, including lack of financial support and vital skills including entrepreneurial, management, marketing and financial planning. Other challenges include lack of business records, low corporate governance, poor banking and borrowing history, a culture that disrespects business contracts, fierce local and international competition and limited access to business development services.

In fact Anjijuka Narasi Kambaho, the senior information and communication officer at Uganda Business and Technical Examinations Board, says starting personal businesses is not always easy for vocational trained graduates.

“There are expenses involved including purchasing the necessary equipment, paying rent and the required licenses needed for operation. Sometimes people want to first get formal jobs in order save and accumulate money for starting their own businesses later,” he says.

Registered success

At Enterprise Uganda, a public-private institution aimed at promoting SMEs as the main vehicle for expanding production, providing sustainable jobs and enhancing economic growth, the Acholi youth are likely to avoid falling on the wayside like many similar businesses countrywide.

“The mindset and entrepreneurship training model is an effective standard in transforming the behaviour of participants and triggering the desired action to start a business. This is corroborated by the statistic where 26 out of the 30 students actually started business after the December 2018 training, representing a 87 per cent success rate,” says Rosemary Mutyabule, the lead trainer.

One such student is Nelson Mandela, of Daniel Comboni Vocational Institute who believes his poultry business can help him contribute to his family and community. Located in Custom-Corner Village, Layibi Division in Gulu municipality, Mandela’s farm has 235 22-days old broiler chicks, fully vaccinated in line with the requirements from the trainers.

During a visit to assess his business last month, it was discovered that Mandela, who mainly sells to roadside chicken roasters in Gulu Town feels his enterprise is delivering tangible benefits. He has earned Shs1.9m in chicken sales from his first stock giving him a profit of Shs300,000.

“This poultry business is giving me a sense of purpose in life. I even sell the chicken droppings and earn at least Shs5,000 every 100kg sack,” Mandela says.

Paul Otim, a Gulu-based business counsellor and mentor, who assessed Mandela’s farm, believes, that though new, the enterprise has great potential to grow given the market opportunities available and the determination of the young entrepreneur.

“A planned farm exposure visit will undoubtedly reinforce his potential to develop the business, especially on technical methods of handling the poultry, cost saving using local resources plus proper records management,” says Otim.

Follow-up

Broadly, the Skills for Life programme does not stop at the training or skilling phase, but the beneficiaries undergo various follow-up visits by the implementers who ensure the trainees’ learning and development is in fulfillment of the programme’s objectives.

The latest additions to this initiative are 20 students of Kabale’s African College of Commerce and Technology and another 20 from Datamine Institute in Kampala for whom UBL has provided up to about Shs115m to cover tuition for their second year of study, entrepreneurship training as well as seed capital for those that would have excelled in the programme.

And for Sunday Auma Okee, an Electrical Systems and Maintenance student at Kitgum Technical Institute, the scholarship, aside from helping him stay in school, has helped him learn to start a business with what he has and in fact his dream of opening an electrical workshop seems closer.

Interventions

Edward Asiimwe, the principal at Uganda Rural Development and Training institute, says policy makers, the government in particular needs to support vocational training at all levels. “Just like in other education sectors, increased funding and investment is also mandatory in vocational institutions.” In addition, Asiimwe believes that students need to be continuously given the proper career guidance to enable them make better informed academic choices.

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