

Research Application Summary

**Stimulating youth entrepreneurial mindset and orientation: experiences from the students' enterprise scheme at Gulu University**

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**Abstract**

Enhancing the entrepreneurship orientation of the youth is now considered the best approach to increasing employability and employment. Responding to calls for entrepreneurship programs to be more practical in nature, Gulu University developed an agribusiness innovation model, referred to as the Student Enterprise Scheme (SES). Through this scheme, Gulu University currently runs an Agribusiness Incubation Hub (AIH) aimed at changing the mindset of youths in the university to become more entrepreneurial. Under the AIH, students' business plans are subjected to vetting and scrutiny by a multi-disciplinary committee comprising of both university and non-university staff. To date, 38 student incubates have completed their mentorship cycles, while additional 57 are undergoing mentorship. The AIH has been able to change the entrepreneurial mindset of university students through business mentorship, training and practical business management. Given its success within the university, the students enterprise scheme has been piloted in other contexts including technical and vocational institutes, refugees communities, and among smallholder farmers. In all these contexts, we observe that the agribusiness innovation model is effective in entrenching an entrepreneurial mindset amongst the youth, and has received wide acceptance amongst entrepreneurship practitioners. We therefore recommend that the agribusiness innovation model be rolled out to other relevant contexts, universities and institutions as a basis for entrepreneurship mentorship and training.

Key words: Entrepreneurship education, Gulu University, Student Enterprise Scheme, smallholder farmers, TVET

**Résumé**

Améliorer l'orientation entrepreneuriale des jeunes est maintenant considéré comme la meilleure approche pour augmenter l'employabilité et l'emploi. Répondant aux appels pour que les programmes d'entrepreneuriat soient beaucoup plus pratiques par nature, l'Université de Gulu a développé un modèle d'innovation agroalimentaire, appelé le Student Enterprise Scheme (SES). Grâce à ce programme, l'Université de Gulu gère actuellement un centre d'incubation agroalimentaire (AIH) visant à changer l'état d'esprit des jeunes de l'université pour qu'ils deviennent plus entrepreneurs. Dans le cadre de l'AIH, les plans d'affaires des étudiants sont soumis à l'approbation et à l'examen d'un comité multidisciplinaire composé de membres du personnel universitaire et non universitaire. À ce jour, 38 étudiants nichés ont terminé leur cycle de mentorat, tandis que 57 autres sont en cours de mentorat. L'AIH a été en mesure de changer l'état d'esprit entrepreneurial des étudiants de l'université par le biais du mentorat d'affaires, de la formation et de la gestion pratique des affaires. Compte tenu de son succès

au sein de l'université, le projet sur l'entrepreneuriat des étudiants a été testé dans d'autres contextes, notamment dans des instituts techniques et professionnels, des communautés de réfugiés et parmi les petits exploitants agricoles. Dans tous ces contextes, nous observons que le modèle d'innovation agroalimentaire est efficace pour ancrer l'esprit d'entrepreneuriat chez les jeunes et qu'il est largement accepté par les praticiens de l'entrepreneuriat. Nous recommandons donc que le modèle d'innovation agroalimentaire soit étendu à d'autres contextes pertinents, universités et institutions comme base pour le mentorat et la formation à l'entrepreneuriat.

Mots clés : Formation à l'entrepreneuriat, Université de Gulu, Programme d'entrepreneuriat pour les étudiants, petits exploitants agricoles, TVET.

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## Introduction

Paradigm shifts in higher education have necessitated embracing and mainstreaming of entrepreneurship education in training curricula of universities. This is because entrepreneurial capacity building amongst the youth is considered the best approach for addressing unemployment, rural poverty and creation of responsible citizens. Entrepreneurship education training has been reported to increase the chances for youth to start-up new business enterprises, gain confidence and as such enhance their employability. However, the nature of entrepreneurship education in African Universities has been largely theoretical. As such, most entrepreneurship education models hardly provide the much needed hands-on practice and experience to the learners.

Consequently, there has been calls for entrepreneurship training models to inculcate practical orientations. In light of this concern, the Faculty of Agriculture and Environment (FAE), at Gulu University in Northern Uganda developed the Student Enterprise Scheme (SES) model as an innovative approach to training agri-entrepreneurs (Kalule *et al.*, 2016). This agribusiness innovation model aims to promote enterprise initiative and entrepreneurial mind-set change through the creation and management of practical agri-businesses amongst university students. The SES model works in such a way that students are mentored to develop, analyse, justify, and implement innovative agribusiness ideas. Experience gained from this process is shared with fellow students and the wider community through students' feedback sessions, community engagements and outreach programs. The central focus of SES model is for the students to connect the theoretical classroom knowledge in agriculture, entrepreneurship and agribusiness with practical realities of opportunity identification, conceptualization, initiation and management and sustaining small and medium enterprises.

The design and institutionalization of SES at Gulu University is premised on the assumption that future agri-entrepreneurs must learn to cope with the growing competition in the job market by thinking innovatively and exhibiting creativity and dynamism in the ever-changing economic environment. The SES inherently presents a good opportunity for innovation of business/social enterprises models generated from students projects to become part of the wider community and refined further in the real market environment.

Basing on the premise of the SES model, an Agribusiness Incubation Hub (AIH) was established at Gulu University through funding from the Mastercard Foundation and the Regional Universities Forum for Capacity Building in Agriculture (RUFORUM). The AIH provides hands-on practice in agri-entrepreneurship training to graduate and undergraduate students. The purpose of the AIH is to promote student enterprise initiative and entrepreneurial mind-set through the creation and management

of practical agribusinesses. In the AIH, students, working in groups, develop business plans which are evaluated, and approved based on their innovativeness and feasibility. Approved business plans are then financed on a revolving fund basis, where students are required to repay the money advanced to them at the closure of their business implementation. Approved business plans are implemented by the respective teams for a period of up-to one year. At the end of the implementation period, successful business cases are shared with the community, the private sector and the university students' community. The intention is that, through students training, developed business models can in the long-run can be rolled out to the community.

In this paper, we share experiences in implementing the SES model through AIH at Gutu University. These experiences are drawn from mentoring and supervising university students' enterprises, as well as the extension of the enterprise innovation model to smallholder farmers, TVET institution and the refugee communities. The aim is to highlight the avenues for extension of the agribusiness innovation model beyond the university gates.

**Working with University students.** To date, 38 students' incubatees have completed the business mentorship cycle. This groups comprise of 20 undergraduate, and 18 graduate students. An additional 57 students working in 12 different groups are currently undergoing mentorship and business incubation. These 12 students' groups have already developed business plans that are currently being vetted and are due for funding. The second cohort comprises of 40 male students and 17 females students from both undergraduates (37) and graduates (20) programs at the Faculty. Most of the student's enterprises are focused on value Addition to primary agricultural products using simple technologies and innovations that can easily be up-scaled to the wider community. In the last one year, nine businesses have been incubated through the AIH at Gulu University. majority of the businesses are based on value agricultural product, such as peanut butter, honey processing, juice processing and fruits salads production. Within this one year, we have realised up to 70% loan repayment from the student's enterprises, an indication of the profitability of the established enterprises. The innovativeness of the student business ideas and entrepreneurial orientation has been proven beyond the university gate, with students' enterprises successfully getting involved in entrepreneurship competitions outside the university. For instance, JU Fresh enterprises, which deals in fresh fruits juices won a USD 1,000 from agripreneurship alliance competition. Mushroom community, producing and marketing fresh oyster mushrooms won a UGX 3,000,000 (US \$ 800) from Community, Empowennent, Education and Development (CEED) Youth Entrepreneurship program; and Nana fruits salads won UGX 2,000,000 from the CEED entrepreneurship competition as well. Additionally, we have had student groups actively participate and market their products in trade fairs, exhibitions and symposiums. The youth engagement in these community entrepreneurship development initiations is a show of positive mind change amongst them.

**Working with smallholder farmers.** Through the experience gained from the SES program, mushroom community- an undergraduate students group- have been able to train a group of 26 farmers in mushroom production business. The need for extending the enterprise training to this group arose from the discussions the students had with this group during their community attachment where they realised that the group lacks a viable agri-business enterprise. At the same time, these students were having overwhelming demand for fresh mushroom, in and around Gulu town which they could not readily meet with their own production due to the divided time between attending classes and doing business. Consequently, they needed extra production to meet the ever increasing demand for mushrooms. Consequently, they partnered with the group (Pit odong ki mon) and trained them on mushroom production. After the training, the farmer groups were able to produce quality mushroom, which the students now buy and supply to their established customers in supermarkets, shops and

restaurants in Gulu town. This linkage provides the farmers with not only a profitable enterprise, but also a ready market for their mushrooms. Because of the business interest of the students, they are able to follow up on the group performance regularly and ensure the right quality mushrooms are always being produced. In creating business linkages with community groups to sustain an existing market, the students exhibited their business acumen at not only starting, but also maintaining a business. Additionally, the engagement with the farmers groups demonstrated the potential of the agribusiness innovation model in stimulating agri-entrepreneurship amongst smallholder farmers.

**Working with TVETs students.** With the increasing need to promote entrepreneurship among the youth, focusing on youth at Technical, Vocational Education Training (TVET) institutions is key to achieving this mandate. Under the AIH at Gulu University, four students (three undergraduate students and one graduate student) who benefited from AIH mentorship extended the business skills to youth at the Northern Ugandan Youth Development Centre (NUYDC). Using a peer-to-peer approach, 65 NUYDC students were mentored in business plan development and business management. Working in groups, 13 business plans were developed, and evaluated by a team from Gulu University and a non-government organization, Techno Serve. To date these 13 students' businesses have been funded and are running with close monitoring from Gulu University students and staff. Additionally, we have been able to mentor and train TVET instructors on the incorporation of entrepreneurship training using the SES model in the training curricula. It is anticipated that with peer to peer approach to entrepreneurship training, a strong synergy can be created between University and TVET institution students, that can possibly break the barriers in business innovations as well stimulate more business start-ups.

**Engaging with refugees and host communities.** With the increasing number of displaced persons, and dwindling support to the refugee communities, reliance on traditional response items including food, non-food items, water, hygiene and sanitation and child protection (life-saving and immediate needs) need to be augmented with self-reliance and empowerment strategies that help to address the funding gap in refugee support. Empowering the refugees also allows them to contribute to the money economy in the host country. This approach is supported by Uganda's non-encampment policy that allows refugees to establish business and own property. Applying the SES training model, the FAE has been able to sustainably promote microenterprises development amongst refugees and host communities in Arua and Adjumani districts in Uganda. Through graduate students, (six from Agri-Enterprises Development and two from Food Security and Community Nutrition), eight micro enterprises were promoted in six settlements. The enterprises ranged from mushroom production, vegetable production, bakery and confectionary and nutritious porridge flour. The intervention involved participatory business opportunity identification, business plan development, implementation and monitoring. One year after implementation, post project evaluation shows over 70% survival rate for initiated businesses. This is way above the national average for business survival after one year, let alone survival of business initiatives amongst refugees and emergency situations. This engagement is yet another example of the effectiveness of the agribusiness innovation model of Gulu University in promoting entrepreneurship.

**Establishing partnerships.** In the process of establishing and running the AIH, we have established partnerships with like-minded organisations within and outside the region. The partnerships created have gone along way in ensuring the success of the AIH. For instance, the partnership with the Agripreneurship Alliance and made it possible for Gulu University incubatees to participate in their mentorship programs and compete in their enterprise challenge funds. On the other hand, TechnoServe and International Institute for Rural Reconstruction (IIRR) have been able to provide mentorship to students' businesses as well as offer training in financial literacy, group dynamics and personal mastery. In working with NUYDC, Gulu University also worked with TechnoServe to mentor the TVET students

at NUYDC. The Food and Agricultural Organisation of the United Nations offered Gulu University the opportunity to pilot her SES model in refugees and host communities. Centenary Bank has been able to offer mentorship on financial management to the students as well as vet the students' businesses for financial suitability. In a nutshell, the partnerships have benefited the AIH and ensured that it is piloted and accepted both within and outside the University. Consequently, we have been able to link up with like-minded organisations in the promotion of entrepreneurship amongst youths.

### **Discussions**

The SES has proven to be an effective approach to inculcating entrepreneurial mindset amongst university students. Based on our experience in implementing the SES with graduate and undergraduate students, we have observed that students have been able to continue to innovate new business ideas after completion of their studies. In each of these cases, the SES model shows positive potentials in improving entrepreneurial mindset amongst the trainees. The success of the SES model in training at Gulu University has led RUFORUM to recommend it as a model for promoting entrepreneurship in its member universities. As such, some universities such as Egerton (Kenya), and Busitema (Uganda) have taken initiatives to adapt the SES model in their entrepreneurship training.

In terms of applicability outside the university context, working with smallholder farmers, TVET students, and the refugees and host communities and partner organisations, SES model received wide acceptance as a tool of mindset change and entrepreneurship orientation. Basing on our experiences, we believe that the SES can be successfully scaled up through three avenues: firstly, promoting agri-entrepreneurship amongst smallholder farmers through working with smallholder farmers groups and organisations as well as community youth groups. This avenue would entail the University working directly with smallholder farmers to promote entrepreneurship through business training and mentorship; secondly, promoting entrepreneurship orientation and skills amongst TVETs instructors and students. Here, the university would mentor TVET instructors in incorporating entrepreneurship training in the training. Additionally, working with TVETs would provide opportunity for University students to engage with their TVETs counterparts in initiating and implementing business ideas; and thirdly, promoting the SES as a mode I of entrepreneurship training in Universities throughout Africa. With the pool of staff with the know-how of the functioning of the SES model, Gulu University can embark on skilling and mentoring other universities in the implementation of the SES model.

### **Conclusion**

The SES has proven to be an effective approach to inculcating entrepreneurial mindset amongst university students. Basing on our experiences, we believe that the SES can be successfully scaled-up and scaled out so as to reach out to other youths and community members.

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