

Agricultural Value Chain Incubation Programmes and Youth Employment: A Case of the Sokoine University Graduates Entrepreneurs Cooperative, Morogoro, Tanzania

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Abstract

Youth unemployment is on the rise globally Tanzania inclusive. Nonetheless, for Tanzania, the agricultural sector has a potential for employment creation at the various nodes of the agricultural value chain. Therefore, the study generally examines the contribution of the Sokoine University Graduates Entrepreneurs Cooperative (SUGECO) in enabling its graduate's self-employ while creating employment for others. Specifically, the study examines the contribution of the above-mentioned programme to youth's employment; identifies challenges facing the programme, and examines the policy gaps. The study is based on the cross-sectional research design whereby data were collected using a structured questionnaire from 88 respondents. In addition, data were collected from five key informants. Quantitative data were analyzed using SPSS and qualitative data through content analysis. Generally, study findings show that SUGECO has the potential to support young entrepreneurs' development and job creation in Tanzania. Findings also show that SUGECO offers a variety of trainings which equip its graduates with business management and employment skills. In addition, marital status and being trained in agribusiness were significantly ($P \leq 0.05$) associated with the graduates' employment creation. However, the findings show that SUGECO and its graduates face a number of challenges including lack of funding, lack of commitment among the graduates, and unsupportive government policies. Therefore, SUGECO needs to adhere to its pre-defined criteria when selecting candidates for incubation programme so as to only recruit the committed ones. In addition, the Government and non-governmental organizations should collaborate and put some efforts to promote the SUGECO agribusiness incubation programme as it has the potential for employment creation and poverty reduction among the youth.

Keywords: Incubation programme, SUGECO, Youth, employment creation

Introduction

Background Information

Globally, employment issues differ between developing and developed countries. However, the latter's benefit system for the unemployed allows their employment services to maintain records of the youth before they become long-term unemployed (Eichhorst and Ulf, 2017). Youth unemployment remains a major concern in many countries hence, poor socio-economic status and welfare of the people (IEG, 2013).

Tanzania's population in 2020 was estimated

to be 57, 637, 628 million people with the youth aged 18 to 35 years making 28 % (NBS *et al.*, 2018). In addition, the population is projected to be 77,537,166 people by the year 2030 with the youth being 28% of this projection, therefore, the need for more employment opportunities. One major challenge currently faced by Tanzania is youth unemployment (Agwanda & Aman, 2014). Furthermore, the increase of new universities and free education policy has resulted in a large number of young individuals without formal jobs. It is estimated that every year more than 700,000 youth enter

the job market (Mabala, 2019). In addition, despite youth from universities and vocational training institutions having knowledge and skills, many remain jobless. Furthermore, youth from universities/vocational training institutions approximately stay 5.5 years jobless while searching for a job after their graduation/completion of studies (Haji, 2015). This joblessness is contrary to expectations of most families who have high hopes of their children finding jobs after graduation hence, lack of positive contribution to their families' welfare due to lack of stable employment (Msigwa and Kishepa, 2013).

Incubation programmes have been identified as good sources of employment creation, wealth generation at local and national level and reduction of poverty in general (Aldrich and Zimmer, 2011). Through youth's involvement in incubation programmes, they can gain skills and knowledge on how to start and manage a business and create self-employment hence, reduction of youth unemployment worldwide. According to Aranha (2003), the primary mission of successful incubation programme is to create employment opportunities. Any successful programmes also enclose community problems by combining the entrepreneurial activities with the solutions to solve the problem such as quality of education, safety and security, and access to money. Business incubation and entrepreneurship are very closely linked. The benefit obtained by entrepreneurs in the incubation center including access to advisory services, capacity building such as business training, mentoring, specialized technical training, linkages and networking, access to technology, markets and finance (Rajeev *et al.*, 2017). Therefore, more young enterprises need to be supported through incubation centres to increase the chance of self-employment hence, greater economic success in an increasingly competitive global economy.

Globally, incubation programmes have been seen to have positive impact. For example, a study by the State of Missouri in United States of America examined nine incubation programmes with 175 incubated businesses and confirmed that there is a positive impact on employment creation and economic development. According

to the study a total of 502 jobs were created which on average means that 60.5 jobs were formed per programme (Wagner, 2006). Furthermore, a study by Lalkaka *et al.* (2003) on the impact of business incubators revealed that in China, business incubators had good financial return with the investment per year.

The need for employment creation and nurturing of young entrepreneurs has lead to establishment of a number of incubation programmes in Tanzania among which is SUGECO (The Sokoine University Graduates Entrepreneurs Cooperative). Therefore, the study on which the paper evaluated how the SUGECO incubation programme has been successful in enabling those who go through it to self-employ themselves and/or create employment for others

Business Incubator Operational Models

According to literature (Global forum, 2013) there are several models for business incubation and they differ depending on the business environment, objectives and their owners and funders. However, according to Aranha (2003) there are four (4) incubation models which include; bricks and mortar; virtual portal; the hub and Eggubator. Generally, the 'Bricks and mortar (historical model)' model focuses on providing services such as office support, physical facilities and onsite services to the entrepreneurs. Under this model entrepreneurs are provided physical gathering place with no fund where they can work. On the other hand the 'Virtual portal or without walls', is a new model in start-up phase of business incubators with no solid track record. Therefore, under this model entrepreneurs are provided with a range of electronic service and given access to a limited amount of fund. Hub or venture incubator, this model combines the brick and mortar and the virtual portal models. The business incubators offer their clients' specialized good range of services and network to the outsider also, entrepreneurs are provide with a limited amount of fund. Lastly, the 'Eggubator' model incorporates the above models. The Eggubator offers an array of services including high quality information and fund while at the same time acting as the mother

company, the source of network and support (Aranha, 2003).

Methodology

Description of the Study Area

The study involved the Sokoine University Entrepreneurs Cooperative (SUGECO), which is located at Sokoine University of Agriculture, Morogoro Municipality. SUGECO was established in July 2011 in Morogoro and it is a membership-based organization whose goal is to promote entrepreneurship in Tanzania so as to contribute to the creation of a vibrant private sector economy. SUGECO’s basic role is to support innovation and knowledge-intensive entrepreneurship among Tanzanian youth. The Institution’s core objective is to conceptualize, unfold and implement the student entrepreneurship value chain. Generally, SUGECO offers selected participants an exciting opportunity to be mentored through the Youth Entrepreneur Incubation Program located at SUGECO’s Incubation Centre at Sokoine University of Agriculture, Morogoro. Besides, young entrepreneurs are provided with time and space to test and market their products (SUGECO, 2017). In reference to sub-section 1.2 above SUGECO falls under the ‘Eggubator’ model as the organization prepares, enables, and supports knowledge-intensive and innovative entrepreneurs as they build successful businesses along agricultural and agribusiness value chains. SUGECO was selected because it deals with fresh graduates and it offers training in entrepreneurship, business ecosystem and network development and business start-up support through business incubation services and access to finance organization particularly for agriculturally based enterprises/value chains (SUGECO, 2017).

Research design

The study employed a cross-sectional research design, which allows data to be collected at one point in time (Creswell, 2014). In addition, it is also relatively inexpensive since it takes little time to conduct and there is no loss to follow-up (Hemed, 2015). Further to the above, the study used a mixed-methods approach whereby both qualitative

and quantitative data were collected using key informants interviews and open-ended questions in the structured questionnaire respectively. The mixed methods approach was essential so as to allow triangulation.

Sampling procedures and sample size

The study employed probability and non-probability sampling to select respondents. In addition, the sampling was multi-stage. First, SUGECO was purposively selected because it is among the programs dealing with fresh graduate entrepreneurs. The second stage involved a simple random sampling of 88 respondents from whom data were collected. According to the literature (Kish, 1965; cited by Louangrath, 2017), the minimum sample size for social science research can be 30 as this is reasonable when it comes to generalization of a study’s findings.

Data analysis

Content analysis was used to analyze qualitative data whereby field data (collected through interview and observation) were summarized based on the themes and objectives of the study. The primary data collected through the questionnaire were coded and analysed using IBM SPSS software (version 20). SPSS was used to determine descriptive statistics (frequencies and percentage distribution of the responses). In addition, inferential statistics were determined using a binary logistic regression model to show the probability of SUGECO incubation programme graduates creating employment. The binary logistic regression model was specified as follows:

The logistic regression model is based on the logistic probability function given as:

$$P_i = f(Z_i) = 1 / (1 + e^{-Z_i}) \tag{1}$$

Where P_i is the probability of success, the probability that a SUGECO graduate may create employment, and Z_i represents exposure to factors that may influence the creation of employment, $Z_i = \alpha + \beta X_i$ and its probability is expressed as,

$$Z_i = \ln (P_i / (1 - P_i)) \tag{2}$$

Thus;

$$Z_i = \ln (P_i / (1 - P_i)) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_n X_n + \epsilon_i \tag{3}$$

$$Z_i = \text{Employment creation} = \beta_0 + \beta_1 \text{Age} + \beta_2 \text{Sex} + \beta_3 \text{MaritalStatus} + \beta_4 \text{HouseholdSize} + \beta_5 \text{Programofstudy} + \beta_6 \text{Doingbusinessbefore} + \beta_7 \text{Number of employees} + \beta_8 \text{Sourceofcapital} + \beta_9 \text{Initial investment} + \beta_{10} \text{Agribusiness} + \beta_{11} \text{Duration of study} + \varepsilon_i \quad (4)$$

Where ε_i is the error term, P_i is the probability of creating employment, and $1-P_i$ is the probability of not creating employment, β_0 is the constant of the equation. The description of the variables entered into the model as described in Table 1 below.

to be able to meet their needs and those of other household members (younger youth were those aged 20 - 27 years and older youth were those aged 28 - 35 years). The findings also show that the majority (60.2%) of respondents were single. Furthermore, the findings show most of the respondent's household's size was 6 members and above. With regard to the respondents' education level most (80.7%) of had a bachelor's degree.

Study findings (Table 2) also show that SUGECO has been recruiting incubatees without discrimination by sex, therefore, a

Table 1: Description of variables used in the logistic regression model

Variable	Description	Measurement
Sex	Sex of the youth	1 = Male, 0 = Female
Marital status	Marital status of youth	0 = Single/divorced/ otherwise, 1 = Married
Educational level	Youth educational level	1 = Undergraduate/Post graduate 0 = Certificate/ diploma
Household size	Youth's household size	1 = 1-5, 0 = above 5
Parents occupation	Youth's parent's/guardian's occupation	1 = Business/entrepreneur, 0 = Otherwise
Programme studied	Youth's programme of study college/university	1 = Agriculture economics and Agribusiness, 0 = Otherwise
Training in Agribusiness	Youth's access to agribusiness training by SUGECO	1 = Yes, 0 = No
Source of capital	Source of youth's capital	1=Parent/guardian/relative 0 = Otherwise
Doing business before joining SUGECO	Youth's experience in business before joining SUGECO	1= Yes, 0=No

Findings and Discussion

Socio-economic factors responsible for one's participation in the SUGECO Incubation programme

Study findings (Table 2) show that over a half (51.1%) of the respondents were females, According to Broeck and Kilic (2019) employment in agribusiness is relatively dominated by females. In addition, distribution by age shows that older youth were the majority (59.1%) suggesting that individuals with this age are expected to be very active in business activities or other income generations activities

more or less equal representation of both sexes. According to Sasakawa Peace Foundation's *et al.* (2019) creating equal access in programmes and organizations to all genders fosters an inclusive environment that responds to their needs while unlocking their skills, experience, and potentials. Besides, it helps to increase the accessibility of programmes to all genders which can increase the effectiveness and value of the programme(s). Moreover, it also increases the gender diversity of the entrepreneurs and better support to them, thus, increasing their chances of achieving venture growth (impact

and revenue) and sustainability.

Furthermore, the findings (Table 2) show that SUGECO mostly deals with the youth aged 18 to 35 years. The findings conform to what has been reported by Wachira *et al.* (2017) that most of business incubation programmes are dominated by the youth especially, when it comes to university-based business incubation. According to Bathula *et al.* (2011) provision of training opportunities and business outlet for faculty research was cited as the major reason for having business incubators for universities.

Another observed socio-economic factor was the incubatees' education level whereby the majority of those joining SUGECO had a bachelor's degree suggesting that most had a high level of education. Therefore, their thinking capacity and ability to make good business decisions is also expected to be high. Generally, education is important for decision-making in relation to business start-ups as well as independence and self-confidence. Moreover, educated individuals have good knowledge of alternative job opportunities, and education expands the individual's perceptions (Belás *et al.*, 2017; Hamida *et al.*, 2017; Fayolle and Gailly, 2015). According to Davey *et al.* (2016) education, primarily delivered by universities, is a vital component in the creation and continuing development of entrepreneurial attitudes.

Contribution of the SUGECO incubation programme to graduates self-employment and employment of others

The binary logistic regression results (Table 3) show that out of the eight independent variables entered into the model only two variables that is marital status ($P \leq 0.05$) and training in agribusiness ($P \leq 0.05$) were significantly associated with the surveyed youth's employment creation (self-employment and employment of others). Marital status was significantly ($p \leq 0.05$) associated with one's ability to create self-employment and employment of others. In addition its coefficient was positive suggesting that individuals who were single were eight times more likely to self-employ and create employment for others compared to those married. Generally, the chances of single youth's to engage in any business and work any at time he/she wants is high since he/she is not limited with family responsibilities compared to those married. According to Baque *et al.* (2017) marriage can have a negative effect on one of the spouse's labour market outcomes. If the wife is expected to take on a larger share of household and child related responsibilities her disposable time devoted to market work would be diminished. The study's finding is contrary to what some have reported in the literature (Dvouletý, 2018;

Table 2: Respondents' Socio-economic characteristics (n=88)

Variable	Category	Frequency	Percent
Sex	Male	43	48.9
	Female	45	51.1
Age	Young youth	36	40.9
	Older youth	52	59.1
Marital status	Single	53	60.2
	Married	3	39.8
Household size	1-5	34	38.6
	6>	54	61.4
Education level	Certificate	7	8.0
	Diploma	4	4.5
	Bachelor	71	80.7
	Masters	6	6.8

Ayele, 2014) that married people are more likely to be self-employed, as a result of availability of income from the person they are married to. On the other hand, this literature contends that if the new business is not successful, there is always the opportunity to use the spouse income, which gives an extra security.

The logistic regression result (Table 3) also shows that training in agribusiness was significantly ($p \leq 0.05$) and positively associated with self-employment or creation of employment for others. Training in agribusiness had an Exp (B) of 6.197 implying that the youth with agribusiness education were six times more likely to self-employ themselves and employ others compared to their counterparts. This is because the agricultural sector provides many opportunities for self-employment. But, without knowledge it is not easy to run and manage agricultural related business so as to generate employment for oneself and for others. According to Koira, (2014) and Proctor and Lucchesi (2012), agribusiness presents great employment opportunities in Sub-Saharan Africa.

Furthermore, though some of the variables (source of capital, sex and parent occupation) were not significant, their Exp (B) were positive suggesting an increased likelihood to create self-employment and for others. According to the findings, some of the youth got their source of capital from their parents/guardians/relatives. Therefore, for such youth their chances to engage in business and create employment increased two-fold compared to their counterparts due to their ease in accessing capital for their business. According to Baque *et al.* (2017), the main factors affecting the decision to become an entrepreneur among other things depends upon an individual entitlement to an inheritance or gift. Moreover, potential entrepreneurs say that raising capital is the principal obstacle they face.

The logistic regression results (Table 3) also show that sex was not significantly associated with employment creation. However, it had a positive Exp (B) of 1.158, suggesting that the chance of male youth to create self-employment and create employment for others was relatively higher than that of female youth. When considering self-employment, most literature

Table 3: Factors associated with SUGECO graduates in employment creation (self employment or employment of others)

Variable	B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
							Lower	Upper
Household size	-.733	.721	1.032	1	.310	.481	.117	1.976
Programme of study	-.197	.717	.075	1	.784	.822	.202	3.348
Parent occupation	.086	.275	.098	1	.754	1.090	.636	1.869
Education level	-.143	1.112	.016	1	.898	.867	.098	7.672
Business experience before SUGECO	-1.133	.736	2.372	1	.124	.322	.076	1.362
Source of capital	.874	.906	.929	1	.335	2.396	.405	14.156
Marital status	2.045	.921	4.931	1	.026*	7.730	1.271	47.005
Sex	.147	.762	.037	1	.847	1.158	.260	5.157
Training in agribusiness	1.824	.927	3.870	1	.049*	6.197	1.007	38.141
Constant	.451	1.319	.117	1	.733	1.569		

NB: *Significant level at $P \leq 0.05$. Dependent variable = employment creation, Overall Wald statistic = 34.030 ($p = 0.000$); Omnibus Tests of Model Coefficients chi-square = 17.097 ($p = 0.007$); Hosmer and Lemeshow Test chi-square = 7.498 ($p = 0.484$); -2log likelihood = 56.603a; Cox & Snell $R^2 = 0.442$; Nagelkerke $R^2 = 0.627$, model was correctly predicted by 87.5%.

gives attention to the study of men may be due to the same being more likely to self-employ relative to women. The study's finding is in line with the findings by Nikolova and Bargar (2010) and Ayele (2014). Furthermore, Watson and McNaughton, (2007) reported that women still dedicate a significant part of their time to household management and parenting, and are therefore less available for entrepreneurial ventures.

The binary logistic results (Table 3) also show that the surveyed youth's parents/guardians' occupation was positively but not significantly associated with the youth's employment creation. Thus, suggesting that having a parent/guardian who is a business person/entrepreneur increases the odds of the youth to self-employ and employ others. A simple explanation to the observation is parents/guardians act as role model for their children hence, making it easy for the children to emulate what their parents/guardians do. According to the literature (Ayele, 2014; Simoes *et al.*, 2016), an individual's probability of becoming self-employed increases if his/her parents/guardians were self-employed. Moreover, having at least one parent with self-employment experience is positively associated with a higher chance to becoming self-employed, because the children tend to follow similar career pathways as their parents.

Challenges faced by the youth graduates from the SUGECO Incubation Programme

The findings (Table 4) show that SUGECO incubation programme graduates face several challenges in relation to their self-employment and creation of employment for others. The challenge reported by most (46.6%) was that of startup capital. The finding is supported by the qualitative data collected by the study as shown in the quote below:

"SUGECO does not provide start-up capital to the incubatees because there is no enough money to do this and at the same time be in a position to run the programme" (Key Informant, SUGECO Office, Morogoro, November 2019).

Generally, lack of startup capital makes it difficult or impossible for some of the graduates

to create employment. According to literature (Pompa, 2013), credit constraints and a lack of capital, in general, have been identified as restraints for enterprise growth, particularly for developing countries enterprises. SMEs in developing countries face significant constraints when it comes to access to finance due to the high cost of capital, high collateral requirements, and lack of experience with financial intermediaries.

According to SUPER (2018) lack of access to specific forms of financing is significantly more constraining for small firms and that, access to finance is a key component to create an economic environment in which graduates can grow and flourish. Therefore, to address the above-mentioned challenge SUGECO can borrow a leaf from the Zanzibar technology and Business Incubator (ZTBI) created a revolving fund to provide seed capital to its youth incubatees to start their own business as a way to solve the problem of start-up capital. The initial capital of TZS 100 Million was jointly created by ZTBI and Milele Zanzibar Foundation. Therefore, ZTBI support has led to a reduction of startup business failures due to lack of (Rajeev *et al.*, 2017).

The other major challenge faced by the SUGECO incubation programme graduates is lack of commitment among them: some are not sure of whom they want to be as they still have in mind the idea of being employed instead of self-employment. The study findings conform to Rolfe *et al.* (2010) who reported that some of the entrepreneurs just start SMEs for survival as they wait for formal sector jobs. Further to the above one of male respondents said:

"Some of the incubatees do not take serious the trainings offered by SUGECO because they believe that they are here just to buy time before they get employed by the government or other organizations. Generally, such mentality reduces the ability of working hard and thinking big so as to create your own employment. In addition, it also contributes into laziness" (A Male SUGECO incubation programme graduate, December, 2019).

Furthermore, lack of confidence and patience was a major challenge as shown in Table 4. Generally, entrepreneurship requires not only entrepreneurial skills but, also being enthusiastic

towards a given opportunity. There are a lot of business opportunities in the society which graduates fail to grab due to lack of confidence. Successful grabbing of business opportunities requires a clear understanding of the business, such as the nature of clients, business market analysis and national policy. In addition, most of the graduates like to undertake small and easy businesses that yield quick profits in a short period of time. Therefore, most are impatient which hinders their gradual growth. According to Asoni (2011), self-confidence is one of the important determinants of entrepreneurship, it increases the probability of owning and managing a firm and it also has a positive effect on business survival. Just like raising a child, managing growth of a firm/enterprise brings on many challenges as one navigates each stage of his/her businesses development. Creating systems, building a structure, hiring staff, raising money, managing cash flows, growing revenues, also take patience and hard work. Although it may not be as fun and rewarding as the startup for many entrepreneurs, it is the key to building a successful venture (Jeffrey, 2013).

Findings from this study (Table 4) further show that graduates face difficulties when it

to transform their ideas into viable business ventures. Therefore, incubators such as SUGECO need to offer entrepreneurs and small businesses proper backup and guidance to be able to concretely market their business concepts, operate effectively and keep up with the pace of change whilst remaining competitive.

Insufficient working equipment and infrastructure was also reported to be challenge by the SUGECO incubatees programme (Table 4). One of the female graduates said:

“We still have the problem of working equipment such as solar dryers, machines and fridges. In addition, infrastructure such as offices, meeting rooms, water and electricity are also challenges sometimes. The equipment at SUGECO is not enough compared to the number of people needing the same leading to incubatees’ working in shifts. For example, users of solar the dryers work in shifts because space is not enough so some have to wait for those using them to finish. This is a big challenge as it may lead to the delay of delivery of products especially if ones customers want them urgently/ timely” (A female SUGECO incubation programme graduate, November 2019).

According to Khalil and Olafsen (2009),

Table 4: Challenges facing youth after they graduate from the SUGECO Incubation Programme (n= 88)

Challenges	Frequency	Percent
Start-up capital	41	46.6
Market problem	7	8
Lack of commitment	23	26.1
Poor supervision and coaching	6	6.8
Time	7	7.9
Land problem	5	5.9
Unpredictable climate change	9	10.2
Lack of confidence and patient	18	20.5
Insufficient working equipment and infrastructure	23	26.1
Hard to put idea into implementation	13	14.8

NB: The total number of responses exceeds the sample size due to multiple responses

comes to putting what they have in mind as a business idea into implementation. Hence, fear to start a new venture. According to Rajeev *et al.* (2017) a business incubator offers an ideal environment for start-ups and entrepreneurs

business incubation programmes should be proactive in assisting the client and offer assistance in areas that the entrepreneurs may not be prepared to deal with on their own. Therefore, they should offer shared infrastructure (to

reducing start-up costs) such as office space, meeting rooms, telecommunication, and reliable electricity and in some environment security services. An incubator should create opportunities and a conducive environment for the incubatees by locating them under one physical establishment with facilities such as cafeterias and meeting rooms which allows them to communicate, share information, resources and experience and communicate to each other about difficulties and success of their ventures (Marimuthu *et al.*, 2015).

Another challenge mentioned by SUGECO graduates was poor supervision and coaching. This was mainly due to SUGECO not having branches all over Tanzania therefore, monitoring and coaching of its graduates becomes a challenge. In addition, is very expensive in terms of transport and time thus, contributing into poor supervision as shown in the quote below:

“After incubatees graduate from SUGECO we allow them to go where they can be comfortable to start what they plan to do according to the training received. However, we have found out that there is a problem when it comes to coaching and mentoring because they are scattered, and for those who are very far for example in Kigoma it at times becomes difficult to reach them due to transport costs” (Key Informant, SUGECO Office, Morogoro, November 2019).

Generally, coaching of the entrepreneur allows him/her to develop, from a process of learning, various entrepreneurial behaviours. It also allows the entrepreneur to develop their own capacities and skills to manage the company, to improve its efficiency to carry out certain tasks, or still increase their self-confidence (Saadaam and Affess, 2015). Furthermore, according to InfoDev (2010) incubator’s effectiveness can be improved by allowing it to evolve with the needs of the incubatees. Therefore, an Incubator should constantly monitor the performance of its incubatees, to do so; managers should gather information from their incubatees (financial, sales, employment, etc). Moreover, doing the above will enable the supervisors/coaches/mentors to affectively advice the entrepreneurs on how to increase their sales while cutting

down operation costs thus, better profits.

Conclusions and recommendations

Conclusions

The main objective of this manuscript was to examine the contribution of SUGECO incubation programme graduates towards employment creation and challenges which they face after their graduation. Based on the findings and discussion, it is hereby concluded that the SUGECO incubation programme enables those going through it i.e.its graduates to self-employ themselves while also creating employment for others. It is also concluded that agribusiness education/training is very important as it increases the probability of the youth receiving such training to self-employ and create employment for others through agriculture. Lastly, it is concluded that despite the training and support received by incubatees from SUGECO many face the challenge of start-up capital after graduation.

Recommendations

Based on the study findings and conclusions the following are recommended;

- i. The Tanzanian government and development partners should collaborate to promote business incubation programmes especially those which deal with agribusiness value chain so as to generate more employment, especially to the youth.
- ii. SUGECO and other similar incubators should establish clear graduation or entry and exit policy and strictly follow those policies/criteria’s so as to only recruit suitable incubatees who will be actively involved in the programme. Doing so will increase the possibility of graduates being successful in their endeavor to establish their own firms/enterprises.
- iii. SUGECO also needs to find a way on how it could become a more holistic incubation programme that meets most of the incubatees’ expectations such as possibility for start-up capital. The above could be achieved through collaboration with the government (in particular the National Economic Empowerment Council (NEEC) Under the Prime Minister’s Office). Doing

this could solve some of the issues around access to affordable credit/loans. Other options could be entering into partnership with other strong organization or investors interested in the youth's socio-economic development.

- iv. Incubatees should take into consideration the core activities and the reputation of the incubation centre/programmes before signing the joining instruction form. This is critical for the incubatees (entrepreneur) as it determines their success thereafter.

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