POLICY OPTION FOR ADDRESSING THE ENTREPRENEURIAL SKILL GAP IN THE BUSINESS, TECHNICAL, VOCATIONAL EDUCATION AND TRAINING (BTVET) PROGRAMME TO INCREASE YOUTH EMPLOYMENT IN UGANDA
Policy Option for Addressing the Entrepreneurial Skill Gap in the Business, Technical, Vocational Education and Training (BTVET) Programme to Increase Youth Employment in Uganda

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Many countries face challenges of youth unemployment, especially when the majority of their citizens are younger than 30 years, as is the case with Uganda. Along with other interventions, the Government of Uganda rolled out the Skilling Uganda Business, Technical and Vocational Education and Training (BTVET) Strategic Plan 2011-2020 to help tackle the youth unemployment question. However, this plan has not delivered its initial anticipated promise as evidenced by 1) the drop in enrolment rate from 63,209 in 2016 to 45,153 in 2017 and 2) the inadequately skilled workforce that is channelled into the labour market yet adequate skills are integral to finding or creating employment.

This paper used purposive sampling to conduct a qualitative study of two institutions that deliver BTVET programmes in Kampala – Nakawa Vocational Training Institute (NVTI) and Nsambya Sharing Youth Centre Vocational Institute (NSYCVI). To collect data, key informant interviews (KIIs) were conducted as well as focused group discussions (FGDs) using open-ended interview guides. In addition, relevant research papers, reports and other literature were reviewed to support the policy brief developed.

The paper finds several factors that may contribute to the gap between the BTVET programme as it operates now and its intended goals. First, specific courses to develop business and entrepreneurial skills are not included in the BTVET programme. This limits the expectation of youth enrolled on BTVET programmes, most of whom desire to put their business ideas into practice.

Second, many graduates of the BTVET programme find it more difficult to secure employment owing to the negative perception that most BTVET attendees are school dropouts who are not good enough to develop technical and vocational skills. This policy brief finds that the BTVET programme needs to be restructured to accommodate a supportive and enabling environment for the BTVET graduates to act on their business ideas in a bid to become successfully self-employed.

This policy brief proposes a Youth Entrepreneurship Strategy (YES) that will enable the country’s most energetic workforce, the youth, including BTVET graduates, continuing students and intending students to become technically skilled for employment as well as successful entrepreneurial job creators.

1. Introduction

Youth unemployment is a top policy issue given its far-reaching associated risks. It is a pivotal deterministic factor in crime rates yet long periods of unemployment scar youth for life, given the negative labour effects they experience. With Uganda’s population growing at an annual rate of 3 per cent yet 78 per cent of the population is below the age of 30, the youth unemployment challenge has never demanded as much attention as it does now. Whereas the rate for the unemployed youth is reflected at 13 per cent, the composite measure of youth labour underutilisation (LU4) stands at 38 per cent. In 2017, a significant 58 per cent of youth did not actively search for work owing to loss of hope in finding any gainful employment. This implies that the rate of unemployment may be greater than the official figure of 13 per cent yet several youths continue to suffer in precarious, underpaid and exploitative jobs, with some becoming survival entrepreneurs, living on less than a dollar a day.

To tackle the youth unemployment challenge, it is imperative to understand the root cause and only then can a viable solution be identified. Owing to structural constraints, Uganda is inhibited from increase job
opportunities that match the demand for jobs. This partly explains why, of the estimated 700,000 annual technical, vocational and tertiary graduates in Uganda, only about 90,000 get jobs - meaning that 87 per cent go without jobs. To help solve part of the challenge, the Government of Uganda, through the Ministry of Education and Sports, enacted the Business, Technical and Vocational Education and Training (BTVET) Act in 2008, which was followed by the Skilling Uganda: BTVET Strategic Plan 2011-2020. These plans were initiated to deliver comprehensive employable skills that are relevant to the labour market. However, despite various investments, BTVET’s mandate of delivering employable skilled workforce is still limited as evidenced by 1), the drop in enrolment rate from 63,209 in 2016 to 45,153 in 2017 and 2) the inadequately skilled workforce that is channelled into the labour market. Also, 63 per cent of employers expressed dissatisfaction with the BTVET graduates’ performance at workplaces, as reported by the New Vision newspaper in 2017.

It is worth noting that the population of youth in the labour force for financial year (FY) 2016/2017 was 4.4 million but a significant proportion of these - 68 per cent - did not have specialised training (of the youth aged 18-30). This presents a major challenge to the social, political and economic development of Uganda. This is because not having any training reduces youth’s capacity to find or create profitable jobs. It is also notable that 46.9 per cent of youth were in employment in FY 2016/17 but 40 per cent of youth were not in education, employment, or training (NEET). For developing countries like Uganda, NEET youth need to be engaged and involved in production activities to grow the economy. The job-searching periods for youth who cannot find employment in the labour market owing to a lack of skills become considerably longer than for skilled workers. Persons who are unemployed during their youthful years have lower earnings, poorer health, lower job satisfaction and higher probability of longer periods of unemployment even in their adult years. This evidently drives many youth into heightened levels of anxiety, depression and hopelessness. Although youth in Uganda strive to enter the labour market, many of those without adequate skills struggle to secure rewarding livelihoods.

2. Policy Review

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<th>Policy Intervention</th>
<th>Skilling Uganda: BTVET Strategic Plan 2011-2020</th>
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| The aim of the BTVET Strategic Plan in brief | i). Review the technical and vocational programmes in the education sub-sector.  
ii). Make Uganda’s education, particularly, vocational and technical education relevant to Uganda’s private and public sector needs. |
| Proposition of the BTVET Strategic Plan | Establishment of a Skills Development Authority (SDA) to coordinate the process of skills implantation but this has not taken effect. |
| Myths about the BTVET Strategic Plan | BTVEV continues to be viewed as an alternative for the intellectually inferior students and is associated with non-prestigious blue-collar jobs. |
| Efforts to promote the BTVET Strategic Plan | Recent government efforts to promote BTVET have focused on increasing advocacy for funding to build more BTVET institutions. |
| Policy gaps in the BTVET Strategic Plan | i). Current efforts have not addressed the low levels of learner interest, which aggravates the fact that vocational jobs such as plumbing, masonry or carpentry are dominated by informal, precarious, low-paid work and, consequently, attract low levels of social dignity. Low interest in BTVET was confirmed in UBOS’ School to Work Transition (SWT) survey of 2015 where only 16.7 per cent of students surveyed expected to complete vocational education compared to 57.6 per cent for tertiary.  
ii). Many BTVET graduates and youths in Uganda generally are unable to find or create employment over the ten-year period in spite of all investments. |
ii). 63% of employers expressed dissatisfaction with the BTVET graduates’ performance at workplaces as reported by the New Vision Daily Newspaper in 2017. |
3. Methodology

This study employed a qualitative study of two case studies that deliver the BTVET programme: 1) Nakawa Vocational Training Institute (NVTI), which is government-aided, and 2) Nsambya Sharing Youth Centre Vocational Institute (NSYCVI), a not-for-profit organisation (NPO).

Key informant interviews (KIIs) were conducted as well as focused group discussions (FGDs) and for both, open-ended interview guides were developed with open-ended questions to collect data. The interview guides focused on collecting BTVET graduates, current students and stakeholders’ opinions on two research questions that included 1) how the BTVET training programme can be restructured to address Uganda’s youth unemployment challenge and 2) what successful entrepreneurs need to grow successful businesses. The interview guides also made provision for analysing courses offered by both institutions and their contribution to answering the research questions.

In order to dissect the entrepreneurial skill gaps among youth, the researcher engaged both unemployed and employed youth who had graduated from BTVET programmes in both institutions together with continuing students. The study also sought insights from other BTVET stakeholders, including the education department, a development agency and the business employment sector.

A literature review was conducted to allow triangulation of data as well as increase the credibility of the results. The target population for this study were mainly youth aged 18-30 in Kampala district who pursued a BTVET course. Youth in Kampala district were chosen because the Kampala sub-region had a high unemployment rate for the labour workforce in 2016/2017.

Using purposive sampling, data was collected from BTVET continuing students and graduates; NVTI had 10 continuing students and 10 graduates while NSYCVI had 11 continuing students and one graduate, making a total of 32 BTVET trainees and graduates. Data was also collected from BTVET programme stakeholders that included two representatives from the employers and business sector, one representative from the education department and one representative of the development agency, making a total of four stakeholders.

4. Results

This study was aimed at assessing the BTVET system to identify opportunities for better addressing Uganda’s youth unemployment challenge.

4.1. The Findings in Response to How the BTVET Programme Can Be Restructured

i). Expectations of BTVET students and graduates

The study found that students on the BTVET programme have a high expectation of either getting employed or starting their own ventures. However, this expectation drops significantly and most graduates are unsure of the next step to take when they complete the BTVET course, as shown in Figure 1. This drop in expectation may be explained by 1) the inadequate focus on entrepreneurial skills, 2) the lack of an enabling environment to support ventures by BTVET graduates, and 3) the lingering perception that BTVET graduates are not good enough for the job market.
NVTI offers courses in electronics, electricity, machinery fitting and motor vehicle maintenance, woodworking, sheet and metal plumbing, welding and fabrication as well as bricklaying and concrete practice. NSYCVI offers courses in catering and hotel management, tailoring and garment cutting, carpentry and joinery, metal fabrication and welding.

ii). Perception of BTVET programme

Regarding skill-based jobs, the responses from the survey indicate that graduates of BTVET programme believe that they are disadvantaged on the job market. This is mainly due to the perception that the BTVET programme is largely a scheme for dropouts and those who fail to qualify for higher institutions, such as the polytechnics and the universities. Some of the stakeholders that were interviewed were of the view that a big percentage of BTVET graduates are not skilled enough to do the jobs well enough owing to poor training. This is not surprising, given that the respondents in both institutes are not only required to pay tuition fees but also to contribute to the cost of instructional materials. In cases where only a few can afford these, what is available is insufficient to serve all the students and this indeed limits the quality of the training they receive.

iii). Entrepreneurial and business skills development

The BTVET programme focuses on the foundation of technical and vocational skills that the youth need to become employable. A critical assessment of the courses offered at the two BTVET institutions indeed shows a focus on technical and vocational courses. However, youth who enrol to study BTVET courses do so not only to seek employable skills but also those skills that can enable them to start their own businesses. The study found that there are no courses geared at developing businesses and entrepreneurial skills specifically. The respondents emphasised that they did not currently receive specific training in entrepreneurial and business skills that can sustain their business ideas. Regarding entrepreneurship, some respondents stated that even though they were able to secure some loans, they were not able to adequately use these loans because they lacked entrepreneurship skills in managing the businesses they have set up. One female graduate respondent from NTVI also mentioned that she faced some challenges while searching for work, with potential clients questioning her performance based on her gender.
iv) Course coordination and skills assessment for relevant courses

A section of graduate students revealed that they experienced hardships in finding jobs because of the inadequate vocational and technical skills that are not very relevant to the job market. To sharpen their skills, more than 50 per cent of the graduate students have had to upgrade by enrolling for diploma and degree courses at Kyambogo University to attain better competence skills which they hope will enable them to become better skilled in their vocations. This, in their view, is because diplomas and degrees are more respected and they attract better pay when negotiating for work. In upgrading, however, many find themselves having to repeat the same course units studied at certificate level which they find is a waste of time.

4.2. Findings in Response to What Successful Entrepreneurs Need to Grow and Sustain Businesses

i) An enabling environment to support a business

The respondents stated that they did not have a favourable environment to support their business ideas; some pointed out that they did not have access to business loans. Current and continuing BTVET students desire to have a supportive and enabling environment that can help them kick-start their business ideas so that they can become self-employed. The respondents cited two limiting factors they faced upon completing the BTVET programme: 1) access to financial capital for equipment attaining; and 2) lack of opportunities to practise at business hubs in ways that can perfect their skills. This is indicated in Figure 2. About 90 per cent of the respondents highlighted the significant role of financial capital to achieving their goals after completing the BTVET programme.

Figure 2: Responses on creating an enabling environment for BTVET entrepreneurs to thrive.

The respondents viewed achieving their goals through the lens of being able to attain financial capital that would enable them to purchase equipment as well as materials to start businesses. Even though business hubs and the need to attain capital were highlighted, the latter was more emphasized, at 90 per cent.

ii). Ability to determine the value of work

The respondents expressed an inability to determine the value of their work because they did not receive training that taught them to negotiate work rates. This is significant since some of the BTVET graduate students who manage to find work end up being underpaid. This situation places them in a category similar to that of the underemployed. This makes it hard for them to grow their earnings as many end up doing jobs for less pay, making them opt for underemployment over unemployment due to high unemployment rates. For the graduates who brave the challenges of starting out, they do so as surviving entrepreneurs – a far cry from their dream of operating as demand-driven entrepreneurs. It was also realised that females at times face difficulties in finding work because of their gender. This makes it hard for the females to bargain for higher pay when considered for certain jobs.
iii). Apprenticeship programmes

Students viewed apprenticeship programmes as an entry into the job market and also as a way to build experience and the networks that build connections. However, it was found that BTVET programmes are not accompanied with apprenticeships. The respondents stated that the apprenticeship programmes offered by some institutes in other countries, such as Nigeria and Germany, help students learn how to manage their skills profitably; and the respondents expressed the desire to have the same here in Uganda. The study found that while there are several scholarships that students can apply for, their availability are not effectively communicated to the respondents and to many other students who enrol on the BTVET programme.

5. Discussion

The perception that BTVET graduates are not good enough stems from the understanding that many trainees do not receive the kind of practical training set out in the BTVET course curricula. This is partly due to inadequate funding to meet the training costs realised mostly through expenditure on instructional materials and facilitation for the trainers. This affects the quality of the training that the students receive and also informs the negative perception about the skills of the graduates. However, even if adequate funding were to be available, because of the absence of a clear strategy that restructures the BTVET programme, this may not guarantee the realisation of the initial BTVET promise.

In Uganda, academic excellence is largely ascertained through performance in terms of grading rather than the delivery of practical skills that that respond to the job market demands. This explains why many institutions emphasise theoretical rather than practical classes. A report from the Uganda Business and Technical Examinations Board (UBTEB)\(^1\) attests to the fact that BTVET students receive, on average, only half of the time they are actually supposed be receiving for their practical training in BTVET courses. This most definitely impacts on the quality of graduates, who seem only to have an idea of what is expected of them instead of skills that they can perfect to solve problems in the marketplace. Ironically, it is solving problems in the job market that enables graduates to find gainful employment, especially for the self-employed persons. The emphasis on theoretical training is exemplified by NVTI, Lugogo Vocational Institute and Kakira Training Institute, which were not rewarded with good performance despite their high expenditure on instructional materials, compared to vocational institutions like Birembo Training Institute and Butaleja Vocational Institute, which spent less on the same but scored highly in theoretical assessments in 2014/2015.\(^2\) This in itself detaches the institutions from their core objective of training students in practical skills that can enable them to start up their own businesses.

An updated skills assessment register is important for any country, given that it ascertains the courses that are relevant to the labour market. This also helps to guide students on what courses to undertake in order to offer solutions to society’s problems. Kintu et al.\(^3\) agree that an assessment of skill gaps helps in determining skills that are in over-supply as well as those that are needed by the labour market. Morris et al\(^4\) and Dyer et al\(^5\) also agree with the respondents that business models and resourceful packages help equip youth with practical skills that grow their business ideas. This confirms the fact that entrepreneurship and business skills go a long way in helping youth become successful entrepreneurs.

While technical and vocational education serves several purposes, a key purpose is to prepare the youth for both formal employment and self-employment. To support self-employment, technical and vocational curricula should include entrepreneurship and business training. Recent studies have advocated entrepreneurship as a viable solution to youth unemployment\(^6\) since successful young people who start enterprises inevitably end up employing others. Several countries, including Turkey, are modernising technical and vocational education to focus on training students in skills that would help them in running their own businesses to become successful entrepreneurs.\(^7\) In sub-Saharan Africa, for example, the informal sector accounts for the majority of new jobs being created.\(^8\) Because of lacking a focus...
on entrepreneurship skills development, the BTVET programme in Uganda is set up as if there are jobs available once students graduate. However, this is not the case on the ground and, therefore, necessitates the restructuring of the BTVET curricula to emphasise the practical teaching of entrepreneurship skills.

The question of missing work opportunities as a result of one’s gender should be a thing of the past. Denying female graduates job opportunities basing on the perceived understanding that technically science-related work are male jobs is unfortunate. This state of affairs presents females with a double challenge: they do not only face difficulty in finding jobs but also lose some jobs as a result of their gender. This paper makes a case for training in entrepreneurial skills that level the ground for all genders in terms of job search and creation. Entrepreneurship skills empower every graduate to pitch for any job regardless of their gender; this is because entrepreneurship courses teach BTVET trainees to attach value and quality to the work they do and not the person doing the work.

5.1. Implications of the results

The main outcome of the research was to identify the perceived challenges within the BTVET training programme together with the conditions and prerequisites needed for BTVET trainees to be successful.

Using purposive sampling techniques for this study does not, however, guarantee the reliability of responses from stakeholders and respondents, given that they were drawn from small samples and only one sub-region. Further studies, beyond the scope of this research, are needed to contrast the perceptions of the stakeholders and respondents with the actual operation and design of the BTVET programme. Identifying the gap between BTVET structure and all stakeholders’ perceptions of the programme will aid the development of policies to transform BTVET programme in future.

While this research included a diverse group of stakeholders that were carefully selected, the representative nature of the study may be improved by extending the list of stakeholders to include a bigger sample from the government, the education ministry, civil society, private and public companies and donor organisations.

6. Conclusions

The results of this study highlight the gap between the BTVET programme as it operates now and the supposed goals of the programme. The results support calls made by various stakeholders for the BTVET programme to be restructured. The results also identify specific sections of the programme where restructuring will contribute significantly to the intended goals of the BTVET programme to deliver its promise:

First, there is a need to correct the perception that BTVET is a programme for dropouts and those who failed to qualify for university. This perception, especially among potential employers, puts graduates of BTVET at a disadvantage on the job market. Promoting and creating awareness about the importance of BTVET would go along way in 1) opening up opportunities for BTVET graduates and 2) attracting more youth to take up courses offered on the BTVET programme.

Second, restructuring of the BTVET programme should focus on how to incorporate entrepreneurial skills that enable BTVET trainees to develop business and management skills through the curricula. Without closing this gap, the youth, even those with adequate technical skills, may not successfully navigate the job market. This is the reason why even when youth get loans from schemes like the Youth Livelihood and Youth Venture Capital Fund (YVCF), they are unable to invest it properly to make a good return on them.

Third, an enabling environment for youth to become demand rather than survival entrepreneurs was strongly emphasised as an important step to prepare youth into successful entrepreneurship. These require resourceful packages that can grow their business ideas practically such as start-up capital.

This policy brief proposes a Youth Entrepreneurship Strategy (YES) that will enable the country’s most energetic workforce, the youth, including past BTVET graduates, continuing students and intending students, to become technically skilled and successful entrepreneurial job creators.
7. Policy Recommendations

7.1. A Youth Entrepreneurship Strategy (YES)

This is a proposed plan that looks to build youth entrepreneurial skills needed to enable youth to find gainful employment as well as start and sustain successful businesses. It is a plan that is projected through three thematic principles of Engagement, Empowerment and Equipment (3Es), as discussed below.

7.2. Youth Engagement - promoting the value of entrepreneurship

To overcome the negative bias against the BTWET programme, this theme looks at identifying champions in various BTWET institutions that will act as role models to create awareness of the benefits and opportunities that lie in entrepreneurship. This will help attract and encourage more youth to develop a spirit of entrepreneurship as they learn from the identified champions. In order to speak the language that is most easily understood by today’s youth, social media channels, face-to-face meetings as well as online communications will be encouraged to reach and connect with youth, providing platforms where youth’s employment challenges can be handled by responsible duty bearers.

7.3. Youth Empowerment - offering entrepreneurial learning platforms to youth

Entertainment-education (E.E) activities through youth festivals that feature competitions, awards and coaching sessions need to be enhanced to promote entrepreneurial-related work. In doing this, relevant research needs to be conducted to identify ways of aligning the entrepreneurial skills taught to BTWET students with those needed to produce goods and services desired by the local market. An entrepreneurial curriculum should be shared with all BTWET institutions to be used by trainers in BTWET institutions. Entrepreneurial concepts and theories that support case study learning methods should be encouraged in the BTWET curricula; these will, in turn, teach trainees how to negotiate for business work. Subsequently, BTWET trainees should be encouraged to develop business plans and incentives should be given to trainees with the most feasible business plans.

7.4. Youth Equipping - creating an enabling environment for youth to create and grow businesses

The Government of Uganda needs to improve employment policies for casual labourers, given that many BTWET graduates are employed this way. The government should also increase funding that adequately facilitates entrepreneurship trainers and equips them them with instructional materials, and makes available start-up capital to BTWET graduates with promising business proposals. Business hubs with apprenticeship programmes that motivate the BTWET trainees should also be promoted. In addition, strategic partnerships should be established to enhance cost-sharing among both private and public institutions and development partners. Once each partner leverages their strength in a coordinated manner, BTWET will support more youth to become successful demand-driven entrepreneurs.

In implementing the Youth 3Es Strategy (YES), a timeline needs to be created with proper indicators that can be tracked to measure the success of the proposed YES strategy, basing on lessons picked from Wales.9

8
Endnotes


24. “Avoiding a lost generation” (PDF). Ernst and Young, (2014).


