THE SECRETS BEHIND SUCCESSFUL YOUTH AGRIBUSINESS ENTREPRENEURS IN ZAMBIA

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Motivation

A little is known about successful youth entrepreneurs

Overall research question: what makes these emerging youth agribusiness entrepreneurs succeed?

What motivated the successful agribusiness entrepreneurs to venture into that enterprise?

What factors influenced the success of these entrepreneurs?
Data and methods

Mixed methods

• Secondary data
• Key informant interviews (7)
• 36 successful agri-business
  • Agro dealers, farmers (crops/horticultural/livestock/aquaculture, grain traders, processors)

Study areas

• Mumbwa, Mpongwe,
• Chongwe, Lusaka, Namwala
Attributes of Successful Agri-business Entrepreneurs as defined by Stakeholders

- High turnover
- High production
- Achieved financial independence
- Asset accumulation
- Diversified enterprises
Key findings
Characteristics of Successful Agri-business Entrepreneurs

- Most of the successful youth agri-business entrepreneurs much older (closer to the 35 years age-limit for youths)
- Successful youth agro-dealers and fish farmers had at least grade 12 or higher
- Most of those engaged in crop & livestock farming and livestock & grain trading had at least 7-12 years of education
- Created employment opportunities for 1-20 people
What Motivated Successful Youth Agri-Business Entrepreneurs

Motivation

- Above all self-drive
- Knowledge of & acquaintance with the idea of entrepreneurship as a viable career path
- Location where one grew up and saw some business opportunities
- Social/economic factors
- Family background
- Other successful entrepreneurs
What makes the progressive Youth Agribusiness Entrepreneurs successful?

1. Individual Traits or Characteristics

2. Enablers
Individual Traits
5 key traits identify
Progressive Youth Agri-business Entrepreneurs

Individual Trait No 1:

- Financial discipline
- 30 out of 36 successful entrepreneurs indicated

QUOTES from some Youth Entrepreneurs on Financial discipline

“Financial discipline is cardinal in grain trading business because the profits are too little, so if the finances are misused, one could find that all the profits are used and business can go down”

“When you are in this business, you should not have a consumption mind, otherwise, you will not go far with your business”
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Individual Trait No 2:

- Hard work
  - 30 out of 36 successful entrepreneurs indicated hard work as factor that affect success of entrepreneurs

"I take farming seriously and as a business. I am always at the farm monitoring what is going especially during fertilizer, insecticides, herbicides application. That way, I curb missuse of inputs or diversion"
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Individual Trait No 3:

• Passion/interest
• 26 out of 36 successful entrepreneurs indicated

"I grew up at my father’s Kapenta farm in Siavonga and I developed an interest (passion) in aquaculture farming. So, when it came to starting a business I chose what I liked most and that was fish farming"
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Individual Trait No 4:

- Religious values
- 20 out of 36 successful entrepreneurs indicated

“Everything that has happened to me is by God’s grace and it has taken prayer and faith”.

QUOTES from one of a Youth Entrepreneur on Religious trait
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Individual Trait No 5:

• Risk taking

• 18 out of 36 successful entrepreneurs indicated

"I do give inputs on credit to the small-scale farmers where I do not know how the season would be but I only believe that things will be ok at the end of the season"
Enablers
4 key enablers identify
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Enabler No 1:

• ICTs

• 34 out of 36 successful entrepreneurs indicated

“Easy for me or my company to access valuable information for my business: For example, I have downloaded you-tube videos that explain plant insects or disease and what insecticides/pesticides to apply.”
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Enabler No 2:

• Family support
• 20 out of 36 successful entrepreneurs indicated

QUOTE from a Youth Entrepreneur on Hard work

“My brother helped me during the initial stage of my tomato farming business. When I ran out of some inputs such as insecticides and fertilizer, he would get me some extra insecticides and fertilizer for me and that enhanced my business to go further and eventually stood alone”
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Enabler No 3:

- Private sector support
- 12 out of 36 successful entrepreneurs indicated

“Once trust and good working relationship have been built between the large input suppliers and the agro-dealers, the large input suppliers provide inputs to agro-dealers on credit and we pay for inputs after a month or so. For selling the inputs for large input suppliers, the agro dealers are paid a commission.”

QUOTE from a Youth Entrepreneur on Hard work
Factors Influencing the Success of the Successful Youth Agri-business Entrepreneurs

Enabler No 4:

- Government support
- E-voucher

"The introduction of e-voucher has enabled to expand operation of the my agro dealership"
Factors Influencing Success of the Successful Youth Agri-business Entrepreneurs

- Diversified business Portfolio
- 11 out of 36 successful entrepreneurs indicated

- Agro – dealers, also had Hardware shop,
- Grain Traders, also running truck business
- Farmers (crops also had some livestock)
Challenges

- Lack of adequate capital
- Lack of knowledge and skills to fully run certain value chains such as e.g. farming
- Poor state of feeder roads
- Price volatility for some agricultural produce
- Teething problems in e-voucher implementation
- Lack of structured mentorship program
Conclusions

- Successful youth agri-business entrepreneurs are contributing to job/employment creation.
- Social/economic factors, family background and location motivated successful youth entrepreneurs to start some businesses.
- Some levels of education and some knowledge transfer for the business they’re working in (e.g. aquaculture training, agri-dealership).
- Key personal traits and enabler factors identified above enhance businesses to succeed.
Recommendations

- Government, banking sector to engage to enable youth access affordable finance
- Identify potential entrepreneurs and facilitate their business
- Raise accessibility of resources from CEEC, Ministry of Youth by potential youth entrepreneurs
- Specialized training for young people on accounts, ITs, fish farming
- Mentorship programmes be developed (use some successful youth entrepreneurs)
Thank you!