

SPEECH
by
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SCHOOL

THEME

Empowering young people through development of an entrepreneurial mind-set

SALUTATIONS

Allow me to first congratulate all the students who are graduating today, staff, management, parents, guardians and all stakeholders. You have indeed put in tireless efforts in making this day a reality.

Congratulations.

I am greatly honoured to be among such wonderful talent. I hope that by the end of this presentation, you will truly feel empowered to pursue your entrepreneurship dreams.

Remembering Cranfield School of Management

I will take you back to May 1995, when I had just completed my course in Entrepreneurship at Cranfield University School of Management in Britain.

As I listened to the commencement Speech, I told myself that now, armed with my entrepreneurship qualifications, I would build me a business empire and live happily ever after.

I imagined how I would while my days sipping the finest wines on earth and getting all the attention I desired with just a simple snap for the fingers. (PAUSE)

Well, 22 years later, I have learnt that the path to entrepreneurial success is not as easy as I thought then. You do not flash a magical entrepreneurial wand, and lo and behold, success strides through the door!

The Professor who addressed us that day narrated an interesting story about an ancient king called **Alexander the Great of Macedonia**. The king fought many wars to expand his kingdom, and succeeded immensely. In one of these wars, he faced a massive enemy with an army almost 10 times as large as his.

The battle was fought out in sea. When he arrived at the frontlines, the first thing he did surprised everyone, including his enemy. He ordered his men to burn their boats. That way, there would be no turning back. No retreat and no surrender.

"We either go home in our enemy's boats or we die," Alexander told his small army.

When the Professor finished, I tried to interpret the message in this story, but I ended up with more questions than answers. I had travelled to Britain on a Student Visa, which was still valid at the time. Did the Professor mean that I burn my Kenyan Passport and stay in Britain? Was he calling upon me to storm Buckingham Palace in some form of revenge colonization?

It didn't sound like a brilliant idea. During my stay in Britain, I had been to Buckingham Palace was taking photographs from outside the tight security fence. Actually, most of them lived from hand to mouth. I weighed my options, packed my bags and returned to Kenya.

The Sacking

When I arrived at the airport in Nairobi, there was another surprise waiting for me. I expected a warm welcome from my wife. I expected to see her clutching a bouquet of flowers. Instead, she thrust forth a letter from the Teachers Service Commission, informing

me that i had been sacked from my teaching job. When I asked her why she had brought the letter to the airport, she told me that she wanted me to return to Britain immediately, in the same aeroplane I had come in. She reasoned that since I had no job in Kenya, I had no business coming back. **(pause)**

But I assured her that even though I had lost my job, I had many good ideas from Britain. My experience back there was quite enriching and transformative, I informed her.

One of those ideas I picked was to use machines to milk cows. You see, I grew up in a small village called Gathiru-ini in Central Kenya. Because milk and food in general was scarce, my mother said that while milking, we had to squeeze the very last drop from the family cow. I was very efficient at squeezing, but I could never be better than the machines I had seen in Britain.

My interest in the milk business drove me into hawking the commodity in the streets of Thika town, which is about 40 minutes from Nairobi by road. Most of my friend laughed at me, calling me “the milk hawker educated in Britain.” But this didn’t bother me any bit.

One day as I was shuffling the milk cans in the rusty old pick-up I used to drive, I realized that no classroom training in entrepreneurship could match the practical aspects of it. And so, I soldiered on.

Lessons

But challenges and opportunities kept cropping up every day, almost in equal share. In between my entrepreneurial ventures, I kept on applying for jobs, never at one time losing faith in myself. I sent over 5,000 job applications to various companies. In an interesting twist of fate, one of the letters inviting me for an interview arrived many years after I had started Mount Kenya University.

Had I banked purely on formal employment, I would most probably not be here talking to you today.

I will share with you some key lessons I have picked up in my entrepreneurial journey, which I hope will empower you towards success.

In 2014, I was recognized as the Eastern Africa Entrepreneur of the Year, and represented the region in the World Entrepreneur of the Year Awards in Monaco, France.

I was consequently inducted into the World Entrepreneurs Hall of Fame.

These lessons I am sharing with you today have been distilled from my experiences right from the time I was in school.

1. LEARN TO IDENTIFY OPPORTUNITIES

Look keenly around you and you will realize that business opportunities abound. Human need for products and services that address unique needs are almost limitless. My own experience illustrates this.

Bomas Club

When I was studying at the village secondary school in the 1970s, a friend who was in boarding school told me of how they went out to the disco every weekend. I felt sorry for myself, since we village boys didn’t have any options in terms of entertainment. Before long, an idea cropped up in my mind.

The uncle of one of my classmates had a Record Player, and a collection of some of the top music hits of that time. I approached him with a proposal to hire the music player once a week. He agreed on a price of five Kenya shillings (WHICH IS 175 Uganda shillings). I then invited the boys and we formed a club called 'Bomas'.

Every Friday evening after classes, I brought out the music player to a room I had converted into a makeshift discotheque. I charged the students entry fee equivalent to 70 Uganda shillings. The money I collected was enough to pay for the music player, and still leave me with a profit amounting to about 1,400 Uganda shillings every week. This was very good money then, considering that something like a loaf of bread cost an amount equal to 150 Uganda shillings.

Murang'a Bread

When I went for my Advanced Level of education (Form Five and Form Six) at a different school far away from home, another business opportunity presented itself, this time involving selling bread.

I was the Dining hall Captain, and I noticed that the students really loved bread. They would kill for an extra slice. But bread was on the school menu only once a week. If I could figure a way of getting it to them in the middle of the week, I would have struck gold. My position as the Dining Hall Captain allowed me to do the trade. But I didn't have any capital. So what did I do?

At the beginning of a new school term, I used the money my father had given me for school fees to purchase several loaves of bread. I cut the bread into small slices and sold them to the students. The profits were so good that I paid the school fees and kept some money for the next purchase.

Thomas Edison, the inventor of the light bulb, said that "opportunity is missed by most people because it comes dressed in overalls looking like hard work."

I learnt the truth in this statement when I was writing the Business Plan to start a college. I asked a friend who had a bookshop for his assistance, and he looked at me with disdain and contempt, refusing to give me a sporting chance: "You are not even a Doctorate holder, let alone a professor. How can you dream of owning a college?" he asked me.

Computer Training & Partnership with the Church

I never lost sight of my dreams, however. One day while out in the villages working with women and youth in my milk-selling business, I noticed the enormous interest young people showed in computers. It was in 1966, and the use of computers was not as widespread as it is today. What if I started training these young people?

I had one desktop computer, and no logical way of powering it while on-the-go. So, I bought an old diesel generator and I was open for business. But remember, I had no classrooms, or even money to lease a building. So, I approached a church in Thika and asked them if I could use their hall to conduct the training. They said 'yes'. Suddenly, my dream had taken off.

I dropped the milk business and focused on computer training. In my mind, the business was an ideal platform for me to combine my skills in teaching and entrepreneurship. I was excited. Naturally, I created a very strong bond with my first

students and began to interest them in other courses, notably Business, Accounting and Management. That is how I came to formally register my first college, with classrooms away from the church hall.

With time, many other colleges cropped up in Thika town, which was my main catchment area. Competition for students intensified. I had to do some quick business re-engineering in order to survive.

Science courses

I observed that only one college in Kenya, and a few public universities, were offering popular courses in Medical Sciences, such as pharmacy and medical laboratory technology. If you were not admitted to either of these institutions, your dream was as good as dead. In this sorry reality, I saw an opportunity of a lifetime.

I went to my bank and **borrowed some money** to build laboratories and hire experienced lecturers and support staff, as the first step towards getting the required accreditation to offer these science courses.

This is how we became the first private college in Kenya to be accredited to offer Diploma programmes in Pharmacy, Clinical Medicine and medical Laboratory. We had broken fresh ground in health science training. I must say that after receiving the accreditation, we received so many applications from potential students that we couldn't satisfy the demand. The courage we had to take a huge loan paid off handsomely.

Loans

Talking about loans, I want to encourage you young people to use and embrace credit to accelerate your dreams. Many people fear borrowing money from banks and other lending institutions due to uncertainty of repaying.

But you cannot grow your business to any remarkable heights if you don't borrow money. I would place a bet that 95% of businesses in the world have borrowed money at one time or another. In fact, the whole aspect of business and commerce is anchored on borrowing and lending. Employees offer their services to a company, which pays them after 30 days. A peasant farmer hires a casual labourer to till his land, but only pays him late in the day after the work is complete. This is a form of a loan. Don't fear loans. Take them out and accelerate your dream.

2. **THE ROAD LESS TRAVELLED**

The American poet Robert Frost wrote these powerful lines:

Two roads diverged in a wood

I took the one less travelled

And that has made all the difference

I want to tell you today that I have learnt overtime that if you want to make a difference in your business and your life, you must always take the road less travelled. Don't do what everybody is doing. Don't be a copycat. I know it is fashionable to say that you should not reinvent the wheel, but you must always think outside the box if you want to forge ahead.

This has been the secret of success for Mount Kenya University. We do things differently. It is a culture that has evolved since our days as a small commercial college in the late 1990s.

Amballa-Cant, India

For instance, by 2005, while operating under the name Thika Institute of Technology, we had reached the end of our tether in the programmes we were offering, notably Business, Technology and Management. We were not making enough money to stay afloat.

I realized that our future was in Science Programmes. So I went to the city of Amballa-Cant in India and pitched tent under an extremely unfamiliar weather for two weeks, looking for affordable equipment for science-training. I had a bad experience there. The food was very spicy, and so I survived the entire period on bread and soda.

Eventually, my efforts paid off when we received a letter of Interim Authority in 2008, effectively converting Thika Institute of Technology into Mount Kenya University.

We entered a market that was sighing for change.

Pay-As-You-Learn

At that time, the university business in Kenya was such that students had to pay the whole semester fees before they could be allowed to even step foot in Campus grounds. Tuition fees for the self-sponsored students are about \$1,000 per Semester (3.7 million Uganda Shillings). In a country where the average monthly income is \$75 (270 million Uganda shillings), many parents could not afford this. We tore this rule book and started admitting students under a unique 'Pay-As-You-Learn' programme, where by our students only paid a percentage of the Semester fees to get into class. The balance could be paid in installments.

E-learning

We also introduced the e-learning mode of delivery of academic programmes. This enabled us to reach more students in remote parts of Kenya, as well busy working-class people who couldn't attend classes physically.

I must say, in addition, that the reforms we initiated in the private higher education sector have been very challenging:

I must say, in addition, that the reforms we initiated in the private higher education sector have been very encouraging:

- We successfully campaigned for the inclusion of students in private universities in the government loans programme disbursed through the Higher Education Loans Board.
- We also campaigned for democratization of access to higher education through admission of government-sponsored students to private universities, under the Kenya Universities and Colleges Placement Service.

Anatomy Lab

In 2013, we toyed with the idea of starting a School of Medicine, again, to serve a training gap we had identified. But one of the requirements from the regulator is that

you must have a hospital. The question then became: “do we really need our own hospital?”

The answer, hidden somewhere along the road less travelled was a definitive “NO”. Through a one-of-a-kind Public-Private-Partnership, we partnered with a government hospital called Thika Level 5 and built for them a state-of-the-art anatomy lab. This lab is now used by our students from the School of Medicine.

It is this road less travelled that recently led us to a Number One ranking among Private Universities in Kenya offering programmes in sciences. The study was conducted by an independent research firm, CPS International.

The name “Mount Kenya”

You might ask yourself, why did we choose the name “Mount Kenya”?

It was another manifestation of the road-less-travelled philosophy. While many Private Universities in Kenya are either named after church or sponsoring organizations, we chose “Mount Kenya” as a metaphor of the high heights we intended to achieve in academia. (Mount Kenya is the highest mountain in Kenya, and a second highest in Africa after Kilimanjaro).

All these factors along the road less travelled congregated at a focal point that recognized me the youngest Kenyan in the country’s history to start a chartered university that has no ownership affiliation to church or state.

3. INFORMATION & NETWORKING

Information and networks are assets to every entrepreneur. As the saying goes, Your Network is your Net worth.”

You must continuously learn from others, read widely, listen to educative podcasts and basically use your time wisely in increasing your business knowledge. You live in unique times and can tap knowledge from vast sources, including the Internet readily available on your mobile phone. You can also quench your thirst for knowledge by reading printed books, newspapers and pamphlets. Reading *The Economist*, for example, will boost your business skills more than reading gossip about private lives of celebs.

I personally have a goal of reading more than 25 books per year. That’s just about two books every month. I also attend as many meetings, seminars and conferences in higher education as I can. To increase your knowledge and boost your networks, you too must do the same. Concentrate on what will help your business grow.

Monaco Networking and Mohed Altrad

When I participated in the 2015 World Entrepreneur of the Year Awards in Monaco, France, it was a great opportunity to network with other entrepreneurs. I was the only finalist from the higher education sector.

The gentlemen who won the award that year is a French businessman called Mohed Altrad. He told me later when he visited me in Nairobi that as a person whose life had been transformed by knowledge and information, he truly admired what Mount Kenya University had been able to achieve.

Mr. Altrad was born in the deserts of Syria. A camel herder from a young age, he was not allowed to go to school. But he wanted to learn. So, what did he do? He sneaked out very early every morning to study under the moonlight.

Later, he pursued education relentlessly, earning a PhD in Computer Science, before delving into entrepreneurship. His company, the Altrad Group, which deals in an assortment of construction materials, has 16,000 employees spread across five continents. Last year, his revenues were 1.6bn Euros. Covert that into Uganda Shillings and the figure is rather mind-boggling. He has written a book titled Badawi, which reflects the story of his life. I wish to share with you 100 copies of this book for free.

4. **AFRICA'S RESOURCES & POTENTIAL**

I have visited many developed countries around the world, and I will tell you without an iota of doubt that none surpasses our continent Africa in terms of resources and opportunities.

What we lack enough of is the drive to convert these into tangible wealth.

On a visit to Seattle, Washington, I met a former schoolmate who had left Kenya in the 1990s. He told me that he wished he had stayed in Africa, and perhaps walked along with me in starting Mount Kenya University.

"Why did you decide to invest in education?" he asked me.

Well, it was because I wanted to provide an opportunity for young people like him to study in Africa, having witnessed the suffering students from Africa endured in Western countries.

Allow me to report that after our meeting, my old friend returned to Kenya and has started a consultancy business in Nairobi. He is doing well and I am delighted for him.

Trade Imbalance

It is obvious from my friend's example that Africa remains a virgin territory in terms of exploitation of resources and potential.

Graduates such as you, economists and pan-Africanists must initiate discussions on how best to explore this potential. In my view, we must first address the glaring trade imbalances between the continent and her trading partners in Europe, America and Asia.

According to the World Trade Organization, Africa accounts for only 9% of imports to the European Union, for example. It may come as a surprise to you that some countries that do not plant a single coffee bean earn more money from Africa's coffee than Africa does. They import our coffee, process it and use it to blend others, and re-export the eventual product at a premium, taking advantage of several subsidies along the way. Now that we have to identify such lopsided deals, why can't we rectify the situation?

Wasn't it Nelson Mandela, the very embodiment of pan-Africanism, who said, "Education is the most powerful weapon which you can use to change the world"?

What is stopping us from using education to change our own world?

Go out there and shine. Makerere University Business School has switched on the light of knowledge in you. I have no doubt that it has prepared you adequately to face Africa's challenges head on and provide solutions through entrepreneurship. Remember that Makerere University is one of the best in Africa. It boasts a rich heritage, doesn't it? You are lucky to have been trained here. And so, go forth and illuminate your path and those

of other people. You have within you the talent and resources to change the course of history.

Don't be a job seeker only. Be a job creator too.

When you leave here today, don't go around begging your friends and relatives to get you a job. Tell them you just need an opportunity to create and add value, to show what you are made of, to demonstrate that Makerere University Business School has opened your mind. MUBS – a spring of knowledge – has peeled the cobwebs of obliviousness from your eyes. Demonstrate your new vision with your innovativeness and creativity.

The philosophy of “adding value” has seen us create more than 100 jobs in two years under the Mount Kenya University Graduate Enterprise Academy. Its main goal is to spark off an entrepreneurial culture among students and alumni.

5. **HUMILITY**

Lastly, allow me to talk to you about the virtue of humility. Besides what you learn in class, if there is one quality you must have in order to succeed as an entrepreneur, it is humility.

Humility will endear you to your customers and employees. It will enable you to assess yourself with honesty. It will teach you that you may be the leader but that doesn't mean you have all the answers. I personally view my employees, not as subjects but as colleagues. It is humility that has seen us grow from a college running on an equivalent of 700,000 Uganda shillings loan, to an international business with assets worth an amount beyond 700 billion Uganda shillings.

Education for public good

But amid this financial success, we have always embraced our primary goal, which is providing education for public good and human advancement. We do this through several areas, notably:

- Research
- Corporate Social Responsibility
- Mentorship
- Graduate Enterprise Academy
- Collaboration and linkages (such as the one we have with MUBS)
- Conferences and workshops
- Public lectures
- Scholarships

I am totally convinced that the main reason many private universities in Africa don't grow to become globally-recognized centres of excellence is because they don't offer education as a service for public good. Providing education ought to be more about compassion than commerce.

Compassion meets commerce in the personal lives of some of the world's greatest business leaders, who are my role models.

They include the Zimbabwean Strive Masiyiwa of Econet Wireless, Microsoft founder Bill Gates and Sir Richard Branson of the Virgin Group.

Allow me to conclude with the words of the ancient Chinese philosopher, Lao-Tzu, who said: "A great leader speaks little. When all is finished, the people say: 'we did it ourselves.'"

Indeed, the Makerere University Business School Class of 2017, you did it.

Thank you. May God bless you in all your endeavors!