Knowledge profile

Namibia Business Innovation Institute (NBII) – A business innovation center from the political idea to reality

Description of the programme

| Title (incl. PN) | 1. Partnership for Economic Growth, PEG, (PN: 2009.2099.1)  
2. Promotion of Competitiveness, ProCom (PN: 2013.2181.9) |
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<td>Commissioned by:</td>
<td>BMZ</td>
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| Lead executing agency | Ministry of Industrialization, Trade and SME Development (MITSMED)  
Formerly: Ministry of Trade and Industry (MTI) |
| Overall term | Ad 1: 01.07.2010 – 31.03.2015  
Ad 2: 01.04.2015 – 30.03.2018 |
| Total volume, Co-Financing | Ad 1: 10.181.530 EUR  
Ad 2: 6.000.000 EUR |
| Overall objective | Ad 1: The framework conditions for private sector growth and employment in Namibia are improved.  
Ad 2: The competitiveness of the Namibian economy is enhanced. |

Description of the module

The Namibia Business Innovation Institute (NBII – established in 2009 as Namibia Business Innovation Centre – NBIC) is a national institute under the Namibia University of Science and Technology (NUST – formerly Polytechnic of Namibia). The idea to establish a Business Innovation Center in Namibia was defined in the National Development Plan 3 (2007/2008 – 2011/2012). The Rector of the then Polytechnic (now Namibia University of Science and Technology (NUST) took up the idea and requested a CIM Integrated expert working at the Polytechnic to start a process of conceptualization. During the following years GIZ supported the establishment of management to become a nationwide renowned and recognized institution that proactively identifies, adapts and pilots highly innovative approaches and instruments to stimulate and support innovation, entrepreneurship and social upliftment.

NBII comprises four focus areas of work: Innovation Marketplace (IM), Research & Development (R&D), Entrepreneurship & Incubation (E&I) and the Young Talents Programme (YTP). NBII is not running large scale promotion campaigns but showcases promising ways of promoting business development in Namibia. In addition, NBII offers one-to-one mentoring services for persons interested in starting an enterprise or improving an existing business. Since 2015, GIZ no longer provides any substantial support but considers NBII a mature and important actor for private sector support in Namibia.
### Key activities implemented (outputs'), methods, tools and instruments applied

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<th>Year</th>
<th>Major milestones</th>
<th>Support from GIZ</th>
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<td>2006–2009</td>
<td>Conceptualisation of NBII as a knowledge-intensive business incubator (with reference to the innovation center proposed in NDP 3)</td>
<td>1 CIM integrated expert of Polytechnic now NUST</td>
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<td>2009–2011</td>
<td>Setting up the organizational structure: 3 NBIC pillars: Innovation Marketplace (IM), Research &amp; Development (R&amp;D) and Entrepreneurship &amp; Incubation (E&amp;I) Development of service offers for the Entrepreneurship and Incubation pillar of NBIC (training, coaching and workshop formats and training materials)</td>
<td>1 Development Advisor</td>
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<td>2011–2013</td>
<td>Strengthening of the managerial capacity of NBIC Development of service offers for the Research &amp; Development pillar of NBIC including Mobile Lab (lab for software developers) in cooperation with Samsung and RLab</td>
<td>1 CIM integrated expert (as Deputy Director and Head of R &amp; D)</td>
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<td>2012</td>
<td>Establishment of outreach programme into the regions (awareness, training and workshop formats) Development of services for awareness and ideas creation</td>
<td>1 Development Advisor 1 Junior Development Advisor</td>
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<td>2012</td>
<td>Set-up of Innovation Café (Exchange hub for business ideas)</td>
<td>Approx. 20.000 EUR</td>
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<td>2012–2013</td>
<td>Set-up of Fabrication Lab (FabLab), a centre for innovation production methods, product prototyping and related trainings</td>
<td>Financial support from GIZ (220.000 EUR)</td>
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<td>2013</td>
<td>NBIC was renamed NBII to emphasise the importance and the status of the institution within NUST</td>
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<td>2013–2014</td>
<td>Revision of physical incubation approach, launching of IncuLab programme (InfoDev certified incubation approach) Revision of existing trainings and materials for incubation Support to safeguard Intellectual property rights for business ideas that were created out of NUST Strengthening the institutional sustainability of NBII</td>
<td>1 Development Advisor 1 Short Term Development Advisor 1 Short term expert from SAIS (South African Innovation Support Programme)</td>
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<td>2015</td>
<td>Introduction of new business innovation projects such as Social innovation Project, Innovation festival, R-Lab</td>
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### Results/Outcomes

Introduction and piloting of various approaches and instruments for business innovation support in Namibia:

- Entrepreneurship boot camp (business pre-incubation) conducted twice a year with up to 10 attendees each (in total 100 start-up entrepreneurs trained)
- Annual business idea/business plan competitions conducted (approx. 200 business plans/innovation business ideas developed). Tracer study in 2014 proved that 20% of the responding participants are still in business
- More than 620 customers/clients supported via One-to-One mentoring on innovation and entrepreneurship topics
- Piloting of physical incubation at NBII (4 incubates due to lack of space)
- Piloting of virtual incubation clients (11 incubates)
- FabLab supported approx. 500 clients in Windhoek and in three regions (Khomas, Erongo, Hardap/Karas) on product prototyping and development topics
- FabLab has been outsourced for up scaling as a successful approach for product design development
- Idea creation, innovation and entrepreneurship are now recognized in Namibia as important aspects of start-up and business support
- More than 50 mobile app prototypes developed at the Mobile Lab
- Mobilisation and training of approximately 150 local developers

### Lessons learnt, success factors, challenging factors

#### What functioned well

- A minimum of 5 years is required to establish a Business Innovation Center. The support from NUST and GIZ was essential to develop and sustain NBII. Today
and in future, NBII depends on the financial support from NUST (staff payment and implementation budget) and relies on the access to equipment, expertise and networks of its faculties.

- **Capacity development of NBII staff:** Through continuous measures the necessary competencies to develop innovative business support and to run NBII were built to an extent that the staff has become renowned experts in the country.

- **Although having different pillars, it is essential to link them in order to provide a clear and concise support offer that can easily communicated to the public and the target groups.**

- **Partnerships with the private sector are essential to stay demand-oriented, pilot privately-funded innovation instruments and connect clients of NBII to business men and women.** Incubates for example can benefit from the technical and managerial expertise and can access markets more easily.

- **In business environments like Namibia, mentoring is often not enough to support start-up entrepreneurs.** Supplementary support like match making advice, accompaniment for the creation of business linkages is necessary as well.

- **External expertise:** Though NBII has access to NUST expertise, it is essential to make use of international expertise to adapt and fine-tune promotion instruments (e.g. SAIS programme for physical incubation; InfoDev approach adapted to Southern African circumstances).

### What did not function well

- **Conceptualization of NBII at academic level:** 30 international experts were joining hands in a 9-months exercise funded by the Finnish Embassy to develop the concept of NBIC. Yet again, the Namibian reality was even more complex. The concept was too academic at the beginning so that a lot of adaptation in the organizational structure and the service delivery needed to be undertaken in the years after the start of NBII.

- **High initial funding required:** Even though NBII is not running large scale support programmes, piloting of innovative business support demands still for sufficient physical infrastructure and up-to-date equipment.

- **Funding and expectations:** Particularly funds from private companies are often linked to short term expectations; they often want to see (unlikely) quick results. This is especially difficult for NBII since it introduces new support instruments but does not up scale successful solutions.

- **Focus, focus and focus!** As a brainchild of the National Development Plan 3, NBII was set-up as the national port-of-call for “Innovation”. With such a broad mandate, it is not easy to maintain focus when setting up specialised departments or programmes, such as a business incubator.

- **Physical incubation before virtual incubation.** In the Namibian context face-to-face relations with incubates are absolutely crucial to keep the momentum and the motivation of participants high. Virtual incubation can only be an add-on to a physical incubation programme; it cannot replace physical incubation.

- **A suitable legal model for physical incubation is required from the outset; an efficient business model is needed to generate income and act as business partner for incubates and the private sector.** Being institutionally attached to NUST, NBII cannot act as independent legal entity (i.e. PTY Ltd) to refinance its investments in the business innovation pilots.

- **Open and continuous communication by NBII is needed to strengthen, renew and foster the strategic partnership with NUST in general and to specific departments specifically.** This would stabilize and increase the engagement of staff and the level of awareness about NBII by NUST students and graduates.

- **Outreach into the regions cannot be successful without a permanent infrastructure and staff even though the demand for services is high.** Idea creation can be promoted via pre-incubation approaches but incubation needs face-to-face contact on a continuous way.

- **So far, there is only a very limited number of support agencies that address the target group of NBII and that are hence the recipients for mainstreaming and up-scaling the innovative business solutions successfully piloted by NBII.**

### Assessment of impact of the module

NBII aims at improving the quality of life and narrow the economic divide through innovation, entrepreneurship and social upliftment. While this is a very broad mandate, the particular results are very promising. Through incubation, young entrepreneurs have been successful in establishing their business and bring new and innovative products to the domestic market. This is further supported by the FabLab, where entrepreneurs and innovators are capacitated and product design, development and testing, which resulted in even more innovative and domestic products “made in Namibia”. Should these activities be scaled up and further focused on the sectors and value chains with a high-growth potential, NBII has the op-
portunity to play an important role in the implementation of the Namibian Industrial Policy and “Growth at Home strategy”.

**Assessment of sustainability**

NBII has gained the status of an important actor to innovate and promote start-up and SME. Once again, there is a strong focus on NBII with regard to results and impact. In order to maintain the balance of innovativeness, results and financial sustainability, NBII is in need of a project manager that links the innovation pilots with the market and existing private and public SME support structures. Otherwise, NBII staff is capacitated to further identify and pilot innovative business innovation instruments.

Financial sustainability: The business model of NBII does not allow of being financially viable without external support. The NBII Director is aware of this and has developed an multi-partner approach comprised of partnerships with NUST, the private sector, international development organization and own revenues. Hereby, the linkage to NUST remains the most important element which covers running costs, staff salaries and physical infrastructure. With the Polytechnic becoming a university, NBII has more opportunities to introduce further market related paid services in order to increase its revenue base. In addition, cooperation with the private enterprises is already an important factor to fund innovation pilots. This can even be extended with the new status in direction of longer term cooperation that does not only include funding but as well business linkages and expertise for NBII’s clients.

So far, NBII has not been able to pilot an adequate physical incubation programme, mainly due to the lack of a building which host a satisfactory number of incubates. The incubation programme set up is already in place and there are plans to provide sufficient infrastructure to seriously engage in incubation.

**Assessment of replicability and upscaling**

- The concept of NBII is laid upon the idea that business innovation solutions successfully piloted by NBII are taken up by other Business support organizations. Therefore they are documented and available at the NBII Website. Some service offers (e.g. BootCamp Workshops) are transferred to online formats and are available at NBII website “Resources”.
- The “Practitioner’s Handbook on Entrepreneurship & Incubation sums up the story up NBII and a number of tools and instruments developed and piloted by NBII (Web link are listed below).
- Main processes for the management of NBII and the development and organisation of service offers are standardized and documented.
- FabLab has documented successful business cases that are supported by FabLab. These are available directly from the managers.

**Anecdotic evidence**

Aska Orlale and Tåleni Methews started M&O Decor with the idea of up cycling waste material into products for decorations. In 2015 they asked NBII for support. Already having some product ideas in mind they were introduced to the FabLab where an additional product was developed (chandeliers out of old wine bottles). In addition, they received support in developing their logo. Passing through the Sanlam Innovation Works mentorship programme they then acquired managerial and financial competences through mentorship by NBII. After only one year in the market, the two women cannot yet live from their products but they have clients ranging from individuals to big national companies. They were even hired to provide decoration for an international conference held in Windhoek. M&O Décor participated and went to be selected as one of the Youth Innovators, a programme ran by the National Commission on Research Science and Technology.

Follow M&O Decor on Facebook: https://www.facebook.com/pages/MO-Decor-Enterprise-CC/398126583689867

**Who is knowledgeable about the module or elements of it?**

- Ms Dorothea Mischo, NBII Director, ajantjies@nust.na, dmischo@nust.na
- Ms Bernice Karuhumba, NBII E&I Manager, bkaruhumba@nust.na
- Mr Bernhard Rohkemper, former NBII Development Advisor: bernhard.rohkemper@giz.de
- Ms Lisa Onwordi, former NBII Junior Advisor for Outreach): onwordi.lisa@gmail.com
- Mr Heinz Redlin, GIZ: heinz.redlin@giz.de

In what documents can one find relevant information?

- NBII website: http://nbii.polytechnic.edu.na/
• YouTube-Video with Dr. Christian Toelg: https://www.youtube.com/watch?v=uvv2-PX94r4
• 2013 – CSR for Entrepreneurs – A handbook for innovative start-ups, committed SMEs and driven intrapreneurs: http://issuu.com/nbicnamibia/docs/csr_for_entrepreneurs

• Further documents that have been published by NBII: https://issuu.com/nbicnamibia

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