

Drivers of Innovation in the Agro-Food Micro, Small and Medium Enterprises of Uganda

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Abstract

Purpose

With focus on Uganda, this study assessed the factors influencing agro-food micro, small and medium enterprises (MSME) innovations. Kampala, Wakiso, Mukono and Jinja districts were the locations of the research.

Design/methodology/approach

Primary cross-sectional data was collected using structured questionnaire for a sample of 521 agro-food MSMEs in Uganda. Descriptive statistics, exploratory factor analysis and hierarchical regression analysis were used to examine the data in SPSS.

Findings

The findings indicate that MSME innovation levels were usually high, at roughly 80%. The presence of rules that encourage innovation and reward creative people would enhance innovation that is customer-focused. On the other hand, policies and principles that encourage innovation and the conduct of internal product and process improvement research would promote system-focused innovation.

Research limitations/implications

Encouraging agro-food MSMEs to develop policies that support innovation would improve the overall level of innovation, while building the capacity of agro-food MSMEs to conduct product and process improvement research would increase the level of systems-focused research.

Originality/value

This study assessed the drivers of innovation in agri-food MSMEs in a developing country. The uniqueness of this study is in assessing the effects of innovation support services on customer-focused and systems-focused innovations.

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