# CONSTRAINTS ON WOMEN BUSINESS GROWTH IN DAR ES SALAAM:

## EVIDENCE FROM KARIAKOO

# CONSTRAINTS ON WOMEN BUSINESS GROWTH IN DAR ES SALAAM:

# EVIDENCE FROM KARIAKOO

**By**

**Esther R. Chuma**

**A Dissertation Submitted to Mzumbe University in Partial Fulfillment of the Requirements for the Award of the Degree of Master of Science in Entrepreneurship of Mzumbe University**

**2014**

## CERTIFICATION

We the undersigned certify that we have read and hereby recommend for acceptance by Mzumbe University a Dissertation entitled: **Constraints On Women Business Growth in Dar-Es-Salaam: Evidence from Kariakoo** in partial fulfillment of the requirements for the award of the Degree of Master of Science in Entrepreneurship of Mzumbe University.

Signature

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Major Supervisor

Signature

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Internal Examiner

Signature

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External Examiner

Accepted for the School Board

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DEAN/DIRECTOR, FACULTY/ DIRECTORATE/SCHOOL/BOARD

## DECLARATION

I, **ESTHER R. CHUMA** here down undersigned declare that, this dissertation on "Constraints on Women Business Growth in Dar-Es-Salaam: Evidence From Kariakoo" submitted to Mzumbe University for the award of degree of Master of Science in Entrepreneurship of Mzumbe University has not been submitted for any degree at this or other university or college and that it is my own original work and all the sources that I have used or quoted have been indicated and acknowledged by means of complete referencing.

Signature:_________________________

Date: ____________________________

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## ACKNOWLEDGEMENT

Research is a creative and scholarly endeavour… (Gay and Airasian, 2000: ii)

Firstly, I would like to thank the almighty God who has been giving me the necessary strength, perseverance, and grace without whom I would have never had the ability to complete this creative and scholarly endeavour.

Secondly, acknowledgement is due to the following people for their contributions, efforts, guidance, inspiration, direction, and encouragement during the study:-

- My major research supervisor Mr Nicholaus Tutuba for his significant comments, guidance, wisdom, and support. He was not only professionally helpful but also extremely generous in giving his time and energies in supporting my work.

- Entrepreneurs at Kariakoo, for showing superior collaboration and support in my study as responded to the questionnaires.

- My colleagues of Mzumbe University of academic year 2012/2013 for their support during the study, truly their support and expertise were so invaluable.

- Workers of Mzumbe University library, they really helped me in doing this study to the great extent because most of materials for the literature review I got from their libraries.

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## DEDICATION

This study is dedicated to my family especially my husband Gilbert Isambe Gachu, my daughter Gensilla gilbert Isambe,and may son Ndiginimana Isambe Gachu, really their support and love will always treasure.

## LIST OF ABBREVIATIONS AND ACRONYMS

| | | |
|---|---|---|
| APP | - | African Action Plan |
| ILO | - | International Labour Organizations |
| MSEs | - | Micro and Small Enterprises |
| MU | - | Mzumbe University |
| NGOs | - | Non Government Organization |
| NMB | - | National Micro Finance Officer |
| ROI | - | Return on Investment |
| SEDTI | - | Social and Economic Development Initiation of Tanzania |
| SIDA | - | Sweden International Development Authority |
| SIDO | - | Small Industrial Development Organization |
| TVES | - | Technical and Vocational Education and Traning |
| UDEC | - | University of Dar es salaam Entrepreneurs Centre |
| VICOBA | - | Village Community Bank |
| WED | - | Women Entrepreneurship Development |

## ABSTRACT

Women entrepreneurs are already making important contributions to the industries development of their countries. Despite their contribution, women face a variety of constraints. The latter include poor access to market information, technology and finance, poor linkages with support services, and an unfavorable policy and regulatory environment. Due to that fact therefore the researcher investigated problem facing women entrepreneurs at Kariakoo in Dar – es – Salaam. Specifically, the researcher identified type of business of women entrepreneurs at kariakoo, identified the constraints facing them, and determined the ways of eliminating the challenges.

In conducting this study, the researcher used case study design and the study involved 100 women entrepreneurs from Kariakoo . She collected and used primary data which were collected through questionnaires and interviews. Since the study was qualitative in nature, therefore, data were analyzed by using qualitative data analysis techniques.

The study revealed that, women entrepreneurs at Kariakoo were had different types of business ventures which included 45 (45%) of the respondents were sole proprietors, 15 (15%) were in partnership, and 15 (15%) were owned companies, and 25 (25%) were in cooperatives. Further analysis showed that women entrepreneurs were faced lack of information 20 (20%), low level of education 15 (15%), impact of the legal and policy framework 10 (10%), lack of finance support, 30 (30%) and family responsibilities 25 (25%) were the challenges facing them.

It was recommended that the provision of education to entrepreneurs, financial empowerment, creation of good business environment, and participation of men in helping their wives are likely to eliminate or reduce the challenges facing women entrepreneurs at Kariakoo and the rest of the country.

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# CHAPTER ONE

# INTRODUCTION

## 1.0 Introduction

This chapter presents the background of the study, statement of the research problems, the main research objective, specific research objectives, research questions, scope of the study, significance of the study, and organization of the dissertation.

## 1.1 Background of the Research Problem

Entrepreneurship is the practice of starting new organization or revitalizing mature organization particularly new business generally in response to identified opportunities. It is often a difficult undertaking, as a vast majority of new business fail. Entrepreneurial activities are substantially different depending on the type of organization that is being started. Entrepreneurship ranges in scale from sole project to major undertaking creativity opportunities. Many profile' entrepreneurial venture seek capital in order to build the business.  Also entrepreneurship is the creation and management of new business, and family business.  Entrepreneur is an individual, who rather than working as an employees ,runs a small business and assumes all the risk and reward of a given business venture, idea or good or service offered for sale .The entrepreneur is commonly seen as a business leader and innovator of new ideas and business process [www.investopedia.com /term/e/ eentrepreneur.asp].

Entrepreneurship in Tanzania is increasing exponentially as the country transition from Agriculture based economy to a knowledge based economy. Most of the growth is being spearheaded by young women selling agricultural and home based goods such as catering and arts and craft. For the foreign investor there are many opportunities available as the country modernizes and privatizes governmental units. Unlike other countries in the region, the government is focusing mainly on industrial development instead of tourism.

The country also is seeking assistance from foreign investors and NGO's to develop the local workforce. The country is encouraging entrepreneurism amongst its people so Tanzanians can become self sufficient and not depend on foreign aid for survival.

Since 1967-mid 1980's socialism economy command economy so as to minimize exploitation, this resulted in several micro economic crisis and the economy because worse due to crisis and war with Uganda. This resulted in underproduction and hence unemployment .Since 1986 to date free economy capitalism entreprenership. The work of government to produce conducive environment for people to produce.

Many definition of entrepreneurship can be found in the literature describing business processes. The earliest definition of entrepreneurship, dating back to eighteenth century, used it as an economic term describing the process of bearing the risk of buying at certain prices and selling at uncertain prices (Hisrich, 2006), other, Later commenters broadened the definition led other to question whether there was any unique entrepreneurial function or whether it was simply a form of management any unique entrepreneurial function of whether it was simply a form of management early this century, the concept of innovation was added to the definition of entrepreneurship. This innovation could be process innovation, market innovation, product innovation, and even organization innovation. Later definition described entrepreneurship as involving the creation of new entrepreneur is the founder .

Risk bearing is important element of entrepreneurial behavior many entrepreneurs have succeeded by avoiding risk where possible and seeking others to bear the risk. As one extremely successful entrepreneur has said, my idea of risk and reward is for me to get the reward and others to take the risk. Creativity is often not a prerequisite for entrepreneurship either many successful entrepreneurs have been good at copying others and they qualify as innovators and creators only by stretching the definition beyond elastic limits. Similarly many questions about what the psychological and social traits of entrepreneurs are.

The same trait shared by two individuals can often lead to vast different results, successful and unsuccessful entrepreneurs can share the characteristic commonly identified. As well, the studies of the life paths of entrepreneurs often show decreasing 'entrepreneurship' following success, which tends to disprove the centrality of personality traits as a sufficient basis for entrepreneurship. So, we are left with a range of factors and behavior which identify entrepreneurship in some individual.

## 1.2 Statement of the Research Problem

In many cases women entrepreneurs are already making important contributions to the industrial development of their countries. Whether they are involved in small or medium scale production activities or in the informal or formal sectors, their contribution to output and value added in the manufacturing sector is substantial, Even though it remains partly invisible in official statistics. Women's entrepreneurial activities are not only a means for economic survival but also have positive social repercussion for the women themselves and their social environment. Even women at Kariakoo have a significant contribution to the economy of the country and at the household level.

Inspite of all that contribution women face a variety of constraints, Therefore, this paper or study aims at investigating problems facing women entrepreneurs in Dar es salaam

## 1.3 Research Objectives

The study was carried out in order to attain the following general and specific objectives:-

### 1.3.1 General Research Objective

The general objective of this study was to investigate problem facing women entrepreneurs at Kariakoo in Dar – es – Salaam.

### 1.3.2 Specific Research Objectives

i. To identify type of business activities that are mostly run by women in Dar-es-Salaam particularly at Kariakoo.
ii. To identify constraints that business women at Kariakoo face.
iii. To determine ways to overcome these challenges facing business women in Dar – es – Salaam particularly at kariakoo.

## 1.4 Research Questions

The study was guided by the following research questions:-

i. What are the challenges that faced by business women in Dar es salaam particularly at kariakoo
ii. What kind of business activities that are mostly run by women in Dares salaam particularly at kariakoo
iii. Are there ways to overcome these challenges facing business women at Kariakoo

## 1.5 Significance of the Study

This study has practical and academic significance. The practical usefulness in that the findings can be used to improve women entrepreneurship in Tanzania. The findings from the study show the real situation in Dar – es - Salaam which will provide basis for information to assist policy makers and planners and practitioners in relevant ministries/NGOs and other bodies to design the interventions relevant to the real needs of small-scale entrepreneurs in Dar – es - Salaam and other areas of Tanzania especially women. The study also makes scholarly contribution by adding literature for subsequent studies of similar nature.

### 1.6 limitation of the study

It was not easy to cover all the area due to time and financial constraints

Also some of respondents were very busy with their business and fail to return the questionnaires on time.

### 1.7 Organization of the Dissertation

This study is organized in five chapters ,. Chapter one comprises the introduction, background of the study, statement of the problem, objectives of the study, research questions, scope of the study, significance of the study, and organization of the study. Chapter two is presents conceptual definition of terms that were used in this study, discussion of theoretical and empirical aspects, research gap, and conceptual framework. Chapter three elaborates the research design(s), study area, study population, units of analysis, sample size and sampling techniques, types and sources of data, data collection methods, validity issues, and data analysis methods. Chapter four present research findings, and discussion basing on each research objective. Finally, chapter five gives the summary of the discussed findings, conclusions, recommendations, and areas for future and further studies.

# CHAPTER TWO

# LITERATURE REVIEW

## 2.0 Introduction

This chapter consists of relevant information from publication, books, texts, journals and related materials to this study. Various theories and concepts which help the researcher to make discussions and comparisons related to the problem under the study. The theoretical and conceptual frameworks to show the constraints facing women entrepreneurs

## 2.1 The Concept of Entrepreneurs and Entrepreneurship

These concepts have been defined and discussed by various scholars. According to Nkya, (2007), an entrepreneur is a person who identifies a market opportunity and transform it into profitable economic value.

Entrepreneurship is the quality of the person which include both attitude(disposition to take responsibility for risk and outcomes) and behavior (set of action necessary to implement the venture) Entrepreneurship requires both an entrepreneurial event conceptualization and implementation of a new venture]and entrepreneurial agent(individual or group that assumes personal responsibility for bridging the event of fruition)Behavioral ingredients of entrepreneurship include innovation, risk taking and pro-activeness which determine the degree of high or low of entrepreneurship(Morris andLewis,1995in Nkya 2007.)

## 2.2 Women Entrepreneurship

In the process of entrepreneurship, women face specific problem because of their dual roles as wage earners and home makers. Women entrepreneurs feel frustrated at because they need to spare their time and energy,for both their businesses and domestic affairs.

Women in Tanzania constitute a large proportion and hence it is imperative to find out the entrepreneurial constraints faced by them. Currently, women enterprises play an important role in the economies. Well educated and supported women entrepreneurs have the potential to significantly impact trade competitiveness, job creation and economic growth, but a supportive environment toward women entrepreneurs needs to be fostered. We must value the contribution that women entrepreneurs have already made, and recognize their potential to contribute further to development of the country economy.

Economic, social and personal motivations that lead women to became varied, establishing best practice guideline for enhancing women entrepreneur and startup companies that take factors into consideration is a top priority [www.takingtglobal.org]

According to UNIDO (2002), WOMEN'S productive activities, particularly industry, empower them economically and enable them to contribute more to overall development. In many cases women entrepreneurs are already making important contributions to the industrial development of their countries. Whether they are involved in small or medium-scale production activities or in the informal sector, their contribution to output and value added in the manufacturing sector is substantial, even though it remains partly invisible in official statistics. Women's entrepreneurial activities are not only a means for economic survival but also have positive social repercussions for the women themselves and their social environment

.According to UNIDO (2002) Further shows that in many societies women do not enjoy the same opportunities as men. Progress has been achieved in opening doors to education and health protection, but political and economic opportunities for women have remained limited, particularly in making better economic choices and in transforming their business into competitive enterprises, generating income and employment through improved production.

Tanzania women have a long tradition in food- processing either in her households or in micro and small-scale enterprises. The UNIDO programme targets at women, who although are food ‘producers they lack both essential technological and managerial skills to expand and improve their business in the free market environment. There are a variety of constraints on women and the ability of women to upgrade their production continuously. These include poor access to market information, technology and finance, poor linkages with support services, and an unfavorable policy and regulatory environment. These constraints are exacerbated by the need to compete an aggressive business environment with rapid technological changes and the globalization of production, trade and financial flows. Although many of the constraints are shared by micro, small and medium – sized enterprises run by both male and female entrepreneurs, women entrepreneurs face additional obstacles. This is due to deeply rooted discriminatory social- cultural values and traditions, embedded particularly in the policy and legal environment and in institutional support mechanisms. In many instances, women are unable to benefit from available services and must struggle to overcome discrimination in business. In many instances particularly in the African context women entrepreneurship portrays among others, the imitation of other and the advice given friends is the main reasons for taking up a new business idea. Only in rare cases is market studies conducted. When the business faces problems entrepreneurs wait for the problems to be solved by others, mainly by the government. UNIDO(2002)

### 2.3 Business Growth

Refers to a business that generates significant positive cash flow or earnings, which increase at significantly faster rates than the overall economy. A growth company tends to have very profitable reinvestment opportunities for its own retained earnings. Business that grows are often seen in the technology industries. [w.w.w.ask.com/question/ what’s the definition of business growth].

Often increase in, total sales volume per annum, production capacity, employment, production volume, use of raw material and power are confused for business growth. These factors indicate growth but do not provide a specific meaning of growth, simply stated, business growth means an increase in size or scale of operations of firm usually accompanied by increase in its resources output.

## 2.4 Indicators of Business Growth

Increase in number of employees, business growth often involves handling more customers and opening branches, as a result more employees are needed to manage the business. Increase in sales, sales revenue or volume of goods sold at constant price indicate business growth, also number of customers increase for business product or services often triggers increase in production. Market expansion, new market or widening the existing market may also be necessary when production goes up. This leads to increase in the number of customers and eventually sales. Increase in profitability, profit is the excess of sales revenue over its cost. Increase in profit due to sales means increase in customer/consumption. Production capacity and volume, this is the increase in units of goods produced. More product or services became available in response to increased demand.

## 2.5 Characteristics of Entrepreneurship

The entrepreneur has an enthusiastic vision, the driving forces of an enterprise. The enterprise. The entrepreneur’s vision usually supported by an interlocked collection of specific ideas not available to the market place. The overall blueprint to realize the vision is clear; however details may be incomplete, flexible and evolving. The entrepreneur promotes the vision with enthusiastic passion. With persistence and determination, the entrepreneur develops strategies to change the vision into reality. The entrepreneur takes the initial responsibility to cause a vision to become a success.

Risks Entrepreneur takes prudent risks. They assess costs, market customer needs and persuade others to join and help. An entrepreneur is usually a positive thinker and a decision maker.

**2.6 Level of Education**

Women entrepreneurs are often prevented from running competitive business by their relatively low education and skills level which generally limit their access to various support services. If they are given the right support, they can be part of the collective process of enterprise development and improve their success rates. At the same time, the multiple roles of women in the fancily put a brake on their risk taking. In many Africans countries women spend most of their income on the household, particularly in food and education for their children. Therefore, many of them are afraid to invest their limited funds into a business for fear of failure. The economic importance of women in Africa was reinforced by the Africa commission Report (2007), which noted the “all the evidence agrees the (women) make a greater contribution to economic life than their men folk” the world Banks Africa action Plan (AAP), 2007. Developed in response to the G8 summit in 2005, also reiterates the central contribution of women to Africa economies.

The AAP progress report (2007), presented to the Bank’s Board of Directors in included women economic empowerment as one of eight flagship areas for increased focus. Gender inequality plays a significant role in accounting for Africa poor growth and poverty reduction performance. Recent review of available indicates that gender inequality in education many limit growth, that inequality in access to land and productive inputs reduce agricultural productivity, investment and modernization and the inequalities in time burdens, long side high demographic growth rates, all contribute to reducing women’s ability to participate effectively in, and to benefit from economic growth.

In Tanzania women have low levels of education compared to men Hannach ( 1995). A universal primary education policy has led to the equalization of education opportunities for boys and girls at primary level. However, many girls still fail to complete primary education and drop-out rates are higher particularly in rural areas. In semi-urban and rural households the number of girls not attending school is higher that of boys (Mpango and Mushi, 2000) further although women's environment in higher leaning institutions has increased, the ration between women and men remains unbalance. Opportunities for higher education for women in Tanzania are limited compared to those of men. Gills performance in both ordinary and advanced level secondary education is poorer than that of boys. According to Malekela (2000) the average rate of girls at 'O' level in 1999 Q2 was 86 percent compared to 69 percent for boys. Given their high failure rate, very few girls' quality 'for higher level education in colleges and universities. Moreover, discrimination, in terms of specialization forces women into home economic oriented course. The subject taught in girls schools have been geared to prepare them for their reproductive roles, e2.4 impact of the legal and policy Framework.

## 2.7 Impact of the Legal and Policy Framework

Until recently, women entrepreneurs faced strong barriers to enterprise development in the prevailing laws and regulations. Obtaining licenses, registering the business in their own name, and applying for loans were nightmares they had to live with.

It is therefore argued that an appreciation of gender issue is important when considering strategies to improve Africa's competitiveness in the world and ways to promote private-sector development. There are three main reasons why gender matters should effectively be considered.

First, women are major players in the private sector, particularly in agriculture and in informal business. It is estimated that women-owned business accounts for over one-third of all firms, and they are the majority of business in the informal sector, particularly in African countries.

Second, the ability of women to formalize and grow their business, to create jobs, and to enhance productivity is hampered where legal and institutional of barriers exist, which affect men's and women's enterprises differently.

Third, there is evidence, especially of the micro level, to indicate that gender disparities not only disadvantage women but also reduce the growth potential of the region as a whole. It is the fact that the existence of gender related barrier can thwart the economic potential of women as entrepreneurs and workers, and such barriers have an adverse impact on enterprise development, productivity, and competitiveness in Africa. Consequently, addressing gender specific barriers to entrepreneurship and leveling the full participation of both men and women in the development of African' private sector together represent significant opportunity to unleash Africa's productive potential and to strengthen economic growth. Legal and regulatory environment is a core element in the investment climate, and is also critical for competitiveness. In particular, property right, labor laws, person security, the performance of the judiciary, and the time and cost required to register, license and operate a business all affect competitiveness and the dynamism of the private sector.ILO(2002)

This core element affects men and women differently, particularly because in many African societies laws and customs impede women to a greater extent than men in obtaining credit, productive inputs, education, training, spatial mobility and information.

Needed to start and operate business. Although in some cases there may be gender-specific legal and administrative barriers, for the most part, the regulatory environment will be "gender-neutral" in principle, but with possibly gender-differentiated outcomes in practice. For example, women may be less able than men to afford long and expansive registration producers, for these reasons, women may be more disadvantage than men in starting-up and managing enterprises.

Further, ILO (2001) argues that most of the laws and regulation affecting business (including licensing procedures) were designed for relatively large enterprises and are therefore beyond the reach of most small business, particularly the micro-enterprises, which are predominantly owned by women, similarly, corruption and bureaucracy make matters worse especially for women, who do not have the same opportunities as men to meet and negotiate (bribe) with predominantly male public officials. The UDEC (2002) report expressed amazement that any women in the informal economy managed to achieve the transition to a formal enterprise in such a difficult environment.

It is now increasingly recognized that the small and Medium Enterprises (SMEs) play a crucial role in employment creation and income generation in Tanzania . SMEs all over the world and in Tanzania in particular, can be easily established since their requirements in terms of capital, technology management and even utilities are not as demanding as it is the case for larger enterprises. These enterprises can also be established in ‘rural settings and thus and value to the agro products and at the same time facilitate the disposal of enterprises. Indeed SMEs development is closely associated with more equitable distribution of income and important as regard poverty alleviation. At the same time, SME s serves as for emerging entrepreneurs. UNIDO(19980)

In Tanzania, the full potential of the SMEs sector has yet to ‘be tapped due to the existence of a number of constraints hampering the development of the sector. They include: unfavorable legal and regulatory framework, undeveloped infrastructure, poor business development services, and limited access of SMEs to finance, in effective and poorly coordinated institutional support framework .

It is for this reason that this SMEs Developed policy was formulated so as to address the constraints and to tap the full potential of the sector, ad hoc and piecemeal measures will then be replaced with sustainable, integrated and coordinated interventions. This policy will serve as quid lines to all stakeholders and thus stimulate new enterprises to be established and existing ones to grow and become more competitive.

### 2.8 Impact of Socio-Cultural Issues

Although equality of all citizens, men and women, is guaranteed by constitutions of most countries, in reality, women are often considered inferior to men. Further, traditionally, the duties of men and women differ. Women are stereotypically seen and expected to do household chores, and therefore other activities, particularly their independent economic activities, face much resistance, especially when done far from their home places.

Entrepreneurial behavior is a product of environmental factors including cultural and traditional values and prejudices (EI-Namaki et al, 1988,; El-Namaki, 1990; Rutashobya, 1995). In most, women have been socialized to be subordinates to men, in many traditions, women are raised to see their ultimate role in life as that of wife and mother. They are socialized to be non-argumentative, passive and easy to accept defeat (rutashobya, 19995). This may have significantly affected their self-confidence, achievement-motivation and even ‘their willingness to take risks; qualities that are closely linked to success in business

### 2.9 Impact of Support Services

The use of entrepreneurial talent for productive purposes depends very much on the institutional support to which entrepreneurs can gain access. The institutional framework defines a number of costs and incentives in entrepreneurial activity, particularly production costs.

Heavy bureaucratic requirements, complex and costly business plans, costly information, high collateral requirements for credit and defunct access to technology are some apparent obstacles, which influence the decision to create a enterprise, production costs and the allocation of resources to unproductive activities rather than to the business itself.

## 2.10 Finance

Women often lack the ability to develop viable business plans acceptable by financial institutions. Many businesswomen are too shy to approach a loan officer, possibly because they usually cannot provide any collateral for credit. In most cases, women entrepreneurs need only a small credit amount, the administration of which the banks consider too costly. And most women lack the information and contacts necessary to obtain credit. Recent reforms in the commercial and fiscal regimes in Coste d'lvoire, for example, have proven to be rather onerous for small enterprises, even though they may have some positive impact on large businesses. The incentives introduced in the early 1990s to support the private sector are not necessarily adapted to the needs of the SMEs. Women entrepreneurs, particularly as they usually have inadequate levels of start-up capital, are the ones that suffer most under the new regimes. Consequently, in the past few years, the government has put in place some new support institutions and mechanisms focusing on the development of women entrepreneurship (August, 2003). At the same time, the limited experience and knowledge of women entrepreneurs in the preparation of business plans do not allow them to obtain the necessary finance to start a business. Therefore, most women entrepreneurs, whether in the informal or formal sector, use the mechanism of borrowing from their family members as a source of finance.

Similarly, in Mali, many current or aspiring women entrepreneurs reiterate that the lack of financial means is a major problem for SMEs in the start-up phase. There are not many credit lines at the banks targeting small entrepreneurs.

Exceptional cases are those related to same donor's activity. Dosme impediments specific to women entrepreneurs, which may be generalized to other countries as well, include: lack of property rights over assets, lack of confidence in women by bank officer, discouragements from men when starting or formalizing business social restriction regarding networking with men in business; and suppliers sometimes they deal with the entrepreneur's husband when decision are being made (ILO, 2003).

The UDEC (2002) report divided women entrepreneurs into the groups, depending on the structure and size of enterprises, and noted that each of these groups faces a slightly different set of constraints consequently; each segment would require different kinds of assistance and special interventions to address their unique constraints. Small enterprises which require relatively large sums of money have difficulties in obtaining bank loans because they lack the collateral and capacity to underwrite loan proposals. This situation tends to impact harder on women than on men. These are needed to explore and popularize models that have the potential to be used by the small business. If such models do not exist, new ones should be developed.

### 2.11 Professional Training

Despite the recent campaigns in favors of general education, Cote d'lvoire, for example, lacks critical skills in the SMEs sector. Entrepreneurs in the sector often do not have the necessary technical and managerial skills. Almost all the women entrepreneur interviewed admitted that they needed professional assistance to keep their accounts. In some cases, the husbands also interfere to assist in the management of the business, a situation, which weakens the autonomy and decision-making power of women.

While trade plays a traditionally important role, a private industry culture does not yet exist in Ethiopia. Most educated and skilled Ethiopians would rather strive for government employment than venturing into private business. Consequently, the essential entrepreneurial skills and orientation are not well developed.

This is especially true for women entrepreneurs operating small-scale and low-income level enterprises. ME operators in Tanzania have rather low business skills and seem not to appreciate the importance of business education. On the other hand, the quality of training provided the existing business training institutions and costs involved has tended to be unattractive and unaffordable to the potential beneficiaries UDEC (2002)

**2.12 Technology**

Technology for women entrepreneurs is often implicitly equated with simple technologies. These may contribute to rudimentary income-generation activities but not very much to the improvement and growth of manufacturing business of women. This concept leads to a narrow approach on the part of support institutions or donors in the design and development of technologies for women (www.witi.com). Rapid changes in technology should be responded by the SMEs to find alternative ways to sustain by competitive advantage by deploying new process and new growth methods. Technology may play an important role in this respect. In this context, technology has a close with relationship with improvement of production process. Previous study has revealed that lack of equipment and outdated technology are among hindrances of SME development (Swierezek & Ha, 2003). In the study in Us, Gundry, Kickul, welsch, and Posig (2003) disclosed that technological change innovations have significant relationship with market growth. A study in Ireland unearthed that technological posture, automation, and process innovation were significantly linked to satisfaction on return of investment (ROI) (Gibbons & O’Connor, 2003). Technology advancement and transfer are important aspects for SMEs. Developed SMEs have access to technology development partly because they lack the relevant information. The problem is further compounded by the existence of industrial support institutions which are weak and do operate in isolation without focusing on actual requirements of the SME sector.

Further, technologies available are not disseminated to the potential clients in addition SMEs cannot afford the services provided by the relevant institutions. As a result of the above, SMEs continue to hold on poor and obsolete technologies.

On the other hand, when women are given access to training, technology and credit, they can play a full role in economic and social development. Changes in industrial structure and production technology give women great opportunities for poverty alleviation, self-sufficiency through income generation and production business that create local employment .  For women, the issue of technology is not simply about upgrading skills, but acquires ring new and more appropriate technologies. For example, the majority of women who live in rural areas use rudimentary and time-consuming technologies in the informal production activities, which are typically in the agricultural sector. Many existing technologies also contribute to unsafe working environments or environmental degradation, where women are often particularly at risk  UNIDO ( 2007). Introducing new and appropriate technologies can not only simplify work, reduce drudgery and help improve working conditions and the environment, but also create and improve income-generation activities or women. There are three obstacles, however, which hinder equitable use of new technologies by women.

### 2.13 Information

Women entrepreneurs face problems in accessing information on technologies and markets, both national and international . In Morocco, for example, apart from bulletins of a general nature distributed by women's associations, there is no systematic distribution of information regarding technologies, markets, partnership opportunities, and so forth, which would target women entrepreneurs.

UNIDO ( 2002) Observes that is Senegal women generally have little information about the possibilities and facilities at their disposal for training or credit or about any organizations or associations where they could apply for assistance, nor do the support institutions know much about programmers outside their owner institutions, and they are, therefore, not in a position to provide guidance or comprehensive information to women entrepreneurs. In Zimbabwe, most business women do not have access to information on technologies or financing institutions.

In general, urban businesswomen are better placed in term of accessing information than those operating in the rural areas. Observations indicate that in the rural areas, even where top positions are held by women, most development projects or new ideas coming into the areas meant for men. Men are expected to attend meetings and participate in training courses within or outside their localities, gaining easy access to information in the process. Often, women are not easily capable to travel and are left out of these activities and therefore marginalized further.

**2.14 Organization and Networking**

Most countries in Africa lack the necessary and important organizational and networking capability to enhance women entrepreneurship. In cote d'lvoire, for example, there are many women's NGOs which are not functioning well even through their objectives are clearly defined. Most of the NGOs do not have a sect oral emphasis. They usually gather women entrepreneurs from all sectors, which may have different interest and needs. In addition, they have financial problems in attempting the implement their plans. Consequently, government and donor support to these NGOs does not create the expected impact, and they remain weak. It is hoped that with the formation of the federation of women entrepreneurs in 1999, some of the problems will be overcome and efficiency will be increased (Sami,Cooper et.Al(1996).

In Morocco, new structures have been created and adapted to the needs of women. However, not all institutions are sensitized to the role they could play in helping women close the gender gaps. This awareness is more evident in socially oriented institutions that are economically oriented ones.

It would be desire to have the same amount of sensitization in the latter group of organizations, which command more resource and power similarly, the coordination among them. With coordinated efforts and sensitization schemes involving the relevant ministerial structures and the NGOs, this problem could be overcome.

On the other hand, the Senegalese women have an interesting and effective way of organizing themselves, which may be adopted by women in other countries as a good practice. Most women, in both rural and urban areas, belong to some groups or association. Belonging to a women's group is very important as it has a positive impact on enterprise development and on the procurement of support services. The Government promotes and assists such groupings through the structures known as Groupements de promotion feminine. Women's groups have formed a federation at the national level, with approximately 500,000 members. This federation strives for the promotion of women in the economic and social domains. Many support institutions prefer to channel their activities through this economic interest groups, as it greatly facilitates their work. Women entrepreneurs, particularly those engaged in fish processing have benefit considerable from such assistance, as the group structure is spread widely at the national level. Membership in economic interest groups has facilitated access to credit for many entrepreneurs. Some organization donated money to each group of this kind in their area, and those funds are then loaned out to the group members. In some instance, the economic interest groups take the form of clusters of enterprises or services. Currently, there is some degree of competition among the NGOs and the credit institutions supporting the groups

**2.15 Limited Access to Support Service**

Women are not only having problems with accessing service such as credit, technical and management training and advice and marketing due to the limited capacity and outreach of existing institutions but also the ability of most women to afford to pay for the same.

In the case of micro-finance, the problem is mainly limited to obtaining access to substantial loans. Micro loans are now readily available, especially in urban areas, owing to donor support and the now popular group-lending model. There is no common perspective in terms of objectives and targets of the MSE sector shared by the Tanzanian Government and donor support agencies. Almost all resources are concentrated at the lowest end of the MSE scale in an attempt to alleviate and reduce poverty, rather than contribution to the development of sustainable enterprises.

Little is known about the impact of initiatives and best practices in supporting SMES in general and women entrepreneurs in particular. Limited organization and management capacity among women's advocacy organizations make it hard for women to have their voice heard. Many of the laws and regulations affecting business (including licensing procedures) were designed for relatively large activities and are therefore beyond the reach of most SMEs, particularly the micro enterprises, which are predominantly owned by women. Corruption bureaucracy make matters worse especially for women, who do not have the same opportunities as men to meet and negotiate with predominantly male, public officials. Indeed, there is no information as to how the very few women, whose enterprises develop from informal activities at the micro-level to small and medium enterprises, manage to achieve this transition in such a difficult environment.

### 2.16 Tax Policies and Regulation

The tax regime is oriented to the large-scale sector. There are now provisions for tax exemptions but only for large businesses. Large businesses pay income taxes on their profits. However, small businesses have to pay taxes whether they make profit or lose money, since taxes are set on the basis of type of activity and approximate size rather than income. This may limit their capacity to grow due to the exhaustive taxes. There are, for example, 27 different taxes and levies that apply to which enterprises. This procedure unduly cumbersome, especially for small businesses.

The tax assessment and collection system lacks transparency and predictability, creating opportunities for tax offal's to exhort bribes from small business operator.

It is more difficult for women to deal with situation that require them to bribe officials (Finseth, 1998). This alone may seriously affect their interest in setting up or developing enterprises. It would be useful therefore the investigate how women who have managed to develop small formal enterprises from informal micro-enterprises managed to cope develop small formal enterprises from informal micro-enterprises managed to cope with the multiple taxes and high level of corruption

## 2.17 Culture

The enterprise culture in Tanzania is still under-developed. This is partly because for 20 years, the enterprises culture was suppressed in favor of socialism. As result, there are few people with exposure to or experience in private business activities. Those who are in business are almost exclusively first generation. Indeed, studies by, Nchimbi, (2002) and Temu,( 1998) revealed that the majority of Tanzania enterprises were started during the 1990. Most of those who currently populated the small business sector are "Survivalists" rather than true entrepreneurs. They have been forced into business by economic necessity as opposed to the (entrepreneurial spirit). Although this is true for both men women, studies by (Lwihula, 1999, Oyhus, 1999 and Olomi, 2001) show that this is more prevalent among women, who are relatively newcomers in the business arena. Cultural value have however been gradually changing in favor of acceptation a more active role by women in income generation activities. The "forced" involvement of women in business has also given them the opportunity to build experience, confidence and practical skills for generation income and taking care of themselves and their families (Olomi, 2001).

## 2.18 Empirical Study

Mulugeta Chane [2010] did a study in Dessie Town to assess the factors affecting the performance of women entrepreneurs in micro and small enterprises. It also addressed the characteristics of women entrepreneurs in Small and medium enterpreses and their enterprises and supports they acquire from Technical andVocational Education and Traning College/ instituties. The sample size was 203 women entrepreneurs engaged in 5 sectors was taken for the study .Using stratified and simple random sampling. In the process of answering the basic questions, a questionnaire that include demographic profiles, character of women entrepreneurs in SMEs and support SMEs acquire from TVTs was designed in a closed ended and likert scale .Interviews were held with top officials of SMEs, Micro finances and TVET educarors. It analized by using simple standard deviation.

The results of the study indicates the personal characteristic of women entrepreneurs in SMEs and their enterprises affect their performance, also shows that lack of own premises [land], financial access, stiff completion, in adequate access to training, access to technology and access to raw materials were the key economic factors that conflicting gender roles, social acceptability and network without siders were the major social factors that affect these entrepreneurs. Furthermore the main legal /administrative factors include access to policy maker, high amount of tax and interest, bureaucracies and red tapes, and over all legal and regulatory environments. The study also found that even though TVTs provide technology, machines maintenance, technical skills training and facility supports, cooperation in the areas of business related training are poor. Based on the major findings, recommendations were forwarded to existing and potential entrepreneurs, SMEs, Micro finances and TVET educators

Iddi [2006] conducted a study on women entrepreneurship Development and Empowerment in Tanzania. The case of SIDO/UNIDO supported Women Micro Entrepreneurs in the food processing sector .The study used a cross-sectional and casual comparative research design. The sample comprised 78 women micro entrepreneurs.39programme-supported and39 others constitute a control groups. The finding indicates that WED programme supported women and become empowered in almost all indicators. However they lacked control over their assets like their counterpart in the control groups. The finding on women's freedom of movement shows that it is an area where traditional ideology, as structural factors, are resistant to changes normally influenced by women income .The majority of interviewees from both categories were of the view that husband and wives should have equal say in decision making and division of labour between husband and wives should also be equal

Kushoka.I,(2011)Conducted a study in Ilala Municiparty analyzed the challenges facing women micro entrepreneurs in Ilala Municipality Dares salaam. The author interviewed 120 women micro entrepreneurs in Ilala Municipality to answer the research question. The results indicate that major challenges facing women micro entrepreneurs are poor infrastructure, lack of business premise, decline in business and lack of prime space.

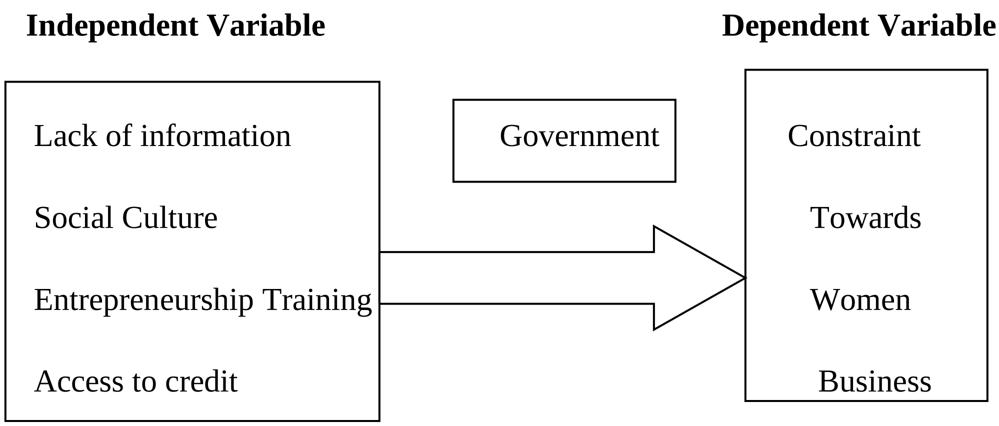
There is some empirical evidence in support of the notion that women have less of these qualities. Nchimbi (2002) found women entrepreneurs to be more internally oriented, suggesting lack of confidence. In addition, women were found to have a lower need for achievement compared to men. However, Nchimbi (2002) found no gender differences in terms of entrepreneur's attitudes towards risk a finding that confounds the widely held view that women entrepreneurs are risk averse.

In a study by Howarth and Finnegan [2004] on women entrepreneurs in Africa reveals that many women entrepreneurs in Africa lack abilities, skills and expertise in certain business matters. Many of the issue mentioned appear to relate to women's relative lack of exposure to the world of business. In a study by Karimu [2001] on Women entrepreneurs in Bangladesh, financial problems were the most common problem faced by their women entrepreneurs. Inadequate financing was ranked first, particularly so in rural areas and among small economic units [fewer than 5 workers] all the more so with those located in the household and unregister sectors, competition obtaining quality raw materials, and balancing time between the enterprise and the family were ranked as major start up problems. Arora [1990]as cited in Maysami et el [1990] found that the work home conflict the tension caused by the dual responsibility of managing a business and maintaining a family to be the main stumbling block for female business owners.

## 2.19 Conceptual Framework

The conceptual framework of this study in Fig 1.1 explains that Women entrepreneurs constants contributed by lack of entrepreneurship skills ,most of Tanzanian are uneducated and lack skills on matters relating to entrepreneurship .Their involvement in entrepreneurship may lead to a lot of risks so they opt not to be involved. Another factor is lack entrepreneurial spirit and skills have spirits and skills in entrepreneurship but due to high cost of training materials, fund for accommodation and traveling leads in adequate training. Also culture and belief in Tanzania , the enterprises culture in Tanzania, most women are not allowed by women to engage in business activities. Apart from that information is another problem, women entrepreneurs face problem in accessing information, there is no systematic distribution of information regarding technology, market, partnership opportunities. Also poor government policy regulation and laws.

**Figure 2.1: Conceptual Framework**




**Source:** Researcher (2014)

# CHAPTER THREE

# RESEARCH METHODOLOGY

## 3.0 Introduction

This chapter presents how the study was designed and conducted, it includes design of the study, area to which the study was conducted, sample size and the sampling procedures used, type of data and methods of data collection and finally the data analysis.

## 3.1 Design of the Study

This study used Case study design.  The importance of using Case study is that it provides more insight and the conclusions which are less tentative in nature. However, the findings obtained from the case study generalized on what is happening in other areas and particularly where women entrepreneurs are predominant.

## 3.2 Area of the Study

The study was conducted at Kariakoo in Dar-es-Salaam region. The area was chosen because there were many women entrepreneurs doing business as compared to other places in the region.

## 3.3 Sampling Procedure

The study used a non probability sampling called purposive sampling. The choice of this sampling technique based on the fact; it is women entrepreneurs who were targeted.

## 3.4 Sample Size

Two hundred (250) respondent was target but from that the reseacher  used a sample size of 100 women entrepreneurs, all are based at Kariakoo in Dar-es-Salaam.

This sample size was chosen and better to be used in this study due to time limit and financial constraint of the researcher.

### 3.5 Types and Sources of Data

Data may be classified as primary data and secondary data; in this study the researcher collected and used both primary and secondary. Primary data are the data which the researcher prepares for a specific study i.e. data collected for the first time. These data were needed because they generate new and original information. The researcher collected these data through questionnaires and interviews. The researcher also used secondary data in this study. Secondary data are data that are already available from the other sources including reports, books, journals, website, literature, survey, and information system. Secondary data will be collected through various records, reports, books, journals, website and other important electronic sources

### 3.6 Data Collection Methods

This study used both secondary and primary to collect data. A researcher prepared a questionnaire for data collection. Questionnaires were administering to ensure non responses are minimized. The following methods were used.

#### 3.6.1 Personal Interview

Personal interviews were conducted between the researcher and Respondents. This method was very useful to gather Additional information and getting insight that could not be obtained through the questionnaires.

#### 3.6.2 Self Administered Questionnaires

The researcher distributed questionnaires to respondent [women entrepreneurs] as a method of accessing information from respondent easily. Questionnaires guided the researcher to make reasonable recommendations and conclusion as well as analyze and evaluate data accurately.

### 3.7 Data Analysis Method

Data obtained from the field were in raw form and were difficult to interpret. Such data were summarized, organized ,edited and coded to ensure the completeness, accuracy, clarity and consistence. Marshall and Rossman (1995;111)Indicates that, data analysis brings order, structure and meaning to the mass of data and it is a time consuming, creative, and fascinating process. The process facilitated proper recording and enabled the researcher to discover the relevance of each data that were collected consistence with the research objectives. Due to the nature of this study, both qualitative and quantitative data analysis techniques were analyzed on item by item basis putting into consideration the importance of each item under the study.

Data from in depth interviews were analyzed by using content analysis approach. Similarly, data from secondary sources of information namely from government, nongovernmental reports, journal, internet, were analyzed by using content analysis method

# CHAPTER FOUR

# RESEARCH FINDINGS, INTERPRETATION, AND DISCUSSION

## 4.0 Introduction

This chapter presents the research results, interpretation, and discussion of the summarized findings. In the descriptive analysis, frequencies, tables, charts, graphs, percentages, and descriptive narrations are used in explaining various aspects in the study so as to answer each research question and to ensure that the research objectives are realized.

## 4.1 Sample Size and Number of Responses

The totals of one hundred (100) questionnaires were distributed to the women entrepreneurs at Kariakoo. Both one hundred questionnaires were returned and all of them seemed to fit to be used for the purpose of this study. No any questionnaire was having redundant information or with the gaps . From the analysis, the following are the findings about the sample size and number of responses as summarized in the Table 4.1:-

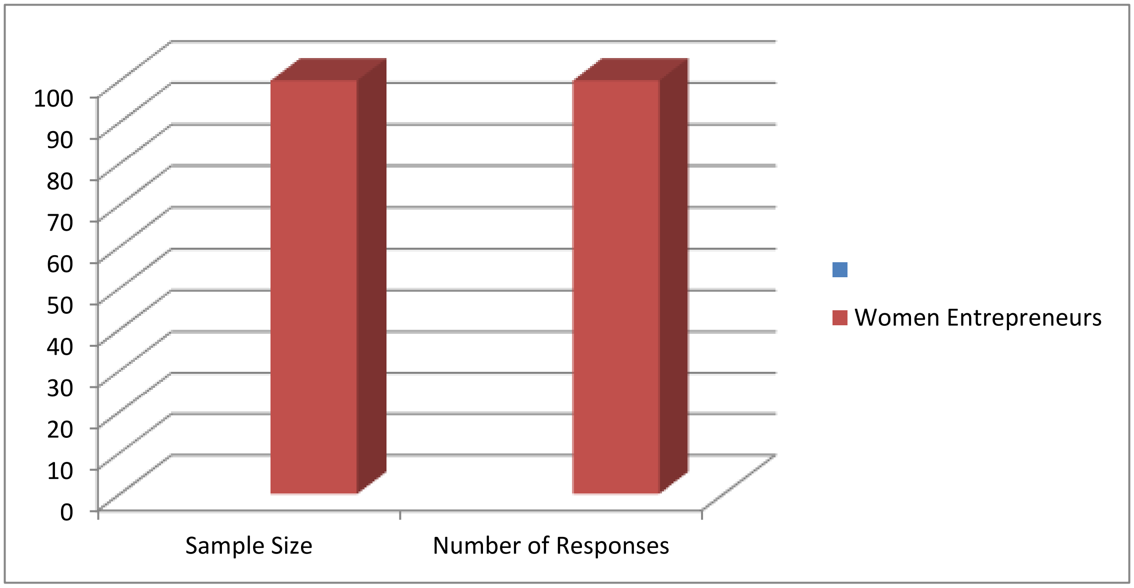
**Table 4.1: Sample Size and Number of Responses**

| **Respondents** | **Sample Size** | **Number of Responses** |
|---|---|---|
| Women Entrepreneurs | 100 | 100 |
| **Total** | **100** | **100** |

**Source:** Field Data (2014)

As can be observed from the Figure 4.1, one hundred (100) questionnaires were distributed to the women entrepreneurs at Kariakoo and both of them were received. This was attributed to a good administration of the questionnaires by the researcher with the aid of some of the women entrepreneurs.

**Figure 4.1: Sample Size and Number of Responses**




**Source:** Field Data (2014)

### 4.2 Demographic Characteristics of the Respondents

In this section personal information such as age, marital status, education level, and sources of capital of women entrepreneurs that describe the respondents formed the basis for the detailed analysis of the characteristics of the population (women entrepreneurs) who were involved in this study.

#### 4.2.1 Age

Various age groups of women entrepreneurs were requested to respond to the distributed questionnaires. The groups were categorized into the age groups for the entrepreneurs who were involved in this study. The researcher reported that, 15 (15%) of the respondents were between the age of 18 to 25 years, 20 (20%) were at the age of 26 to 35 years, 35 (35%) were at the age of 36 to 45 years, 20 (20%) were at the age of 46 to 55 years, and 10 (10%) were at 55 and above years as indicated in the Table

4.2.The researcher found that most women were under the age of 36 to45 this is due to the fact that it is the productive age.

**Table 4.2: Age of Women Entrepreneurs**

| Age of respondents | Frequency | Percent |
|---|---|---|
| 18-25 years | 15 | 15.0 |
| 26-35 years | 20 | 20.0 |
| 36-45 Years | 35 | 35.0 |
| 46-55 | 20 | 20.0 |
| 55 and above | 10 | 10.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

### 4.2.2 Marital Status of Women Entrepreneurs

This study involved women entrepreneurs from different marital status i.e. single, married, widows, and divorces. Findings revealed that 40 (40%) of the respondents were single, 30 (30%) of the respondents were married, 20 (20%) were widow, and 10 (10%) of the respondents participated in this study were divorced. More of the respondents were single (Table 4.3).More respondents were single this suggest that this women were free to participate on business compared women who are married not allowed by their husband to participate on business and traveld far to find materials.

**Table 4.3: Marital Status of Women Entrepreneurs**

| Status | Frequency | Percent |
|---|---|---|
| Single | 40 | 40.0 |
| Married | 30 | 30.0 |
| Widow | 20 | 20.0 |
| Divorced | 10 | 10.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

### 4.3.3 Education Level of Women Entrepreneurs

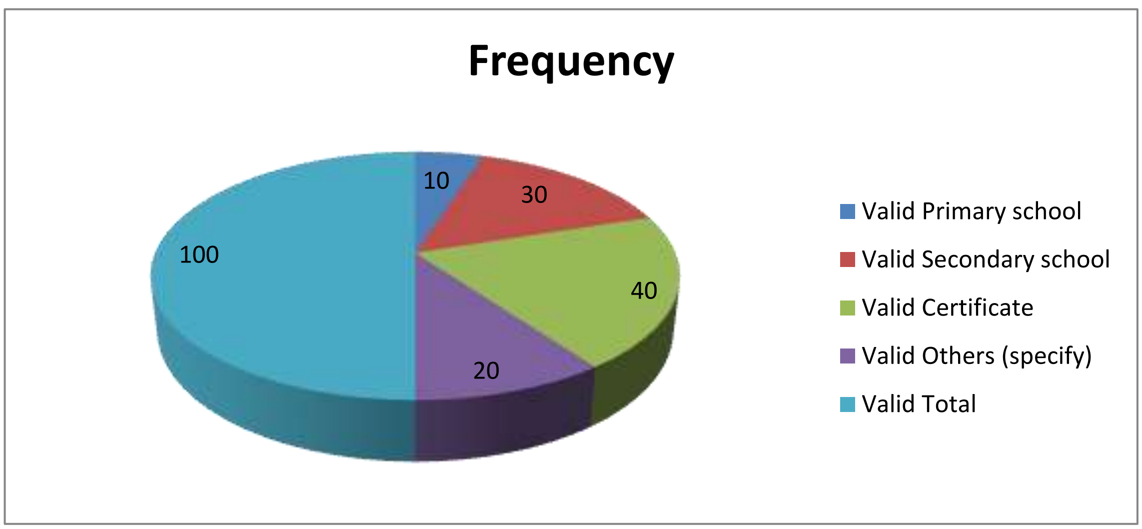
The researcher reported that, 10 (10%) of the respondents completed primary education, 30 (30%) of the respondents completed secondary education, 40 (40%) of the respondents did certificate in different disciplines, and 20 (20%) of the respondents were having higher education level as indicated in the Table 4.4. It was further reported that, for those who did certificate, studied technical skills on business administration and production of products, record keeping

**Table 4.4: Education Level of Women Entrepreneurs**

| Education level of respondents | Frequency | Percent |
|---|---|---|
| Primary school | 10 | 10.0 |
| Secondary school | 30 | 30.0 |
| Certificate | 40 | 40.0 |
| Others (specify) | 20 | 20.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

**Figure 4.2: Education Level of Women Entrepreneurs**




**Source:** Field Data (2014)

### 4.3.4 Sources of Capital

The report reveals that, women entrepreneurs at Kariakoo were having different sources of capital in running their businesses. It was reported that 40 (40%) of the women entrepreneurs were got capital from the relatives, 20 (20%) of the respondents their main sources of capital was from banks including Cooperative and Rural Development Bank (CRDB), National Microfinance Bank (NMB), and National Bank of Commerce (NBC).

The researcher also reported that 40 (40%) of the respondents got their capital from other financial institutions including SACCOS and VICOBA (Table 4.5).Most of women were got capital from SACCOS and relatives these due to the fact that limited experience and knowledge of women entrepreneurs in the preparation of business plan that allows them to get the loan.

**Table 4.5: Sources of Capital of Women Entrepreneurs**

| Sources of capital | Frequency | Percent |
|---|---|---|
| From relatives | 40 | 40.0 |
| Banks | 20 | 20.0 |
| Other financial Institutions | 40 | 40.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

## 4.4 Type of Businesses Run by Women Entrepreneurs at Kariakoo

The first objective of this study was to identify the types of businesses run by women entrepreneurs at Kariakoo. Findings indicated that there were different types of businesses operated by women entrepreneurs at Kariakoo; these included sole proprietorship, partnership, companies, and cooperatives (Table 4.6). From the respondents it was reported that 45 (45%) of the respondents were sole proprietors, 15 (15%) were in partnership, and 15 (15%) were owning companies, and 25 (25%) were in cooperatives (Table 4.6).

Majority of women entrepreneurs were sole proprietors as indicated in the findings, this was due to the nature of businesses they were doing i.e. they were doing in small scales which needed less capital; also easy for them to manage the business due to small capital compared to other forms

**Table 4.6: Types of Businesses of Women Entrepreneurs**

| Types of business | Frequency | Percent |
|---|---|---|
| Sole proprietors | 45 | 45.0 |
| Partnership | 15 | 15.0 |
| Companies | 15 | 15.0 |
| Cooperative | 25 | 25.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

The researcher reported that among the interviewed women entrepreneurs 20 (20%) of the entrepreneurs were in business for less than 3 years, 46 (46%) were in business between 4 to 6 years, 15 (15%) were in business between 7 to 10 years, and 19 (19%) of the entrepreneurs were in business for more than 10 years (Table 4.7). The researcher also reported that most of these women entrepreneurs businesses at Kariakoo were registered 68 (68%) and 32 (32%) of the respondents their businesses were not registered (Figure 4.3). Those entrepreneurs who were not registered were operating in selling agricultural products and small businesses . The researcher further reported that 73.5% of the respondents who registered their businesses, their businesses were registered for 2 to 5 years and the rest of the respondents did not respond to that which counted to 26.5% of the respondents (Table 4.8).

**Table 4.7: for how long have you been in the Business**

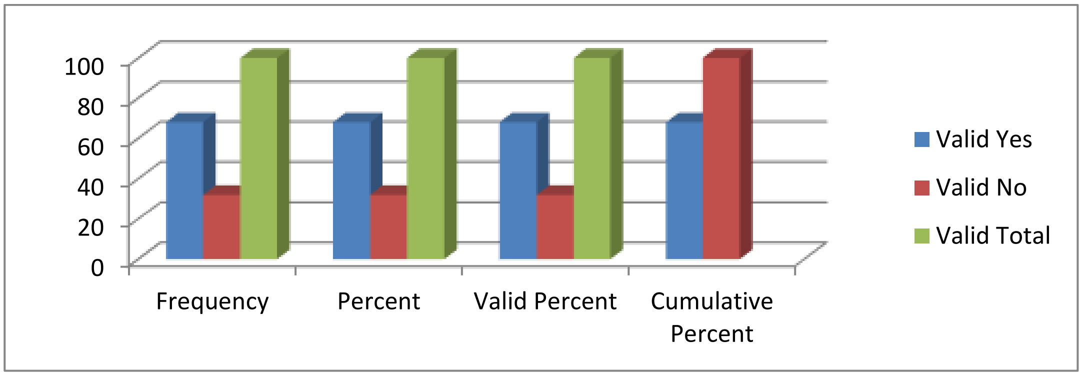
| Time for | Frequency | Percent |
|---|---|---|
| Less than 3 years | 20 | 20.0 |
| 4-6 years | 46 | 46.0 |
| 7-10 years | 15 | 15.0 |
| More than 10 years | 19 | 19.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

|  | Frequency | Percent |
|---|---|---|
| Yes | 68 | 68.0 |
| No | 32 | 32.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

**Figure 4.3: Registration of Businesses**




**Source:** Field Data (2014)

### 4.5 Constraints Facing Business Women at Kariakoo

Among other objectives, the researcher also assessed the challenges facing women entrepreneurs at Kariakoo. Findings indicated that lack of information, low level of education, impact of the legal and policy framework, lack of finance support, and family responsibilities were the challenges facing women entrepreneurs at Kariakoo (Table 4.8).

**Table 4.8: Constraints Facing Women Entrepreneurs at Kariakoo**

| Constraints Facing business | Frequency | Percent |
|---|---|---|
| Lack of information | 20 | 35.0 |
| Family responsibilities | 25 | 35.0 |
| Low level of education | 15 | 15.0 |
| Impact of the legal and policy framework | 10 | 10.0 |
| Lack of finance support | 30 | 30.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

### 4.5.1 Lack of Information

In doing business, information on the market is very important to entrepreneurs because information help the entrepreneurs to know where to sell the products and where to get the customers. From the study it was reported that entrepreneurs from Kariakoo were facing the problem of information as respondents agreed by 20 (20%) as indicated in the Table 4.8. This was also supported by Table 4.9 where the majority of women entrepreneurs supported by 55 (55%) as the analysis was done separately. Figure 4.4 indicated that the information that the entrepreneurs were receiving through various media including radio, television, newspapers, and magazine. The researcher reported that 15% supported television, 10% through radio, 10% through news papers, and 10% through magazines (Figure 4.4).These show that most women at Kariakoo did not get business information related thus way their business fair to grow. UNID ( 2002)observes that women generally have little information about the possibilities and facilities at their disposal for training or credit or any organization ,associations where they could apply for assistance

**Table 4.9: Do you get business related information**

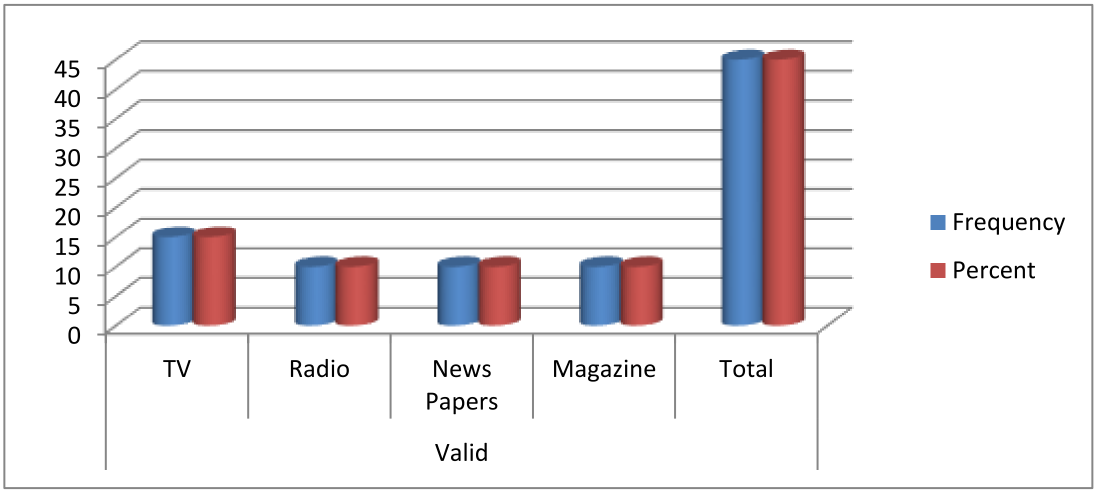
| | Frequency | Percent |
|---|---|---|
| Yes | 45 | 45.0 |
| No | 55 | 55.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

| | Frequency | Percent |
|---|---|---|
| TV | 15 | 15.0 |
| Radio | 10 | 10.0 |
| News Papers | 10 | 10.0 |
| Magazine | 10 | 10.0 |
| Total | 45 | 45 |

**Source:** Field Data (2014)

**Figure 4.4: Sources of Information**




**Source:** Field Data (2014)

### 4.5.2 Low level of Education

Education is very crucial for entrepreneurs and the rest ofthe people. From Table 4.4 it was reported that 10 (10%) of the respondents completed primary education, 30 (30%) of the respondents completed secondary education, 40 (40%) of the respondents did certificate in different disciplines, and 20 (20%) of the respondents were having higher education level as indicated in the Table 4.4.Education plays a great role for entrepreneurs in running their business ventures and also getting technical skills on production of products and running the business ventures. Findings from the study reported that 15 (15%) of the women entrepreneurs were reported that lack of education hindered them to do their businesses (Table 4.9). It was reported that most of them lacked knowledge on technical skills, financial skills, and marketing skills. The researcher reported that some of entrepreneurs were reported to attend entrepreneurs' training as 52 (52%) of them agreed (Table 4.10). Their training were organized by CRDB (35%), NMB (30%), VETA (6%), and District council-community Development Department or District Trade department (19%) as indicated in the Table 4.11.

They said that, most of trainings were based on financial aspects and not the technical skills but for VETA technical skills was the major aspect. Anderson. (1995) In Tanzania women have low levels of education compared to men, a universal primary education policy has lead to the equalization of education opportunity for boys and girls at primary level. However, many girls still fail to complete primary education and dropout rates are higher.

**Table 4.10: Have you ever attended any entrepreneurship training**

| | Frequency | Percent |
|---|---|---|
| Yes | 52 | 52.0 |
| No | 48 | 48.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

**Table 4.11: institution facilitated that Training**

| Institution that facilitated training | Frequency | Percent |
|---|---|---|
| CRDB Bank | 35 | 35.0 |
| NMB Bank | 30 | 30.0 |
| District council-community Development Department or District Trade department | 19 | 19.0 |
| Veta | 10 | 10.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

### 4.5.3 Impact of the Legal and Policy Framework

Impact of the legal and policy framework was reported by the researcher as one of the challenges facing women entrepreneurs at Kariakoo as respondents supported by 10 (10%) as indicated in the Table 4.9. The researcher reported that legal formalities and policy framework seemed to hinder entrepreneurs' activities. Most of Hawkers at Kariakoo complained that some of city by laws hindered them in doing businesses, other were complaining on tax issues.

### 4.5.4 Lack of Financial Support

The researcher reported that lack of financial support was one of the challenges which were facing women entrepreneurs at Kariakoo as respondents agreed by 60 (60%) as indicated in the Table 4.12. They complained that this contributed to low growth of their businesses. The researcher also reported that banks and other financial institutions also played a great role in assisting women entrepreneurs in doing their businesses as respondents agreed by 60% (Table 4.12). It is reported that financial institutions including CRDB (35%) and NMB (30%) and VICOBA (35%) seemed to help entrepreneurs through provision of loans (Table (4.13)

**Table 4.12: Did you get loan from any financial institution**

| | Frequency | Percent |
|---|---|---|
| Yes | 60 | 60.0 |
| No | 40 | 40.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

**Table 4.13: If yes where did get the loan**

| Got Loan from | Frequency | Percent |
|---|---|---|
| CRDB Bank | 35 | 35.0 |
| NMB Bank | 30 | 30.0 |
| VICOBA | 35 | 35.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

### 4.5.5 Family Responsibilities

The researcher reported that women entrepreneurs (25%) reported that family responsibilities seemed to be one of the challenges which were facing them in doing their entrepreneurial activities (Table 4.3). As can be observed in the(Table 4.9). 40 (40%) of the respondents were single, 30 (30%) of the respondents were married, 20 (20%) were widow, and 10 (10%) of the respondents participated in this study were divorced. More of the respondents were single. 30% of them were single parents and 30% were married of which made majority of them to have big family responsibilities.

This in one way or another affected their performance in doing businesses as entrepreneurs.

### 4.6 Ways of Eliminating the Challenges Facing Business Women at Kariakoo

The researcher interviewed the respondents on the strategies of eliminating the challenges facing women entrepreneurs at Kariakoo. From the study, it was reported that provision of education to entrepreneurs, financial empowerment, creation of good business environment, and participation of men in helping their wives will eliminate or reduce the challenges facing women entrepreneurs.

#### 4.6.1 Training of Women Entrepreneurs

The researcher reported that in order to eliminate or reduce the challenges facing women entrepreneurs at Kariakoo, education to those entrepreneurs is necessary to help them operating smoothly which will enhance their performance. The education should focus on technical skills training, loan accessibility, market accessibility training, and business management training. The Banks and other financial institutions should play a great role in providing financial education to these entrepreneurs since the entrepreneurs are the good customers to these banks and other financial institutions. Also the entrepreneurs should attend other training institutions including VETA for technical trainings.

#### 4.6.2 Financial Empowerment

From the study, it is recommended that financial empowerment to women entrepreneurs is very crucial to make them stable financially. Banks and other financial institutions should play a great role on this. This will help them raise more capital to run their businesses which in turn will improve their financial position as well as disposable income to their families which in turn improve their living standard. Also Women entrepreneurs should join in SACCOS and VICOBA which will help them in financial matters relating to their businesses.

### 4.6.3 Creation of Good Business Environment

The government particularly the city council should create good business environment to the women entrepreneurs at Kariakoo. This involves coming up with good by laws and good policies which create good environment for the women entrepreneurs and the rest of entrepreneurs to do their businesses well, this include payment of reasonable taxes.

### 4.6.4 Men Involvement in Helping Women

From the study, it is recommended that men should be involved in helping their wives in supporting their entrepreneurial activities. The researcher reported that most of women complained that some of the husbands of the women entrepreneurs are not supportive to their wives which made them in difficult situation in playing their roles as business women as well as mothers of the families. Also the researcher pointed out that the separation of families created hard times for the women to play both roles as mother and father of the families and at the same time do businesses to raise income for the families. This paper calls for the fathers and mothers to avoid family conflicts which may endanger their marriages create a burden to one parent and in the long run affect the raising of children.

# CHAPTER FIVE

# CONCLUSINONS AND RECOMMENDATIONS

## 5.0 Introduction

This chapter presents the conclusions and recommendations of the observations of what have been discussed in chapter four also the researcher gives areas for future and further studies and lesson learned from the study.

## 5.1 Conclusions

In this section, the researcher gives conclusion of the observations of what have been discussed in chapter four of this report. The conclusions are based on each research objective.

### 5.1.1 Type of Businesses Run by Women Entrepreneurs at Kariakoo

The first objective of this study was to identify the types of businesses run by women entrepreneurs at Kariakoo. Findings indicated that there were different types of businesses operated by women entrepreneurs at Kariakoo; these included sole proprietorship, partnership, companies, and cooperatives (Table 4.6). From the respondents it was reported that 45 (45%) of the respondents were sole proprietors, 15 (15%) were in partnership, and 15 (15%) were owning companies, and 25 (25%) were in cooperatives (Table 4.6). Majority of women entrepreneurs were sole proprietors as indicated in the findings, this was due to the nature of businesses they were doing i.e. they were doing in small scales which needed less capital. The researcher further reported that majority of them were operating at Kariakoo market, hawkers, and those with fixed shops.

### 5.1.2 Constraints or Challenges Facing Business Women at Kariakoo

In conclusion the researcher also assessed the challenges facing women entrepreneurs at Kariakoo.

Findings indicated that lack of information 20 (20%), low level of education 15 (15%), impact of the legal and policy framework 10 (10%), lack of finance support, 30 (30%) and family responsibilities 25 (25%) were the challenges facing women entrepreneurs at Kariakoo (Table 4.9).

### 5.1.3 Ways of Eliminating the Challenges Facing Business Women at Kariakoo

The researcher interviewed the respondents on the strategies of eliminating the challenges facing women entrepreneurs at Kariakoo. From the study, it was reported that provision of education to entrepreneurs, financial empowerment, creation of good business environment, and participation of men in helping their wives will eliminate or reduce the challenges facing women entrepreneurs. The researcher further reported that, education to entrepreneurs should include training on technical skills, marketing accessibility skills, business management, and financial management skills. Also men should play a great role in helping their wives in taking care of their families and also promotion of fathers and mothers to avoid family conflicts which may endanger their marriages create a burden to one parent and in the long run affect the raising of children.

## 5.2 Recommendations

Based on the research findings, the following were recommended so as to help women entrepreneurs operating at Kariakoo:-

- It was recommended to provide adequate financial services to the entrepreneurs include advancing of soft loans to the entrepreneurs.
- It was recommended to provide of education to entrepreneurs and entrepreneurs should be willing to advance their education level on technical issues and business management. Education also should cover the areas of financial management.
- It was also recommended husbands to help their wives in taking care of their families so as to give their wives ample time to do businesses.

- It was also recommended for the government to put good business environment for the entrepreneurs at Kariakoo.

## 5.3 Areas for Future Studies

Study findings indicate that, most of the women entrepreneurs at Kariakoo were facing various challenges or constraints in doing their businesses including lack of information, low level of education, impact of the legal and policy framework, lack of financial support, and family responsibilities. Due to mentioned reasons, therefore the study recommends that, future researches should be conducted in the areas of education to entrepreneurs, financing women entrepreneurs, and government policies and bylaws.

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# APPENDICES

## Appendix I

### Questionnaire for the Entrepreneurs

Dear respondent,

I am Esther R chuma a student from Mzumbe University pursuing Masters Science Degree in Etrepreneurship [M.sc Entrepreneurship] I respectfully request your assistance in filling this questionnaire by giving your views concerning constraints towards Women business growth in Dar es Salaam particularly at Kariakoo.

**Part A: Personal Bio-Data**

Please read the questions below and respond by either a tick (√) and/or fill in the blanks in the space provided.

1. Age………………………..

2. Marital status of the respondent

   (a) Single [ ]

   (b) Married [ ]

   (c) Widow [ ]

   (d) Separated [ ]

3. What is your education level?

   (a) Completed primary school

   (b) Secondary school

   (c) Certificate

   (d) Others (specify)

4. What are sources of your capital?

(a) Relatives

(b) Banks

(c) Other financial institutions

**Part B: Constraints and Strategies**

5. What are the constraints facing you to your business?

[a] Lack of information

[b] Low level of education

[c] Impact of the legal and policy framework

[d] Lack of finance support

[e] If other mention

6. What are the strategies applied to address the applied the above mentioned constraints

7. Is your business registered YES [ ] NO [ ] If yes, when did it register

[a] 1to 2 month

[b] 1 to 5years ago

[c] Not yet registered

If not yet specify why

8. Have you ever attended any entrepreneurship training Yes [ ] No [ ] if yes, what institution facilitated that training

[a] CRDB Bank

[b] NMB Bank

[c] District council-community Development Department or District Trade department

[d] VETA

[e] Any other institutions [ ] please mention them

9. Did you get loan from any financial institution Yes [ ], No [ ] If yes

[a] NMB Bank

[b] CRDB Bank

[c] Vicoba

[d] Other institution [ ] please mention it

10. Do you get business related information Yes [ ], No [ ] If yes get from

[a] News paper

[b] Internet

[c] Magazine

[d] Media

[e] If other mention it

11. For how long have you been in the business?

[a] less than 3years

[b] 4-6 years

[c] 7-10 years

[d] More than 10 years

12. Status of business

[a] Sole proprietors

[b] Partnership

[c] Company

[d] Cooperative

**Part C: Recommendations**

12. Do you have any recommendation for women entrepreneurs at Kariakoo? (If the space provided is not enough you can write at the back of this paper).

    i. ………………………………………………………………………………………
    ….……………………………………………………………………………………
    ii. ………………………………………………………………………………………
    ….……………………………………………………………………………………
    iii. ………………………………………………………………………………………
    …..………..…………………………………………………………………………
    iv. ………………………………………………………………………………………
    ….……………………………………………………………………………………

Thank you so much, I real appreciate your contribution in this study

## APPENDIX II

### Interview Questions

1 Personal information [name, age, marital status and education level]

2 what are the major sources of capital of your business

3 what are challenges facing women business at Kariakoo

4 Have you ever attend any training concerning entrepreneurship

5 What strategies taken to solve the mentioned problem

6 Do Government and other organization help to improve entrepreneurship

7 Do you get information about business related easily

**Table 4.15: Registration of Businesses**

| | Frequency | Percent |
|---|---|---|
| Yes | 68 | 68.0 |
| No | 32 | 32.0 |
| Total | 100 | 100.0 |

**Source:** Field Data (2014)

**Table 4.16: If yes (Specify Your Source**

| | Frequency | Percent |
|---|---|---|
| TV | 15 | 15.0 |
| Radio | 10 | 10.0 |
| News Papers | 10 | 10.0 |
| Magazine | 10 | 10.0 |
| Total | 45 | 45 |

**Source:** Field Data (2014)