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## **RURAL ENTREPRENEURIAL ACTIVITIES AND GROWTH OF WOMEN'S MICRO BUSINESSES IN MVOMERO DISTRICT, MOROGORO. TANZANIA.**

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**Abstract:** The paper explores the rural entrepreneurial and growth of women micro business in Mvomero district. The study sampled four wards namely, Mgeta, Mlali, Melela, and Mzumbe in the Mvomero district in Morogoro region in Tanzania. It specifically looked at business activities they engaged in trend of performance and the ways of improving their performance. The paper has deployed qualitative design for data collection and analysis from 50 women who involved in small business. Findings showed that women in the district are mainly involved in micro enterprises such as food vending, crop farming, and retail shopping and tailoring. However, the enterprises are not performing well. The means suggested for intervention included provision of soft loans, improvement of infrastructures, markets and other related services. Therefore the paper concludes that the women entrepreneurs in Mvomero district are not performing well, the government and other research and development partners need to look on how they can improve the micro enterprises of the marginalised groups not only in the district studied but other rural areas. Such interventions could assist women to increase their income and sustain their business and livelihood at household level.

**Key words:** *Entrepreneurship, micro-enterprise, business, women*

### **1.0 Introduction**

Globally, number of women owning businesses are ever increasing (Bluen, 2013). The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are among the main reasons for women to emerge in business ventures (Murugan and Manimekalai, 2019). Small businesses are the path to success for many, especially women. Small businesses create jobs; embody the people's value of hard work, risk-taking and independence (Rose, 2019).

A strong desire to do something positive is an inbuilt quality of entrepreneurial women as they are capable of contributing values in both family and social life (Coulter, 2005). Women are an important part of the development; no doubt they take active participation in business and are



found in every industry, and they do dual job which involve meeting their expenditures and that of their families. Women of every level and society hope to work hard in self-made enterprises; therefore, the rate of women in entrepreneurship is rising higher nearing to that of men (URT, 2005). However, they are the most vulnerable to the multiple effects of poverty, in rural and urban areas in the developing world. Poverty that women face is mostly expressed in terms of food insecurity, limited access to health and education services and a heavy workload which increase women's vulnerability to poverty (URT, 2005).

Magesa *et al.* (2013) stated that many women entrepreneurs in developing world are poor due to challenges like low level of education (lack of skills and technology), information, getting limited support from spouses, lack of access to capital and getting an okay from husband for securing loans, family caring roles (which limit their risk taking attitudes) high interest in running business deeply rooted in discriminatory socio-cultural values and traditions. This situation is different from that of women in advanced nations as they are recognized and are more prominent in the business world.

In Tanzania, people in the rural areas are oriented in gender roles from their childhood. The girls are oriented to their mothers' duties, likewise boys follow the fathers' roles as they grow up. The girl child and the boy child from the day they are born through their sensorial abilities learn about the world around them until they gain spoken language. In ensuring that women are engaging in entrepreneurial undertaking the legal system has been reformed and many laws were enacted for the same (Moyo, 2017). Some of the initiatives include ensuring the right of women to own, inherit and administer land and buildings, ensuring equal access to credits, organizing training to enhance the involvement of women in the building and housing sector plus promoting education to girls (United Nation Human Rights Commission and UN Women, 2013).

The Government of Tanzania has made impressive strides in supporting women entrepreneurs, and its policies reflect a commitment to advancing women. The Ministry of Industry, Trade and Marketing Development Organization (SIDO) have been working to empower women entrepreneurs through training and access to credit. Tanzania was even recognized in World Economic Forum's 2006 Global Gender Gap Report with the number 1 ranking among 115 countries for women's economic participation and opportunity (Hausmann *et al.*, 2012).

Moreover, there are many opportunities which are available to women entrepreneurs in Mvomero District as provided by the government such as the funds (loans) provided by the local government to support the women and youth activities but the women in entrepreneurial activities (income generating activities) are not growing hence persistence of poverty level among the women in the district level. It is not clearly stated how the enterprises perform what are the challenges facing the women entrepreneurs. This paper explored the performance and interventions needed for the women entrepreneurial activities in Mvomero district.



## 2.0 Methodology

The study was conducted in Mvomero District in Morogoro Region, Tanzania. Mvomero is one of the six districts of the Morogoro Region of Tanzania. It is bordered to the north by the Tanga Region, to the northeast by the Pwani Region, to the east and southeast by Morogoro Rural District and Morogoro Urban District and to the west by Kilosa District. To achieve the purpose of the research's objective, the paper adopted a cross-sectional survey design in the form of quantitative methodology. The use of cross-sectional survey helped the researchers to collect data from the research participants at one point in time. Also, the use of the quantitative research approach assisted the researchers to use the questionnaire to collect numeric data for analysis to facilitate generalisation. The population of interest for this study is all rural women entrepreneurs in Mvomero district in Tanzania. The choice for Mvomero District is based on the fact that this district is one among the rural districts where there a good number of women entrepreneurs in Tanzania. Using simple random procedures, the study was able to obtain a total of 50 respondents. Data was collected using a structured self-administered questionnaire which commissioned this report, has established special initiatives to reach out to rural women in the study area. This study constituted of 50 women entrepreneurs from Mvomero district. The study also involved WEO, VEOs and CDOs as key informants. Data were collected using questionnaire and interview checklist tools. The data collected through questionnaire were coded, entered and analysed using Statistical Package for Social Sciences (SPSS), while qualitative data collected through interview were analysed thematically.

## 3.0 Research Findings

### 3.1 Age of the respondents

Due to the data findings result from the area of the field it reveals that respondents aged 20-30 with the percent of 42% were highly more engaged in entrepreneurial activities compared to the respondents aged 41 and above where with the percent of 14%. Therefore this information implies that most women who are entrepreneurs are in the age of youth this proves that there energetic to contribute the gross domestic product of our country and earn something for the household at large.

**Table 1: Age of the respondents**

Age of respondents	f	%
20-30	21	42
31-40	15	30
41 and above	14	28
<b>Total</b>	<b>50</b>	<b>100</b>

### 3.2 Marital status of the respondents

Due to the advancement of technology and due to economic crisis, life has been very hard most areas in urban people live single and they hustle daily to build up life. In this case most women entrepreneurs are single this is shown through the fact that single with the frequency of



equivalent of 36%, married were represented by 28% while widowers were 20%. Hence this proves that most women entrepreneurs are single struggling to build their own life

**Table 2: Marital status of respondents**

Marital status of respondents	f	%
Single	18	36
Married	14	28
Widower	10	20
Divorce	6	12
Separated	2	4
<b>Total</b>	<b>50</b>	<b>100</b>

### 3.3 Education level of respondents

Findings from Table 3 reveal that majority of the sampled micro-enterprises owners had attained primary education and Form Two (84%) while 16% of them had attained informal education. Therefore this information implies that most women entrepreneurs attained primary education; thus it is possible for them to record their business transactions and keep in their respective book once instructed.

**Table 3: Education levels of respondents**

Level of education	f	%
Primary	30	60
Form Two	12	24
Informal	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

### 3.4 Types of enterprise run by women in Mvomero District

Findings show that majority of women entrepreneurs in Mvomero district are engaged in food vending businesses 30%, followed by those who are doing farming or crop husbandry activities 24%.

**Table 4: Respondents distribution by types of enterprises run by women**

Enterprise	f	%
Crop farming	12	24
Food vending	15	30
Kiosk/retail shopping/charcoal	10	20
Stationery	6	12
Tailoring	7	14
<b>Total</b>	<b>50</b>	<b>100</b>

Other enterprises include retail shops/kiosk/ charcoal sellers 20%, stationery 12%, tailoring 14% (Table 4). These are the main enterprises run by women in the district.



### 3.5 Performance of women entrepreneurs

Generally, the findings revealed that the performance of women entrepreneurs in Mvomero in Morogoro is less satisfactory. Table 5 shows that 60% of the respondents responded that the enterprises are not performing well while 40% said that the businesses are performing well.

**Table 5: Respondents distribution by Performance of women entrepreneurs**

Performance	f	%
Good	20	40
Not good	30	60
<b>Total</b>	<b>50</b>	<b>100</b>

In addition to that, Mvomero district staffs stated that among the areas that women entrepreneurs knew how to establish a new business, how to run a business, but how to manage the business, record keeping and loan management. Such findings are similar to Coulter (2005) who found that women entrepreneurs face the challenges of managing business growth successfully, finding and keeping qualified employees and keeping up with technology and other marketplace changes.

From survey findings, it is clear that most of these challenges are felt by people who are residing in the rural areas due to shortage of business facilities such as reliable transport infrastructures, training and capacity building, access to credits and most government policies tend to favour the people who are living in urban areas and forget the people of rural areas. Thus, women are the most vulnerable to the multiple effects of poverty especially in rural areas; poverty that women face is mostly expressed in terms of food insecurity, limited access to health and education Services and a heavy workload which increase women's vulnerability to poverty.

### 3.6 Ways of enhancing women entrepreneurship in rural areas

The ways of improving performance of women entrepreneurs in Mvomero as given out by women entrepreneurs are there are some means that women proposed in order to improve performance as getting loans with low interest (31%), the government to improve infrastructure which simplify the means of transport, improve their services through advertisement, increasing capital of the business through loans from micro finance institution, finding markets for their products and services and also emphasis on government to reduce different taxes which are so high.

Most respondents point out that loans/credit with low interest rate could be the sources of development in their activities, most suggested that if the interest rate could be lowered their activities could flourish since loan is considered as the source of development of women entrepreneurs for initial and growth of their activities. One of respondents responded that:

*"...My business of food vending is growing, but would grow more if the interest Rate will be a bit low as Current interest rate is 18%"*



Improved infrastructure could be the way out of performance to their businesses (Table 6). This is the main responsibility of the government to provide good infrastructure so as to facilitate the growth and flourishing of women entrepreneurs. Examples of infrastructure are roads, electricity and water facilities. When these are improved the business are likely to experience success but when the business are not there, businesses are likely to face some setbacks. In Mvomero District these infrastructure need great improvement as the area is rural and infrastructures are weak.

**Table 6: Multiple response on the means to enhance women entrepreneurship (n=50)**

Means or solution	f	%
Provision of soft loans i.e with small rate of interest	31	31%
Improve infrastructures ie roads, markets etc	20	20%
Means of transport	28	28%
Markets for farming crops	35	35%

The most of women entrepreneurs are facing the problem of low capital; however they can increase capital through micro finance institution such as FINCA getting help through help or assistance, grants from friends and relatives. Another means is selling or disposing of unprofitable assets such as cattle, furniture, gold earring and necklace just to mention a few.

Findings also indicated that the reliable market for women entrepreneurs' products enhance entrepreneurship. Most of them depend on open market (Gulio) and the middlemen who are coming from Morogoro town, Zanzibar and Dar es salaam. However, women entrepreneurs could do a bit of research and know which business pay most and at what time of the year and let them produce goods and services for the same.

#### **4.0 Conclusion and recommendations**

The study explored the rural entrepreneurship activities among women in Mvomero District. The study sampled 50 women who were involved in business in the rural district. It was found that women involved mainly in food vending and farming of crops as well as retailing business. However the performance of the business is not promising. Thus it can be concludes that the women entrepreneurs in Mvomero district are not performing well, the government and other research and development partners need to look on how they can improve the the micro enterprises of the marginalised groups not only in the district studied but other rural areas. Such interventions could assist women to income their income and sustain their business and livelihood at household level.



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