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**ENTREPRENEURSHIP ACTIVITIES IN
RURAL TANZANIA:
UNDERSTANDING WOMEN'S MICRO BUSINESSES**

LUCY BONIFACE SSENDI

**A thesis submitted in partial fulfilment of the requirements of the
Robert Gordon University
for the degree of Doctor of Philosophy**

**This research programme was carried out
in collaboration with Kibaha Education Centre - Tanzania**

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DEDICATION

This thesis is dedicated to my parents, the late *Mzee Boniface Baliminsi Ssendi* and *Mama Bibianna Morris Luhamba*, who always remain the major source of encouragement and support in my education journey, not knowing that one day I would reach this stage.

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ABSTRACT

In rural Tanzania women play a crucially important role in social and economic production. However, the constraints of poverty, combined with poor infrastructure and minimal resources, limit entrepreneurial possibilities. Nonetheless, poor rural female entrepreneurs use enterprise to try to improve their lives. But this “survivalist” entrepreneurship appears radically different from western models of enterprise and we know very little about processes and practices.

Literature suggests that there is a substantial gap of knowledge in terms of how much poor rural female entrepreneurs use entrepreneurship activities to cope in their livelihood, and this issue is the focus of this study. Like any other social and economic process, entrepreneurship is dependent on the social setting of an area, that is, the people and the environment in which they carry out their daily life activities. Thus, entrepreneurship development in Tanzania, like any developing country, reflects the social and cultural differences, hence the difference in entry, performance, and survival of enterprises.

This study is also guided by the fact that significant differences exist in the general entrepreneurial behaviour and performance between men and women, as well as between women from the same region and from other localities. This study aims at increasing understanding on whether these differences are brought about by the cultural and social attributes, rather than physical and psychological differences. The purpose of this study is to explore on how socio cultural factors have impacted on the way poor rural female entrepreneurs undertake their entrepreneurial activities in rural village markets in Tanzania.

The study was guided by the social constructionist theory. An ethnographic case study approach was used to collect data. Primary data were collected from thirty nine respondents from three village markets: Kongowe, Ruvu Darajani and Patandi. These markets portray the commercial side of social life and the social side of the commercial life. Observation, conversations, interviews and life stories were used to gather the required information. Secondary data were collected from various publications and reports from villages to central government level. For this study, the researcher looked into four assumptions, namely ontology, epistemology, assumptions on human nature and methodological implications. In

undertaking this study, multiple approaches and data sources were used to triangulate the findings and deepen understanding of social and cultural parameters in three settings.

The sustainable rural livelihood framework was used to analyse the impact of the entrepreneurial environment, availability and access to livelihood assets and the level of vulnerability on poor rural female entrepreneur's lives. It was revealed that poor rural female entrepreneurs undertake entrepreneurial activities in order to survive and not because they want to be entrepreneurs. Enabling environment dictates the type, amount and quality of assets possessed by the rural female entrepreneurs. It was also shown that poor women with few assets are more vulnerable to much of the social and economic harassments. It is within this vulnerability context where rural poor female entrepreneurs choose the strategies in order to achieve their livelihood outcomes.

Findings from this study show that some cultural beliefs have negative impact on entrepreneurship and consequently economic development of the country. Beliefs in witchcraft and ignorance towards education influence the way rural women start and run their businesses. Religious and customary laws discriminate poor rural female entrepreneurs and hinder their efforts in undertaking entrepreneurial activities. Unfavourable credit repayment conditions and misuse of loans have negative impact on the growth of most enterprises. Moreover, business support from government and non governmental agencies is limited. The study shows how the phenomenon of entrepreneurship is context specific and how it differs across cultures.

This research has made three contributions: firstly, by bringing new evidence to bear; secondly, using already known information with new interpretation; and thirdly, by tackling an existing problem using ethnographic approach.

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ABBREVIATIONS

AD	Anne_ Domino
AIDS	Acquired Immune Deficiency Syndrome
BDS	Business Development Strategy
BRELA	Business Registration and Licensing Authority
CCM	<i>Chama Cha Mapinduzi</i>
DFID	Department for International Development
FGM	Female Genital Mutilation
GDP	Gross Domestic Product
GEM	Global Entrepreneurship Monitor
GIRR	Gender Issues Research Report
GTZ	German Technical Assistance Agency
HBS	Household Budget Survey
HIV	Human Immunodeficiency Virus
ILO	International Labour Organization
IMF	International Monetary Fund
JICA	Japan International Cooperation Agency
MFI	Micro Financing Institution
NBS	National Bureau of Statistics
NGO	Non Governmental Organization
ODI	Overseas Development Institute
PTF	Presidential Trust Fund
SIDO	Small Industries Development Organization
SME	Small and Medium Enterprises
TANROADS	Tanzania Roads Agency
TB	Tuberculosis
TGNP	Tanzania Gender Networking Programme
TZS	Tanzanian Shillings
UDEC	University of Dar es Salaam Entrepreneurship Centre
UNIDO	United Nations Industries Development Organization
URT	United Republic of Tanzania
USA	United States of America
VETA	Vocational Education Training Authority
WED	Women Entrepreneurship Development

CHAPTER ONE

INTRODUCTION TO RURAL ENTREPRENEURSHIP IN TANZANIA

1.0 Introduction

Chapter one provides a short description of the study and the issues to be addressed. It focuses on various aspects related to entrepreneurship and existing policy environment around which entrepreneurship strategies are laid globally and in a Tanzanian perspective. It draws from previous studies and concepts related to the subject, which are critically reviewed. The research problem to be addressed in the study is how female entrepreneurs from different socio cultural backgrounds undertake their activities in rural Tanzania. This chapter is organised in eight sections. Section One review the background of the study; Section Two discusses and the importance of female entrepreneurship in Tanzania and Section Three presents the research problem. In Section Four, are presented the research issues and propositions. The research is justified in Section Five, Section Six presents the methodological overview for conducting the study; Section Seven discusses the delimitations and the scope of the study and Section Eight presents the structure of the thesis.

1.1 Background to the research problem

In Tanzania, most of the people involved in entrepreneurship are “survivalists”. It is argued that people in the country have been forced in undertaking entrepreneurial activities by economic necessity as opposed to entrepreneurial spirit and need for achievement (Olomi, 2009:16). Many people in developing countries live in poverty or with insufficient income and are therefore, forced to engage in entrepreneurial activities to fill the gap left by insufficient wages, unreliable agriculture production or unemployment (Mfaume and Leonard, 2004:6). Although the mentioned factors are true for both men and women, most studies show that the situation is more prevalent in women and, in particular, rural women.

According to the 2002 census, in Tanzania women constitute fifty-two percent of the total population (NBS, 2002) and represent seventy percent of the labour force in the informal sector (Idabaga-Nchimbi, 2002:4). The gender gap in accessing education for women results

in a reduced possibility for women involvement in the formal labour market and at managerial levels within enterprises. Moreover, a Tanzanian woman is expected to handle household duties such as caring for the family, particularly children and elderly people; food production and preparation in addition to earning income. Historically, women in Tanzania and in many developing countries have been treated as citizens of lower importance compared to men. Women have played a greater role than men of ensuring sustainability to the nation particularly during times of economic crisis which have prevailed in the country from 1970s to the present day (GIRR 9, 1995). Although women have been contributing to their country's economic development, their access and power to control resources is limited. In many traditions, women seldom have control over land or other properties during their marriage and after deaths of their husbands.

As noted earlier, involvement of women's into effective entrepreneurship in Tanzania is perceived to be a recent phenomenon; This is mainly as a result of the country's economic crisis and World Bank and IMF restructuring programmes which led to retrenchment and consequently decline in household income and employment opportunities (UDEEC, 2002). According to Nchimbi (2002) most of Tanzanian enterprises were started during the 1990's. Recognition and documentation of women participation in entrepreneurship activities is very limited. Entrepreneurship in the country is acknowledged as being dominated by men and non-indigenous communities (Stevenson and St-Onge, 2005). For most of the women who are in business, their survival remains a real problem as many lack professional abilities in managing their businesses compared to men (Rutashobya and Spring, 2009:7).

The above situation suggests that there may be practical factors that inhibit the performance of women in developing countries and in particular in rural areas. Consequently, it will be useful to investigate how these factors affect the operations of rural entrepreneurs. It is this situation that prompted this study.

1.1.1 The context and environment for the study

Like any other social and economic process, entrepreneurship is dependent on the social setting of an area; the people and the environment in which they carry out their daily life activities (Dana, 1993; Buame, 1996:17). As a process, entrepreneurship is governed by social and cultural factors that are characterized by continuous changes which evolve in an

economic system, the entrepreneurship environment and the underlying social and cultural attributes of the people in that particular area (Gamini de Alwis and Senathiraja, 2003:4).

Traditional literature in the field of entrepreneurship has laid great emphasis on the psychological attributes of the individual as the underlying factor for engaging in entrepreneurial activities (Buame, 1996:17). However, there are other important attributes which may influence the success or failure in entrepreneurship. These include the specific background of individuals in the society, the culture in which their activities are embedded and their life experiences. These attributes are said to be helpful in differentiating entrepreneurs from non-entrepreneurs, in terms of their behaviour and common conduct in the society and the way they undertake the entrepreneurial activities and their lives in general (Fayolle, 2005). The individual psychological attributes, such as personal motivation and initiative, entrepreneurship orientation, innovativeness and risk taking, may affect the success or failure of the entrepreneurship development but they may not decide how people place meaning to their daily lives (Anderson and Smith, 2007).

There are differences in entrepreneurial activities, depending on demographic characteristics, personal traits, ethnicity, socio cultural relations, behaviour patterns, life experiences and educational background. There are also predisposing factors, such as the need for power or independence, and the desire for achievement and social recognition (Saffu, 2003). These factors may impact on how entrepreneurial activities are carried out and the future direction of the entrepreneurial sector, thus shaping who may or may not engage in entrepreneurial activities. Thus entrepreneurship development in Tanzania, like in many developing countries, reflects the social and cultural differences, hence the difference in entry, performance, and survival of enterprises. This study is also guided by the fact that significant differences exist in the general entrepreneurial behaviour and performance between men and women, as well as between women from the same region and from other areas within the same region. This study aims at increasing understanding on whether these differences are brought about by the social and cultural attributes, rather than physical and psychological differences.

It is also noted that there are very few studies on social-cultural factors affecting rural female entrepreneurship in Tanzania. Consequently, there is limited empirical evidence and comprehensive analysis of fundamental factors that affect poor women's entry into business and subsequently performance of their enterprises (Ssendi and Anderson, 2009; Satta, 2003).

The existing literature on rural female entrepreneurship is limited. Most of the available literature does not answer the “Why” and “How” questions; and this study is intended to try and extend the debate in this area by adding to the existing knowledge on the studied phenomenon. There are few studies which have looked into how rural female entrepreneurs undertake their daily activities. Few of the studies done are commissioned with specific objectives (Tovo, 1991; Makombe, 2006). This study investigates women who do business in village markets in order to sustain their well being.

Although economic factors might play an important role in the well-being of entrepreneurial performance, there are other factors one has to deal with when undertaking entrepreneurship. As indicated earlier, these non-economic factors cannot easily be separated from the socio cultural context in which they are embedded. The factors such as tradition and norms, family background, entrepreneurial experience, and skills trainings may have a positive or negative impact on how people undertake entrepreneurial activities. This study looks at the process of entrepreneurship and how the socio cultural factors may impact on the way the entrepreneurial process is undertaken in certain contexts.

The ability to undertake successful entrepreneurial activities has a great impact on the performance of the entrepreneur (Olomi, 2009). This is because it affects the well being of the people involved and also impacts on the nation’s economic development. It requires the person undertaking entrepreneurial activities, be it business creation or self-employment, to be versed with the knowledge and skills of identifying opportunities and using the resources at her/his disposal to undertake a business venture or employ herself/himself for profit gain (Gibb, 2005). Therefore, the entrepreneur perceives the business or venture creation as an extension of his or her personality, intricately linked with livelihood needs and desires.

As in the world generally (Anderson et al, 2009), in Tanzania, the term entrepreneurship has become the new, commonly used catchword. It is widely applied in private and public sectors alike. In recent years, entrepreneurship, which can be translated in Swahili as *ujasiriamali*, has gained social, economic, cultural and political significance. The government, civil society organisations and foreign development partners support entrepreneurship in every aspect. However the performance of entrepreneurs in Tanzania has remained low compared to their counterparts in Eastern Africa and elsewhere in the region

(Ngaley, 2005) and in particular rural female entrepreneurs are said to be even worse off (Anderson et al 2009; Ssendi and Anderson, 2009).

Entrepreneurship in Tanzania is characterized by tiny or micro, small and medium enterprises (Olomi, 2009) and the number increases every day as a result of more involvement and recognition of the private sector in social and economic development. The majority of micro enterprises are in the informal sector, run single-handedly or employing members of the family and have an annual turnover of less than 2000 US dollars. Most of the micro and small enterprises operate non-farm businesses and farm-related activities in rural areas mainly operating from home or by the roadside. The most common enterprises include general trading (fifty-two percent) and services (thirty-four percent), like restaurants, cafes and bars; with the minority in the mining and manufacturing sector. Overall, women in Tanzania, like in other developing countries, are the main operators of micro enterprises (Olomi, 2009:15).

1.1.2 Significance of the study

As noted earlier most poor rural female entrepreneurs in Tanzania are engaged in very small enterprises and businesses. This situation has prompted the government to develop a number of policies to support the efforts of the informal sector, because these enterprises are recognized as the “engines of private-led growth” (Ngaley, 2005:23). This has resulted in several programmes and organisations conducting programmes and supporting entrepreneurship initiatives. The significance of this study is brought by the fact that not much is known about everyday lives of poor rural female entrepreneurs, how they run their businesses and how they organise their lives. This study aims at contributing to the understanding of the entrepreneurship process, activities, and experiences of rural women entrepreneurs in rural areas in developing countries like Tanzania. This contribution will add knowledge in the field of entrepreneurship, and inform policy makers, beneficiaries and other stakeholders of entrepreneurship from government and non-governmental organisations.

The study aims at deepening understanding and insight in the area of rural female entrepreneurship. This study is expected to assist in understanding female entrepreneurship especially in rural areas where the majority of the population of developing countries lives. Knowledge of entrepreneurship in the developing countries of Africa is very limited. This

study may contribute to the improvement of existing policies and practice of female entrepreneurship in rural areas, not only in Tanzania but also in other African countries.

1.1.3 The constraints and barriers for women in entrepreneurship

In Tanzania, like in many African countries, poverty is widespread in rural areas; moreover, the bulk of society remains traditionalist when it comes to gender issues. In Africa, women are the backbone of the rural African economy, they produce three-quarters of the continent's food, but they remain the poorest of the poor (TGNP, 2007:1). Women farm small plots, produce fruits and vegetables and sell them at the road side or in village markets; they also and provide basic necessities such as food, medicine and clothing for their families (Charlayne, 2006).

About sixty percent of Tanzanian women live in absolute poverty. In the rural areas and poor urban suburbs, women are the most disadvantaged, because they lack adequate knowledge of existing credit facilities and other support services (Ssendi and Anderson, 2009; URT, 2005b; Brain, 1976). Due to their low education level, their knowledge and skills for time and work management are generally low. They have to spend a lot of time and energy on their work because they use poor tools in the production process (TGNP, 1997:32). The study will investigate poor rural female entrepreneurs that operate in their local markets selling and buying farm and non-farm products.

1.2 Statement of Research Problem

This section aims at explaining how the researcher was exposed to literature in the field of entrepreneurship and in particular female entrepreneurship and how the exposure assisted in the formulation of the research problem. In general terms the researcher came across a number of authors who helped in shaping the understanding of entrepreneurship especially in the context of developing countries. The researcher learned about authors like Schumpeter, who recognises an entrepreneur as an innovator, Knight, who describes the role of an entrepreneur as a risk-taker, and Cantillon and Say who recognise an entrepreneur as organisers of factors of production (Deakins and Freel, 2006:3). Their work on entrepreneurship has assisted in expanding the knowledge in the field of entrepreneurship.

The most influential literature was that of Eleanor Schwartz (1976) *Entrepreneurship: a new female frontier* which was a breakthrough in the choice of the research problem. When

deciding on the research problem to be addressed, one has also to consider how to execute the study. The literature by Dana and Dana (2005) “*Expanding the scope of methodologies used in entrepreneurship research*” was very influential in looking at how this study might be accomplished.

The research problem addressed in this study is *how socio cultural factors have impacted on the way female entrepreneurs undertake their entrepreneurial activities in rural village markets*. This is a theoretical problem which aims at looking at the limits of previous research in the field of female entrepreneurship and is guided by a social construction theory.

The study was conducted in the markets of three rural villages in Pwani (Coast) and Arusha regions in Tanzania. The participants in this study were the poor rural female entrepreneurs who undertake their activities in these markets. These were the primary informants. The poor rural female entrepreneurs who were once doing the same business but were not operating at the time of the study were also included in the study. Other participants included the village local government officials and market leaders. The poor rural female entrepreneurs were observed in the context of their everyday entrepreneurial experiences. They were also investigated on how they attached meaning to their experiences in their daily entrepreneurship process. The study focused on the role played by poor rural female entrepreneurs in undertaking entrepreneurial activities to meet their everyday life needs.

1.2.1 Theoretical orientation of research

The importance of theory in entrepreneurship cannot be over-emphasized. The lack of relevant theories in entrepreneurship is well documented (Anderson and Stanawaska, 2008). Many of the existing entrepreneurship theories lack common and conclusive explanations about the phenomenon under study. There is an ongoing debate about the theoretical basis or underpinnings of entrepreneurship and consensus has not been reached. The researcher recognises the research which assumes women are different from men. The focus of this research is not to compare men and women on gender stereotype scales but rather to try understand women as part of the society who, if given equal opportunities and support in rural areas, could achieve sustainable development and faster economic growth of their countries than it is currently. Because of the above reasons, this study has used a social constructionist perspective to assist in understanding the phenomenon under investigation. The ideas of this stance come from the early work of Karl Mannheim; *Sociology of*

Knowledge, from the works of Berger and Luckmann (1966); *The social construction of reality* and also from the work Lincoln and Guba (1985) in their book *Naturalistic enquiry*. More recently Neuman (2000) in his book *Social research methods: Qualitative and quantitative approaches* and Schwandt (2007) in his *Dictionary of qualitative inquiry* have all developed this perspective. Indeed Smith (2006) argues that what we understand about entrepreneurship is itself socially constructed.

Social constructionists believe that people who live within their society are interested in understanding their life worlds. They attach meaning to different things which are found in their environment. These meanings have varying multiple perspectives. The researcher looks into these people meanings into a broader picture rather than reducing the meanings to few categories. (Creswell 2009:8).

This study thus relies on the views of the poor rural female entrepreneurs who are involved in the study. Questions asked will be broad and general so that the researcher can try to understand the respondents' situation through discussion and interactions at the research setting. Life stories will be solicited to assist in capturing the background and context. The researcher will ask open-ended questions which will allow respondents to explain subjective meanings of their life worlds. They usually negotiate these subjective life worlds in their historical and social contexts. These meanings develop naturally as part of their daily interaction and the social cultural world they live and work. The researcher's background frames the interpretation and thus puts her in the research to accept the interpretation flow from personal, cultural and historical experience. The aim here is to develop and make sense of the respondents' perceptions about their humanity. As a result the study will produce a "*substantial description*" of the group under study that may aid in generating or inductively developing a 'pattern of meaning' (Creswell, 2009:8).

1.3 Research issues and propositions

The basic research issues to be addressed in this study are:

1. *What are the social, cultural and economic dimensions, as they affect entrepreneurship, of a developing country like Tanzania?*

2. *What practice and what policy implications do these dimensions have for the understanding and recognition of women's entrepreneurship in developing countries?*

These research issues and propositions will be further established in chapter two and three where a review of relevant literature will be presented.

1.3.1 Objectives of the study

1.3.1.1 General objective

The primary aim of this study is to describe and analyse how socio cultural factors have contributed to the way female micro entrepreneurs undertake their entrepreneurial activities in rural Tanzania. The main objective being to understand how women from different socio cultural backgrounds undertake their entrepreneurial activities in rural Tanzania, and to offer this understanding as a platform for the formulation or improvement of policies for women entrepreneurs in rural areas in Tanzania.

1.3.1.2 Specific aims

The specific objectives on which data will be collected in order to address the research problem satisfactorily are:

1. *To understand the experiences of the studied poor rural female entrepreneurs in the process of undertaking micro-enterprises in rural Tanzania*
2. *To explore the nature of rural enterprises undertaken by poor rural female entrepreneurs*
3. *To explore the process of undertaking entrepreneurial activities in rural settings*
4. *To examine the role, nature and constraints for poor rural female entrepreneurs*

1.4 Research contributions

In answering the research issues presented in section 1.3, the detailed contribution will be presented in section 8.2. However, because of its exploratory nature, this research does not intend to test any theories with data. Instead it aims to add understanding to the existing body of knowledge in the field of entrepreneurship in general, entrepreneurship in African countries and, in particular, rural female entrepreneurship in rural areas. A study on rural

entrepreneurship adds to the research on the effects of an individual's background and life experience on entrepreneurship, in particular from the developing country perspective. The findings from this research intend to build on existing concepts from the mainstream fields of social anthropology, economics, management development studies and entrepreneurship.

This study, therefore, tries to explore and examine how the existing theories and concepts do explain the lives and enterprises of these respondents and try to understand them from the perspective of a developing country. In summary, this research has made three contributions; firstly, by bringing new evidence to bear; secondly, by using already known information with new interpretation; and thirdly, by tackling an existing problem using ethnographic approach.

1.5 Justification for Research

As noted in earlier sections, this study is selected for the reason that studies on rural female entrepreneurship are scarce compared to other disciplines (Carter and Marlow, 2007:2). The situation is worsens in African countries and especially in Tanzania. The few studies conducted in developing countries were from Asia, mainly India. Studies on the impact of non-economic factors on female entrepreneurship are rare (Makombe 2006).

Moreover, there are conflicting ideas about rural female entrepreneurship, one being that female entrepreneurship has been relatively neglected. The researcher supports the view that female entrepreneurs are not only neglected but also regarded as having 'minority interest' of specific research on entrepreneurship in developing countries (Carter and Marlow, 2007:7, Makombe, 2006:10). This stresses the earlier evidence that the number of studies on female entrepreneurship in developing countries is even fewer. This work is also driven by the fact that the researcher was involved in voluntary work, assisting women to form groups to obtain micro-credit, where a number of interesting issues that required more investigation in order to understand how women undertake their entrepreneurship activities in rural Tanzania were disclosed (Ssendi and Anderson, 2009). The researcher also wants to know if there are any underlying factors which may impact women from different parts of the country when undertaking their entrepreneurship activities. Therefore, there is a need to understand the process, activities and experiences of individual rural female entrepreneurs.

1.5.1 Importance of entrepreneurship to Tanzania

The importance of entrepreneurship in developing countries like Tanzania cannot be over emphasized. When opening the Seventh Conference of the ruling CCM party women's wing, the President of Tanzania said: "...*Tanzanians are poor, but women are the poorest. Therefore they need special and specific conducive environment in order to remove themselves from poverty and other life hardships. The government recognizes that women are good entrepreneurs, trustworthy and they work very hard. What they need is to work together, capital and entrepreneurship and business education*" (Nipashe Daily newspaper 7th January 2009).

A study by SIDO - GTZ (1996) in Tanzania shows that in the informal sector, employment growth has increased threefold and it is estimated to grow at an average of ten percent per annum. However, parallel to the increase in number of enterprises in the informal sector, there is evidence in the decrease of the average size of enterprises. According to Olomi (2009) for example, the 1984 entrepreneurship survey shows that there was a total of 6,520 enterprises in Dar es Salaam alone with an average of 5.2 workers. The survey conducted in 1994 showed about 211,000 enterprises with an average of 1.5 workers. Also, the average of enterprises undertaken in permanent structures declined from 71.2 percent in 1984 to thirty percent in 1991, which implies that the degree of informality has also increased. With the increase in the contribution of micro and small businesses to the Tanzanian economy, the situation shows how large the area of research problem is in terms of employment and financial well being of the people in Tanzania. The researcher thus thinks addressing this research problem at this time and place is appropriate and useful.

1.5.2 The choice of research topic

Tanzania as a developing country has many social problems which need to be addressed. There are a number of entrepreneurship topics which could have been chosen for this study. The choice of the topic is purely based on the researcher's interest. According to Perry (1998:1-2), the choice of research topic should ideally be the one which interests the student for him or her to endure many years of hard and solitary work. If possible, it should be built on previous studies and it should be in 'warm' areas of research activity, rather than areas in which a lot of research has been done, or where the research interest is diminishing. The research topic should be in the mainstream field and not at the margin, or in between two

mainstream fields. It makes it easier to find supervisors and examiners if you are near mainstream fields of research.

The chosen topic should be one which produces results within the shortest period and within the available research resources. The study should have access to sources of data (respondents). The topic should continue the academic debate in the field and open further research after completion of the PhD programme. The process of doing the PhD programme should provide skills and information which may assist in seeking an academic or non-academic job. In this case, the choice of the topic on rural women entrepreneurs is expected to benefit rural women and stakeholders in developing countries in general and Tanzania in particular

The researcher has always admired women who have excelled academically and as a result were given opportunities to serve women and society in general. These women have excelled in their own countries and worldwide. Examples are Dr. Gertrude Mongella, who was a tutor at Chang'ombe Teachers College in Tanzania, and now the president of the African parliament and was the Secretary General of the Beijing Women's Conference in 1985; Dr Asha-Rose Migiro who was the Governor, Minister for Community Development, Women and Children Affairs and Deputy Secretary General of the United Nations. The last example is Professor Anna Tibaijuka who was a lecturer at the University of Dar es Salaam, Under-Secretary General of the United Nations and Director of the United Nations Human Settlements Programme, and currently serving as a Member of Parliament and cabinet minister in Tanzania. These Tanzanian women have inspired me to undertake this study to the best of my ability.

1.5.3 The position of the Study with relation to others

There are studies which have been conducted in Tanzania; however I will mention a few which are related with the present study. Ssendi and Anderson (2009), using a survey approach to study the role and impact of micro-finance for poor rural women in Tanzania, found that there were some benefits in improving the profitability of micro-enterprises run by rural poor women. However, they found that there was no evidence of permanent improvement in their well-being in terms of additional household assets.

Makombe (2006) studied women entrepreneurship development and empowerment in Tanzania using both qualitative and quantitative methods. He found that some women from Women Entrepreneurship Development (WED) supported programme, were able to buy assets as a result of the positive impact of entrepreneurship development programmes. However, most of the women had no control over their assets as they still needed permission from their husbands to sell them.

Stevenson and St-Onge (2005), in their study of support for growth-oriented women entrepreneurs in Tanzania, found that there was no recent national wide data on the number, size, make up and socio economic involvement of women. No data on women business entry, survival and performance was available. Data on comprehensive demographic profiling of women who own enterprises and their enterprises was missing as well. Furthermore there were limited studies on the factors affecting business start-up for the women entrepreneurs.

1.6 Methodology Overview

Although the methodology for the study will be described and justified in chapters three and five, this section gives an overview of the chosen methodology. In the process of achieving the stated study objectives; this study is conducted using a qualitative methodology. Many previous studies were done using empirical data from surveys. The phenomenon under investigation requires an appropriate methodology and methods in order to obtain the required information which in turn will aid in understanding rural female entrepreneurship in that research context.

An ethnographic case study approach is used to collect data, although other approaches could have been used. A survey would have been quicker and less labour intensive, but because the purpose of the study is to understand how poor rural female entrepreneurs undertake their entrepreneurial activities, the chosen methodology and approach were much preferred. As noted earlier primary data were collected from three villages: Kongowe, Ruvu Darajani and Patandi. Observation, interviews, conversations and life stories were used to gather the required information. Secondary data were collected from various publications and reports from village to central government level. Descriptive accounts were presented, data was analysed and then an interpretation was made. Within case and cross case comparison was

done in order to deepen the understanding of the phenomenon rather than looking for physical and visible differences or similarities which existed between the two study areas.

1.7 Delimitations of scope

The key boundaries were first introduced in section 1.2. Other boundaries to the study will concern the literature which is used for the study. The study was conducted in mainland Tanzania and the data were collected with reference to entrepreneurship in mainland Tanzania. The sources of information will also include, amongst other sources, reports, and research papers. Entrepreneurship was chosen because of its importance to the people of Tanzania. The settings chosen represent one of the poorest regions in Tanzania and one of the better-off regions, although still very poor by western standards (Ssendi and Anderson, 2009). As noted earlier the differences between the two regions will aid in understanding the phenomenon under study.

This study attempts to understand the entrepreneurial life of respondents. It focuses on how socio-cultural factors impact the way poor rural female entrepreneurs undertake their activities in Tanzania. The study investigates women from two villages in Pwani and one village in the Arusha region who undertake their entrepreneurship activities in the village markets. The study will also consider women who, for one reason or another, were not undertaking entrepreneurship activities at that particular time. The study is therefore aimed at providing a basis for policy directives and practice appropriate for the improvement of entrepreneurial performance; not just in Tanzania but also in other developing countries.

This research was restricted to three village markets which by the nature of operation seemed to be appropriate for the research. The village market is the area of the village where a large number of people gather and interact. Most people in the villages meet and conduct their activities in these markets. Although there are other women across villages who operate businesses, this study focused only on women found doing their business within the market and its surrounding areas.

The unit of analysis for this study are the individual poor rural female entrepreneurs who are operating within and around the market area. It involves the women operating small businesses. Although some of the respondents had more than one business, they were only

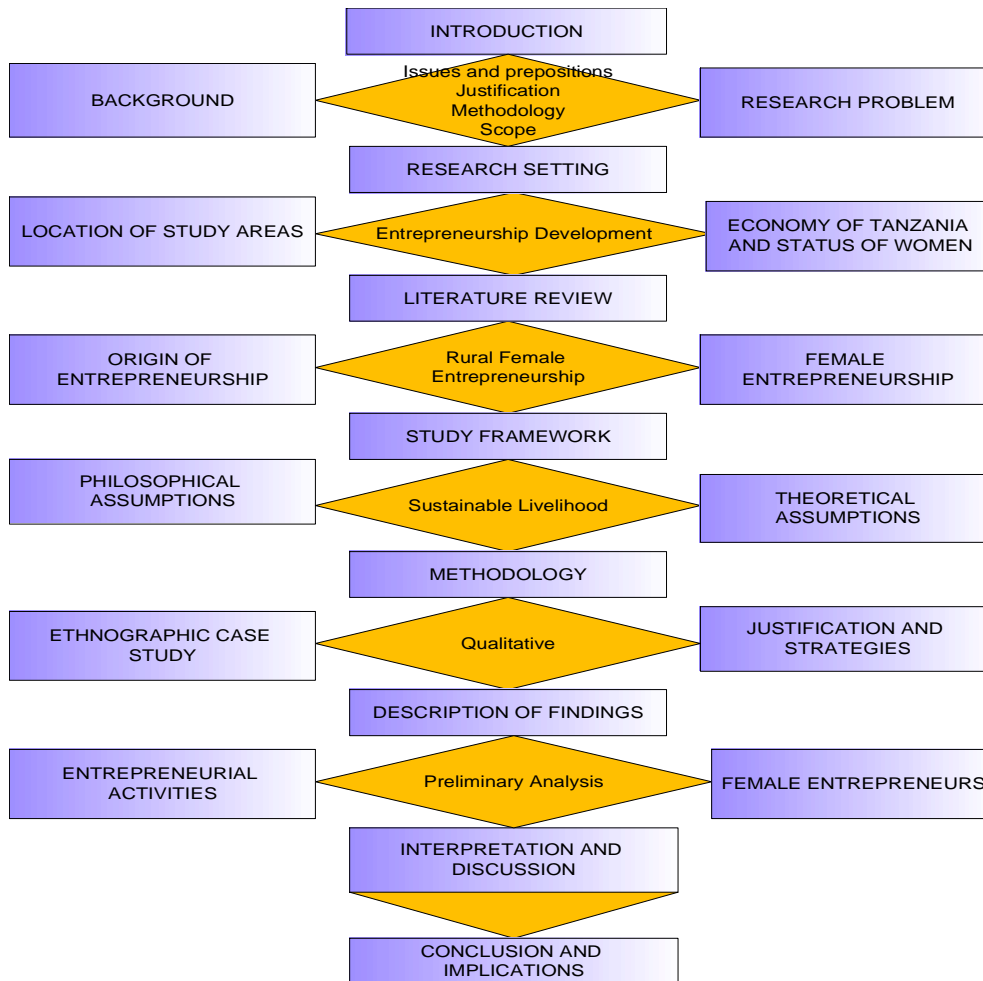
examined on the businesses they conducted within the village market and also they shared experiences in other businesses as part of their life histories.

Bearing in mind that this study adopts a qualitative approach and interpretative design, it may be faced with subjective limits. Therefore the main focus of the study will concentrate on providing a deeper understanding and insight into the phenomenon studied. Hence the research material gathered can contribute to the existing empirical and theoretical evidence and provide future research opportunities in the area of entrepreneurship and in particular to poor rural female entrepreneurs in the context of developing countries. There is always tradeoffs and a series of limitations when adopting qualitative approach or indeed in any study whether qualitative or quantitative. When using this approach, you are trading off generalizability in contrast to that of quantitative approach where you trade off the depth of understanding for the scope of the study. Thus, in all research decisions and research designs aspects, you give up one thing because you are interested in another.

1.8 Outline of the research

The overview of this thesis includes a review of the pertinent literature, the research objectives, the design, methods and procedure. Moreover the thesis addresses the data analysis techniques, ethical issues and the implication of the study. This thesis is divided into eight chapters. *Chapter Two* examines the research setting i.e. Tanzania. It is devoted to discussing the historical, political and economic contexts. Moreover, it considers the socio cultural influences of a developing country like Tanzania. *Chapter Three* presents a critical review of pertinent literature, the relevant literature on entrepreneurship in general, and women entrepreneurs in particular. *Chapter Four* discusses the methodology used in undertaking this study. *Chapter Five* describes the theoretical framework for analyzing data. *Chapter Six* presents the descriptive accounts of the findings and contextualising of the study. It discusses the findings and the overall interpretation of the findings. *Chapter Seven* discusses the findings in relation to how poor rural female entrepreneurs undertake their activities in Tanzania. Lastly, *Chapter Eight* presents the conclusions from the study findings, the recommendations and policy implications of the study. The following figure summarises the chapters in this thesis.

Figure 1: Thesis outline



1.9 Conclusions

In this first chapter the researcher has laid the foundations for the research. She has provided the background information about the study, introduced the research problem and research issues and propositions, justification for research was also presented. The overview of the methodology was briefly described. The scope of the study was given and the research was outlined. Based on these foundations, the researcher will proceed with the detailed description of the process of undertaking this research.

CHAPTER TWO

RESEARCH SETTING: TANZANIA NATIONAL CONTEXT

2.0 Introduction

This chapter provides a description of the Tanzanian national context with emphasis on location, population and economy. The study areas are identified and discussed, as are entrepreneurship development and women's participation. The discussion also focuses extensively on literature about Tanzania's politics and economics, the implications of colonial and post-independence government policies, the administrative structure, legal systems, education and culture. It discusses the impact these factors have on entrepreneurial activities, and, more specifically, rural female entrepreneurship.

2.1 Location of Tanzania

The United Republic of Tanzania is located in Eastern Africa, between longitude 29, 41 degrees east and latitude 1, 12 degrees south, with the Indian Ocean to the east, and includes the islands of Zanzibar, Pemba and Mafia. It is bordered by Uganda and Kenya to the north, Burundi, Rwanda and the Democratic Republic of Congo to the west, and Malawi, Mozambique and Zambia to the south (URT, 2011). The republic was formed out of a union of the two sovereign states of Tanganyika and Zanzibar. Administratively, Tanzania is divided into thirty regions; twenty five in the mainland and five in Zanzibar. There are 130 administrative districts, with 120 on the mainland and ten in Zanzibar.

Among the five East African countries, Tanzania is the largest. It occupies a total area of 945,087 square kilometres, of which 886,037 square kilometres are land and 59,059 square kilometres are water. The topography of Tanzania is relatively flat, with low altitude along the coast. However, high altitude landscape is found in the southern and northern highlands with an average of about 1200 meters (4000 feet) above sea level. The volcanic Kilimanjaro (5895 metres/19,340 feet), the highest mountain in Africa, is found adjacent to the north-eastern border with Kenya. Three great lakes of Africa lie on the borders of the country and partially within it. Lake Tanganyika, the second deepest in the world (772.4 metres) is found

on the west, Lake Victoria on the north, and Lake Nyasa on the south. Figure 2.1 shows the location of Tanzania in relation to neighbouring countries.

Figure 2.1 Map of Tanzania



Source: National Bureau of Statistics

2.2 Tanzania population

Tanzania is estimated to have a population of about 39.5 million people and approximately 74.5 percent of the total population live in rural areas (URT, 2008). The population of Tanzania is not evenly distributed. High population densities are found in fertile soils around Mount Kilimanjaro and Lake Nyasa shoreline. Other parts of the country have relatively low population density (Madulu, 2002:2&7). HIV and AIDS have been negatively affecting the population in Tanzania, as it is the case in other developing countries. Tanzania's HIV/AIDS prevalence rate is approximately eight percent and the disease has claimed more than 140,000 lives (Global Insight, 2005). Malaria continues to be the number one killer disease, accounting for seventeen percent of all deaths and approximately thirty percent of all hospital visits (NBS, 2007).

The population of Tanzania consists largely of more than 120 black African ethnic groups, the majority of which speak the Bantu languages as their vernacular. About a third of the total population follows customary religious faiths. Two thirds of the population follow the two main religions, namely Islam and Christianity. Islam is particularly dominant in coastal areas and Zanzibar (TGNP, 2007:54).

2.3 Regions of the study

As explained earlier this study was conducted in two regions in Tanzania, namely Pwani, which is the main study location and Arusha which is used as a comparison area. These regions have more or less similar resources, but different socio cultural practices.

2.3.1 Pwani region

The Pwani region is located along the eastern coast of Tanzania. It comprises of six districts, namely Bagamoyo, Kibaha, Kisarawe, Mafia, Mkuranga and Rufiji. It has a population of 889,154 and a total area of 32,407 square kilometres. In terms of population, 440,161 are male and 448,993 female (URT, 2003).

The natives of Pwani and Dar es Salaam regions are commonly referred to as the Zaramo. The Zaramo are made up of clans of Kutu and Luguru that migrated from Morogoro region around 1700s. There are five major ethnic groups within the Zaramo, namely Kami, Kutu, Kwere, Ndegereko and Rufiji. The Zaramo language is mutually intelligible with that of the

Kutu, Luguru, Kwere and Kami. However, most of the Zaramo speak Swahili which is the national language of Tanzania. The Zaramo have strong beliefs in tradition norms.

The medicine man or *mganga* is among the most powerful figures in the Zaramo traditions. As a spiritualist he has the power and position to function as the preserver of the Zaramo culture. His judgements and practices are entirely based on the concepts of spirit forces, witches, the power of sorcery and clan taboos (www.everyculture.com). Even with changes in their social environment as a result of interactions with different cultures, the Zaramo fundamentally insists on the powers of sorcerers and spirits, thus, they maintain to consult the *mganga* (www.everyculture.com).

Economically, the Zaramo are basically subsistence farmers even though they have plenty of fertile soils. To the Zaramo, plant life has more significance than animal life as their food comes mainly from agricultural activities. It is believed that the Zaramo grow more fruit trees, mainly oranges and mangoes, than other inland tribes. Coconuts are also grown for both home consumption and sale. Cashew is grown along the coast and at one point was the major cash crop for the Zaramo. Rice is also grown extensively by the Zaramo as food and a cash crop with a few numbers of livestock due to tsetse fly infestation. Zaramo were involved in long distance and the slave trade in the 19th century and it is also believed that they were expert slave hunters (www.everyculture.com).

2.3.2 Arusha region

Arusha region is located in the northern highlands bordering Kenya. It comprises five administrative districts namely Arumeru, Arusha, Karatu, Monduli and Ngorongoro. It has a total area of 36,486 square kilometres with a population of 1,292,873, of which 638,261 are male and 654,612 female (NBS, 2007). Arusha region is a popular tourist destination and it serves as the East African Community headquarters. There are mainly four tribes in Arusha region.

The Masai tribe dominates a large area in Arusha and the Masai area in Kenya. In Arusha the Masai tribe is divided into two groups: the Masai and the Arusha. The Masai keep cattle in large numbers, and practise a nomadic lifestyle. On the whole they are found in places where population density is low. The Arusha are found mostly in highland where they practise

small-scale mixed farming (www.geocities.com). The other tribes are Meru, Mang'ati and Mbulu.

The Meru people moved from Machame area on the slopes of Mount Kilimanjaro to start new farming settlements on the southern slopes of Mount Meru. They planted bananas and beans in small established fields on the base of the mountain. As time went on, they expanded up the mountain as their families grew, and they were joined by the Chagga refugees who escaped from political struggles in nearby Kilimanjaro region (Spear, 1997).

The Mang'ati, commonly known as the Taturu or Barabaig, are a sub-tribe of the Datooga people. They are thought to originate from southern Sudan or the western Ethiopian highlands. They are mainly pastoralists residing on the slopes of the northern volcanic highlands. Apart from being herders, they have recently diversified to include agriculture in their daily lives. Traditionally, they have a reputation as fierce warriors, as young men must kill what they call 'enemy of the people' that is, any human being other than a Datooga or one of the dangerous animals such as a lion or buffalo to prove themselves (Jenkins, 2008). Their culture resembles that of the Masai in most aspects. In their culture, any animal and animal part or product has either practical or ritual purposes. The Mang'ati are very conservative to their culture, including belief in Christianity or Islam, maintaining a strong adherence to traditional animalistic beliefs and practices (Jenkins, 2008).

The Mbulu, mainly Iraqw, are Cushitic people, who speak a south Cushitic language belonging to the Afro-Asiatic family. They mostly live in the Mbulu highlands where intensive cultivation is locally developed. They are very different from the Masai and the Meru. They use sophisticated agricultural practices such as contour farming to limit soil erosion, improved irrigation techniques, crop rotation, zero grazing and application of manure to maintain soil fertility and productivity. Usually, an Iraqw household keeps some livestock, such as cows, sheep, goats and chickens. Pigs and donkeys are often raised for sale and transportation respectively (www.everyculture.com). Black-smithing, which is practised by few Iraqw, is a male profession. Pottery and reed mats making is the domain of women, these are sold in towns. The cattle markets are an important entity in economic activities among the Mbulu as they earn income from selling cattle at these markets.

Culturally, the Mbulu are quite flexible. Christianity has gained wide acceptance in Iraqw society compared to Islam although some of the pre-colonial beliefs are still maintained. For example, Lo'a, a female God is still linked with the sky, Netlangw, or earth spirits are still believed to live in stream beds and springs. However, witchcraft is not a famous practice of Iraqws, but they do believe that some people are capable of practicing witchcraft to bring misfortune upon others through the manipulation of animals (www.everyculture.com).

2.4 The economy of Tanzania

External trade in Tanzania dates back as far as 900 AD, when traders from south-west Asia and India settled on the coast to exchange manufactured goods for ivory and African slaves. By about 1200, Kilwa Kisiwani became a major trade centre, where gold exported from Sofala in Mozambique and goods (ivory, beeswax and animal skins) from the inland Tanzania were handled.

When the Germans came, several new crops such as sisal, cotton, and plantation-grown rubber were introduced. The Germans built railroads from Dar es Salaam port to Kigoma and to Moshi for easy transport of agricultural products from the inland (www.infoplease.com). After World War I, the British developed the territory's economy basing largely on the foundations laid by the Germans. For example, to increase agricultural production, that resulted to the accelerated economic growth (www.infoplease.com). However these efforts did not improve Tanganyika's economy.

Tanzania became independent in 1961 despite having a severely under developed economy and extremely limited infrastructure (URT, 2008:10). After independence, Tanzania identified three enemies of development, namely poverty, ignorance and disease. Government policies, therefore, focused on how to combat these three enemies. However, these policies did not perform as it was expected. According to NBS (2007), after independence to 2000 there was a marginal increase of the per capita income of Tanzanians. That is, over that period real incomes (corrected for inflation) rose by twenty-two percent, which is less than 0.5 percent per annum, (NBS, 2007:21). Because of the failure of these policies a new strategy was put in place.

In February, 1967, there was a major change in the economic policy in Tanzania. The Arusha Declaration policy called for fairness, socialism and self-reliance. The government was

decentralized and a programme for rural development called *ujamaa* (“pulling together”) was underway that resulted into the formation of *ujamaa* villages and *ujamaa* village farms. The factories and plantations owned by foreigners were nationalized (Makombe, 2006:18) and major investments were directed towards primary education and health care.

Government cooperative enterprises were formed to run all nationalized business ventures, where emerging bureaucratic elites were made managing directors. During the government-controlled economy era, local individuals were discouraged from undertaking any entrepreneurial activities, furthermore all government workers and political party leaders were not allowed to get involved in any private entrepreneurial activities under the Economic and Organized Crime Control Act of 1984, Human Resource Deployment Act of 1983, and the Leadership Code of 1969 (Makombe, 2006). Since the majority of educated Africans were civil servants, entrepreneurial activities were left to illiterate indigenous and the Asians and those indigenous people without much education (Temu, 1997). After operating in a difficult environment of government-controlled economy for many years, Tanzania suffered a serious economic crisis at the end of the 1970’s. The real purchasing power of the country and crop prices dropped drastically. The Tanzania -Ugandan war of 1978 and the failure of the *Ujamaa* policy itself in economic terms brought the country to the verge of bankruptcy by the mid 1980’s (www.infoplease.com). All these put together had forced government workers to engage themselves in petty business activities to supplement their incomes, while the peasants had diversified their income source by starting small business within their rural areas, or migrated to urban areas (Omari, 1991).

In 1986, Ali Hassan Mwinyi, President of Tanzania after *Mwalimu* Julius Kambarage Nyerere, began an economic recovery programme that indicated a twist in the economic direction. The programme involved cuts in government spending, de-control of prices, and encouragement of foreign investment (www.infoplease.com). This new policy helped the economy to grow ahead of the population growth in 1990s (Pinaud and Wegner, 2005).

Following the IMF and World Bank’s Economic Recovery Programmes, the government liberalized trade and virtually all sectors of the economy. This resulted in massive retrenchment of civil servants and workers at other public institutions, leading to high levels of unemployment, particularly for school leavers, resulting into homelessness, environmental degradation, increased crime and corruption (TGNP, 1999:25). During this period many

people were not able to find salaried jobs, even those who were employed had to find other means of increasing their income. For that case many opted to run small informal enterprises in the private sector in order to have financial capability to survive.

Tanzania's economy since independence to the mid 2000s was heavily dependent on agriculture, which accounted for approximately 44.5 percent of GDP (at constant 1992 prices) in 2004 (URT, 2005a), eighty percent of the labour force and eighty-five percent of export earnings. Despite these figures, topography and climatic conditions have limited cultivation of crops to only four and half percent of Tanzania's total land area; whereas permanent crops account for one percent, meadows and pastures forty percent, forest and woodland forty-seven percent and other uses seven percent (Kida, 2001). Most of the main cash crops, i.e. coffee, cotton, tobacco and cashew nuts, are grown on smallholding farms, although tea and sisal are cultivated on commercial estates. The main food crops are maize, cassava, sorghum, rice, millet and plantains. Despite agriculture being the major occupation of most Tanzanians, especially in the rural areas, its contribution to the nation's GDP has fallen drastically due to the decline in agricultural production and productivity (URT, 2008). The GDP contribution (at current 2010 prices) was twenty six percent forestry and agriculture, two percent fishing, twenty four percent industry, housing and construction and forty eight percent services (NBS, 2011).

In 2007, Tanzania was ranked 95th according to the World Development Indicator Database in terms of GDP (World Bank, 2009). According to a 2007 economic survey, GDP in real terms grew by 7.1 percent compared to 6.7 percent in 2006. The GDP amounted to 20 948 403 million TZS in 2007 at current prices, or 13 801 921 million TZS at 2001 constant prices. Per capita income was 548 388 TZS (422 US dollars) in 2007 at current prices, or 361 307 TZS (278 US dollars) at 2001 constant prices (URT 2008). This shows that there has been an increase of 14.6 percent in per capita income at current prices.

However, these economic indicators do not necessarily show an improvement in the standard of living of ordinary Tanzanians. For example, there has been a huge reduction in paid employment in both the private and public sectors, especially for the poorer middle classes, as a result of the economic reform programmes of the 1990's, and the cost of living has risen due to introduction of cost-sharing in basic social services delivery (Makombe, 2006:17) as people are required to pay a part or a full amount of medical and education bills. Moreover,

the situation in rural areas is becoming increasingly worse both socially and economically due to rising production costs and diminishing returns (Mbilinyi, 1999:9).

At present, the small and medium enterprises (SMEs) sector is the main employer of the majority of Tanzanians, just behind subsistence agriculture. According to a study commissioned by ILO in 2002, it was estimated that there were more than one million SMES, which employed between twenty percent and thirty percent of the total labour force (ILO, 2002:6). However, most of the enterprises are found in urban areas, leaving the majority of the rural population poor and with limited opportunities to start enterprises (NBS, 2007). This situation brought about substantial differences between the rural and urban poverty levels.

It is believed that in most cases, the education level of the head of the household may have an impact on the wellbeing of the household. Thus, the household headed by the educated person is believed to be better off compared to the household headed by uneducated person (NBS, 2002). Farmers are believed to be more impoverished compared to other professionals, as are women compared to men. In rural areas it is less likely that people live in modern housing, are connected to electricity grid or own consumer goods (NBS, 2002). According to 2000/01 HBS, the rural population has the lowest average expenditure and highest level of income poverty (NBS, 2002). There are also regional differences in terms of housing conditions, facilities and school enrolment. Welfare indices show Dar es Salaam, Kilimanjaro, Arusha and Mbeya are far better; while Shinyanga, Singida, Tabora, Pwani, Tanga, Mtwara, and Lindi regions are worst off (NBS, 2002).

Apart from having different socio cultural settings, the two study regions have also remarkable difference in socio economic indices, where Arusha shows the best indicators while Pwani the worst indicators. Table 2.1 shows some of the socio-economic indicators of the two regions as compared to the national averages.

Table 2.1 Socio-economic indicators of the Pwani and Arusha regions

Indicator	Pwani	Arusha	Tanzania Mainland
Households in dwellings with a roof of modern materials (%)	33	53	42.8
Households in dwellings with modern walls (%)	6	18	13.2
Households with mains electricity (%)	6	11	10
Households with no toilet facilities (%)	3	16	7.1
Mean distance to a bank in km	28.1	16.7	30.45
Women in rural areas with any education (%)	44	70	58.8
Adult literacy in any language (%)	61	78	71
Households within 2km of primary school (%)	66	54	26.3
Mean distance to secondary school in km	13.1	6.4	12.6
Households using improved water sources (%)	35	59	39.3
Population below food poverty line (%)	27	25	18.7
Population below the basic needs poverty line (%)	46	39	35.7

Sources: Extracted from NBS, 2002: HBS 2000/01 and URT, 2008: Economic Survey 2007

These indicators are also clearly reflected at the district level, where Kibaha and Bagamoyo seem to be worse off compared to Arumeru. The table below shows some of the indicators based on 2002 household budget surveys for Arumeru, Bagamoyo and Kibaha.

Table 2.2 Socio economic indicators for Arumeru, Bagamoyo and Kibaha districts

District	Arumeru	Bagamoyo	Kibaha
Total population	516, 814	230, 164	132,045
Population below poverty line (%)	18	40	32
Female-headed households (%)	33	29	28
People aged 15 and above who are literate (%)	79	63	74
Females aged 15 and above who are literate (%)	74	54	66
Households using piped or protected water source (%)	85	31	60
Rural households using piped or protected water source (%)	82	22	28
Households using flush toilet or improved pit latrine (%)	5.0	1.5	5.0
Households with electricity (%)	11.4	6.0	10.2
Households with poor quality walls (%)	50	84	60
Households with poor quality roofing (%)	22	64	34
Infant mortality rate (per 1000 live births) (%)	41	105	98
Under five mortality rate (per 1000 live births) (%)	58	174	160

Source: URT, 2005a: Poverty and Human Development Report, 2005

At these indices female headed households are believed to have less percentage of socio economic indicators.

2.5 Women in Tanzania

According to Geiger (1990), in Tanzania, as in many developing countries, historians, political scientists and other professionals have failed to appreciate women's contribution towards the fight against colonialism. It is argued that during the colonial era, African women were not recognized by colonial rulers as valuable human beings. African women were considered invisible creatures, living in unknown places under men's controlled empire. According to colonial ideology, rural and remote areas were seen as the best place for women (Geiger, 1990).

As indicated in Chapter One, women constitute fifty-one percent of the total population, seventy-seven percent of people who live in rural areas (NBS, 2007). Although poverty is widespread in rural areas, many societies remain traditionalist on gender issues. In Africa, women are the poorest social group, despite being the main producers of food crops producing about seventy-five percent of the continent's food. Women in Africa are said to be the backbone of their economies (TGNP, 2007:1). Apart from production of food and cash crops they are also responsible to ensuring the well being of their families in terms of provision of food, clothing and sometimes shelter (Charlayne, 2006).

In Tanzania, about sixty percent of women live in absolute poverty. They are found in the rural areas and poor urban suburbs where they carry heavier household burdens and they are deprived their rights, such as property rights and lack adequate knowledge about existing support services, like credit facilities (URT, 2005a; Brain, 1976:266). Women are said to have low education level, that leads to poor knowledge and skills about time and work management. As noted earlier women spend a lot of time and energy in performing their activities because they use poor and inefficient technology (TGNP, 1997:32).

Because customary and Islamic laws are recognized by the Government and courts, women are subjected to discriminatory restrictions on inheritance and property rights (TGNP, 1997:38). Discriminatory practices against women are more dominant in rural areas, where women are demoted to farming and raising children; and in most cases they stand absolutely no chance of obtaining paid employment (TGNP, 2007:54-55). The patrilineal system is widely practised in Tanzania, except for some ethnic groups in central-eastern and south-eastern Tanzania which still follow matrilineal kinship (Kimambo and Temu, 1969). Under

patrilineal societies, the basic role of women is to produce and reproduce for the husband's lineage (Mbilinyi and Shundi, 1999). Most traditions and customs hinder women from owning property and land, overriding laws that provide for equal treatment.

Female Genital Mutilation (FGM) affects eighteen percent of the female population (NBS, 2006). In some ethnic groups, FGM is an important cultural rite such that in some cases a woman who has not undergone this ritual may not be able to marry. Although FGM is prohibited by law, some ethnic groups still practice it at an early childhood in about twenty of the country's 130 main ethnic groups (NBS, 1996). Most affected regions are Arusha (eighty-one percent); Dodoma (sixty-eight percent); Mara (forty-four percent); Kilimanjaro (thirty-seven percent); Iringa (twenty-seven percent); Tanga/ Singida (twenty-five percent) and Morogoro (twenty percent) (NBS, 1996).

Due to increased violence against women, the government has put in place a law to protect women against violence, the Sexual Offences Special Provisions Bill (1998) which, among other things, provides life or 30 years imprisonment for persons convicted of rape and child molestation (www.tanzania.go.tz).

The status of Tanzania's women has been changing over time. Women have changed the nature of rural subsistence farming. They are seen to become directly involved in the process of proletarianization (Bryceson, 1980). According to URT (2005b), in Tanzania there is an increase in female-headed households because of the deaths of their partners, especially due to HIV&AIDS epidemic or broken marriages (URT, 2005b). Because of globalization and structural adjustment programmes, many men who were breadwinners for their families faced layoff from their job due to privatisation (URT, 2005b). That resulted into frustrations for both workers and peasants because they could not generate enough income from their jobs or produces; as a result they released their anger by victimising their partners. This in turn led to children being raised without both parents.

Gender patterns in employment, farming and non-farming activities have also changed in Tanzania. Many women have become active in business related activities and have become more responsible to provide for the cash needs of their households. Gender relations and responsibility have been changing at the workplace in Tanzania. While employment opportunity in the formal sector (for both men and female) is very limited because of

economic crisis and restructuring programmes, women have decided to engage themselves in the informal sector by running small businesses in order to ensure their household's income (Mzingo and Rusimbi, 2003).

This twist in the women's role can be attributed partially to Tanzania's participation in the 1995 United Nations Fourth World Conference on Women in Beijing; as the conference stressed equal rights for all which is in line with the Tanzania's constitution that disapproves any kind of discrimination based on sex and recognises gender equity and equality (Mzingo and Rusimbi, 2003).

Women have been leaders in expanding micro and small enterprises, commonly referred to as the informal sector (www.tanzania.go.tz). However, their legal and human rights are constrained by inadequate legal framework as the existing legal system does not reach the majority of women who live in rural areas (Makombe, 2006:29). To overcome this situation, Tanzania has been the leading country in creating a favourable legal environment and political context for gender equality (Ellis, et al, 2007:1). Tanzania has committed itself to enhancing women's economic capabilities by ensuring easy access of credit facilities to the majority of people. Ensuring they attain entrepreneurial and technical skills which in turn would enable them to manage their businesses better (Makombe, 2006:28-29). A number of NGOs and donor organisations have made serious efforts to advance credit to women at village level (www.tanzania.go.tz).

2.6. Entrepreneurship development in Tanzania

This section discusses the evolution of entrepreneurial activities in Tanzania before, during and after the colonial era. It provides a brief discussion on the trends and nature of rural and women entrepreneurship in Tanzania.

2.6.1 The history of entrepreneurship in Tanzania

In the 19th century before colonial rule, there were local and international trades as well as cottage industries, like weaving, blacksmithing and woodworking (Koda, 1997:30). However, these entrepreneurial activities were suppressed and suffocated by colonial regulations (Geiger, 1990:16; Temu, 1997) as indigenous Africans were restricted from engaging in business activities (Rugumamu, 1993). This restriction was in accordance with a

colonial legislation called the Credit to Native (Restriction) Ordinance of 1931 (Koda, 1997). While these limitations applied to all indigenous entrepreneurs, it can be argued from a gender perspective, as Koda (1997:34) does, that under such conditions, female entrepreneurs were more disadvantaged than their male counterparts due to extant patriarchal relations. At the time of independence, in 1961, Asians held more than two-thirds of the trade volume while indigenous Africans held less than one-third (Honey, 1974). As far as Africans were concerned, a typical entrepreneur was characterised by a lack of skill, education and capital (Rugumamu and Mutagwaba, 1999). Under these conditions, female entrepreneurs were worse off due to a combination of factors, such as colonial education and training which contributed to gender imbalances in entrepreneurship development, as well as cultural practices that denied women the right to inherit property, including land (Koda, 1997). The situation was worst in rural areas.

2.6.2 Rural entrepreneurship in Tanzania

Rural areas continue to provide a livelihood for the majority of the population, but poverty is found to be more persistent amongst rural people, a much higher percentage falling below the poverty line (URT, 2000). People in rural areas depend on productivity in agriculture and non-farm activities for their livelihood and economic development (Mbilinyi, 1999). The prospects of raising productivity in farm and non-farming activities deserve priority if economic development is to be achieved. Non-farm enterprises are an important source of livelihood for the majority of Tanzania's rural population. In Tanzania rural non-farm enterprises are different from those in the urban areas. According to the World Bank, rural areas comprise of about one-half of the small enterprises, while the other half is found in the rural suburbs (World Bank, 2007). Non farm enterprises are very small in such a way that the majority are operated by one person most of the time; although during peak seasons enterprises may employ part time or casual labour, mostly family members (World Bank, 2007). More than seventy five percent of Tanzanian rural enterprises are seasonal, this typically constrains enterprise growth. Non farm enterprises in rural Tanzania operate locally in the relatively thin markets (World Bank, 2007).

According to the Poverty and Human Development Report, the living standards of the rural population need to be raised so as to have a more positive impact on the micro economy of the country, and hence the macro economy (URT, 2005a). Rural development is dependent on the growth rate of agricultural production in the rural sector. This implies that in order to

increase income for the rural community, there should be improved productivity in the farm and non-farm sectors in the rural areas. Thus, non-farm and farm activities should supplement each other in case one sector fails.

The provision of infrastructure and services is needed in the rural communities and is the requirement for rural economic development. It includes access to social services, capital and markets. As the population in the rural areas is growing faster (especially in Sub Saharan African), there is an increasing pressure on the natural resources base, that is, the non-farm alternatives are essential in those areas. For this reason, the agricultural production growth alone cannot meet these rural challenges; so private entrepreneurs, women in particular, play a great role as they link the non farm economy and agricultural sector, thus, contributing to rural poverty alleviation (World Bank, 2008).

2.6.3 Women entrepreneurship in Tanzania

For many years, women have been known to be enterprising (Akinbami, et al, 2008). It is believed that women's entrepreneurship is expanding around the world such that women are representing more than one-third of all people involved in entrepreneurial activity (Minnitti, et al 2007). As in many African countries, women have started enterprises because it is the only option to take in order to meet their basic needs or alleviate their poverty, rather than actively pursuing business ventures through choice (Richardson, 2004:17). Women undertake small businesses, and the majority are termed as reluctant entrepreneurs because they are forced into business activities by external factors (ILO, 2003). Many women entrepreneurs operate mostly in low growth areas that earn lower incomes with intense competition compared to their male counterparts (ILO, 2003).

The economic changes in the modern world have changed the value of women in modern society (Laukkanen and Nittykangas, 2003; Stein, 2007:54). Since World War II, there have been changes which have forced women to enter the men's world of workplace and business ownership. These changes have made women and men more alike, to changed the way they think and have forced them to adopt new ways of doing things (Raiser, 2001:2).

Many scholars argue that women's participation in effective entrepreneurship is a recent phenomenon in the world, especially in developing countries (Ufuk and Ozjen, 2001:299); the same is true for rural Tanzania. In contrast to this, participation of women in

entrepreneurship activities in the urban areas started long ago, back in the colonial era. In Dar es Salaam, for example, about thirty percent of rented houses in 1950 were owned by women (Geiger, 1990:26). Major entrepreneurial activities were prostitution, local brewing and fish selling (Geiger, 1990). Currently, the number of women involved in entrepreneurial activities has risen rapidly in both urban and rural areas (Wilson, 2005:178). Statistics on women-owned businesses in the United States, suggest that there has been a rapid increase in the number of women starting new ventures compared to men, so narrowing the gap between female and male owning businesses (Mueller, 2004:199). That is, women-owned businesses represent thirty-eight percent of all businesses in the United States of America (Simonin, 2006:66). In Tanzania, almost eighty percent of people involved in micro and small businesses are women, making at least one-third of all SME operators (Richardson, 2004:1). Now women are moving away from traditional economic roles and moving towards starting their own businesses (UNIDO, 2001).

As noted women entrepreneurs in rural areas are limited in what they can attain in terms of knowledge and skills. Lack of these may limit how much of the support services they can access (Rutashobya, 2000). Moreover, due to the culture and traditions of Tanzania, it becomes difficult for women to start and run enterprises because as a woman she is expected to play traditional roles as a housewife and a mother. To do a business, therefore, one has to combine traditional roles with business activities that leave little energy and time for the later (ILO, 2003). If they are given the necessary support, they have the opportunity to be involved in the collective process of enterprise creation and development, thus improve their success rates (UNIDO, 2001).

2.7 Conclusion

This chapter has discussed various issues about Tanzania. It has been noted that Tanzania is a multicultural country with more than 120 black African ethnic groups. It has been shown that women slightly outnumber men in the Tanzanian population, about fifty-one percent, and about seventy-seven percent of which live in rural areas. A description of study areas was also presented. Socio-economic indicators show that there is a significant difference in social wellbeing between the two regions at regional and district levels, between the Pwani and Arusha regions; on this aspect Arusha is better than Pwani.

It has been also noted that there has been a transformation of the economy, from agrarian towards non agrarian. The post independence policies have also been discussed. It has been noted that the economic crisis of the 1970's was a result of these poor and bad economic development policies. It is because of these policies that many people were forced to undertake petty trading to supplement their income.

The position and role of women in the Tanzanian economy has also been discussed. It has been shown that women in Tanzania still face some discriminatory restrictions in access to productive resources. However, women have been identified to be the major players in SME development and hence important contributors to the whole economy.

CHAPTER THREE

REVIEW OF LITERATURE ABOUT RURAL FEMALE ENTREPRENEURSHIP

3.0 Introduction

This chapter reviews the relevant literature on entrepreneurship with a focus on female entrepreneurship in the context of a developing country. There are remarkable differences in what is perceived as entrepreneurship in the western world and what actually the case in developing countries is. The process of entrepreneurship and the experiences of female entrepreneurs from these two different parts of the world differ greatly. This chapter will look into the genesis of entrepreneurs and entrepreneurship, female entrepreneurship development in Tanzania, especially in the rural areas and the analysis of rural female entrepreneurship.

3.1 Origin of entrepreneurs and entrepreneurship

This section will discuss the genesis of entrepreneurs, entrepreneurship, and the perennial issue of whether entrepreneurs are born or created.

3.1.1 Who is an entrepreneur?

The term “entrepreneur” is frequently used in economic matters, in academia, by mass media, and also by ordinary people in their daily interactions. The word entrepreneur is said to have originated from France long before there was a general concept of an entrepreneurial function. As late as the sixteenth century men who were engaged in leading military expeditions were referred to as entrepreneurs (Buame, 1996:81). In the 1800’s, a number of writers and French economists gave a specific meaning to entrepreneurship and entrepreneur, though with differences in the characteristics of the area of economic sector they were interested in.

Just after the 1700’s, the term entrepreneur was largely applied by the French government to imply civil engineering contractors in road works, bridges, and sometimes fortification

contractors and later on architects. It was the French economist Richard Cantillon (1755) and Jean-Baptiste Say (1805), who are reported to have first used the concept of 'entrepreneur' as a technical one (Schumpeter, 1951). Cantillon has defined the entrepreneur as the agent who organises factors of production with the intention of producing a new product or service (Schumpeter, 1951). Say (1816) included the concept of leadership, that an entrepreneur is one who brings other people together, in order to produce a useful commodity. Schumpeter defined an entrepreneur as the person who is responsible for putting together all factors of production to make quality products, and hence use the resources in low productivity to high productivity areas. A person, who can efficiently organise these resources in pursuit of an opportunity to add value, may develop the resources and become successful and hence, an entrepreneur. An entrepreneur seemed to be a founder who adds value by offering a product or service; and she should have strong beliefs about the market opportunity and should organise available scarce resources in the optimum combination to achieve the output that should modify the existing interaction (Schumpeter, 1951).

Some scholars see entrepreneurs as people who are willing to accept high levels of personal, professional or financial risks to pursue that opportunity; but the growing evidence shows that they are more passionate entrepreneurship experts than simply gamblers (Schumpeter, 1934). This implies that owning a small business alone does not necessarily classify a person as an entrepreneur (Sexton and Bowman-Upton, 1990). Even if the risk bearing component is incorporated in many current theories on entrepreneurship, the risk-bearer theory alone is not sufficient enough to explain why some individuals become entrepreneurs while others do not. While Mills and Marshall (1920) claim that special skills are required to participate in entrepreneurial activities, Kirzner (1985:10) suggests that the necessary characteristic of the entrepreneur is the ability to recognize opportunities.

One of the theories held is that entrepreneurs develop from the population where there are different entrepreneurial opportunities and people are able and ready to take advantage of them. From this view, two sides should be considered: the distribution of information available to would-be entrepreneurs, and how environmental factors alter the rate of a society's production of entrepreneurs (Schumpeter, 1951). Moreover, Gartner (1985) have pointed out that the art of organising and combining available resources of production into products and services of a higher social value stretches to a wider range of spheres other than economic means of production. That is, entrepreneurs, and entrepreneurial behaviour, can be

found in all forms of professions such as teaching, medicine, research, law, politics and social work. Thus, there might be some other necessary characteristics that may help to explain why some people are entrepreneurs and others are not.

From the above, the difference is that the entrepreneur is considered to be crucial to economic development and a catalyst for dynamic change. Although it is agreed that entrepreneurship is necessary for economic growth, the problem is, what is the actual role that entrepreneurs play in promoting economic growth?

3.1.2 The role of entrepreneurs

It is believed that, Cantillon, was the first person to identify the central role of the entrepreneur in economic development. According to him, out of the three existing classes in society, the entrepreneurial class was the important class and was the central economic player (Schumpeter, 1951); other two classes were the land owners and workers (Deakins and Freel, 2003). Marshall sees the entrepreneurs as creators of commodities, that by creatively organising resources, entrepreneurs can create new innovations or improve old ones (Marshall, 1994).

On the other hand, Buame, sees an entrepreneur as a key player in the economy, and a catalyst for economic transformation and development (Buame, 1996). In this way, the entrepreneur should be able to identify entrepreneurial opportunities and make decisions, and be ready and willing to accept the outcomes of his/her actions in combining different factors of production in the production process (Deakins and Freel, 2003). This agrees with other theories on entrepreneurship that consider the role of the entrepreneur to be that of taking risks in case of unpredictable and unforeseen circumstances (Hill and McGowan, 1999). For Schumpeter (1951), the role of the entrepreneur is that of an innovator; however, the real meaning of innovation is still being debated. Leibenstein (1995) claims that the important characteristic of entrepreneurs is that they are gap-fillers: they have the ability to coordinate market demand and supply in order to satisfy the market requirements.

3.1.3 Can an entrepreneur be created?

There are a number of arguments and theories trying to explain the reasons some people are more entrepreneurial than others and why people decide to start entrepreneurial activities.

Marshall claims that the abilities of the entrepreneur are vast such that many people do not recognise them. He adds that all entrepreneurs differ and their success depends on the environmental conditions in which they operate (Marshall, 1994). It is argued that economic environment often limit the opportunities for entrepreneurs (Pasanen, 2005). From this point of view, entrepreneurial activity is related to the presence of marginal groups, non-integrated minorities, that contribute small amounts of entrepreneurs; for example, Dissenters in England, Protestants in France, Chinese in South East Asia, Indians and Arabs in Africa (Greenfield and Strickon, 1995). Because these groups felt discriminated and socially marginalized, they tried to overcome this through their entrepreneurial activity in order to achieve status (Cuervo, 2005)

Some authors have used planned behaviour theory to explain the firm creation decision (Ajzen, 1991). They argue that the intention to become an entrepreneur is influenced by the individual's personal attitude, the perceived control over the firm creation behaviour, and perceived social pressure to become or not to become an entrepreneur (Krueger, 2007; Fayolle and Gailly, 2004; Fayolle and De George, 2005).

Conversely, role theory suggests that the role behaviour is a product of socialisation at different stages of the individual's life cycle (Thomas and Biddle, 1966). These scholars believe that individuals learn through observation of role models (Scott and Twomey, 1988; Scherer et al, 1990; Lent et al, 1994); role model's behaviour influences both learned desire and reality of the role for the individual (Krueger and Brazeal, 1994; Krueger et al, 2000) and thus, if the role is a career role such as entrepreneur, role models direct expectations and determination of the individual leading to intentions of pursuing that particular career (Lent et al, 1994; Nauta et al 1998). Conclusively, according to the role theory, role models influence entrepreneurial objectives by altering attitudes and beliefs (Krueger et al, 2000). From these arguments, Dyer's (1994) model of an entrepreneurial career claims that children of entrepreneurs are more likely to be entrepreneurs than those of non-entrepreneurs. Likewise, children with self-employed parents are likely to develop the desire to become owners and managers of similar firms to that of their parents (Carroll and Mosakowski, 1987). To support this, Scott and Tomwey (1988) argue that if parents are entrepreneurial role models, children will also perceive themselves as entrepreneurs. This self-perception, coupled with a triggering factor and a business idea, will ultimately lead the children to prefer an entrepreneurial career. However, other authors have argued that the performance of

role models was not as important as the very existence of the role models (Scherer et al, 1990). In the above notions of entrepreneurship, women were not included. Thus we can say that entrepreneurs are both born and created. However, for this type of entrepreneurs under study they are created and manipulated by external factors; mainly social and cultural factors.

3.1.4 Genesis of entrepreneurship

The concept of entrepreneurship is universal and this study discusses the genealogy of the concept. Sociologists have described entrepreneurship as the process of generating income from property and other personal assets like capital, land and labour for productive reasons. On the other hand, psychologists have described it as a situation where the entrepreneur can assert his own control with a sense of independence (Brockhaus and Horwitz, 1982:43). The importance of entrepreneurship in production was first formally documented by Alfred Marshall in 1890. He identified four factors of production; namely: land, labour, capital and entrepreneurship. Marshall considered entrepreneurship as a central factor that coordinates the other factors of production together, and he believed that entrepreneurship is the high level decision-taker within the organization (Marshall, 1994). Marshall also believed that entrepreneurs must have enough knowledge of their businesses and they must have natural leadership qualities. Moreover, according to him, entrepreneurs must have the ability to foresee changes in the market conditions and be responsible for the outcomes of their decisions. The main element here is that of risk taking and adventurous undertakings. Hence, from this usage, it was easier to apply the concept of entrepreneurship to other types of adventures.

Since the Marshall's era, the concept of entrepreneurship has been changing overtime. For example, while Marshall considered entrepreneurship as the driving force behind organization, many economists nowadays consider entrepreneurship, by itself, as the fourth factor of production (Arnold, 1996). Stevenson and Sahlman (1986) describe entrepreneurship as an economic conduct characterized by the planned strategic direction, commitment of opportunity, resources provision and control, concept of management and completion policy. Moreover, entrepreneurship and the entrepreneur have been defined by a combination of interacting situations as well as behavioural and personal variables (Bull and Willard, 1993:185). Vesper (1980), on the other hand, sees the overall concept of entrepreneurship as nothing more than the creation of new enterprises by individuals or a

small group of individuals. Sexton and Bowman-Upton (1990) add that it is the general management approach that starts with opportunity recognition and ends with the exploitation of that opportunity. Thus, it has not been easy to develop a common concept as far as entrepreneurship is concerned. The main reasons for this difficulty in the conceptualisation is the idea that entrepreneurship is a widespread economic, and in particular, business phenomenon comprising a wide range of economic endeavour, thus, the definitions differ and vary because authors try to take on specific characteristics of the different economic endeavours (Gibb and Ritchie, 1982). Steel and Webster (1991) also argue that it is not easy to find appropriate definitions of entrepreneurship since business activities do not occur in a vacuum. There are a number of fields available for entrepreneurial activities and they take place in different forms and scope. Thus social as well as economic contexts shape enterprise (Kosgaard and Anderson, 2011).

Because of its nature, entrepreneurship research has been carried out from multidisciplinary approaches, using different methods and concepts, thus yielding fragmented results (Mazzarol, 1999:48; Anderson et al, 2012). Despite its origin, entrepreneurship can be disembodied (Anderson and Jack, 2002) from its western perspective and applied to other societal perspectives provided the phenomenon described is universal, to the extent that not only all human endeavours involve uncertainties and risk but also resource organising. Extensive literature search undertaken by this study reveals many authors and researchers have tried to conceptualize the activities and processes involved in entrepreneurial phenomenon. Yet there is no consensus by the social scientists on the definition of entrepreneurship.

3.2 Female entrepreneurship

This section gives a description of female entrepreneurship focusing on its history, trends, profiles; role of culture and gender relations as far as female entrepreneurship is concerned.

3.2.1 History of female entrepreneurship

As noted earlier amongst the earliest published work about women's entrepreneurship was that of Schwartz (1976), which examined characteristics, motivation, attitudes and barriers of female entrepreneurs. Subsequent studies that followed Schwartz are mostly centred on personal characteristics, which were generally explored through the lens of human capital

(Brush, 2006: xiv). Although women have owned enterprises ever since, the public policy and popular media interest in women business owners is relatively a recent phenomenon (Brush, 2006:18). Women in many African countries have started enterprises as the only alternative on hand in order to overcome or reduce their poverty, rather than actively pursuing business ownership as an economic choice (Richardson, 2004:17).

The economic changes in the modern world have also changed perceptions about the value of women in modern society (Laukkanen and Niittykangas, 2003; Stein, 2007:54). As noted in Chapter Two, since World War II, there have been changes which have forced women to enter the men's world of workplace and business ownership. Following the recent transformation of economies, women's capabilities and qualities have proved to be very valuable (Ufuk and Ozjen, 2001:300).

Participation of women in entrepreneurship is said to be a recent phenomenon in the world, especially in developing countries (Ufuk and Ozjen, 2001:299) like Tanzania; although women have been involved in entrepreneurial activities for ages (Geiger, 1990). However the number of women involved in entrepreneurial activities has risen rapidly (Wilson, 2004:178), that closing the gender gap between men and women owned businesses (Mueller, 2004:199). In Tanzania almost eighty percent of people involved in micro and small businesses are women. At least one-third of all SME operators in developing countries are thought to be women (Richardson, 2004:1).

3.2.2 Trends of women entrepreneurship

The level of women entrepreneurship in meaningful entrepreneurial activities is comparatively low to that of men. Women are found in the low growth retail and service sectors and they are said to have lower confidence compared to men (Fuller-Love, 2006:431). Women-led business enterprises are said to grow slower than male-led businesses and have fewer employees (Minnitti et al, 2006)

It is evident that there has been an increase of women business owners in most economies. For example, in the US from 1970 to 1988, the percentage of women owned business increased from five percent to thirty percent (New Economic Realities, 1988) indicating that women are starting businesses at a rate more than twice that of men. Despite this remarkable increase in the number of women owned enterprises, and their impact on society and the

economic growth and development, still, there are limited studies on women business owners especially in the rural areas (Brush, 2006:18).

3.2.3 Profile of women entrepreneurs

Previous research proved that there are disparities in entry, re entry and repositioning of small enterprises based on social factors, and especially the owner's characteristics (Rasheed, 2004:113). Gender, age, education and ethnicity have all been suggested to influence entrepreneurial performance (Rasheed, 2004:115). In different traditions and cultures, people of different gender, age and education levels tend to be treated differently and assume different roles in the society.

Many women in Africa spend most of their resources on the household, especially on food and education for children (Simonin, 2006:14). This makes many of them afraid of investing their limited resources into a meaningful business for fear of failure (Simonin, 2006:15) that may jeopardize the life of the whole family.

In rural areas it is believed that most women entrepreneurs are characterized by the lack of access to financial resources, lack of access to technology and other support services to developing business and have relatively lower human capital levels (Smallbone et al, 2000). As noted earlier women businesses are concentrated in the services sector which is characterised by relatively small initial investments, requiring a minimal amount of financial capital (Muhammad, 2007; Simonin, 2006:17).

3.2.4 Role of culture in women entrepreneurship development

Culture is simply defined as the set of values, beliefs that influence activities and the way in which things are done. In this case, cultural environment provides incentives for the exploitation of opportunities (Cuervo, 2005:306). Several authors have commented on the importance of culture on entrepreneurship development. Herbig and Miller (1992) argue that a culture that encourages entrepreneurial behaviours has a propensity to develop innovations and a culture that promotes traditionalism is less likely to encourage such behaviours. It is believed that in a traditionalist society where people's commitment to respecting values and social norms is high, the trust and the tendency to engage in opportunistic behaviour is limited (Cuervo, 2005). Perceived similarity with cultural norms is important in predicting

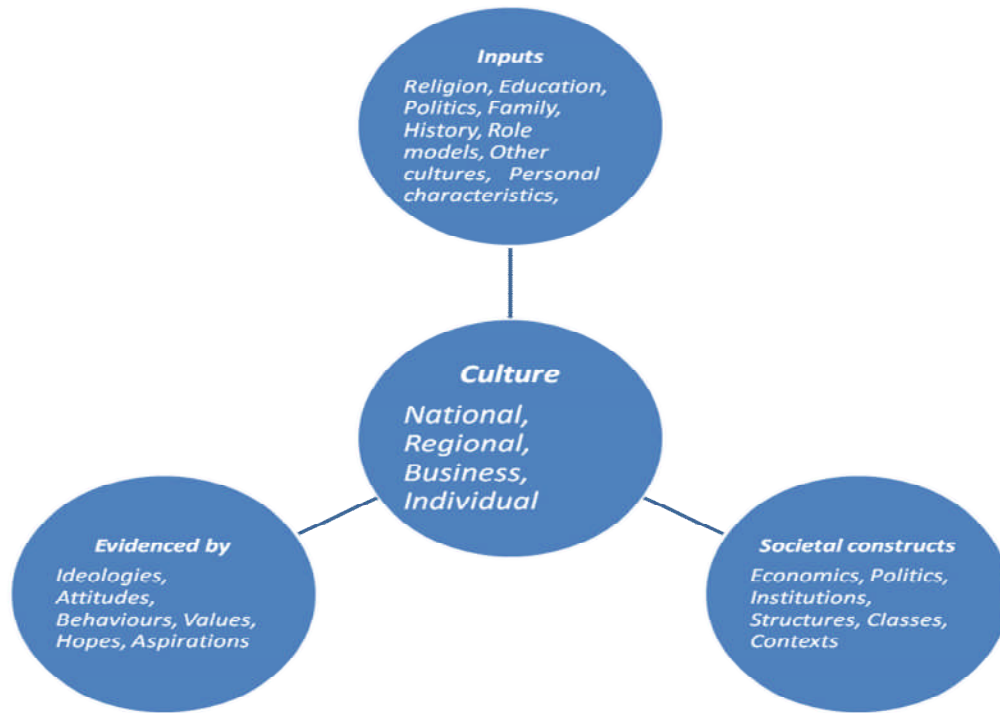
intentions and motives, thus, there is a relationship between cultural norms and subsequent entrepreneurial activity. That is, cultural values will predict the extent to which the society considers entrepreneurial behaviours to be desirable (Hechavarria and Reynolds, 2009). It is these arguments that culture plays an important role in developing an institutional structure that encourages a more equalitarian society which allows women to pursue the entrepreneurial career with more assurance of success (Santos, 2009:344). However, many developing countries may lack this kind of culture.

Throughout the world, especially in indigenous local societies, economic and entrepreneurial activities are part and parcel of the social and cultural activities of the society (Granovetter, 1985:504; 2005:35; Fletcher, 2006:423). Morrison et al (1998) suggests that the entrepreneurship process begins with a person's intuition, society and culture. Thus, each individual in the society and the level of entrepreneurial spirit within a society play the major role in initiating the entrepreneurship process.

Culture is responsible in transforming certain personality traits and can motivate individuals to develop behaviour specific to that society (Mueller and Thomas, 2000). Erez and Earley (1993) argue that the influence of culture on cognitive plans defines how people are motivated to make choices, commit themselves and display standard behaviour. These values are normally developed in early stages of life (Hofstede, 1980) and they tend to be rooted in an individuals mind and will eventually lead to behaviour patterns depending on the cultural context of that individual. Thus entrepreneurial spirit may be one of these behaviours that differ across and within countries due to differences in cultural environment. Culture, in this case is believed to influence the attitudes of individuals towards new venture initiation (Vernon-Wortzel and Wortzel, 1997). Thus, certain cultural institutions may promote or hinder entry into entrepreneurship (Morrison, 2000). Based on these arguments, Huisman (1985) and McGrath et al (1992) concluded that cultural values influence entrepreneurial behaviours.

The figure 3.1 below shows the key elements associated with culture that may influence the entrepreneurship process.

Figure 3.1 Features associated with culture



Source: This diagram was influenced by the work of Morrison, 2000.

According to Morrison (2000), each entrepreneur's motivations and characteristics have to be meshed with host society and business environment, and then translated into entrepreneurial activities and behaviour. Gibb (1996) on the other hand, argues that the ways in which the children are trained from an early age through the formal education system, play a major role in prompting of characteristics commonly related with entrepreneurial behaviour. Deakins (1999) also noted that a characteristic of entrepreneurship is the inability to separate business from social living.

The cultural environment of the society will display the common mind-set of population in relation to the degree to which entrepreneurship is supported by society (Anderson and Warren, 2011). The extent to which these cultural behaviours are tied to the community or individual is said to have a significant influence on entrepreneurship. Societies that hold strong communal and collective values do not support individualistic wealth creation while those with strong individualistic values support individualistic wealth creation through

entrepreneurship (Gilder, 1971). Thus, in this case, it can be suggested that some cultures and societies are more supportive to entrepreneurial activities development, resulting in national and regional differences in entrepreneurial activities (Mueller, 2004:203).

The creation and maintenance of an environment that is favourable to the development of existing enterprises is crucial in the creation of a wide base of population capable of successful entrepreneurial behaviour, thus, an entrepreneur is a product of one's socio-cultural surroundings (Shivani et al, 2006). Therefore, structural settings make development possible, while cultural factors determine whether the possibility becomes a reality (Lipset, 2000). That is why studies conducted in India linked the then prevailing economic backwardness with the Indian culture (Fox, 1969).

3.2.5 Gender imbalances

The rate of female entrepreneurial activity is lower than that of their male counterparts (Langowitz and Minnitti, 2007). This may be because entrepreneurial activities are considered to be a male domain; women are discouraged from pursuing new ventures (Bird and Brush, 2003).

There is social difference between masculine and feminine behaviours (Robichaud, et al 2007). It is believed that since young girls experience a different socialisation process from that of young boys, women develop different skills, understandings and outlooks on life (Fischer et al, 1993). Because of that, Robichaud et al (2007) believes that eventually males and females tend to acquire distinctive skills, thus giving rise to gender-specific entrepreneurial behaviours.

3.3 Analysis of rural female entrepreneurship

This section describes how the background of an entrepreneur affects her decision to undertake an entrepreneurial activity, the nature of the rural enterprises owned by women and the entrepreneurship process in the rural setting. Moreover, it describes the performance of rural women entrepreneurs; education and management skills and finally the barriers and constraints facing rural women entrepreneurs.

3.3.1 Background experience

In the developed economies, women may engage in small business after becoming dissatisfied with their careers (Orhan, 2002:233). In these countries, women opt for entrepreneurship because they seek for flexibility, being their own boss, personal interests and income (Winn, 2004). This may be due to unsatisfying employment experiences; tight work schedules and failure to acquire higher paid managerial positions (Weiler and Bernasek, 2001). However, in developing countries, particularly for rural poor women, engagement into small entrepreneurial activities is the only available alternative for survival.

3.3.2 Nature of rural women's enterprises

Women entrepreneurs in rural areas are mostly limited from running competitive businesses because they lack adequate education and skills, which generally limit their ability to access various support services (UNIDO, 2001). As a cultural outcome, most of the rural enterprises owned by women are smaller in terms of size, number of employees or revenue compared to those owned by men (Winn, 2005). Also women are said to invest less in terms of capital and technology when starting new business (Minnitti et al, 2006).

3.3.3 Entrepreneurship process

This section explains the process of entrepreneurship in terms of opportunity recognition and risk taking by rural women entrepreneurs.

3.3.3.1 Opportunity recognition

The ability to recognize an opportunity is a prerequisite for any entrepreneur. Social networking has been identified as one of the important factors influencing the opportunity recognition; other factors being desire to become an entrepreneur; type of entrepreneurial activities and entrepreneurial growth (Hmieleski and Corbett, 2006, Singh, 2000; Davidson and Honig, 2003; DeClercq and Arenius, 2006). Also it is believed that social networking can provide useful information on sources of finance, new skills, knowledge, advice, social legitimacy, reputation and credibility (Hansen, 1995; Jenssen, 2001; Ripolles and Blesa, 2005; Welter and Kautonen, 2005). People who are involved in networks containing entrepreneurs will tend to be more entrepreneurial (Klyver, et al, 2008:32). But the entrepreneurial networking behaviour does differ among entrepreneurs from different cultural backgrounds. Although very informal, networks in this study have been found to be

one of the most important ways of communication and for entrepreneurs to assist one another

Christensen et al (1989) argues that, opportunity recognition may be defined as a way of creating new business or improving the existing one significantly in order to create high profit margins. The ability to recognize an opportunity is said to be an essential element in entrepreneurship research (Jamali, 2009), because it determines the entrepreneurial capability and the utilization of competitive advantage (DeTienne and Chandler, 2004). Different factors have been identified to affect the level of opportunity recognition among entrepreneurs. It is argued that utilization of entrepreneurial opportunity is influenced by the operating environment in which the individual lives and undertakes the entrepreneurial activities (Romanelli and Schoonhoven, 2001:41).

There are differences in opportunity recognition between gender that has been related to human variables, such as education and work experience (Carter and Brush, 2005). It is argued that women are less endowed with human capital to invest into personal employment which limits their potential use of emerging opportunities (Jamali, 2009).

Another factor is that of lack of motivation among women entrepreneurs. Motivation is a set of processes that determine individual choices (Olomi, 2009). These processes are influenced by families and friends throughout a lifetime. As discussed earlier, it is believed that people coming from business oriented families or who know someone who has started a business, stand a better chance of becoming entrepreneurs (Davidson and Honig, 2003; Menzies et al, 2006). Studies from industrialized countries have noted large numbers of both men and women entering into the small business sector in recent decades, as well as considerable gender differences in the types of businesses and organizations women and men create, their motives, business approach, and their economic outcomes (Brush et al, 2004; Carr, 2000; Hughes, 2005; Minniti et al, 2005; Moore and Buttner, 1997). Motivation to start a business was different; some were motivated to be entrepreneurs because they wanted to create something new, the desire for independence, the achievement of personal objectives and the propensity for action (www.rediff.com/money/2005). Gartner (1985) believes that the motivation for the creation of new ventures is an interaction among individuals, organisation, environment and process.

As noted earlier, western-based models assume that the entrepreneurial career is chosen, but this is not true for Africa, as most entrepreneurs are forced into it by the need to earn a living (Olomi and Rutashobya, 1999:170). In the Tanzanian context most women are “pushed” rather than “pulled” into enterprise, so motivation is largely necessity.

Researchers have shown that situational pushes or pulls that result into new venture creation include being dissatisfied with a present occupation, childhood and family background, training, age, life experience, role models and community support (Gilad and Levine, 1986). It is on these grounds that other researchers have distinguished entrepreneurs from the general public based on motivation, values and attitudes (Spangler, 1992).

3.3.3.2 Risk perception

According to Forlani and Mullins (2000), risk reflects the level of uncertainty and possible loss related with the outcomes as a result of a specific behaviour or a set of behaviours of an individual. Yates and Stone (1992) add the elements of potential losses and the impacts associated with those losses. Factors that determine the levels of risk include lack of time, lack of proper information and lack of control over an alternative best course of action. Other factors are the ability to face uncertainty, accept risk and look for lifetime achievement (McClelland, 1961). These factors distinguish entrepreneurs from other individuals in the society (Kihlstrom and Laffont, 1979; MacCrimmon and Wehrung, 1986). However, Sexton and Bowman-Upton (1990) argue that women entrepreneurs are less willing than men entrepreneurs to become involved in situations with uncertain outcomes. Women perceive risk negatively and associate it with pain and loss; while men perceive risk both negatively and positively as loss or gain, danger or opportunity (Henning and Jardim, 1977). As El Namaki argues, when women take risk, it means forfeiting what they have while men consider risk to affect the future expectation and profession development (El Namaki et al, 1986). Thus, these arguments suggest that women are reluctant to accept any venture without being certain with what will happen in the future. Therefore, women consider the “now” benefits more valuable than “future” benefits.

3.3.4 Female entrepreneurship performance

Men and women differ when evaluating their performance. Women are said to evaluate their performance using non financial criteria. A woman will consider herself to perform better if her employees and/or clients are satisfied or if her career balances with family requirements

(Changanti, 1986; Cliff, 1998; Kaplan, 1988) while men place a greater emphasis on economic achievements such as level of profit and career development (Stevenson and Gumpert, 1985). However, factors influencing the performance of female entrepreneurs are inconclusive and scarce (Brush and Hisrich, 2000).

Women are said to enter into business ventures without planning, but as a hobby or a fashion. They do not evaluate their business idea for viability and profitability, consequently making chances for growth and development limited (Greenstreet, 2004). Stein and Bailey (1973) see women to be motivated for achievement, mainly the traditional feminine role. Thus, for women, achievement or success or failure will be measured in terms of a successful marriage, family relationship and social acceptance (El Namaki, 1986). Women are said to be the main limiting factor for the development of their business ventures (Brush et al, 2004; Carter and William, 2003) but a combination of different factors, such as low capital investment and family commitments may contribute to the slow growth of their business (Winn, 2005:388).

3.3.5 Education and management competence

For any business venture to grow, management and financial skills are essential (Thornhill and Amit, 2003). It has been argued that the type of education positively affects business success; formal and non formal education plays an important role in transferring cultural values from one generation to another (Winn, 2005; Gamini de Alwis and Senathiraja, 2003); although education per se is not the only important determinant to owning a business enterprise (Hagen, 1962). It has been noted that many women owning businesses, had no management skills before, but gained their management experience from their own businesses (Winn, 2005:384). Carter and Brush (2005) argue that gender differences in opportunity recognition are associated with the differences in the level of education and work experiences. From this point of view, it can be argued that rural poor women, who have low education levels and have never worked outside the household circle, so have no work experience, stand little chance of identifying any meaningful entrepreneurial opportunity.

Studies on entrepreneurship in Africa by Nafziger (1971); Kennedy (1998); Marsden (1990) and Rugumamu (1992) stress the role of an enabling environment and quality of management to entrepreneurship growth. Harris et al (1971) points to management as a major obstacle to entrepreneurship in Africa. Also Menzies et al (2004) argue that many

women are not entrepreneurs because they lack skills, despite their entrepreneurial motivation and inspiration. However, women were found to possess better networking skills than men (Daniel, 2004).

3.3.6 Constraints and barriers

There are a number of reasons why people start a business. It may be hard to start a business in any circumstances, but evidence shows that some people or groups of people find it more difficult than others. People who are marginalized by the society, such as women, some ethnic minority groups, the disabled and those in rural areas, may find it harder when they attempt to start a business (Fuller-Love et al, 2006:430). For women, the common barrier is the difficulty in accessing resources, especially finance, for their new venture (Brush et al, 2004). However, Ssendi and Anderson (2009) found that a major problem for rural women entrepreneurs was not the acquisition of financial capital but concerns about how to repay it.

Women face discriminatory treatment in the society and state administration because of their perceived role, which makes entrepreneurial environment for them very unfavourable (Erdem, 2004; Carr and Chen, 2004). Women are said to fear engaging in business related activities that may interfere with their family responsibilities. Because women are burdened with family responsibilities, they lack ample time for learning and/or looking for business opportunity (Winn, 2005). Winn continues that even boys and girls who grow in the modern households are tamed with different views. The boys are reared to work hard and achieve for themselves while girls are disciplined to perform the household chores and wait for somebody to support them. For example, traditional Arab culture views women as mothers and caretakers of the home (Jamali, 2009:237) and household chores are seen as humiliating when done by men (Marikova, 2002).

Other studies have identified ethnicity as another factor influencing participation in entrepreneurship in Africa. House et al (1993) and Macharia (1988) found that some ethnic groups are more exposed to business experiences than others. These findings support studies on the influence of role models and family background of entrepreneurs on entrepreneurship participation by Mathews and Moser (1995) and Timmons (1986). Lack of information and education has also been identified to limit most female entrepreneurs in their endeavours (Blenker et al, 2003). This includes the lack of access to government services for training and support for women (Stanger, 2004).

In Tanzania, factors that have been reported to influence women's entry and effective performance in entrepreneurial activities are lack of access to capital, scarcity of raw materials, poor technology, inadequate markets and low profitability of enterprises (Olomi, 2009). According to Kimbi (1989), lack of capital and credit services were identified as main constraints for women's effective participation in business in Dar es Salaam. Mbughuni reports that, together with time constraints, opportunities for women to engage in business are very limited. Also Kiggundu (2002) reports that the unfavourable legal systems, unequal access to education and sex stereotyping education and training system have limited women's participation in entrepreneurial activities.

Gender Issues Research Report Number 9 (GIRR 9) of 1995 reports that, in Tanzania, other things remaining the same, cultural values, traditions and norms have greatly influenced the way women participate in entrepreneurial activities. What the society perceives as male and female roles, responsibilities, values and behaviours are a result of stereo type gender divisions of labour. This is manifestation has its implications in the dynamics of female entrepreneurship. However, it does not single out exactly what these cultural values, traditions and norms are and in which ways they affect women's participation in entrepreneurship in Tanzania.

3.4 Conclusion

The word entrepreneur is said to have originated from France long before there was a general concept of an entrepreneurial function. An entrepreneur is seemed to be a founder who creates value by offering a product or service; and she should have strong beliefs about the market opportunity and should organise available scarce resources in the optimum combination to achieve the output that should modify the existing interaction.

An entrepreneur is seen as the pivot of the economy, and a catalyst for economic transformation and development. All entrepreneurs are different and their success depends on the environmental conditions in which they operate. The planned behaviour theory and the role theory were used to describe why some people are entrepreneurs and others are not.

Sociologists have described entrepreneurship as the process of generating income from property and other personal assets like capital, land and labour for productive reasons.

Marshall considered entrepreneurship as a central factor which coordinates the other factors together, and he believed that entrepreneurship is the high level decision taker within the organisation. Since the Marshall's era, the concept of entrepreneurship has been changing overtime. Thus, it has been not easy to develop a common concept as far as entrepreneurship is concerned.

Although women have owned enterprises ever since, the public policy and popular media interest in women business owners is a relatively recent phenomenon. The level of women participation in meaningful entrepreneurial activities is relatively low compared to men. They operate in slow growing sectors such as retail and service, and are found to lack confidence compared to men (Fuller-Love, 2006). Gender, age, education and ethnicity have all been suggested to influence entrepreneurial performance as in different traditions and cultures, people of different gender, age and education levels tend to be treated differently and assume different roles in the society.

Cultural factors such as values and beliefs, and their influence on the entrepreneurial activity, motivate people on how to recognize and exploit opportunities. Some cultural institutions may promote or limit entry into entrepreneurship, thus influencing the rate at which entrepreneurship is initiated.

Women entrepreneurs in rural areas are hindered from running competitive businesses because of different factors such as low education and skill levels. Social networking has been identified as one of the important factors influencing the opportunity recognition; desire to become an entrepreneur; type of entrepreneurial activities; decision to become an entrepreneur and entrepreneurial growth. Traditional perception and stereotyping about women have been the barriers to women's participation in entrepreneurship. It also found that the society's construction of what constitutes male and female roles and responsibilities have influenced the dynamics and development of female entrepreneurship in Tanzania. However, it does not single out exactly what these cultural values, traditions and norms are, and in which ways they affect women's participation in entrepreneurship in Tanzania. This study intends to identify these social and cultural factors and their effects on women's participation in entrepreneurship in Pwani and Arusha.

CHAPTER FOUR

CONCEPTUAL FRAMEWORK FOR THE STUDY

4.0 Introduction

In the previous chapters I presented the background to the study and the background for the Tanzania national context and the pertinent and relevant literature reviewed for the study was presented. This chapter focuses on providing a tentative theoretical framework to facilitate analysis of the influence of socio cultural factors on rural entrepreneurship activities.

4.1 The conceptual framework of the study

As an ethnographer, I am fully aware of the importance of understanding the epistemological basis for the ethnographic model. I have selected an ethnographic model, although this model is usually based on a phenomenological oriented paradigm, that constitutes a multicultural perspective and it accepts multiple realities (Fetterman, 1998:5).

Developing a conceptual framework for a diverse phenomenon like entrepreneurship is not an easy task. An entrepreneurship phenomenon is multi dimensional in nature and is a relatively new field of study in socio sciences. Entrepreneurship as a field of study has no developed paradigms yet. There are different perspectives of entrepreneurship as a phenomenon. The ongoing research is striving to develop direct theories for entrepreneurship through development of concepts and conceptual frameworks.

The phenomenon under study is complex and calls for multiple strategy and diverse conceptual tools to collect and analyze data. That is the only way this study will make its intended contribution to the body of knowledge. There are a number of theories in other fields of business administration and management which may assist in developing relevant theories to guide in the analytical framework. However, the normative nature and the logic of confirmation mean they are not well suited when studying entrepreneurship activities or small businesses sectors. Entrepreneurship belongs to the business administration and management fields and it tends to borrow theories from the established fields of economics,

sociology and psychology. Sometimes researchers look for specific theories to suit their analytical frameworks, then they are forced beyond the fields of business administration and management.

According to Davidson (1998), researchers may have to adapt and combine theories and different theories could be applied to the study. He further notes that many analyses proceed by contrasting a naked phenomenon with possible theories then choosing the one with the highest explanation power. He goes further by stating that the choice of suitable theoretical framework is dependent on the time, place and purpose of the study. By considering an interpretive perspective, there are several theories which can be matched with the phenomenon under study. As stated in earlier chapters this study does not aim in developing new theories. The primary aim of the study is to use the existing theories to analyse how the socio cultural factors may have impacted on how women undertake their entrepreneurial activities.

Specific theories may be applied when studying specific topics. As Fetterman argues, “.....theories that offer little explanatory power, are inappropriate for most topics, or have been debunked are best left rotting on the vine” (Fetterman, 1998:5). There is no single theory which can answer all the problems, whether idealistic or materialistic except that usually ethnographers choose theories to fit with their objectives. To this end, Fetterman further explains: “... typically, ethnographers do not make a grand theory explicit because they do not automatically subscribe to one” (Fetterman, 1998:5). According to him, a grand theory can be instructive to day to day research objectives. He says theoretical models are indirectly linked to grand theory to guide the researchers. It is obvious that approaches do overlap in the field, but most researchers begin by selecting a theory or model that is primarily idealistic or materialistic in nature before they even begin to conceptualize the problem. Thus, a theory is supposed to guide the researcher in a maze of data, and when it blinds rather than guides it is no longer useful. When the data does not fit the theory, it becomes inevitable to look for a new theory (Fetterman, 1998).

In the 1980's, qualitative research underwent a transformation to broaden its scope of inquiry to include different theoretical lenses (Creswell, 2003). In ethnographic studies like this, the aim of having a guiding theory is to provide a lens that frames the study and the questions asked (Creswell, 2003). Creswell explains that any theory which provides an explanation for

behaviour and attitudes may as well be complete with variables, constructs and hypothesis. On the other hand, Wolcott (1996) notes that ethnographers employ cultural themes or “aspects of culture” when undertaking qualitative studies. This study aims at choosing the theoretical lens in order to guide the study and the researcher to examine how rural female entrepreneurs are marginalised and how the researcher, positions herself upfront and minimizes any bias from personal, cultural and past contexts, and allows respondents to describe their world and how they go about doing what they are doing.

4.2 Choice of theory

For the purpose of this study, the researcher has been driven to choose the social construction of knowledge lens to assist in making sense of the data. According to Berger and Luckmann (1966), reality is constructed by persons and groups interacting together in a social system who in the long run form concepts or mental representations of each other’s actions. So individuals develop understandings of the social world by making inferences; thus, developing theories about experienced social events (Turiel, 1983). It is assumed that individuals accommodate to the patterns or elements of the culture or social system, thereby coming to mirror the culture in their personalities, thinking and behaviour (Shweder, 1982) and that, individuals will tend to use forms of reasoning which correspond to the social structure in which they are inserted (Flick, 1998). Doise and Palmonari (1984) show that there is an interdependence between social and individual regulations, such that specific competences allow an individual to participate in social interactions which can give rise to new competences which can then further enrich participation in other social interactions (Flick, 1998). Thus, it can be argued that it is through social interactions and coordination poor rural female entrepreneurs can do meaningful businesses which they were unable to achieve individually. It is therefore in this way, the interactions, knowledge and understanding are formed. Therefore, to analyse how women use business to survive, or how friends help each other in obtaining credit and the whole process as a whole, the social construction of knowledge theory was seen to be appropriate. The choice of this perspective was done in accordance with logic of appropriateness rather than logic of consequence. This means there are many possible alternative theories and perspectives in studying the same phenomenon, such as institutional theory, mobility theory, system theory and social network theory.

As stated earlier in the chapter, the final choice of the theory depends not only on the aims of the study but also on its explanatory power. The assumption being that entrepreneurial activities, like many other social processes embedded in society, are influenced by prevailing institutions, among others the socio cultural norms of any national context. For this particular study the researcher strongly believes the social constructionist theories as the most appropriate. The nature of this study may limit the use of social construction theory because of its high level explanatory power or may be too abstract, but used in conjunction with a middle range theory, it should have a reasonable, more practical explanatory power. For that reason the researcher decided to adopt a more practical lens, the sustainable livelihood approach. This approach is more appropriate for this study as it is capable of aiding in understanding the process of female entrepreneurship in a developing country like Tanzania.

4.2.1 Sustainable livelihood approach

The word livelihood has been used in many different ways but for this study the definition adopted from Chambers and Conway (1992), is used to capture a broad view of livelihood understanding: According to their definition, a livelihood comprises the capabilities, assets and activities required in order for an individual to earn a of living (DFID, 2000; www.scribd.com/doc/16343533/Introduction-to-livelihood-Framework). A livelihood is said to be sustainable when it is able to stand and recover from stress and shocks and preserves or improves its capabilities and assets both now and in the future, while not damaging the natural resource base (Creswell, 1997; Hussein and Nelson, 1998; Scones, 1998; Carney, 1998). Building on this definition, Ellis (2000) stresses more on the influence of social relations and institutions that guide an individual's or society's ability to earn a sustainable living.

4.2.2 Origins and objectives of livelihood approach

Livelihood philosophy refers back to the work of Robert Chambers in the mid 1980's and was further developed by Chambers and Conway and others in the early 1990's (DFID, 2000). Since that time, a number of livelihood models have been adopted. The core of livelihood model is the relationship between assets, activities and outcomes within a mediating environment as shown in figure 4.1(ODI, 2000).

However, for DFID, the sustainable livelihood approach stresses on policy and good practice. The DFID's main objective is to support policy initiatives and actions that encourages sustainable livelihoods in terms of access to better education and health services; increase in opportunity to poor people; conservation and sustainable management of natural resources which in turn helps to create amore conducive physical, social and institutional environment for poverty eradication (DFID, 2000)). The focus of the basic livelihood model is the household as the appropriate social unit to investigate, although external threats may be social or public in nature. It is also people-centred as it puts people at the centre of development.

In understanding how the poor rural female entrepreneurs depend on their micro enterprises for their livelihood, one has to think of a tool which will aid in improving understanding of livelihoods (DFID, 2000). The tool has to represent the main factors that affect the rural poor entrepreneurs also to expose the relationship between these factors. In this case a livelihood framework may provide a list of important issues to be addressed and show how these issues are related. The framework also draw attention to the main influences and processes and it emphasizes on the relationship of the different factors on livelihood.

The main aim of livelihood framework is to assist people with different orientations to participate in a formal and logical discussion of the different factors that affect them, how the factors are important to their livelihood and the way these people interact with each other. This understanding may help policy makers and other stakeholders to identify the appropriate areas of concern for supporting improvement of livelihood.

4.3 Components of the livelihood framework

There are five components of a generic livelihood framework namely: vulnerability context; livelihood assets; transforming structures and processes; livelihood strategies and livelihood outcomes. As the framework is centred on people, it does not suggest that all livelihood frameworks have to start with the vulnerability context which in turn yields livelihood outcomes. Livelihood is influenced by many different dynamic factors (DFID, 2000).

4.3.1 Vulnerability context

This shapes the external environment in which rural female entrepreneurs operate. The livelihoods of rural women and the availability of assets are basically affected by shocks and seasonality over which they have limited or no control. Trends may include population,

resources, economic and technological trends. Shocks like HIV and AIDS, human health, national economy and conflict are other elements of the vulnerability context. Also prices, production (both farm and non-farm), animal health and employment opportunities are influenced by seasons. The environment under which female entrepreneurship operate is very crucial as it impacts on the availability of the livelihood assets and choices made to achieve a sustainable outcome.

4.3.2 Livelihood Assets

This component tries to gain understanding of how an entrepreneur may utilize the available assets to produce meaningful outcomes. This is true as entrepreneurs need to be equipped with different livelihood assets. Possessing a single category of assets may limit the ability of entrepreneur to achieve a desirable level of livelihood outcomes. The poor rural female entrepreneurs have limitations on how much of the individual livelihood assets they can access. Thus, there is need to find an innovative way of dividing and combining the available assets ensures their survival. The assets or capital endowments include: human capital; social capital; physical capital; financial and natural capital

These capitals are grammatically represented by an asset pentagon in a generic livelihood framework. When people have access to livelihood assets the shape of the pentagon displays minimum or maximum access to assets. For this reason, different communities or different social groups within communities may have different shapes of asset pentagon. Therefore, pentagons can be used as a useful tool for discussing how these female entrepreneurs use available assets in starting and running their enterprises.

4.3.2.1 Human capital

In entrepreneurship human capital represents the level of available skills and knowledge to female entrepreneurs. It also includes the ability to work and having good health in order to be able to undertake economic activities that will assist in achieving the individual's livelihood objectives. (DFID, 2000). Human capital is an important asset as it is required in order to utilize the other four types of assets. However, human capital alone is not enough for the achievements of positive livelihood outcome.

4.3.2.2 Social capital

In the sustainable livelihood framework perspective, social capital means the social resources which rural female entrepreneurs need in attaining their livelihood objectives. These resources are developed through local networks and togetherness of individuals in the society (DFID, 2000). Social capital is important because it influences other types of capital in terms of efficient economic relations by facilitating innovation, developing the knowledge and sharing of that knowledge.

4.3.2.3 Natural capital

Natural capital is used to describe the natural resources which are found in a certain locality and they provide useful service to the occupants of that locality stocks from which resource flow and services useful for livelihood are derived. This asset is closely related with the vulnerability context within the framework, because many shocks that affect the wellbeing of people occur naturally. Natural capital is crucial to those whose livelihoods depend entirely or partly on natural resource-based activities. People's lives are dependent on the resources for their food and wellbeing. (DFID, 2000)

4.3.2.4 Physical capital

The physical capital includes supportive infrastructure, tools and equipment and man made goods that are needed to support livelihoods. They putting in place includes modifications to the physical environment in order to facilitate poor rural female entrepreneurs to achieve their livelihood goals, while man made goods are tools and equipment that are used to improve efficiency. Absence or insufficient infrastructure and inappropriate producer goods are core dimension of poverty and constrain poor rural female entrepreneurs, hence, the human capital at their disposal.

4.3.2.5 Financial capital

This denotes the financial resources that poor rural female entrepreneurs use to achieve their livelihood objectives. The financial capital can either come from available stocks (savings) or regular inflows of money from family and friends. Financial capital could be transformed with varying degrees of ease into other types of capital; it could be used for direct achievement of livelihood outcomes; it may rightly or wrongly transformed into political influence or social influence and it may free entrepreneurs to access more resources.

However, this assets category tends to be least available to the rural poor female entrepreneurs.

4.3.3 Transforming structures and processes

These include structures such as public and private institutions, government and non government organisations. It also includes policies, legislations that are relevant to the people and which can form livelihoods. They operate at all levels from the female entrepreneurs' households to the national level, ranging from most private to most public. They may influence how much of the livelihood capitals and other components may influence how individuals are capable of improving their wellbeing and attain a feel of inclusion. The transforming structures and processes may provide justification as to why things are done differently in different societies (DFID, 2000).

4.3.3.1 Transforming structures

The transforming structures can be referred to as the 'hardware' of the different government and non government organisations. They oversee the implementation of policies and legislations. They deliver services and are responsible for facilitating rural female entrepreneurs (DFID, 2000). Structures are important because they make processes function. When they are insufficient structures in place it may be a major constraint of development particularly in rural areas.

4.3.3.2 Transforming processes

These are considered to be the 'software'. They determine how the structures and individuals relate and work together. These operate at different levels and they overlap with conflicts between them. Some of the important transforming processes to livelihoods include policies, institutions, legislation, culture and power relations (DFID, 2000). Processes are deemed to be important to every aspect of livelihoods because of the following reasons: they provide for incentives; they may determine how an individual can access livelihood assets and how one can convert one type of asset into another. They greatly influence how people relate with each other. The problem with these processes is that to a greater extent they limit the opportunities for poor people to develop.

4.3.4 Livelihood strategies

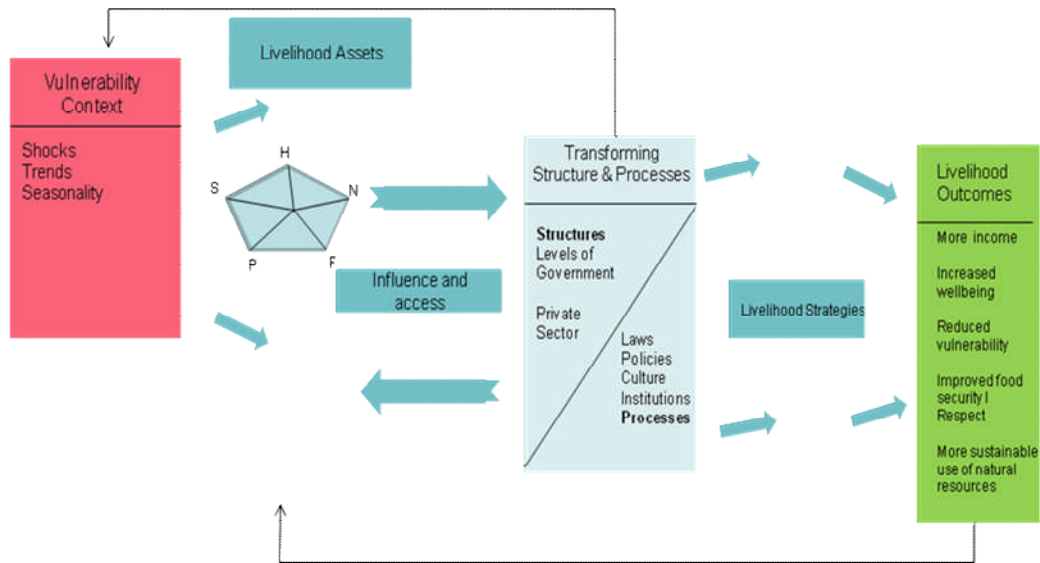
These strategies encompass various activities done by female entrepreneurs and the choices they have to make in realising their livelihood objectives. The level of access to different combinations of assets may have influence on the way entrepreneurs choose their livelihood strategies. This is because different strategies require particular skills or resources, such as financial capital, physical capital certain types of natural capital and local social networks in undertaking entrepreneurship activity as the basis of production; or access to a given group of people attained only through existing social networks (DFID, 2000).

Transforming structures and processes can influence constructive choices. They can facilitate labour markets dynamics; minimize risks and transactions costs resulting from taking new ventures. If they do not function well, they may limit the choices available, confining the movement of goods and labour, making outcomes of a given strategy more or less attractive.

4.3.5 Livelihood outcomes

These are end result of the strategies put in place when one wants to achieve sustainable livelihood. As a researcher it is of paramount to observe how people go about doing their daily activities by engaging in conversations to without making conclusions on what type of outcomes that female entrepreneurs seek to pursue. The classical economic principles should not be applied that rural female entrepreneurs are entirely dedicated to maximizing their profit, but to understand their priorities, motivation and their major constraints. The livelihood outcomes that appear in the generic framework include; more income (cash); increased well being (awareness of self, wellbeing); reduced vulnerability (how better they are resilient as a result of increase in livelihood assets); improved food security (increased financial capital to buy food); natural resource sustainability (ownership of land based property). However, the mentioned outcomes may or may not be relevant in any given situation. The main difficulty with this part is that the livelihood outcomes are not always consistent but surely incommensurable. For example, it is not easy to measure the relative values of increased well being as compared to increased income. There may be contradictions between livelihood outcomes among different family members or societies, for example when increased income of a person or a group is achieved through practices that are considered to be detrimental to others or the natural environment. Such practices may include felling trees and selling them as fuel, excessive fishing, and cultivation on natural water sources. The sustainable livelihood framework is not medicine for all ailments. It is a guideline in thinking how to understand everyday life dilemmas and how they affect people's livelihood (DFID, 2000). Figure 4.1 illustrates the generic livelihood model.

Figure 4.1 A generic sustainable livelihood model



Key

- H- Human capital
- S- Social capital
- N- Natural capital
- P- Physical capital
- F- Financial capital

Source: DFID 2000

4.4 Conclusion

This chapter has tried to explain how, in the context of a developing country, it is not easy to adopt theories which have seemed to provide a powerful explanation in western contexts to the context of a poor country like Tanzania. The choice of the sustainable livelihood model seems the most appropriate approach to aid in analysing the collected data.

CHAPTER FIVE

METHODOLOGY

“If you want to know how much people weigh, use a scale. If you want to know if they’re obese, measure body fat in relation to height and weight and compare the results to population norms. If you want to know what their weight means to them, how it affects them, how they think about it, and what they do about it, you need to ask them questions, find out about their experiences, and hear their stories’.

Michael Quinn Patton, 2002:13.

5.0 Introduction

This chapter intends to inform the reader about the research methodology and methods used to collect and analyse data. The chapter consists of six sections. The first section addresses the underlying philosophical issues so as to provide a theoretical background for the study. The justification for the chosen paradigm, methodology and the research strategy are discussed in the second and third sections respectively. The procedure for conducting the research is described in the fourth section, while the ethical issues are presented in the fifth section. The final section concludes the chapter.

5.1 Underlying philosophical assumptions

“If we value the pursuit of knowledge, we must be free to follow wherever that search may lead us. The free mind is no barking dog to be tethered on a one foot chain.”

Theodor Wiesengrund Adorno 1903 - 1969

In designing and undertaking this study, the underlying philosophical assumptions need to be made clear. This is because the theoretical framework, choice of paradigm, personal value and world views influenced how the study was conducted and written. Any good research strives to make the assumptions explicit to shape the perspectives of the study. This study is not totally objective or value-free i.e. the researcher should avoid any circumstances that may corrupt their analytical competence. There are differing views of what knowledge is, its validity, subjectivity, objectivity and reality of social science research (Creswell, 1998,

2007). Ritchie and Lewis (2003:13–23) outlined philosophical assumptions with implications for practice that need to be considered. Therefore, for this particular study the researcher looked into four assumptions, namely ontology, epistemology, human nature and methodological implications.

5.1.1 Ontological assumptions

Ontology is mainly concerned with the nature of being. In social science research, the key ontological concern is the nature of “reality” and whether social reality exists, independent of human conceptions and interpretations (Snape and Spencer in Ritchie and Lewis, 2003:11). There are three distinct positions of social reality, namely realism, materialism and idealism. Hammersley (1992) believes in subtle realism, whereby social phenomena exist in the social world. Their existence occurs independently but the phenomenon can only be accessed through social representation. On the other hand, Creswell (2007:17-18) discusses reality as being biased with different perspectives in the eyes of the research participants. In this view the researcher uses the words of the participants involved in the study as evidence of the multiple perspectives. These include a number of quotes and verbatim comments from the respondents own words which show the different perspectives (multiple realities) they have on similar issues. On the other hand, Buame argues that, “reality is socially constructed and imbued with only inter-subjective meanings” (Buame 1996:43). The argument here is whether the social world exists independent of natural world, and that the existence of the social world is different because of different perceptions of individuals. It may be argued that the social world is created by individuals living in it through their perceptions and how they place meaning to their world. This study supports the assumption about realism, which, according to Ritchie and Lewis (2003), that external reality exists independent of people’s beliefs.

5.1.2 Epistemological assumptions

Epistemology is a name derived from the Greek term *episteme*, meaning knowledge and *logo* means theory. Epistemology is concerned with different ways of knowing and learning about the social world and trying to understand how people can know about reality. In undertaking a qualitative study, researchers try to understand the respondents world closely (Snape and Spencer in Ritchie and Lewis, 2003). Creswell argues that the most common question to ask is how the researcher is related to those being researched (Creswell, 2007). In this case, the researcher has tried to lessen the distance between her and those being researched. The

researcher spent considerable time in the field, participating in activities, living with respondents: observing what participants do and say, conversing formally and informally and becoming an “insider”. The researcher does, however acknowledge the fact that she takes on the position of ‘emphatic neutrality’; a researcher who recognizes that research cannot be value-free, but that assumptions should be made transparent. Snape and Spencer continue arguing that the influence of these assumptions on the way data is collected and analyzed can be flexible (Ritchie and Lewis 2003: 13-14). Epistemology concerns itself with posing and resolving the problem of how “valid” knowledge is possible and it deals with the nature, origin, scope and limits of human knowledge (MacDonnell, 1986 in Buame 1996:43). It can be argued that when individuals are looking at ways of acquiring knowledge they should also think how it relates to reality. Therefore epistemological assumptions need to establish what is to be considered as “truth” by having several reports confirming a statement as are presentations of a socially constructed reality. However, “*independent* reality can only be gauged in a consensual, rather than absolute way” (Snape and Spencer in Ritchie and Lewis 2003:14). Nonetheless, the above argument suggests that respondents provide firsthand information which is used by the researcher to understand the phenomenon under study.

5.1.3 Assumptions about human nature

The assumption about human nature refers to how the human beings interact with their environment in which they live. It can be argued that people’s behaviour and actions are influenced by the internal and external environment surrounding them, even though people are capable of creating their own free environment. However, the researcher believes that this capability is determined by social and cultural environment prevailing in a particular context. Thus, she believes that differences which exists between rural poor female entrepreneurs from Pwani and Arusha may be a result of the different socio cultural contexts between the regions. Everyday activities of rural female entrepreneurs can not be divorced from the environment they are operating. The environment they live and operate impacts on their behaviour and may also influence experiences they gain in that particular environment. This perspective might be better understood in terms of the following example; people from different geographical areas and different socio cultural influence may have different perceptions of entrepreneurial success.

In this case, the researcher views human nature as captured in the characteristics of entrepreneurship and the activities involved. The problem for researchers is the association of non-economic issues, which may have an ever greater impact on how people undertake

their entrepreneurship activities. It is assumed in this study that people cannot ignore the socio cultural environment in which they are embedded. No human being, nor any human action, is thought to be immune to the influence of its social and cultural context (Buame, 1996:44). Thus, studying human activities require a specific method.

5.1.4 Methodological assumptions

According to Creswell (2007:17), methodological assumptions ask questions about the process of research. In undertaking the study the researcher uses inductive logic to investigate the phenomenon within its framework and utilises an emerging design. In conducting the study, the researcher looks into the data details before ‘conformability’ and ‘validations’, where she gives a detailed description within the context in which the study was undertaken and uses the opportunity to improve research questions to best fit the research problem. The choice of adopting a deductive or inductive method depends on how one sees the social world. There are factors which may determine which approach to adopt depending on their experience and how they see the world.

The use of an inductive approach allows the researcher to have an insight of the social world. This can be done by using methods such as participant observation, in depth interviews and conversations. On the other hand the use of deductive approach is to test hypothesis by using questionnaires and surveys. Social researchers have different views of how a phenomenon may be studied and different perspectives people may have on the same issues may influence how they design their research. The most important thing to note is that the choice of research approach may largely be influenced by the belief in one methodological stance over the other.

The qualitative methodology for this study is inductive and emergent, in the sense that issues became refined in the research process. It is guided by the researcher’s knowledge and experience in conducting field work and analysing data, as the concepts emerge from data that assist in theory development. This process witnessed changes in the focus of the study, which resulted in research questions being amended, at different stages of the study, and enabled the research issues to be better addressed.

5.2 Justification for chosen methodology

“Not everything that can be counted counts and not everything that counts can be counted.”

Albert Einstein, 1879 – 1955

The aim of choosing qualitative methodology is to try to better understand the phenomenon under investigation. The aim is not to count but to see the bigger picture. This study is both exploratory in nature and it seeks to tap into the lived experiences of the respondents. Many changes have occurred on the landscape of qualitative research. The approach is now recognised as one of the legitimate modes of inquiry particularly in social, behavioural and health sciences. This turn of events has resulted in more qualitative work being published and more qualitative projects being funded (Creswell, 2007). Interpretive qualitative approach in a way has influenced how researchers undertake qualitative inquiries and how they present it. Denzin and Lincoln (2005) share this perspective by stating that there are other aspects of qualitative research which play a more central role in designing qualitative inquiry, for example, the role of the researcher, or the person reading the research. Other writers from an ethnographic background argue about how researchers find themselves embracing an interpretive turn which focuses on the future of ethnography in terms of methodology, theory and ethnographic writing for publication (Koro-Ljungberg and Greckhamer, 2005).

5.3 Research strategy

The study emphasizes the need to understand the background, experiences and the process of entrepreneurship in a way that may assist in the formulation of suitable policies beneficial to poor rural female entrepreneurs, as well as improving the practice and enhancing the process of entrepreneurship. According to Harris (in Creswell, 2007:68), it is important to investigate the phenomenon systematically so that the results will portray the holistic picture of the lives of the people under investigation. The study involved analyzing the values, behaviours, beliefs, practices and the language of the cultural sharing group. For this particular study, adopting an appropriate approach in order to conduct the study was of great importance. So the researcher adopted an ethnographic case study approach so that she can observe, interview and converse with the respondents closely.

5.3.1 Choice of study approach

A number of fundamental features guided the choice of approach adopted in this work. They include the context in which the study is undertaken, the sources of data collection, the type of data to be collected, the choice of cases and finally, the interpretation of analysed data (Hammersley, 1998:2). The study intended to examine how women in rural areas undertake

very small businesses in developing countries like Tanzania; accordingly an ethnographic approach was used to undertake this investigation.

Ethnography has been defined in different ways by different authors. Fetterman refers to ethnography as the “art and science of describing a group or culture”. He goes on to say... *“the description may be of a small tribe group in an exotic land or a classroom in the middle of suburbia”* (Fetterman, 1998:1). Conversely, Creswell (2007:68) describes an ethnographer as a person who is interested in examining shared patterns. In this study, an ethnographic approach is used to understand the effects of culture on practices.

As pointed out earlier, this study will employ the ethnographic case study approach. Flyvbjerg defines a case study as “An intensive analysis of individual unit (as a person or community) stressing developmental factors in relation to environment”. He argues that case studies entail more details, richness completeness and variance and those case studies are context specific, (Flyvbjerg, 2011:301). On the other hand Yin (2003) defines a case study as a unit of human activity embedded in the real world which can only be studied or understood in context, which exists in the ‘here and now’; that merges in with its context, so that precise boundaries are difficult to draw. This is a research strategy which investigates the phenomenon in its real life context. This study adopted the approach of multiple cases and descriptive or exploratory (causal). These multiple cases enabled the researcher to draw from as many sources of data as possible to enhance the understanding of the phenomenon and to assist in making a reasonable ‘dependability’ of the results, in analytical terms (Creswell, 2007:8). For these reasons, the researcher believes that undertaking the study in a specific context to analyse a specific phenomenon will benefit from an ethnographic case study approach. She concurs with Fetterman’s (1998:19) argument that;

“...ethnographers endeavour to describe as much as possible about a culture or a small group, where the description might include the group’s history, religion, politics, economy and environment”

The approach will facilitate this study to acquire the holistic picture and will help in the understanding of the phenomenon under study. In this case the influence of socio cultural factors on female entrepreneurial activities in rural Tanzania.

5.3.2 The challenges of using ethnography

“...social events and processes must be explained in terms of their relationship to the context in which they occur”

Martin Hammersley 1998:8.

The criticism of ethnography is based on the methodological debate that ethnography does not meet the criteria of being scientific. This notion occupied the discussions on ethnography in the 1960's and 1970's. Secondly, there is the question whether or not ethnography has moved away from quantitative research and models of natural sciences. In fact, it is conducted in such a way that it assists the understanding of the cultural perspectives of particular human actions. Also, ethnography attempts to discover new concepts and principles, which were not even the focus of the earlier work. This fact has contributed to the debate of how qualitative research has failed to capture how human beings behave in the social world (Hammersley, 1998).

Over time quantitative researchers have questioned the scientific status of ethnographic studies. The main criticism is based on the lack of precision in ethnography; the use of methods of data collection such as unstructured observation and unstructured interviews; the use of small samples in natural setting and emerging difficulties of replicating ethnographic studies.

Nonetheless, the use of ethnography to conduct research in developing countries, where the tradition of research is just beginning, is the best option. This argument is supported by Hammersley (1998), Huberman and Miles (2002:65) that, when people are in close relation with each other and are in long term contacts, their beliefs and behaviour can be understood more accurately, in a way that would not be possible if other means of understanding were used. They go on to stress that the goal of ethnographic research enables the researcher to fully represent what she has discovered as the true nature of the social phenomenon under study.

Ethnographic case study seemed the most appropriate approach to adopt compared to other approaches which have limitations in their application. Examples of such approaches are surveys and experiments, as Blumer (1969) argues in his methodological writings of Chicago Sociologists. He argues that experiments and surveys research have failed to grasp the distinctive nature of human social life, and the key feature of naturalistic inquiry which a

researcher can strategise in order to get closer to a naturally occurring social phenomenon. On the other hand Hammersley (1989:127-128) uses metaphors to describe this approach as 'lifting the veils' and 'digging deeper' while Matza (1969) argues about naturalism and that its main commitment is to enable the researcher to capture the true nature of the of social phenomenon in the participant's terms. These views are also shared with other authors in the field such as Lofland, (1972); Schatzman and Strauss, (1973); and Fetterman, (1998). With the chosen case study, the ethnographic approach is the most appropriate for this study, as compared to other methods such as surveys or questionnaire-based.

Moreover, doing research in the developing world may present difficulties, as the environment and background of the respondents might limit how the respondents will participate in the study. Approaches like surveys, where mail or telephone surveys are carried out in the environment in which the study is undertaken, would not be practical as many people, and in particular women, have no access to telephones and some of them cannot read or write. Questionnaires may be ambiguous in rural environments, but also the limitation of questionnaires' low response rate may be the reason behind the lack of representation of the study population (Dana and Dana, 2005:80). The research instruments developed for the study may influence the output of research. In countries like Tanzania, it is important to develop research instruments which will not be too foreign to the respondent. The success of the researcher's task of data collection will depend on how he or she uses already known instruments which are also used in daily life such as interviews, telling stories and conversation. This study aims at increasing the understanding of poor rural female entrepreneurs and how they undertake their activities in their existing environment.

5.4.3 Justification of research, aims and research questions

Based on the research aims outlined in section 1.2, the following research questions were developed and seemed to be relevant to the study. Table 5.1 below shows the relationship between specific objectives and research questions.

Table 5.1 Research aims and research questions

Specific objectives	Research questions
1. To understand the background experience of the rural women entrepreneurs in Tanzania	i. what are the respondents' personal characteristics, family background and education background
	ii. what are their life experiences at home and after leaving home
	iii. what are the business experiences, motivation and business ideas
	iv. how did they start their first business
2. To explore nature and size of enterprises undertaken by the rural women entrepreneurs	i. how did they start up their business
	ii. at what age did they start their business
	iii. what type of business undertaken and products sold
	iv. where did they get their initial capital
	v. how much do they sell in a given time period
	vi. how do they interact with others in the entrepreneurial process
3. To explore the entrepreneurial activities process in the rural areas	i. how did they get business premises
	ii. how do they carry out buying and selling transactions
	iii. what are the business development supports
	iv. how do the rural women entrepreneurs spend their typical day
4. To examine the constraints faced by rural women entrepreneurs and how they overcome them	i. what are the financial, social, cultural and institutional constraints facing rural women entrepreneurs in undertaking entrepreneurial activities
	ii. how do they overcome those constraints

Specific objectives	Research questions
5. To apply the findings to develop relevant information that may assist in improving the entrepreneurial performance of women in rural areas	i. how individuals would like things to be
	ii. how to improve the performance of supporting institutions
	iii. what are the effects of culture, traditions, norms and customs on socio-economic performance of rural women

As noted in earlier chapters, this study was carried out in three rural villages, two villages in the Pwani region and one village in the Arusha region. These villages are Kongowe from Kibaha district, Ruvu Darajani from Bagamoyo district and Patandi from Arumeru district. The two villages in the Pwani region were selected purposely, on the basis of being in one of the poorest regions in the country. Also these villages were chosen as a continuation of a study conducted by the same researcher in 2003. The choice of Patandi village was based on the fact that the Arusha region is an economically successful area. Moreover, as this study explores the impact of socio cultural factors on entrepreneurship, another reason for selecting these villages is that the researcher wanted to examine the process of entrepreneurship between contrasting regions in terms of geographical location and economic well being. Furthermore, all the three villages are located along the main trunk road leading to other regions and neighbouring countries. Kongowe and Ruvu Darajani are found along the Morogoro road, which is the main transport artery in the country. It is the major link to countries like Malawi and Zambia. On the other hand, Patandi is found along the Moshi to Arusha road which leads to nearby countries such as Kenya and Uganda, which are important trade routes.

Lastly the three villages have markets where both women and men operate. Kongowe and Ruvu Darajani have less permanent market places where entrepreneurship activities are carried out every day. Patandi on the other hand has a market which operates at full-scale two days a week and on a very small scale on Mondays to Saturdays. The market is closed on Sundays. This selection did not take into consideration the climatic conditions and other geographical characteristics prevailing in the three villages.

5.3.4 Study population

The target population for this study was rural female entrepreneurs who are petty traders in their village markets. They operate inside the market or around the market area depending on the set up of the market. These are poor rural female entrepreneurs who buy and sell small items for everyday life. This category of the population is typical in most village markets in the country. The studied respondents were individual poor rural female entrepreneurs who own and manage micro-enterprises.

5.4 Research procedures

This section describes how the research was conducted in terms of the pilot study, field experience, sampling procedures and data collection.

5.4.1 Pilot study experience

During the pilot phase the researcher tried to use tape-recordings but with very little success. Once the researcher asked if she could record a conversation, everything changed; from the posture, language, tone, and even responses were made to suit the recording environment. The researcher then decided not to use any recording device throughout field work. Because all the interviews with women entrepreneurs were conducted at the site of business, there was a lot of distraction and background noise, which made the researcher to change the times of interviews to early mornings or late evening, just before closing. This had its repercussions and presented limitations on the respondents in terms of fatigue, and for the researcher, in terms of time and resources. At several points the researcher began to wish that she had used a survey, but she shielded away from the possibility very quickly. Positivist approaches would not be suitable or appropriate because of their limitations ontologically and epistemologically. As explained earlier there are no post offices in the villages and respondents would never be bothered to respond to questionnaires partly because of an inability to read or write. Nonetheless, being a researcher is not an easy role, there is always suspicion that something is not as it seems to be. This attitude, exhibited amongst the study populations, could make an approach like a survey, less successful. Hence, although the interviewing was difficult, the researcher became convinced it was the best way to acquire useful, relevant data.

Because of the limitations of documentary sources, this study, to a large extent, depended on the responses from the respondents and the experience of the researcher obtained from participation and observation of the respondent's daily activities in the village markets. During the pilot stage, a focus group discussion was conducted in order to have a deeper understanding of the socio cultural impact on entrepreneurship. The responses obtained from a group were different from the responses obtained from face to face individual interviews, and there was the challenge of respondents not wanting to lose face in front of their colleagues. The researcher then decided to abandon it as an approach and immersed herself in observation, conversation and individual in depth interviews.

5.4.2 Fieldwork experience.

During the course of her studies as a research student, the researcher was informed by methodological classes on the importance of using qualitative research as the most appropriate methodology when studying a social phenomenon. The aim was to understand and interpret the researcher's understanding from the respondents' own view and the meaning they place on their social world. As an ethnographer, the researcher interacted with respondents in their daily lives and learnt how their systems work, what their rules are, language and conduct. This helped to easily interact and develop relationships which allowed free conversation most of the time. The approach helped the researcher to later develop more informal conversation in a way which did not look like a question and answer session. When interacting with respondents, the researcher has to maintain innocence and appear naïve with the aim of wanting to know *what was going on*. The researcher carried out conversations by being a good listener to the stories of the poor rural female entrepreneurs as narrated. Now and then the researcher would ask for clarification of how the socio cultural factors influenced the conduct of their business activities. The researcher also observed carefully what was going on around her, including the interaction between the women and other respondents, such as with the local government officials, and other persons who were not the direct respondents to the study. The researcher observed the process of entrepreneurship unfolding in front of her eyes. This kind of approach, which aims at cognitive and insightful understanding, has its origin in Webers's *Vestehen*, where the objective is to "understand" (in Buame, 1996:57).

As said earlier, when undertaking an ethnographic study, the researcher aims at getting as close as possible to respondents during field work but at the same time maintaining the social

distance and being cautious of turning native. The approach assisted the researcher to get to know the respondents' beliefs, values, morals, ideas, experiences and the way they conducted their entrepreneurial activities. Spending a prolonged time in the field had its advantages. It allowed the researcher to form relationships with respondents which were beneficial to both sides. The respondents could trust the researcher and provide more reliable information than if it could have been otherwise. The participation in their market life enabled the researcher to understand some aspects even without needing clarification, so the chances of misinformation were reduced. The interviews were conducted after a lot of information had been gathered through critical observation and from the information obtained from other sources, such as the local government office. The data from the local government office was not entirely reliable, that the researcher largely depended on the information given from the horse's mouth: the respondents themselves.

5.4.3 The sampling strategy and sample population

“The research question shapes the selection of a place and people or program to study”

David Fetterman, 1998: 32

In developing countries, where there are limitations on developing sampling frames, a common sampling technique used is purposeful sampling. This technique has been used in studies like Women Entrepreneurship Development and Empowerment in Tanzania by Makombe (2006). This proved very helpful in Patandi because the number of poor rural female entrepreneurs operating each market day ranged from 2,500 to 5,000. For Kongowe and Ruvu Darajani, where the number of women micro-entrepreneurs was small, the task of locating the respondents was easier. The women, who were selected from a large population of female entrepreneurs, met the criteria which were: age, type of enterprise operated the different performance levels of the enterprise, ownership and management of the enterprise, and any other contrasting features, like physical disability and the presence of dependants when undertaking their entrepreneurial activities. The case was different at Patandi village where sampling was done after prolonged observations of the different sections of the market. Respondents were observed in a group and separately. Many respondents did meet the criteria the researcher had to look for extra point in order to include them in the sample. Some of the points were leadership and disability. These criteria were chosen in order to examine whether they had any significant influence on the way the poor rural female entrepreneurs undertake their daily activities and to diversify the sample size.

The set criteria were important because they allowed poor rural female entrepreneurs of different ages to be included in the sample. The type of enterprise operated allowed for diversification of different types of micro-enterprises undertaken by these women. The ownership and management of enterprise excluded those who were employed so as to allow the researcher to study the enterprises and draw conclusions on how the socio-cultural factors may have impacted on how these poor rural female entrepreneurs undertake their activities. The selections based on religion and ethnic origin were dropped because there was a concentration of indigenous tribes and popular religious faith depending on the locality of the respondents. The issues of ethnicity and religion were used to show the general picture of the background of respondents.

In all the three villages, the researcher first contacted the local government village officers as an entry point. They provided useful ground information on the status of female entrepreneurship in their villages. Some intended respondents were not reached because they had stopped operating, temporarily or permanently, during the fieldwork process. As there was no register of female entrepreneurs, the researcher had to depend on the presence of the women entrepreneurs on their operating premises.

A total of thirty operating poor rural female entrepreneurs were selected from the three villages. Ten respondents were selected from each village. The number was convenient for comparison across cases. A further nine non-operating poor rural female entrepreneurs were selected using snowball sampling because it was not easy to get willing non-operating entrepreneurs to participate in the study. Their number was again for convenience purposes, three from each village. The selection allowed maximum variation and diversity within setting and across settings.

In sampling respondents, the first task was to locate the poor rural female entrepreneurs to participate in the study. After much consideration of time and finance, the researcher decided to study female entrepreneurs who operated in their local markets. This was the only place where there was a concentration of female entrepreneurs, undertaking a wide range of economic and socio-activities. In the researcher's experience as a voluntary worker with female entrepreneurs, the first source of information was to go to operating MFIs in the village. To the disappointment of the researcher, the register of females who take loans with

the relevant MFIs was not made available because of undisclosed reasons as a result of data protection issues. Therefore, the only information obtained was the list of some women who obtained loans from MFIs through the local government office. The list did not correspond with the actual number of poor rural female entrepreneurs who operated in the village markets. There were a substantial number of loan recipients who did not do any business. They belonged to loaning groups and, if they could pay back their loans, the MFIs did not have any objection. The women who took loans did not give their work address only their home address. At least all active respondents could be found in or around the market. It was found that as a procedure and some sort of assurance, all loans were to be seconded by the local government office.

The problem came that there was no proper record of who applied for the loan and who got and who did not get it. Although confusing as a practice, some women got loans in groups, which were not in business with but only socially connected, like family or friends. For Kongowe and Ruvu Darajani the revenue collector knew all the women who operated in the market. For Patandi it was not possible because of the number of respondents operating in the market. After the researcher introduced herself and produced a letter of introduction from the University and the Ministry of Education in Tanzania, she was then introduced to the market leaders, who later on introduced her to the operating women entrepreneurs. That was the case for Kongowe and Patandi. The situation was different for the village of Ruvu Darajani, where there was no organisation of poor rural female entrepreneurs so the researcher was introduced to them directly. At some point the researcher had to introduce herself directly to the respondents.

Very few women had formal businesses, while the majority had informal businesses, which included economic activities too small to be registered and not under any government formal controls, like taxes. Almost all the businesses examined fell under this category except one respondent who operated a registered lady's hair dressing salon. They included businesses like food vending, tailoring, selling farm products, mixed items stall (*genge*) small shops, fish mongering, and all petty trading activities. Based on the aim of the study, it did not matter whether they had a registered business or a permanent business address. The formal status of the respondents had no bearing on the theoretical implication. However, building the relationship first was very important to avoid mistrust and the researcher also used this time to study how the poor rural female entrepreneurs operated in the village markets.

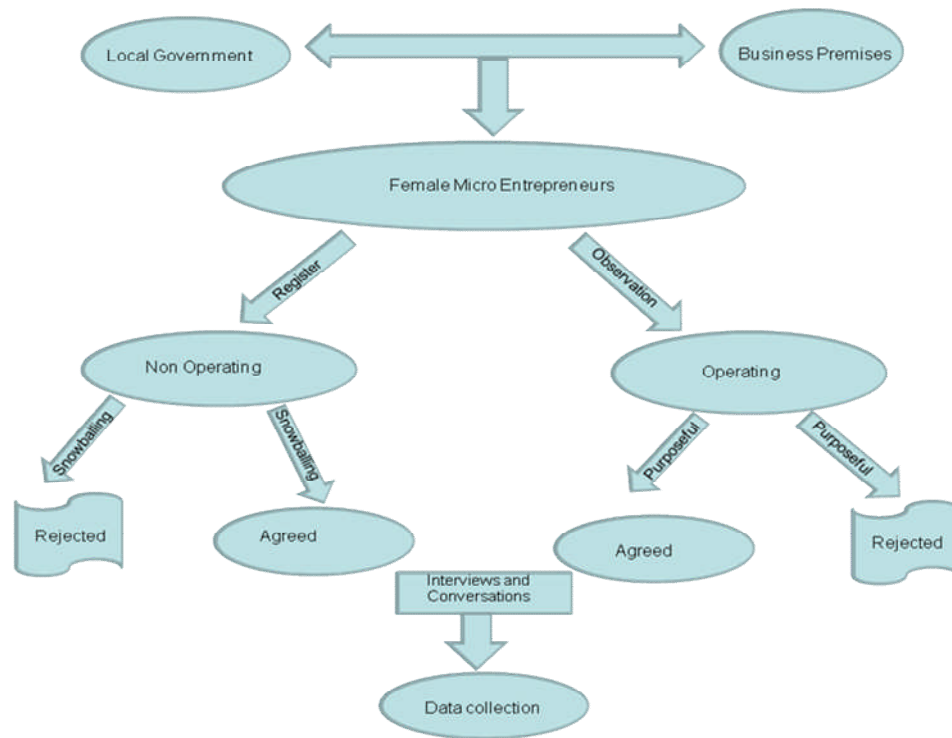
5.4.4 Data collection

Data were collected from November 2006 to January 2008. The researcher collected data from the three sites at intervals. There were interruptions in the interviews from fellow traders and customers and when respondents were not around the market for one reason or the other or when attending to various social obligations. All these were part and parcel of the respondents' lives. The noted interruptions included family illnesses, funerals, weddings, religious celebrations and, in the case of the Pwani region, traditional celebrations. In these circumstances collecting data proved to be more difficult and called for considerable patience.

Conducting field work in a poor country like Tanzania presents challenges and difficulties. Most people especially in rural areas have been involved in programmes like poverty alleviation; HIV/AIDS; and also election campaigns for political parties and local government. When conducting such surveys or programmes, the organizers have always included an aspect of payment to get people on their side, or to get the information they wanted; in some cases respondents were given soft drink in order to get information. However, due to limited resources, the researcher was not able to offer these inducements. The researcher had to express herself and clearly explain the purpose of the research that it was not in any way related to any profit making body. At the end, most respondents agreed to cooperate without anticipating any kind of payment from the researcher. The research relied on primary sources of data which are the respondents and their settings. Other sources such as documentary materials helped to give a general picture of what was going on in the study sites, although the documents had some deficiencies in terms of being updated, completeness and accuracy.

Data collection was done in three phases in every village. The first phase involved getting access and building rapport. The first week of field work was used to do an exploratory study of the field and its settings. The aim of this exploratory stage was to familiarize with the respondents and their environment. That time was also used to establish the necessary contacts formally and informally. This helped in laying the foundation for a better working rapport and developing relationships that would help avoid mistrust and suspicion. Lastly, the situation analysis was carried out to get an indication of the patterns and themes which are likely to emerge from the research. Figure 5.1 illustrates the sampling strategy.

Figure 5.1 Sampling procedure



Source: Author

5.4.5 Gaining access

Gaining access and gaining trust are two different things. In my case, gaining access was not a problem. As soon as I presented an introductory letter from the Ministry of Education that I was doing research, the village local government officials took me on board. They introduced me to all the relevant people as far as the village market was concerned. As said earlier, these officers were not always popular. I needed a dual entry strategy to gain access to the respondents and their activities. That took time, with the exception of Kongowe, where I met an old colleague who was a teacher like myself and he introduced me to some of the respondents and made access easier. For Ruvu Darajani and Patandi, it started like going on a blind date, not knowing what to expect.

Most respondents were suspicious of people they know nothing about. People were talking and word got around that a researcher was involved in a study, but there were different versions of “the study” the researcher was involved with. But when they encountered the

researcher in most days, some of them started speaking to her, and those people became the researcher's gate keepers. There were more than three in each village because the researcher did not want to be in conflict with any socio-circles they belonged to. When the researcher became one of them, they showed trust and confidence in her. Sometimes they shared with the researcher the most intimate information about themselves or others. They came to know that the researcher did not mean any harm and they wished her well in her study.

5.4.6 Interpersonal observation

The first weeks of field work were used for field acclimatization and exploration of the locations to be studied. In order to gain a perspective of events the researcher endeavoured to establish contact with people she knew previously to assist her in developing a rapport with respondents and to develop relationship which might promote trust.

5.5 Ethical issues

The research was carried out according to the Research Ethics Policy of The Robert Gordon University, and the Data Protection Legislation Act in Tanzania. For this research, ethical approval was obtained from the University prior to the field work. This guaranteed that all participants were fully briefed and protected throughout the research process, that is, during data collection, analysis and evaluation of findings, presentation and reporting of findings. Respondents were asked for their consent in the whole process of collecting, analyzing and writing research report. Furthermore, respondents were requested to give consent if the research is presented and published. In undertaking this study ethical considerations were considered right from the initial stages of the research process, that is, the proposal. This was observed in identifying the research problem, which was how the socio cultural factors influence the performance of rural female entrepreneurs. This problem was identified as being important to the respondents and the entire population of women entrepreneurs in the studied setting.

As explained earlier before beginning field work the researcher requested permission from the Ministry of Education to conduct research. The researcher then proceeded to seek permission from the three villages to be studied. The village authority was also notified of the time scale, the impacts and the outcome of the research. The researcher also developed an *informed consent* in form of a letter which was read or explained to the respondents, rather than providing the letter for respondents to read, as some of the respondents did not

know how to read and write. It also maintained consistency for all respondents. The letter, which is in the appendix, acknowledged the respondents' rights to voluntarily participate in the study and to withdraw at any time so that the respondents were not forced or coerced to participate in the study. The purpose and procedures of the study were communicated in the letter or explanation. Respondents were also notified of their right to ask questions, get feedback from the findings and have their privacy respected and to be informed of any benefit arising from the study (Creswell, 2003:64 - 65).

Respondents agreed to have their real names printed on the report, and were happy for their names to appear in any work which may be presented or published. Those who allowed the researcher to take their photos they gave consent for the photos to be published. The researcher made sure that accurate information was provided to respondents and officials. As Creswell (2003:67) notes, this research is committed to the avoidance of words, phrases or language that are biased against a person because of gender, ethnic group, age, religion, or disability. This avoids untrue, deceptive and doctored results (Kombo and Tromp, 2006:132).

5.6 Conclusions

In this chapter the researcher presented the research methodology and the procedures that were used. The study was conducted in three villages in Tanzania. The main respondents of the study were the poor rural female entrepreneurs. The study was designed using an ethnographic case study approach. Data was collected using field observation, in-depth interviews and life stories were collected. The researcher presented the field work experiences and the role played during the data collection phase. The data will be analysed using a sustainable livelihood framework and using ethnographic content analysis whereby descriptive accounts will be presented, then data will be analysed and an interpretation on how the social cultural factors may have impacted on how women in developing countries will be presented.

CHAPTER SIX

RESEARCH CONTEXT

6.0 Introduction

This chapter is preceded by five chapters which have introduced the study, looked into the national context of the study area and the pertinent literature. The methodology and methods for undertaking the study have been discussed. The theoretical framework for the study has also been presented. This chapter is intended to present the descriptive accounts in a chronological order; the way the settings were studied, the order the respondents were interviewed and the way the researcher ordered the description as far as the research events were concerned (Wolcott 1994:17-23). It starts with the description of the setting, followed by the descriptive accounts of the respondents and events and lastly it highlights the facts as illustrated in the analytical framework.

6.1 The settings: Description of the village markets

This section presents the descriptive accounts of the village markets studied. It highlights the location of the markets; the infrastructure present and the type of businesses operated by the respondents. The description is presented in the order the village markets were studied i.e. Kongowe, Ruvu Darajani and Tengeru that caters for Patandi village. These are typical examples of the rural village markets in most developing countries. These markets portray the commercial side of social life and the social side of commercial life. Most of these markets are quite informal in their operations. However, a few formal markets can be found where the operations are more organised. There also exist some differences amongst village markets depending on the climate, agricultural potential, socio cultural factors influencing residents of the village in question and abundance of produce.

6.1.1 Location of the village markets

This subsection describes the individual markets. It describes the location of the markets, in relation to accessibility from trunk roads.

- i) The Kongowe market is situated within 100 metres from the main trunk road popularly known as "Morogoro Highway". The road is the main route from Dar es Salaam to mainland Tanzania and the neighbouring countries of Malawi, Zambia, Kenya, Uganda, Rwanda and Burundi. The market is situated on the left hand side of the road when you come from Dar es Salaam.
- ii) The Ruvu Darajani market is located at a very popular bus stop such that it is not clear whether Ruvu Darajani is a popular bus stop or a popular market along the Morogoro road. The market stretches about 200 metres and is less than fifty metres from the Ruvu river bridge, hence the name *Ruvu Darajani* which simply means "at the Ruvu bridge".
- iii) The Tengeru market is located along the Moshi to Arusha road, the main route to neighbouring Kenya and Uganda. It is a transformation of the old market which was on the left hand side when you come from Arusha. The new market is on the right hand side. It is less than 100 metres from the trunk road.

6.1.2 Market Infrastructure

This subsection describes the market infrastructure. It presents the type of structures that are used by rural female entrepreneurs in the village markets, the services provided and the fees charges for the use of the market infrastructure.

- i) The Kongowe market operates on land which is owned privately by a landlord who leases the spaces to individuals, who in turn construct stalls which are used for their enterprise or rented to other users. The market occupies an area of approximately thirty metres long and fifteen metres wide, the main market area is not fenced or enclosed by a wall but it is clear where it starts and where it ends. Before you enter the market, the area is surrounded by a number of small shops, cafes, hair dressing salons and other trading outlets, some sort of symbiotic trading.

The market consists of small stalls made from mud and tree poles that are locally available building materials. Large poles are used as beams and smaller poles are laid horizontally to create box-like structures with poles running vertically and horizontally. The structures are

secured with ropes and the spaces are filled with wet clay and allowed to dry before use. Occasionally mud or cement plaster is applied to smoothen the walls.

The stalls are arranged on both sides of the market area and are divided by a narrow foot passage. There is no form of flooring in these stalls except the natural compacted soil through human activities over time. It looks and feels like cement flooring. The individual stalls, which are commonly known as *genge*, are roofed using palm tree thatched grass and occasionally pieces of corrugated iron sheets. There are door frames and locally made doors for some individual stalls, but most stalls have no doors except an opening usually created by either placing display tables or arranging goods deliberately leaving space as an entrance and exit door. Individual stalls vary in size. Some are about four metres long and three metres wide and others are approximately three metres long and two metres wide. There are a total of nineteen stalls, nine on one side and ten on the other side. The stalls are the main premises where different trading activities are carried out. There is an open space which surrounds the main market and this is the place where most female micro-entrepreneurs operate.

The main furniture in the stalls is locally made of large tables used to display the commodities. These tables are made from locally available poles and local trees which act as the frames, topped mainly with soft wood or wood planks, or old wooden boxes. Just before placing the commodities on the table for display, a polythene sheet or sack is laid on top of the table. This acts as a protector to avoid scratching of commodities and a safe place where money is kept underneath. The tables have small partitions, like horizontal shelves for different commodities, or left flat and different commodities are used as partitions. The traders sit on stools made of tree trunks, others on logs, sacks full of grains, or on old broken plastic or wooden chairs. The stalls where cooked food is sold are simple enclosures made from a mixture of mud walls and plastic sheets. There are small benches and tables made mainly from old softwood boxes joined together. The food is cooked outside these enclosures and brought in to be served.

The front entrance of the market is observed from the bus stand and extended to the small shops and other trading outlets. The back entrance is observed from the village area past the old Morogoro road to the market.

There is one toilet for market users and other traders, pub customers and passersby. Sometimes market traders use toilet facilities in the local bar or the nearest pubs. In some cases traders ask to use residential toilets. There is no reliable source of water and electricity.

Storage of commodities in individual stalls is the responsibility of the traders. As noted earlier, bulky commodities in sacks are stored at the back of the stall and they also act as walls or boundaries for individual stalls. At the end of the day the commodities are covered, usually by plastic sheets, and stones or pieces of broken cement bricks are placed at the corners of the plastic sheet to avoid the sheets from being carried away easily.

The overall security of the market is observed by two militia men who are paid from contributions made by the traders. If theft occurs in undefined circumstances within the market, the guards are held responsible and are required to compensate for the stolen commodities.

All the waste products from the market are disposed off in a big pit approximately four metres in diameter and two metres deep. Once full, it is covered by earth and another one is dug. This work is done by local people who are paid by the traders.

ii) Ruvu Darajani market has no specific layout, but businesses are almost in a straight line. Most traders would place their business anywhere provided it is on one side of the road. The traders rent space from the houses which overlook the main road and construct their own stalls or use the roadside or house pavements to do their business.

The structures which are used for different types of businesses and the furniture are similar to those found at Kongowe. These stalls are used for *genge* business, cooked food, small shops and various businesses, depending on the season, availability and opportunity. Photograph 6.1 shows the typical stall at the Ruvu Darajani market.

Photograph 6.1 Typical stall at Ruvu Darajani market



Source: Researcher's photographs

Other businesses are conducted in open spaces with tables for display, or even just pieces of sacks on the ground. Some businesses, like the local bar, are located behind the main area facing the main road. These are operated in more or less permanent structures made from local building materials or concrete blocks with corrugated iron sheets or thatched roofs. The vegetables and fruits business is carried out by packing the equivalent of one kilogram of vegetables or fruits in thin carrier bags, and then arranged on top of the table and the traders wait for customers. Whenever buses, personal cars and trucks stop, the traders would grab a few bags and run to the vehicle to try their luck. Also the vegetables or fruits are placed in plastic or tin containers of twenty, ten or five litre capacity. The bulk of the produce is stored in the nearby houses.

However, there is a building which is supposed to be the local market just a few meters from the market area; it was built by a donation from JICA for the vegetable grower's association project. This building is currently not used for the intended purpose because the project failed. Instead, that building is used as the village local government office and for village meetings.

There are no basic facilities at this market but traders find ways of getting around this. There is no public toilet facility for the market traders, whenever in need they usually go to the pub or ask people from nearby houses, otherwise they go to the bushes around. There is no reliable source of tap water. Market waste is accumulated in a pit at the back of the main area and when it is filled up, the traders dig a new pit.

- ii) The Tengeru market is popularly known as the women's market because the majority of operators are women. It was built by donations from local and international rotary clubs. The market has an education facility for women to improve their skills in horticulture, in addition to receiving education on how to improve their health. It was officially opened on 12th February 2005 by the then President of Tanzania, His Excellence Benjamin William Mkapa. On its opening day, the market recorded 2,553 women traders and about 20,000 people visited the market. Photograph 6.2 shows the layout of the Tengeru market.

Photograph 6.2 The Tengeru market



Source: travel.webshots.com

The market extends to an area of about three acres and is fenced by a four metre high security wall. It consists of two main shelters, which provide working spaces for traders. Ninety nine percent of all traders in this market are women. The general layout of the market

facilities in the market is more organised. It includes basic facilities, unlike the other markets where they are very limited or completely absent. The stalls in this market are well constructed using stronger building materials. There are two main divisions that are further divided into sections, based on the type of produce being sold. There are seven main sections, which are; dry maize, small grains, bananas, tubers, vegetables and fruits; legumes and cooked food. On the vegetables and fruits section, the partitions are made of aluminium pipes and wire mesh to form shelves suitable for selling vegetables and fruits, while the other sections comprised of a strong, concrete floor.

The market is roofed by corrugated iron sheets and has security gates. There are well constructed spaces for the display of products. However, traders use locally available seats which range from sacks of their products, chairs, empty soft drink crates and any other means that will make them feel comfortable. There are different sized plastic or aluminium containers which are used for storing produce. The only section which had more furniture is the cooked food section, where about forty women operate. It comprises of simple tables and benches made from wood and some traders use chairs. At the time of research construction was going on for this part of the market to include facilities such as running tap water. Other sections, for example the dry grains, have large sieves which are used to sieve up to fifty kilograms of grains at once. These are made of large wooden frames with wire mesh forming a sieve. Despite having clear boundaries for individual stalls, traders store their commodities in heaps, which also serve as a wall between one trader and another.

The market has modern toilet facilities. There are separate toilets for men and women and there is also one for the disabled. Cleaning of the market is done by local contractors; for example at the time of research there was a group of women who had a contract to clean the whole market four days a week. Waste was collected after every market day and transferred to a dumping area twice a week.

There is a reliable source of water and electricity. The market has a parking area for trucks, Lorries, pickups and carts which come from the entrance. Whenever a vehicle or cart enters the market there is a fee charged depending on the size of the vehicle and there is a flat rate for carts. Revenue is collected every market day by an agent who had won a tender for collection of revenue. The revenue depended on the type and size of the business. There are security guards at the gates who oversee the safety and security of the market and ensure that

all traders pay revenue when they operate in the market. They also collect revenue and place a stamp for identification of produce that have been paid for. The security guards are the employees of the revenue collection agency.

6.1.3 Types of businesses

This section describes types of enterprises and activities that were found taking place in the studied village markets.

- i) At Kongowe market different types of businesses are found to be carried out by the female entrepreneurs. These include different types of fresh and cooked food, items of clothing, *genges*, buns, vegetables, cooked finger millet porridge, hair dressing salons, fresh or roasted tubers and roast fish. The common business is cooked food business.
- ii) At Ruvu Darajani market, different types of businesses are found on both sides of the main trunk road and surrounding areas. The businesses found here include fresh and locally processed fish, vegetables, potatoes and fruits. The market also has a line of stalls and small shops including food stalls, a small shop, a barbecued goat meat stall and a tailoring business. The cooked food business is the most common business mainly carried out by women. The type of food cooked and the size differs across the market. Some traders cook from big pans while others cook small amounts of food. Photographs 6.4 and 6.5 compare the cooked food business in terms of pan sizes used.

Photograph 6.3 Food trading entrepreneur



Source: Researcher's photographs

Photograph 6.4 Sofia with her big pans of food



Source: Researcher's photographs

iii) At the Tengeru market, the businesses are grouped into different categories. Businesses that are related are carried out on the same area, termed as a section. As noted earlier, about seven sections are found. These include the dry maize section; small grains section (soya beans, wheat and finger millet); banana and tubers section (bananas, yams, cassava and sweet potatoes); vegetables section (tomatoes, spinach, carrot, cabbage, and cauliflower); fruits section (oranges, mangoes, avocados); legumes sections (beans, peas and nuts) and cooked food section (local foods and bites). Photograph 6.5 shows the banana section at the Tengeru market.



Source: travel.webshots.com

This section has described the three markets which were studied. The location of the markets, infrastructure and the types of businesses which were operating at the time of research have been presented. There is a need now to look at the activities in the three markets.

6.2 Marketing activities

This section describes the activities that were observed taking place at the village markets. The organisation of the markets is also presented. The researcher also describes a typical day in these markets.

- i) The activities at Kongowe market are coordinated by the market committee, which is led by a chairperson and a market secretary. The market secretary is the active leader of the market to oversee the daily activities and is responsible for resolving market conflicts before they are referred to the local government office. The market secretary is also responsible for the collection of rent from the traders on behalf of the stall owners or the landlord. This is so because there are people who have rented spaces in this market, and have built stalls but don't operate any business. In this market it is not uncommon to find a stall with a chain of ownership up to five people.

The day starts very early at Kongowe village market. There are a lot of activities in the market area particularly in the cooked food section. The female entrepreneurs arrive at the market as early as 5 o'clock in the morning and start cleaning their premises, sweeping with standing brooms and arranging kitchen utensils before starting the fire. Firewood and charcoal are the main sources of fuel. They start to prepare breakfast, which involves cooking the popular dried red kidney beans; these take some time to cook. The female micro-entrepreneurs are observed running to the nearby shops to get some commodities to use for breakfast. The most popular breakfast in this market is black tea taken with a variety of buns like *maandazi* or doughnuts, rice buns and *chapati*. Sometimes bread is bought from shops and sold to customers. Cooked red beans with coconut milk are the most popular accompaniment of breakfast. Meanwhile, preparation for bites to go with the tea is done simultaneously with other preparations and it is an ongoing activity throughout breakfast time. Breakfast is taken by customers as early as 6 o'clock in the morning. The popularity of the stall depends on taste of buns and beans. Once breakfast is served, preparation for lunch starts. The most popular food stuffs are rice and *ugali* or stiff porridge which is eaten with beans or meat or fish and vegetables. Sometime *pilau* or spiced rice is prepared. In most stalls food is served until 5 or 6 o'clock in the evening. Very few stalls will continue to operate until 10 o'clock at night.

There is another type of cooked food whereby finger millet porridge is prepared at home and put in flasks and then sold to people at different places including the market area. Aikaeli is the only respondent doing this kind of business. Other activities here include businesses like *genge*, selling of vegetables, fish, tomatoes and onions. There are also non food businesses which operate around the market such as ladies hair dressing salon and a pub.

- ii) At Ruvu Darajani there is no established market leadership. People who have occupied the market longer seem to have more say on market issues. There was no revenue collection at the time of research because the villagers agreed to abolish it as many people could not afford to pay daily. Whenever there is a problem within the market the village local government leadership intervenes. Information for traders is also passed through the same channel.

Like in Kongowe market, at Ruvu Darajani activities also start as early as 5 o'clock in the morning. Respondents start their businesses at different times in the morning, depending on the type of business and family commitment. Cooked food business is mainly operated by women except roast goat meat which can be operated by men. Those with babies and children need more preparation at home before they set off to the market, although some respondents take their children with them. Cleaning and food preparation for breakfast is less vigorous than Kongowe. Instead lunch preparation is the main activity in cooked food business. Preparation for lunch starts late morning. The types of food stuffs prepared at Ruvu Darajani are not different from those being prepared at Kongowe.

Other activities at Ruvu Darajani are *genges*, selling of fresh and roasted tubers, selling roasted fish, and small shops. There is also a tailor who operates her business from the pavements of the family house. Local brew is another business activity at Ruvu Darajani.

- iii) At Tengeru market, the activities are more organised. Activities in this market do not start very early as in Kongowe or Ruvu Darajani. The markets operate fully only two days a week, on Wednesdays and on Saturdays with the exception of a few traders who operate Monday to Saturday. As noted in the previous section the main activities in this market is selling of grains. The first traders to arrive at the market around 6.00 or 6.30 in the morning are those in the cooked food sections. Some come with breakfast already made from home whilst some cook at the market. The other traders

start coming to the market from 7.30 in the morning onwards. Some come as late as 11 o'clock in the morning depending on the commitments they had to attend before coming to the market and distance they travel or walk to the market. Once in the market, the grain traders start preparations for the day. They start with cleaning using trays and big sieves mentioned earlier. Some sell only one type of grains and others more than one type. The common combinations are dry maize and dry beans or different types of smaller grains like millets, sorghum, wheat and sorghum. Customers start coming to the market around 8 in the morning. The number of customers at the market varies every day, but there are more than 3,000 customers every market day.

This section has described the activities carried out in the village markets. It presented the organization or leadership of the market and how activities are carried out. Emphasis was placed for description of main activities in each village market i.e. for Kongowe and Ruvu Darajani the focus was on cooked food businesses and for Tengeru market the focus was on dry grains section. The following section looks at the individual rural female entrepreneurs who operate in these markets.

6.3 Female micro-entrepreneurs

In this section, the researcher presents a description of the poor rural female entrepreneurs studied from the three rural markets. It includes their profile and activities they undertake in order to earn a living. For the purpose of enhancing the understanding how these poor rural female entrepreneurs undertake their activities; the researcher has presented a table summarizing the personal profiles of the respondents which is followed by the accounts of some of the respondents. Table 6.1 presents the personal profiles of the female micro entrepreneurs.

Table 6.1 Personal Profiles of Operating Women Entrepreneurs

NAME	AGE	TRIBE	RELIGION	MARITAL STATUS
KONGOWE				
Mwajuma				
Ramadhani	60	Kwere	Muslim	Widow
Rukia Mohamed	49	Zaramo	Muslim	Widow
Neema Said	48	Kwere	Muslim	Married
Tina Emmanuel	30	haya	Christian	Single
Mwajuma Ally	22	Zaramo	Muslim	Divorced
Asha Kimange	20	Zaramo	Muslim	Single
Mary Kamanda	45	Nyakyusa	Christian	Widow
Aikaeli Macha	25	Chagga	Christian	Married
Grace Mshana	30	Pare	Christian	Married
Mwanahamisi Iddi	49	Zaramo	Muslim	Widow
RUVU DARAJANI				
Eva Timothoe	53	Ngoni	Christian	Divorced
Rehema Said	24	Zaramo	Muslim	Married
Sofia Thomas	40	Kwere	Christian	Divorced
Sofia Sefu	32	Kwere	Muslim	Married
Ibula Abdallah				
Kihuja	64	Ndendeule	Muslim	Widow
Mariam Ramadhani	34	Zaramo	Muslim	Married
Zamda Shamte	19	Kwere	Muslim	Single
Asinate Daudi	27	Sambaa	Christian	Single
Zawadi Ally	24	Zaramo	Muslim	Single
Asha Hassani	49	Zaramo	Muslim	Married
PATANDI				
Asinati Pallangyo	49	Meru	Christian	Single
Raheli Somi	54	Meru	Christian	Married
Fausta Emmanuel	37	Chagga	Christian	Widow
Apaikunda Max				
Akyoo	45	Meru	Christian	Married
Lillian Mushi	40	Meru	Christian	Divorced
Zairati Yusufu	37	Rangi	Muslim	Married
Luyana Elia sikawa	37	Meru	Christian	Widow
Aishi Kitomari	21	Meru	Christian	Single
Asanjo Kaaya	30	Meru	Christian	Married
Elinuru Gadi	47	Meru	Christian	Married

Source: Author

The following are the accounts of the some of the operating female entrepreneurs from the three villages.

6.3.1 Mwajuma of Kongowe market

There are two respondents at Kongowe market who went by the name of Mwajuma. The younger Mwajuma operates a cooked food stall. She was 22 years old at the time of research.

She was divorced and had one child aged two. Her father is a teacher, and her mother a farmer. She completed primary education. She comes from a family of six siblings. Some of her brothers are employed, some sisters married and the younger ones were still at school. She explains that she did not continue after primary education because she was not good at school. She stayed home helping her mother until maturity, and then according to Zaramo tradition she was kept indoors and got married in Dar es Salaam. Mwajuma had a pleasant childhood. She says her parents used to cater for all her needs. Mwajuma said *“...life as a family was good and we had a close family relationship, but this did not warrant me asking for money from members of my family all the time”*.

She got divorced and came back to Kongowe where she needed to do something to take care of her daughter and herself. She says that's why she started her business.

Mwajuma worked three or five days a week depending on how her child was. She came to the market with her daughter and sometimes worked with her on her back. Later, during the day, one of her friends would come to the stall to help her and sometimes would take the daughter away and bring her back later on. Mwajuma usually worked until 5 or 6 o'clock in the evening. Then she would go home after collecting her utensils and storing them in a nearby house. On her way home, she would pass by a shop to pay for anything she had taken on credit for her business and get something for her family. Occasionally she would stop and chat to other women who operate similar businesses opposite her business.

6.3.2 Mary the cooked food chairperson

Mary also operates a cooked food business. Mary's age was forty-five at the time of the research. She is a widow and had moved from Dar es Salaam where she had also operated a cooked food business. She moved after the place where she was operating was demolished by the government. She comes from a family of farmers in Mbeya region. Mary describes life back home as being tough. She and her brothers had to work very hard. Her brothers are now in business in the cities of Arusha and Dar es Salaam. Mary relates her story that, she was very brilliant at school but did not get the opportunity to go to secondary school because by then, there were very few secondary schools. When she was growing up she moved from Mbeya to Dar es Salaam and came to live with her aunt who was dealing with Batik cloth making. She helped her aunt, learnt the business but decided to start a cooked food business instead. When she started this business, she got trained and qualified with certificates from VETA (Vocational Education Training Authority). Mary got married and

had four children. Her husband died and his relatives took her children and everything else and left her with nothing.

When Mary moved to Kongowe she had no where to live. She slept in her stall and she was usually up very early, as soon as the *muezzin*, the Islamic religious practitioner, proclaimed the call for people to go to the mosque for prayers. The *muezzin* acts as an alarm clock for most people. Mary would get up and start her day. She collects her bedding and put them in a box, and then she would go to a neighbouring house to ask for permission to use the outside toilet cum bathroom facility. She freshens herself up, sweeps the stall and starts the fire. If young Mwajuma or others had started a fire, she goes and asks for a piece of lit firewood and uses that to start her fire. Mary starts preparing breakfast and puts dry beans to cook. Sometimes she would go to a shop and a butcher to buy or take on credit commodities for breakfast and lunch. These would include dry beans, rice, wheat flour, cooking oil and meat. Mary also sells small bunches of charcoal and uses the smallest pieces for her own cooking. She also uses firewood especially for cooking beans. Then she would go to the market and buy vegetables such as African spinach, onions, tomatoes, chillies, lemon or lime, which are the common ingredients for her cooking. Mary is quite multi-tasking, such that she does different activities at the same time, like cooking *chapati*, making soup and serving customers. A lot of people were seen going to Mary's stall, but the reason could not be established. Her main customers included the travellers, passers by and workers from nearby places, such as the police post. Mary continues making *chapati* and selling other food commodities until 11 o'clock in the morning when the customers for breakfast are almost finished.

Lunch had a different menu, mainly rice and *ugali*, African spinach or Chinese cabbage was always available. On occasions, Mary makes the popular salad *kachumbari*, which consists of tomatoes and onions with salt; chillies and lemon juice. Food is served from 11 o'clock in the morning to 8 o'clock in the evening; a few customers come for an evening meal. Throughout the day Mary sells cold drinks on her stall. She would buy a block of ice, puts the bottles of soft drinks in a bucket and then would break the ice and put it on top of the bottles.

Once Mary finishes, she collects her utensils and puts them in one corner to create a space for her bedding for the night. Mary refreshed herself before she went out to see her friends.

She was usually back by 10 o'clock at night to sleep. Mary's stall had neither door nor windows. There were large pieces of cloth which she used as curtains, for security and privacy. She usually joins two benches and makes a sleeping bed. Photograph 6.6 shows Mary's stall cum home.

Photograph 6.6 Mary with the researcher in her stall



Source: Local photographer

6.3.3. Aikaeli who sells millet porridge

Aikaeli, who was twenty five years of age at the time of research, originally came from Kilimanjaro region. She moved to Kongowe with her husband, who works as a milling machine operator. Her parents are both peasant farmers. She comes from a big family of ten siblings where she is the youngest. Most of her siblings are involved in farming and petty trading. Aikaeli completed primary school but she did not get an opportunity to go to government secondary school. Her parents could not afford to take her to a private school. After school, she stayed at home helping her parents until she got married. She moved to Kongowe two years ago. Aikaeli recounts that life back home was hard. Her brothers and sisters had their own lives so they did not help much. She got bored of just staying at home and she decided to start the business of selling finger millet porridge, which was a new thing to Kongowe people.

Aikaeli sells finger millet porridge from a pair of flasks which she carries in a plastic basket. She passes across the market area as part of her rounds. She sells porridge in small plastic cups, very much a hand to hand business. She is around the market place sometimes as early as 7 o'clock in the morning. When she collects the cups she also collects the money. Because she follows the customers, sometimes she makes up to three rounds a day across the market. When she finishes, she goes to the market and nearby shops to buy stuff for her business and her family before going home. She does not operate on Sunday because she goes to church.

6.3.4 Tina operates the smallest business

Tina did not go to school. She came from Kigoma region where she lived with her brothers. She is thirty years old. All her brothers had died of AIDS related diseases. She decided to move to another place to start a new life. She was originally accompanied by a friend from home, but who later abandoned her at Kongowe to look after herself. She met a middle-aged friend and told him her situation. The man helped her to get a room and gave her TZS 1,500/= (70 pence). She used the money to start her business, selling tomatoes and onions which she bought wholesale at the market or sometimes she went as far as Ruvu. She slept on cardboard boxes for months before getting enough money to buy a mattress. She recounts that life back home was very hard; they depended on peasant farming and selling home-grown beans.

Tina operates outside the main market; she comes around 7 o'clock in the morning, carrying an 18 litre capacity plastic bucket containing onions and tomatoes. She arranges the commodities on a small table and sits on a stool and starts selling her commodities. She arranges her commodities according to size, or in bunches. As the sun rises she protects herself on the pavement of a shop overlooking her tomatoes. Her custom is slow but she is always happy. She closes her daily business around 4 or 5 o'clock in the evening and goes home. Tina is the female micro-entrepreneur who owns and operates the smallest business in terms of size and volume of sales. She says, "*...on the average I sell products of approximately 2,000/= per day. I keep 500/= as profit and use the rest for capital*".

6.3.5 The elder Mwajuma who owns a *genge*

Mwajuma is the eldest respondent from Kongowe. She was sixty years old at the time of research. Her parents were both peasant farmers. She has five siblings who were all farmers. She did not go through formal education, nor did her female siblings. She explains that the

girls were left home to look after the younger children and to cook for everybody who went to the fields. She explains her occupation after reaching puberty, as getting married and continuing to farm like her parents.

Mwajuma recalls life at home as being very difficult. Her parents did not earn enough to sustain a basic living. Despite that, she describes the relationship as good back home. Mwajuma explains that she had an unexplained disease which made her very weak. She decided to go to her brother to get assistance. She was taken to hospital where she was diagnosed to be suffering from malaria and typhoid. She received treatment and when she felt better, she moved to Kongowe to join her younger son. While in Kongowe, she saw other women doing business and she decided to try and see how it would work out.

Mwajuma used to have a stall, and when she could not afford the rent, she moved to the pavement and when she had enough money, she rented back the stall. She comes to the market at 7 o'clock in the morning. As soon as she is at her stall she puts ragged clothes on top of her own clothes, which comprised a dress, and she also tied on a piece of cloth, a *khanga*. A *khanga* is a traditional piece of fabric worn by many East African women. The *kitenge*, the big sister to the *khanga*, is an African garment which is similar to a sarong and is worn around the chest or waist, or both. It may even be worn over the head as a headscarf. Mwajuma is always busy buying farm produce, charcoal, dried fish and rearranging the commodities in smaller bundles. She uses the edge of her wrap to keep the money she gets from her sales.

6.3.6 Neema moved from owning a pub to owning a guest house

Neema from Kongowe was forty-eight years old at the time of the research. Originally she came from Chalinze, in a neighbouring district of Bagamoyo. Her father was a truck driver while her mother sold local brew. She came from a family of seven siblings and she is the oldest. She details the occupation of her siblings as *doing nothing serious*; they are involved in odd jobs now and then. Her younger siblings are still at school. Neema finished primary school but she did not do well and she claims that at that time girls were not encouraged to study. She says another reason was that her parents were busy with other life occupations than her schooling. As soon as she finished school she was kept inside for six months, according to customs and traditions before she was married. She describes the economic situation back home as very difficult and that, once she started earning some income, her

relatives depended on her for money to buy personal things, or to start businesses, which did not last long. She depicts her family relationship as very loving, helping each other and co-operating during hard and happy times. She says her business grew from strength to strength and had more than one business and she was doing well. She later moved to Kongowe to join her husband.

Neema owns a café and a small pub; she is also involved in selling charcoal wholesale and keeps a dairy cow. Neema starts to prepare items for the café at home. Usually she comes to the market area around 10 o'clock in the morning, already well dressed. Her first stop is in the café to see if everything is going well. Her café is relatively better than the rest in terms of general appearance. Then she goes to the pub to see the barmaid and, if it is a loan repayment day, she goes to the offices where the MFIs operate. She spends some time before heading off to the bus stand. She usually boards a minibus, which either goes to Dar es Salaam or to Chalinze in the other direction. She goes to Dar es Salaam to see how her charcoal business is doing. When going the other direction, she goes to Chalinze to supervise the pub she owns there and interacts with other business people and also looks for new opportunities. Neema comes back in the evening, sometimes during the day depending on where she went. Once back home, she goes again to the café and the pub and spends some time. She claims to be well respected and other people come to her when they need advice or when they need to borrow some money.

6.3.7 Sofia with the big pans at Ruvu Darajani

There are also two Sofias at Ruvu Darajani. One is a tailor and the other is involved in cooked food business. Sofia was 32 years old at the time of research. She operates the largest cooked food business at Ruvu Darajani market. Sofia did not attend any formal schooling. Her mother died when she was eight years old, so she was brought up by her sister. There were sixteen siblings from two mother and the same father. She gets along with those from the same mother. When she reached puberty, she was secluded until she got married and got one child. She says her husband could not give her everything because he was lazy and did not want to work. She divorced him and got married again and moved to Ruvu Darajani to live with the current husband.

Sofia lives on the right hand side of Morogoro Road from Dar es Salaam and she operates her business on the same side of the road. She arrives very early in the morning carrying a

heavy load on her head. Once at her stall, she leaves the load there and goes to a nearby house where she comes out with another load of cooking pans and other utensils. She starts the fire first before cleaning the cooking and eating areas. She goes to a small shop, (if it is open), or continues with other duties if it is still closed. She grates the coconuts and prepares onions for the beans. She makes *chapati* and tea on the premises. She regularly checks the pan with the beans. Her customers start coming to her stall from 7 o'clock in the morning, and they have tea and *chapati*. Once the beans are cooked, Sofia squeezes the grated coconut to get the milk, which she adds to the beans, leaving them to simmer for some minutes. She starts selling them with buns and *chapati*. Sofia continues selling breakfast while preparing ingredients for lunch. She occasionally goes to the shop to get something, or to the *genge* for vegetables and sometimes fish. Once in a while she cooks local chicken but always cooks African spinach and makes a salad to go with the meals. She breaks for lunch and sometimes her children come and have some food at the stall. She continues to serve customers with breakfast till 12 noon when she starts to serve lunch.

Sofia finishes at around 3 or 4 o'clock in the afternoon when she starts to wash the aluminium plates, bowls, spoons, pans and other utensils that she had used. She seldom has any food left, if there is any leftover she takes it home for family consumption. After storing bigger utensils to a nearby house, she goes to the shops to pay for whatever she had taken on credit. She stops to talk to a few people or have a long chat with her friends before going home. Some days, especially during weekends and religious holidays she appears well-dressed and boards a minibus to Mlandizi. She is usually very talkative and very happy with her achievements as she narrates "I am the only *mama lishe* (food vendor) who sells big pans of food and finish everything before the evening".

6.3.8 Rehema operates a *genge* with her husband

Rehema is twenty three years old. Rehema finished primary education in her home village of Vigwaza. Rehema is married and has two children. She looks very smart as she always wears lipstick and smart clothes. Most days she wears a t-shirt and a skirt and wraps a piece of *khanga* around her waist. She also covers her head with colourful scarves. She used to work in a local cafe, and then went on to live with her sister in Dar es Salaam. She says things did not work out the way she expected so she came back to her village. She got married; got divorced and married again. Rehema now operates a *genge* where she sells a range of small items such as tomatoes, onions, packets of salt, dry black pepper, spices, dried small fish, tea

bags, baking powder, soap, match boxes, cigarettes, cooking oil and seasonal vegetables. She buys vegetables from nearby farmers and resells them for profit. Most of the vegetables are grown locally, but when not in season, traders buy them from wholesalers from upcountry who bring vegetables and fruits in trucks. Non food items for the *genge* are purchased wholesale from Mlandizi, Chalinze or even Dar es Salaam.

Rehema comes to the market at 7 o'clock in the morning, carrying her baby on her back. She also carries a plastic basket with some stuff for her baby and other things. Sometimes her husband arrives before her. If she is on her own she opens the *genge* and starts to sort the commodities; and checks if there are any spoiled vegetables, and throw them away. Sometimes she increases the size of the vegetable bunches in order to sell them quickly before they go bad. She often makes new packets of spices by using polythene bags.

She moved to Ruvu Darajani to join her husband. Her husband decided she would be better off working alongside him to get the experience. Rehema also says:

“He is very jealous; at least here he can see me...”

The arrangement gives her husband time to go wholesale shopping and to look for other business opportunities. Rehema points out that her husband cannot trust other people with the business as they always steal.

Rehema attends to her child when the stall is not busy. She prepares breakfast for her and her husband, if he is at the stall. She starts lunch preparation while selling the commodities. Sometimes when she is needed to attend to the baby, she does this under the table where she arranges beddings for the baby. This is where the baby sleeps while Rehema is working. She stays at the stall until mid-afternoon then she packs her basket and goes home. Sometimes she stays longer if her husband is not around the Ruvu area, as she has nobody to attend to at home.

Rehema remembers that there were few opportunities for business back home. She comments that people's economic ability is very low, that is why most businesses fail. People take items on credit because they need them, but they do not have the money to pay it back. Her brothers left home to look for opportunities elsewhere.

6.3.9 Eva who sells local brew and is also a leader in the village

Eva was fifty three years old at the time of research. She was one of the local village leaders. She moved to Ruvu when she was still young, got married and had children. She says life at home, where her father was a sisal cutter, was very difficult. Her mother used to trade in different things to make ends meet. Eva describes her relationship with her sisters when growing up, as very good and that they helped each other a lot. They also helped their mother with farming, gardening and doing small businesses, when they were still at home. Eva did not finish school because of family responsibilities. Her mother was ill and she had to take care of her. She started selling local brew and farming, and is still doing the same job. She comes from a big family of fourteen siblings from the same mother and father. Male siblings are involved in farming and the female siblings are involved in the fish-mongering business. She is now selling local brew in her own bar with her daughters and other relatives. Eva is a local success story.

In the morning Eva is seen going to the fields, or sometimes she is observed going to attend a village meeting. She stops now and then to speak to people. She starts very early by going further into the village to order and buy local brew for the day, then she leaves the girls to manage the business. She is also a leader of the women in her lending group. She is very busy when it is a repayment day, going to different places to collect the money from her members. Sometimes she is seen going to the fields in the afternoon and she stays there until 6 in the evening. She says she is much respected around the village.

6.3.10 Sophia is a tailor working from home

The other Sophia was thirty three years old at the time of research. She operates a tailoring business with one sewing machine, outside her family home. Sofia Thomas describes life after her parent's death as very difficult. She says after primary school she managed to get a job at TANITA, a cashew nut processing factory. Her brothers left home to look for opportunities in Dar es Salaam. She got married, but unfortunately did not have any children and because of that she was divorced. She had always wanted to train in tailoring but her husband would not let her. She was made redundant from the cashew factory and she says that was a big opportunity for her. She used her redundancy money to do a course in tailoring, bought a sewing machine and started her business in the family house. Sofia is considered to be a loner with very few friends.

Sofia comes out of the house at 8 or 9 o'clock in the morning. She takes the sewing machine outside and starts arranging the pieces of fabric to be cut. She puts pieces of clothing and other accessories on the floor. She is very slow in her movements, seeming to be in no hurry while doing things. People pass outside her premises and chat to her. Sometimes they bring pieces of *khanga* to be hemmed, or they bring clothes for her to repair. Occasionally, women bring pieces of fabric to make dresses. She does not make male clothing, except for children. Sofia goes inside when she is having her meals, which she has either prepared herself or bought from nearby *mama lishe*. Sometimes Rehema, her neighbour, comes with her child and sits on the cement floor chatting to Sofia. Photograph 6.7 shows Sofia in front of her house where she operates her business.

Photograph 6.7: Sofia, Rehema and the researcher chatting



Source: Researcher's photograph

6.3.11 Ibula sells cassava and sweet potatoes from her own farm

Ibula is the oldest respondent. She is sixty-four years old and is involved in selling roots and tubers from her farm. She did not go to school and blames the lack of education as a cause for her poverty and lack of confidence. She moved to Mlandizi, a nearby village, when she was little. Her parents had emigrated from southern Tanzania. Ibula had lived all her life in Mlandizi. She had three siblings but her husband and some of her children died and she is

now the only bread-winner in the family. She likes doing her business at Ruvu Darajani because there is less competition.

Ibula comes from Mlandizi using the shuttle minibus. Once she arrives at Ruvu Darajani she greets people around the market area. She arranges bundles of cassava and sweet potatoes. She usually gives a bonus of a small piece of cassava or sweet potatoes to her customers. She is a jolly woman and she walks barefoot when she is around the market. When asked if she prefers her photo taken, she happily agreed and then asked for a copy. When assured that she will get a copy of the photo, she asked to go and get her sandals and another photo was taken. Ibula sells all her commodities and stays for a while, having her lunch at the food stalls. If anything is unsold, she keeps it in the nearby houses and sells it the following day. Photograph 6.8 shows Ibula with the researcher while her produce is displayed on the ground.

Photograph 6.8 Ibula with the researcher



Source: Researcher's photograph

6.3.12 Mariam owns a shop with her husband

Mariam was thirty-nine years old at the time of research. She was the only respondent who operated a small shop, in partnership with her husband, on the left side of the road. She sells everyday household items. She explains that when she started the shop four years ago, it only

had a few items, compared to her current stock, such that her customers don't need to go to other shops to get their everyday requirements. Her husband does all the shopping for the shop.

Mariam's father was a fisherman and her mother a paddy farmer. She has two siblings who are married and doing well. Mariam describes life back home as normal; they are not very rich or very poor. Her family sometimes helps her financially, especially when she is not feeling well. She does not come to the market area everyday as sometimes she is not well. Whenever she comes to the market to attend to the shop she is accompanied by her five years old son. She attends to her customers and when the shop is not busy she cooks breakfast and lunch at the back of the shop. Sometimes she even starts evening meal preparations when still at the shop. Her older children come to the shop for their afternoon meal, which they eat at the back of the shop.

Mariam always had herself covered except for her face hands and feet. This is a typical practice for a Muslim woman. Although Mariam is sometimes unwell, she is cheerful and very polite, a characteristic that is claimed to attract customers to her shop. Photograph 6.9 shows Mariam in front of her shop.

Photograph 6.9 Mariam in front of her shop



Source: Researcher's photograph

6.3.13 Elinuru who was a cashier and now a maize whole seller

Elinuru who was forty seven years old at the time of research, is the only respondent who went through primary school, finished secondary school and trained as an assistant accountant. She was employed by the then RTC, the regional trading company, as a cashier. Elinuru is married with one child. She describes her background as having a good life and a happy childhood. She gets along well with her brothers, who are both farmers. When she was made redundant, she decided to start a business. She tried a number of businesses but they did not go well. She then tried selling dried maize wholesale and she thinks it is doing well.

Elinuru is the leader of the dried maize section. She arrives a little bit later after a few other traders are already at the market. She wears a dress, a wrap, a piece of *kitenge* around the waist, a heavy jumper, trainers and a head scarf. Elinuru speaks to other traders in her *Meru* vernacular. She also speaks Swahili fluently. Whenever a foreign customer, that is, a person who is not a Meru in that sense, she switches to fluent Swahili. Most traders can communicate well in both languages, but with a *Meru* accent. Elinuru also serves as a member of the local government committee. She is consulted on a number of issues and sometimes she leaves her business and goes to the ward offices for a consultation or a meeting, or when there are visitors. Elinuru operates six days a week.

6.3.14 Fausta a widow who sells small grains

Fausta was thirty seven years old, a widow with two children from Patandi village. She completed primary school, and, like many women, stayed at home until she got married. She moved to the study area when she got married. She recalls life as being hard at home so she had to start a business when she was very young. She used to sell buns at home when she was still in primary school. When she got married she continued doing the same business. She explains how she took loans to support her husband and continue with business. Fausta explains when her husband fell ill, she went through a hard time looking after her children and repaying the loan and when her husband died she went through an even more difficult period. She then decided to change business; she started selling small grains such as millet and sorghum and she is the leader of that section. Fausta says she has already repaid her first loan and took another loan to expand her business, and she thinks this was a good opportunity.

Fausta operates only on market days and uses the other days to prepare finger millet and attend to other family responsibilities. The preparation process of millet involves taking the grains to the river to be washed and dried. The millet is then re-packed in sacks and transported to the market ready for selling. Fausta sells the millet in different measures ranging from a quarter a kilogram to twenty kilogram capacity containers. Fausta communicates with the customers and others in both Meru and Swahili languages.

6.3.15 Apaikunda the entrepreneur who sells breakfast at Tengeru market

Apaikunda: a disabled female entrepreneur was forty-five years old at the time of research. She is married with children and grandchildren. She used to be a full-time housewife, and a farmer. Then she had an accident which left her unable to carry out farming activities. She describes her childhood as very hard because her parents were poor and brothers and sisters did not help each other, as they were all in the same situation. She used to work at the family farm. After the accident she decided to look for something which would sustain her life and that of her family. She decided to start a cooked food stall at the market.

Apaikunda is the first trader to arrive at the market. At this time, only security guards, lorry drivers and their assistants are around the market. Apaikunda operates a business of selling tea and buns in the cooked food section. She usually has a heavy basket on her head, while other things are carried in a hired cart. Once she is at her premises, she empties her basket and contents in the cart. She then arranges her utensils, which include tea cups and plates. She prepares the tea and buns at home. She starts a small fire to keep herself warm. After a while, customers start to appear for a cup of tea and a bun.

6.3.16 Aishi the youngest respondents at Tengeru market

Aishi is the youngest respondent at Patandi village market and was twenty-one years at the time of research. She used to live at home with her parents and says life was not bad then. She qualified to go to secondary school but got pregnant before joining the school and that's when things changed. She was chased away from home and went to live with her aunt. She did not get any help from her brothers and sisters because she was a disgrace to the family by getting pregnant out of wedlock. She later got a boyfriend who gave her starting capital for her business. She started selling dried fish outside the market, but later changed to selling green bananas.

She usually comes in a hired pickup full of different local varieties of green bananas. These are grouped in different categories, namely; those for making local brew, *mbege*; for cooking (plantain) and those to be used as fruits (ripe bananas). Aishi sells her bananas wholesale to the buyers, who later transport them to other parts of the country, such as Dar es Salaam. Aishi usually wears a dress with a wrap around the waist, and she sometimes wears a jacket, jumper or cardigan, and a head scarf. Aishi normally leaves the market around lunch time.

6.3.17 Luyana a widow who sells vegetables

Luyana was a thirty-seven years old widow at the time of research. She sells vegetables. She says her childhood was not easy and she did not get an opportunity to go to secondary school, so she stayed at home doing farm work until she got married. She explains that some of her brothers and sisters were able to get more education or married to well-off husbands. She thinks their lives are better than hers. She says occasionally she asks for financial assistance because her husband was from a very poor family, so life is not easy for her. Her husband died and left her with three children to take care of. She also farms and has a contract for cleaning the market, which gives her additional income.

Luyana sells different types of vegetables such as tomatoes, onions, spinach, Chinese cabbage or cowpeas leaves depending on the season. Sometimes she sells carrots, peppers, peas and cucumbers. She gets vegetables from farmers and from the main market in Arusha. She is seen to be very polite and that attracts a lot of customers. Due to her other commitments, she operates only twice a week and uses the rest of the week to do her cleaning job, to attend her family and her farm where she grows bananas for family food and coffee as a cash crop.

Based on the within case description it is possible to consider the summary of the key similarities and differences in the three settings. This section described the poor rural female entrepreneurs and their typical days. Table 6.1 illustrates the comparison of the three settings in terms of markets, customers, type of business and time spent on each setting.

Table 6.2: Comparative case summary

	Kongowe	Ruvu Darajani	Tengeru
<i>Location</i>	20 meters from the main trunk road	along the main trunk road	just off the main trunk road
<i>Market structures</i>	small locally made stalls	small locally made stalls	Modern secure constructed stalls
<i>Primary customers</i>	mainly locals	mainly locals	across whole district
<i>Secondary customers</i>	travellers	travellers	customers from Arusha and other parts of the country
<i>Businesses studied</i>	cooked food vendors, vegetables, charcoal and items of clothing sellers	fish mongering, cooked food vendors, vegetables, tailoring, barbecue stalls, small shop and local brew sellers	cooked food vendors, dried maize, small grains, green bananas and vegetables sellers
<i>Number of respondents</i>	10 female micro-entrepreneurs	10 female micro-entrepreneurs	10 female micro-entrepreneurs
<i>External respondents</i>	Local government officials	Local government officials	Local government officials
<i>Time spent at location</i>	3 days a week for 24 weeks	3 days a week for 24 weeks	3 days a week for 24 weeks
<i>Observation</i>	Prolonged and repetitive	Prolonged and repetitive	Prolonged and repetitive
<i>Secondary data</i>	Village records and reports	Village records and reports	Village records and reports

Source: Author

The following table presented the summary of the profiles of rural female entrepreneurs, their background, what made them choose to start a business, how much money they used as start up capital and whether the premise they used were their own or rented.

Table 6.3 Business Start up and Motivation

NAME	BUSINESS	STARTING	MOTIVATION	IDEAS	WHY THIS BUSINESS	CAPITAL	PREMISE	HOW MUCH
KONGOWE								
Mwajuma Ramadhani	Genge	2005	Survival	Own	Less movement	2,000	Rented	5,000
Rukia Mohamed	Rice buns	2000	Children	Neighbor	Easy to learn	5,000	Free	None
Neema Saidi	Multiple	1987	Poverty	Grandmother	Meet daily needs	Ingredients	Own	None
Tina Emmanuel	Tomatoes /onions	2006	Better life	Relative	The easiest	1,500	Free	None
Mwajuma Ally	Cooked food	2006	Life problem	Friend	Flexibility	10,000	Rented	3,000
Asha Kimange	Vegetables	2005	Help mother	Own	Part time	2,000	Rented	2,000
Mary Kamanda	Cooked food	2000	Survival	Own	Survival	50,000	Rented	7,000
Aikaeli Macha	Porridge	2005	Change	Own	Experienced	10,000	Streets	None
Grace Mshana	Salon	2004	Family Support	Own	Experienced	300,000	Rented	5,000
Mwanahamisi Iddi	Fish mongering	2003	Survival	Own	Survival	50,000	Road side	None
RUVU DARAJANI								
Eva Timothoe	Local brew	1986	Better life	Friend	Flexibility	1,000	Own	

NAME	BUSINESS	STARTING	MOTIVATION	IDEAS	WHY THIS BUSINESS	CAPITAL	PREMISE	HOW MUCH
								None
Rehema Said	Genge	2006	Family Support	Husband	Flexibility	N/A	Family	None
Sofia Thomas	Tailoring	2001	Life ambition	Own	Meet daily needs	60,000	Family	None
Sofia Sefu	Cooked food	1998	Family Support	Own	Experienced	3,000	Rented	4,000
Ibula Abdallah Kihuja	Fresh tubers	1985	Survival	Own	Own farm	None	Road side	None
Mariam Ramadhani	Small shop	2003	Family Support	Husband	Flexibility	100,000	Own	None
Zamda Shamte	Fish mongering	2006	Survival	Sister's	Less competition	20,000	Rented	2,000
Asinate Daudi	Goat meat	2004	Family Support	Boyfriend	New business	100,000	Road side	None
Zawadi Ally	Fried cassava	2006	Self sufficiency	Own	Low capital invest	20,000	Pavements	200/d
Asha Hassani	Fish mongering	2000	Bare Survival	Own	Sympathy	10,000	Fish market	None
PATANDI								
Asinati Pallangyo	Dry maize	1993	Family Support	Mother	More profit	35,000	Agr. Market	800/d
Raheli Somi	Dry beans	1974	Family Support	Own	More profit	20,000	Agr. Market	800/d
Fausta Emmanuel	Millet	1996	Family Support	Own	More profit	5,000	Agr.	800/d

NAME	BUSINESS	STARTING	MOTIVATION	IDEAS	WHY THIS BUSINESS	CAPITAL	PREMISE	HOW MUCH
							Market	
Apaikunda Max Akyoo	Tea and burns	2003	Family Support	Own	Physical ability	20,000	Agr. Market	300/d
Lillian Mushi	Dry beans	1981	Life needs	Own	Friend support	50,000	Agr. Market	800/d
Zairati Yusufu	Cooked food	1995	Family Support	Own	Experienced	Revolving	Agr. Market	300/d
Luyana Elia sikawa	Vegetables	1990	Family Support	Own	Low capital invest	10,000	Agr. Market	300/d
Aishi Kitomari	Green banana	2005	Child support	Own	More profit	50,000	Agr. Market	300/d
Asanjo Kaaya	Fruits	1999	Family Support	Own	Low capital invest	20,000	Agric Market	300/d
Elinuru Gadi	Dry maize	1991	Self sufficiency	Own	More profit	300,000	Agric Market	300/d

Source: Research Data

The following section will describe the entrepreneurial process for rural poor women basing on the sustainable livelihood framework.

6.4 The Sustainable livelihood framework

This section describes the entrepreneurship process in relation to the livelihood framework as a broad overview of their circumstances. The respondents described the impact of the entrepreneurial environment, availability and access to assets and the level of vulnerability on their livelihood.

Lack of government support is said to affect the lives of poor women living in rural areas. The respondents explain that if they have better support services, in terms of business training for the less-educated majority, it would have impacted on the way they undertake their entrepreneurial activities. Also they point out that the MFI's disbursing loans to be closely scrutinized before and after to establish people's needs and the business development.

Respondents from Pwani show concern for the slow rate of economic development in their area, and think the government can campaign and implement policies to improve the situation. They mention the lack of banks which give loans to poor rural female entrepreneurs, lack of business support, lack of commitment from politicians, inadequate premises, conflicts and lack of support from MFI staff. They feel that they have been let down and left on their own without support.

Most respondents show concern about culture and traditions. Respondents from Arusha region are faced with the excessive drinking of their spouses. They also explain how they can not do anything about it, like divorcing their irresponsible husbands, because in their religious faith, marriage was for life. Also restrictive customs and traditions on land and property ownership are pointed out. They explain that a female child in the family is entitled to no, or very small, land portions and, even when married, the land belongs to the head of the family, who is the husband.

In Pwani, women are also prohibited from fishing in deep water as this is believed to bring bad luck and fish will disappear from the river. Respondents from Kongowe and Ruvu Darajani markets express a belief in witchcraft which affects their lives. They believe that if

anybody is doing good business, will be bewitched and lose all the money without knowing through *chuma ulete*, which simply means “earn and bring it”. Others believe that once you are successful you will be bewitched and die.

Most respondents state that lack of business experience and training has hindered their performance. For example, Neema, who is doing relatively well in her business, relates that entrepreneurs in rural areas have been left without any guidance. They conduct their business by trial and error and she compares the situation to orphans who have been left to look after themselves.

Also respondents explain the in access to finance as one of the main barriers in starting and running a business in rural areas. They also mention lack of financing as one of the main constraints. Respondents also show concern about the MFI's operating in their areas saying that they are only interested in the repayments and profit. They don't have permanent offices which can be used to provide support services to loan recipients.

Respondents, who had taken loans from MFIs, explain how difficult it is for them to keep up with the weekly or fortnightly repayment schedule. Three respondents say they have no knowledge of where they can get loans or have never heard anything about loans.

In terms of operating conditions, poor rural female entrepreneurs who are able to pay daily rent operate their businesses in stalls inside the markets and those who cannot afford to pay the rent of a stall, use a pavement space which is rented for half the price of a stall. They place items on the ground or on an old sack or mat. Photograph 6.10 shows a female entrepreneur trading on the pavement of another stall.

Photograph 6.10 A female entrepreneur trading on the pavement



Source: Researcher's photograph

Lack of self-discipline in business is also mentioned as a constraint to good entrepreneurial performance. They say there are periods when they used all their savings and capital, and that they needed to start looking for another source of capital when they resumed operating their enterprises. Other respondents just believe that they are not born to be successful entrepreneurs, no matter what they do. Also some respondents feel the burden as too much when their husbands are drinking a lot, or not making any effort towards lifting family life.

When the respondents are asked what to do to improve their livelihoods, they say any circumstance presenting the opportunity to start a business is the only means of earning money to make a living. Most of the respondents interviewed express the need to support families through income-generating activities as the main motivation. Some say motivation is survival, improving their standard of living, a few respondents say their motivation is fulfilling a life-long ambition to be an entrepreneur and be independent. When asked about their accomplishments, all respondents reply positively that they have accomplished a lot in life as a result of being engaged in entrepreneurial activities.

6.5 Conclusion

This chapter presented descriptive findings of the study as a result of field observation, face-to-face interviews and conversations which took place in the three village markets. It explained the setting, activities, type of businesses, the main respondents and events. The description aimed at trying to portray a holistic picture of what was going on in the study sites. The chapter also described the frame work on which the analysis and interpretation of the research data will base.

CHAPTER SEVEN

ANALYSIS AND DISCUSSION

7.0 Introduction

At this stage, it is appropriate to re introduce the research question: How socio cultural factors have impacted on the way poor rural female entrepreneurs undertake their entrepreneurial activities in rural village markets. As stated earlier, this study was undertaken using qualitative methodology, which has enabled the researcher to develop a framework for identifying social and cultural factors in a contemporary social setting. The study used inductive methods in a socio cultural context.

In undertaking this study, multiple approaches and data sources were used to triangulate the findings and deepen understanding of social and cultural parameters in three settings. In the following sections, the findings from this study are analysed and discussed in relation to the guiding research questions. This chapter is divided into three main sections which explain how sustainable rural livelihood framework was used in analysing the data. The sections present the analysis of data by using the five sustainable livelihood components which were discussed in 4.3.

The sustainable rural livelihood framework analyses the data obtained by looking at different components of the framework and how they relate to each other. The framework has placed the rural female entrepreneurs at the centre of the livelihood assets component in order to show how different asset capital impacts on how these female entrepreneurs undertake their activities. The analysis also looks at how the other components have contributed or resulted into how the female entrepreneurs from different socio cultural backgrounds undertake their activities. The decision to use this framework is also influenced by its greater explanatory power as opposed to western models. It provides a better way of managing complex issues which arose during the analysis. The framework is modified to suit the context under which the study was undertaken as well as the circumstances and priorities of the respondents. From the five components of the sustainable livelihood model, the researcher has developed

a sequential description of how these livelihood components impact female entrepreneurship process in rural context.

7.1 Enabling environment for rural female entrepreneurs

In a classical sustainable livelihood theory the researcher would have been expected to start analysing the vulnerability context first. However, in this study, the findings suggest that the enabling environment which constitutes the transforming structures and processes play a role in the way rural female entrepreneurs undertake their activities. The enabling environment determines how the poor rural women access important livelihood assets for their well being and these include human capital; social capital; physical capital; financial capital; and natural capital and the relationship between the two components.

According to DFID the enabling structures as far as the theory of sustainable livelihood is concerned are referred to as the “hardware” of the livelihood framework where as the processes as “software” of the framework. The structures in the livelihood theory are classified into public and private sectors. In a classical model, structures that are identified in the public sector include political or legislative bodies at various levels, executive agencies, judicial bodies and parastatal or quasi- government agencies. On the other side structures in private sector include commercial enterprises and corporations, civil societies and NGOs at different levels (DFID, 2000).

In the study areas the available public enabling structures were the local government authority at village/street and ward levels. Government agencies operating in the area were TANROADS, TRA, police and primary courts. In case of private enabling structures there were a few commercial enterprises operating in the areas. For example at Kongowe there was a milling plant and a Fuel filling station, at Ruvu Darajani there was a Chinese construction Company and in Patandi there was a tourist hotel and fuel filling station. There were a number of civil society and nongovernmental organisations operating in the area with varying degrees of formality. The number of these societies and organisations was higher in Patandi. As a result the number of poor rural female entrepreneurs in these organisations was also higher in Patandi.

According to DFID's Sustainable Livelihoods Guidance Sheets the transforming processes found in traditional sustainable livelihood theory include macro and sectoral policies relevant to that particular social group; legislation such as international and national agreements and contracts; institutions such as markets and financial institutions which regulate access to livelihood assets; culture of the social group in terms of societal norms; traditions and beliefs and power relations in terms of gender, age, class and caste (DFID, 2000).

In the study areas it was found that although Tanzania has sound policies for female entrepreneurship development, respondents were not aware of them. The respondents were also not aware of the national and international agreements concerning them as women, entrepreneurs and members of their society. In case of institutions supporting the transforming processes such as markets and financial institutions, they were found to operate in all the three areas. The markets were different in terms of the organisation, permanency, type of customers they serve, and the type of business they operate.

In case of financial institutions like banks; it was found that in Kongowe and Ruvu Darajani, respondents had to go longer distances in search of bank services. In Patandi there is an Automated Teller Machine (ATM). Culturally, it was found that there was a significant difference in terms of societal norms and beliefs between Pwani and Arusha. Findings on the power relations among different social groups showed that one's position in the society was dictated by the number and size of possessions and entrepreneurial achievements.

It can be argued that, when poor women have no access to organisations of the state, they often have little knowledge of their rights. This is a particular problem in the remote rural areas where the number of government and non government organisations operating in those areas is limited. For example, in all cases of the study, respondents had little or no knowledge of the existence of the national women entrepreneurship organization in Tanzania or the Small and Medium Enterprises development policy. These findings suggest that the government organisation is a top down kind of a structure, whereby information and policies implementation starts from top downwards. Thus if at all there is a gap or a delay along the way, rural population, especially women become the last group to be reached.

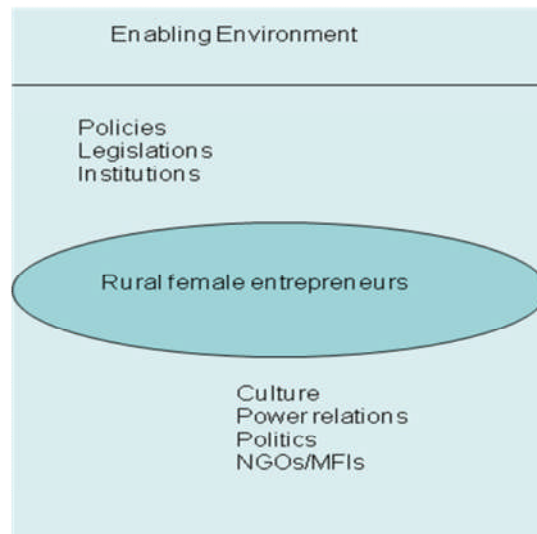
In most rural areas the government involvement is recognised at the local government level where its operations are based on predefined interests. For example, someone can be allowed

to carry out a business on a restricted premise provided she is paying to the local government, but will stand alone when required to face the law.

The basic interest of the few institutions that operate in the rural areas is not entirely to improve the lives of poor rural women but also to fulfil their predefined interests. Taking an example from a credit giving MFI, one of the conditions is whoever is applying for a loan needs to be in a group of not less than five members. Many people believe that the motive behind this condition is not to encourage these women to work together as a team, but to ensure the easiness of getting the members to pay the loans.

Cultural implications across the cases were very clear in terms of the level of education attained by research participants. In Pwani region, most respondent's education level ranged from no education to secondary education, while in the highlands it ranged from primary to secondary level. This may be explained by the fact that in Pwani region formal education comes second to traditional or religious knowledge. For example, it not uncommon to see a girl being pulled from school, to be secluded inside for months in order to undergo traditional rites. To them, these practices are part and parcel of the socio cultural belonging. However, the practices may do more harm than good for the society in terms of deprivation and marginalization of the women in terms of lack of education and life experience. The figure below shows the enabling environment components surrounding rural women entrepreneurs.

Figure 7.1 Components of Enabling Environment



Source: Research data

The enabling environment may have an impact on how and how much of the livelihood assets can be accessed by rural women.

7.2 Livelihood assets

In this section an analysis of the livelihood assets is presented. Referring to the classical livelihood framework, these assets are presented in a pentagon shape with the rural female entrepreneurs at the centre. In order to be successful in entrepreneurship one has to possess all of these assets in varying degrees. This sub-section analyses the five livelihood assets:

7.2.1 Human capital

In analysing the human capital of rural female entrepreneurs, one has to look for the available entrepreneurship and business management skills, reliable and accessible source of information for entrepreneurs, knowledge, and the ability to work, maintaining good health that together enables entrepreneurs to undertake a number of livelihood strategies in order to achieve sustainable livelihood objectives. In the study it was found that most respondents, eighty percent have gone through primary education which equips them with the basic ability to make use of any of the four types of assets to some extent. Respondents who have gone through primary school were able to do many things including applying for loans because

they could read and write. However, going through primary education did not warrant the ability to do “many things”, entrepreneurship being one of them. Those who did not go through primary school had limitations on how many things they could do for example obtaining loans; although two respondents managed to get loans through friends. All respondents thought that achieving a certain level of education would have made their lives better. Sometimes they blamed their limited success in their entrepreneurship endeavors to lack of education, although having a basic education on its own is not sufficient for the achievements of positive livelihood outcome. Lack of education is a cultural outcome, but it tends to marginalize the entrepreneurs. They feel poorly equipped to take advantage of opportunities.

Very few respondents have formally acquired enterprise related skills and knowledge. Only three respondents have been trained. This does not mean that all other respondents did not know what they were doing. Most respondents had acquired knowledge and skills of whatever they were doing by experience. They learned the skills from their parents or guardians through doing and observing other entrepreneurs. The overall performance of the entrepreneurs was not based on whether one has been formally trained or not. For example Elinuru from Patandi had trained in accounts and she is doing well in her business of selling dried maize wholesale. On the other hand Sophia Thomas trained in tailoring but she is performing below village average *ceteris paribus*.

Although it can be argued that MFIs provide business training to women before granting the loans, the fact is that many, who apply for loans, do so for non business purposes, such as paying for school fees, building, and buying household assets. Thus, the significance of training provided by the MFIs to poor rural women entrepreneurs becomes questionable, as they explain themselves “*we don’t concentrate on what they teach us, what we need is money*”. But for a few respondents who followed these trainings, they seemed to appreciate their impacts on their businesses. For example Aikaeli from Kongowe explained how the training she got from MFI has helped her to run her business and even to open a bank account. Having a bank account was observed to be rare in all settings. From the researcher’s point of view, these situations seemed to be influenced by prevailing enabling environments in which these women entrepreneurs operate and live, such as information on markets, products and policies.

The most common sources of information were similar with minor variations. Most respondents said their sources of information were word of mouth which was commonly used to transfer knowledge from one entrepreneur to another. Information from the operating MFIs was another source of information as far as loans were concerned through local government offices. The local government was also used as guarantors of loans as well as dealing with conflict resolutions. Market leadership in case of Kongowe and Patandi was also an important source of information. In Patandi there were NGOs dealing with women in general but some of the respondents were also members and they could get information on a wide range of issues. There were networks which also provided information to its members. The use of mobile phones was also explained as one way of obtaining information from farmers and other traders.

The type of networks in the Kongowe market were *upatu*, trade organizations such as those operated by the women who run cooked food business had their local organization, and market committee. Other forms of networking existed, but these were the ones with which the respondents most identified because are commonly used by all respondents. At Ruvu Darajani the respondents had a network of lending groups which were also used for other activities like obtaining other loans, women helping each other, political activities and traditional celebrations. However, this process of networking was not uniform, for example the women who operated one side of the road had a strong informal network and they would communicate more than those from the other side of the road. In Patandi the respondents had a network which was related to the category of their business. Those selling dried maize had their own organization and those doing cooked food business had their organization. They helped each other in case of sickness or death, and they also acquire loans in the same groups.

Respondents who were not involved in taking loans or those who did not network with others seemed likely to miss the opportunities to acquire important information on their businesses or any other important information. Also those who do not spend much time in the market are likely to be left out in acquiring information like availability of loans, creating lending groups, prices and changes in produce seasonality. This sharing of information does not say, for example, whether if one individual or a group gets information on lower buying prices or better products will share the information with the rest of the group.

Another issue to be analysed as far as human capital is concerned is the presence of local technologies which are found locally or have been imported from nearby regions. In Kongowe, Aikaeli runs a cooked porridge business which is customarily found only in the highlands. The people of Kongowe have adapted to taking finger millet porridge and it is making good business. Asnati at Ruvu Darajani started a roast goat (barbeque) business which is popular in Maasai land and the highlands. Customers at Ruvu Darajani have become used to roasted goat meat. At Patandi the respondents who are involved in selling small grains have a local technology of cleaning the millets at the riverside and drying it there. This shows that there are local innovations which help respondents in their business undertakings.

Lastly the study wanted to know if respondents were aware of the policies, regulations and legislation supporting them. Most respondents did not understand what were rights were and what functions and roles of the government and the private sector were as far as female entrepreneurs are concerned. Respondents such as Mary, Mwajuma, Eva and Asnati said that female entrepreneurs are like orphans. Nobody is interested in their wellbeing.

7.2.2 Natural Capital

In terms of natural capital, all three settings had natural resources. The resources found in these villages were very useful for people's livelihoods. Female entrepreneurs who were examined are part and parcel of the natural stock found in their societies. In this study we look into how these natural resources have impacted on the respondent's livelihoods.

In terms of natural resources found in Kongowe there is ample land which is used for crop and livestock farming. In this village women have informal access to land for the purpose of production. When it comes to land rights these women have no formal right guaranteed by any local or civil rights and in particular when they are widows. Rukia is a widow, she had land with her husband but when he died his relatives sold the land without consulting Rukia and gave her 300,000/= which was equivalent to £150 in 2007. She was left with her children with no land. Most peasants, in particular women, practice seasonal farming. They depend on rainfall which comes twice a year. There is no irrigation and sometimes the climate is not very conducive. The land is a main source of respondent's food: during the farming season the respondent's activities are divided between the farm and the market.

Usually they farm in the morning or in the evening. Others hire labourers to cultivate the land and involve themselves with sowing and leave weeding to the labourers. Usually fertilizers, pesticides or other chemicals are not used.

At Ruvu Darajani, there is ample land with a river which is a source of drinking water and for irrigation for Kibaha and Dar es Salaam. Most of Ruvu Darajani area is swampy, such that it can support crop growth during dry and wet seasons. The river is also used for fishing activities. According to customs and traditions women are not allowed to fish in the river. They can only be allowed to remain just on the banks of the river to catch wandering fish for home consumption, a practice that denies women the right to utilize fully this resource.

At Patandi there is limited arable land in general terms. The available land is fertile and supports both food and cash crops. Women can work on the farm but there are not legally owners of the land. Female members of the family do not inherit land from their fathers. Patandi is endowed with water sources as there is a river and a number of streams that are used for irrigation and household uses.

The argument here is that even if these areas are endowed with a lot of natural resources, their accessibility and utilization by women is very limited. These women are being marginalized by their own societies in such a way that they do not have any power when it comes to deciding on how these resources should be utilized. Hence these poor women become vulnerable to all sorts of discrimination, abuses and the like when they attempt to seek a fair share from these natural resources.

Productivity of the natural resources is declining because of many reasons that include climate change and deforestation. Overfishing is also practiced, with frequent use of small sized fishing nets. There are natural problems like floods, drought and strong winds which destroy some natural resources in these areas. When these catastrophes strike, it is the rural poor women who suffer the most.

7.2.3 Physical Capital

Physical capital in this study encompasses all infrastructures which are used for marketing activities in the village markets. These influence the way in which these women carry out

their business activities. This study tries to find out whether the available infrastructures meet the basic requirements to promote entrepreneurial activities in the rural areas and how they sustain livelihoods.

Accessibility of the three markets can be said to be good as the market areas are only a few meters from the main trunk road, although ability to access market facility differs across cases. The access to stalls at Kongowe market is mainly for clients who are able to pay, those with less money are allowed to rent the pavement or otherwise operate outside the market all together. A good example, as discussed earlier, is Mwajuma who used to rent a stall and when things did not go well, she had to rent a pavement of the same stall at half the price. Later on when her business got better Mwajuma had an opportunity to rent another stall once more. The poorest entrepreneurs have less access to the infrastructure and the access of the market is quite informal. At Ruvu Darajani the access to the market structure is totally non formal as anyone can easily enter and exit freely. With poor market infrastructures, I can argue that women, especially who operated outside of what is called the market, are vulnerable to all sorts of hardships such as bad weather, sun, dust, noises and generally difficult working conditions. At Patandi a more formal market exists where as noted earlier the female entrepreneurs have access to a number of services.

7.2.4 Financial capital

The financial capital considered in this study is the availability of financial resources that rural female entrepreneurs use to achieve their livelihood objectives. The financial capital for these poor women comes from savings, regular inflows or from family and friends and loans from Micro finance institutions.

In Kongowe and Ruvu Darajani villages the respondents had no formal source of finance like banks. Most of the respondents acquired their startup capital from family and friends, from *upatu* and some had savings from previous businesses. For example Neema started her current business from savings from another business and Grace got her capital from her husband who borrowed the same from a Savings and Credit Cooperative Society at his work. Almost all respondents were involved in *upatu*, as a common way of raising capital. It appears that the absence of formal financial sources may have a negative impact on the way these poor rural women entrepreneurs operate. Most consider that a secure source of financial capital would improve their entrepreneurial activities.

At Patandi there is no formal banks; except an ATM as said earlier. There are about six MFIs operating in the areas and private individuals who give loans but at an interest rate higher than that of the MFIs. Two respondents from Patandi had bank accounts and they also had loans from MFIs. For example, Fausta is hoping to grow her business so that she will be able to take a bank loan. Elinuru has a bank account and is also taking a loan from the bank. However, the presence of the formal banks and MFIs in Patandi does not discount the importance of *upatu* and family and /or friends as the source of the startup capital, but seems to broaden the capital source base, so increasing the chances for rural women entrepreneurs in the highland of getting reasonable financial capital to run and develop their entrepreneurial activities.

Other things being constant, any woman who is a member of the social group and who is involved in entrepreneurial activities, can access financial capital from different sources so long as she is also trustworthy. However, some women may be denied access to financial capital; this may be due to lack of information, lack of good public relations and lack of any collateral. These women may not be deemed trustworthy.

The absence of the formal financial institutions, affects the way in which the respondents save their profits. Most of them indicated to save in terms of cash hiding under the bed or somewhere else and by building domestic assets. Across all cases, only four respondents indicated that they saved in the bank. All of the respondents had at least some idea on the benefits and risks of the way in which they serve their capital. For example those who kept their money at home were aware that it could be stolen, destroyed by fire or vermin. Those who bought livestock were aware that animals might die or stolen or some assets may not be easily liquidated to their real values. If at all this happens, it is obvious that the intended outcomes for those particular poor rural female entrepreneurs would not be realized.

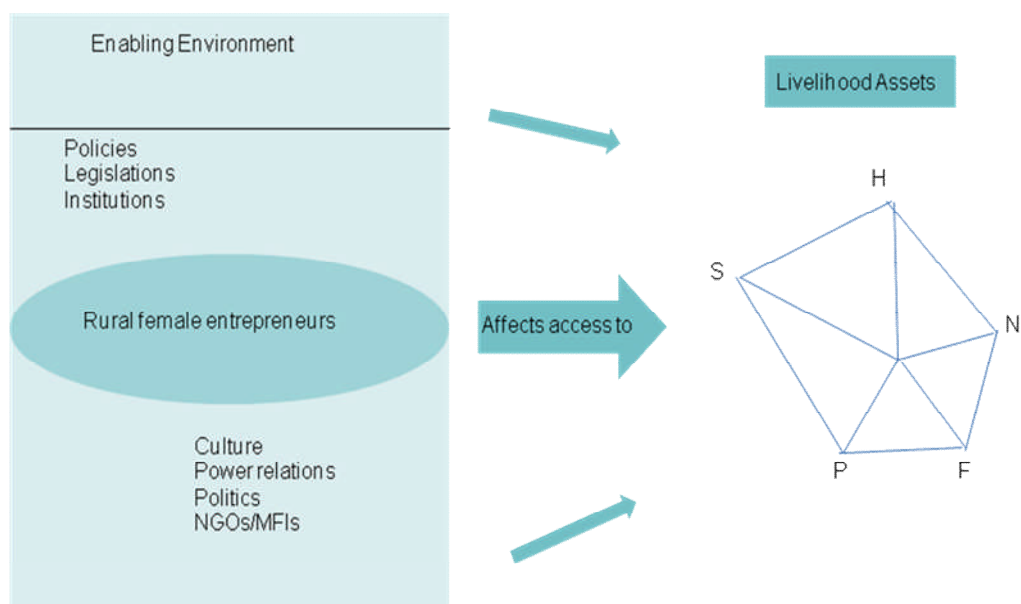
7.2.5 Social capital

The survival and performance of rural female entrepreneurs is mainly based on trust. This trust is only among the businesses but not among individuals. This means that it is common to see a female entrepreneur taking commodities from another entrepreneur on credit promising only verbally to pay later, but very uncommon to see poor rural female entrepreneur trusting a relative or someone else to run her business without some form of a

binding document. A good example is Rehema from Ruvu Darajani who says she does not trust anybody to look after her business.

The lack of personal trust has a negative impact on business development and employment opportunities, as most poor rural female entrepreneurs are very reluctant to employ others in their business for fear of being stolen from. For those who had to employ workers, it was revealed that a constant supervision was needed to ensure the survival of the business. To my view this acts as the barrier to business growth. The shape of the pentagon depends on how much of the assets are accessed by the poor rural female entrepreneurs. In this study it was found that among the livelihood assets, access to physical, financial and natural assets was most limiting, resulting into a skewed pentagon. Table 7.2 shows the access to livelihood assets by the poor rural female entrepreneurs as illustrated by the shape of the pentagon.

Figure 7.2 The asset pentagon as affected by the enabling environment



Key:

- H = Human capital
- S = Social capital
- P = Physical capital
- F = Financial capital
- N = Natural capital

Source: Author

7.3 Vulnerability context

In analysing vulnerability context it is important to look at the type of businesses the poor rural female entrepreneurs own and manage depending on their settings and the livelihood assets they possess. These seem to dictate the level of vulnerability, the strategy adopted and the outcomes anticipated. The female entrepreneurs in all three settings were mainly involved in food related businesses. Twenty-eight respondents were found to operate food related businesses, where thirteen operated cooked food business; of those, eleven respondents were from coastal area. The other food related businesses include selling of raw vegetables, grains and tubers. Two respondents were found to operate non food businesses of a hairdressing salon and tailoring. This suggests that the respondent's prior domestic experience in preparing food influenced their choice of business. For example, because all respondents were female, most of them mothers, it is expected that they are well placed to operate food related businesses. They may lack entrepreneurship skills but they are well versed as far as food is concerned. As poor families are likely to be vulnerable to hunger, the cooked food business may seem to be the most appropriate choice as it is one way of assuring families gets their daily meal from the income or the food from the stalls. It was revealed that for those involved in cooked food business their immediate families benefit from the food either by eating the food on premise or when some food is left it is usually consumed by members of the family.

As the women carry almost all household responsibilities, the revenue from the businesses owned by the respondents was controlled by the female entrepreneurs themselves. This allowed them choices: their choice not that of their husbands, fathers or brothers. Given that the women are ultimately responsible for family welfare this possibility of choosing for themselves must have welfare effects.

For the few respondents who were involved in farming they used large output for home consumption and business. A good example is Ibula from Ruvu Darajani who sells cassava and sweet potatoes from her own farm. She did not have to sell the produce to a middleman but was able to derive the full retail price of the produce for herself. Therefore, it can be argued that as women possess fewer assets, they become more vulnerable, so when production, selling and consumption are integrated they have more control of their lives and a beneficial effect on the welfare of the family for whom they are responsible.

It could even be argued that being more in control of their destiny, as an enabler, is a critical element of combining livelihood and entrepreneurial theory. It makes entrepreneurship a much better fit for the developing world. Thus, a combination of livelihood theory and entrepreneurship theory develops strong explanatory power to explain the life and practices for this marginalized group of very poor women.

Prices for different commodities were almost the same in the same market as respondents like other traders were afraid of losing customers if they charged a higher price. The prices were determined by the availability of crop produce. Whenever crops were in abundance the prices were usually low and vice versa. Other factors which affect the price are; the source of produce; the more distant the source of produce, the higher the price. A good example is for Tina who sells tomatoes. When tomatoes are brought from Ruvu Darajani they are less expensive compared to those brought from Iringa region. For respondents who have little or no competition have an advantage on the price, but other things are to be considered. For example Sophia Thomas is the only tailor at Ruvu Darajani but the prices she is charging are very reasonable and depend on the purchasing power of her customers. So although the respondent's prices are influenced by conventional factors such as competition, they also have considerable discretion in what they offer and what they charge.

As most businesses are food related it is not easy to predict seasonal fluctuations as agricultural output is not predictable in areas without irrigation. Agriculture seasonality has a direct impact on the ability of respondents to buy more or less crop produce. A good example is the Patandi market where most respondents deal with selling grains. Therefore, as said earlier that production, selling and consumption are integrated, poor production will directly affect selling and consumption.

The prices for farm produce like banana, vegetables, grains, fruits and tubers depend on the availability and seasonality. Respondents selling the mentioned crop products are faced with decisions on how much to buy depending on the available capital. On the other hand the price of cooked foodstuffs remains unchanged with the exception of fish which is sold depending on availability. What changes in foods like rice is the portion. Sophia Sefu from Ruvu Darajani would offer bigger portion of rice when the price of uncooked rice is low. So, clearly Sophia recognizes that her customers have a relatively fixed budget for food. So she

accommodates fluctuating cost prices by adapting portion sizes. Again this is control and an outcome or at least part of their entrepreneurial skills.

For respondents who were also engaged in some sort of farming, they use the output from farming for home consumption. For female entrepreneurs from Patandi where they grow banana, this crop contributes to the household food needs and also for selling in the market. For Kongowe and Ruvu Darajani the food grown is used for home consumption and for selling. In all cases selling of food does not mean that one is self sufficient but food is sold to cater for other needs, including buying food later. In other words respondents from Patandi buy less food compared to those from Kongowe and Ruvu Darajani. Therefore, it can be argued that being in business has allowed them to overcome a typical but perennial problem of hunger.

The studied female entrepreneurs mentioned the cash income to be the most limiting asset throughout the year. It is critical when children go to school or college. This will be in January and July for primary school pupils and ordinary level secondary school; April and August for advanced level secondary school and September/October for Colleges.

With the prevalence of HIV and AIDS and other health problems cash money is needed almost all the time. Respondents are faced with the task of taking care of their ailing relatives and family and most of the time they spend all the profit, the capital and also are sometimes left in debts. However, from the respondents' point of view, spending all of the profit and capital to fulfill the family responsibility is seen as an achievement. In this context, it can be argued that fulfilling a family responsibility is more important to the entrepreneur regardless of the damage caused to the business. Importantly, when the poor rural female entrepreneur, the main earner, becomes sick, the survival of the business and the family welfare are on the verge of collapse.

Illness, which is all too prevalent (AIDS, TB and Malaria) debilitates the respondents and hence reduces their ability to work their business. But even when it is a family member who is ill, because of responsibilities the ability to run the business suffers. Thus both daily income and even capital is used to address the problem. This is a good example of vulnerability as Amarataya Sen discusses. There is no buffer, the effect is immediate.

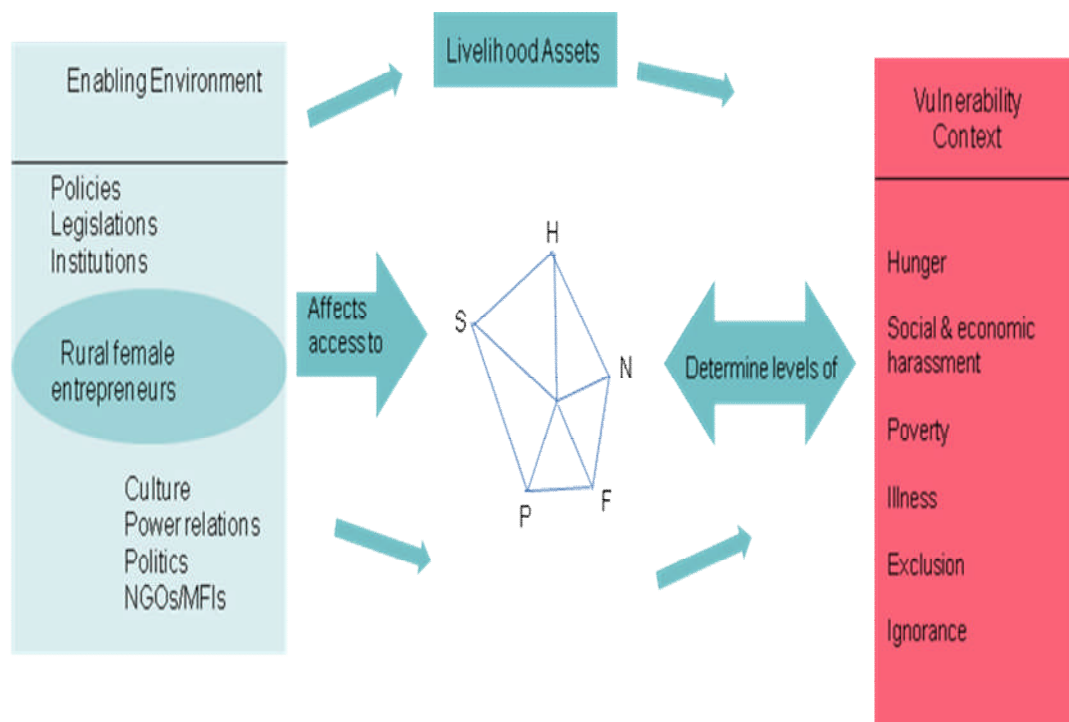
There are other obligatory uses of cash money. For example in Kongowe where the tradition of celebrations for girls and boys can only be during holidays that is usually a crucial time for parents. A good example is Eva from Ruvu Darajani who says by having her business it has enabled her to be able to fulfill the traditional obligations such as initiation rites and traditional dances. In highlands where most respondents are Christians, Christmas and religious rites such as baptism, Holy Communion and Confirmation are celebrations which were identified to put a lot of pressure on parents.

Poor rural female entrepreneurs as part of the social groups in their communities have limited access to appropriate financial services. At Kongowe and Ruvu Darajani there are no formal financial institutions like banks, a different case in Patandi. However, as we say in the descriptive analysis, for many, the problem is not the access to loans but rather the ability to repay the loan. Most respondents (even those taking loans) are worried about repayment and the consequences of not paying the loans. The bureaucracy and collateral requirement of bank loans also is believed to limit respondent's ability to access finance. There are some respondents who cannot read or write and are almost excluded in the financial assistance. About twenty seven respondents have no bank accounts so they do save in different ways such as under the bed, *upatu*.

With starting of business most respondents have found themselves able to sustain their lives. A good example is Tina who did not have anything but started her small business. Although she had, quite literally nothing, her micro business has been able to sustain her. Indeed she is very proud in how she has been able to replace her cardboard bed for a proper mattress. Nonetheless those respondents who have less education and no training have fewer opportunities in life and even in their businesses as far as their livelihoods are concerned. Ibula who cannot read or write is limited to other opportunities. She could not even contemplate asking for a loan because she cannot read or write. The economic wellbeing of the society had an impact on the opportunities. In Patandi where the weather is good and many crops can be grown more frequently as there are more opportunities. Also the presence of role models may have an effect on the respondents in Patandi and it is more likely that many women are involved in entrepreneurship activities where the village market accommodates around 3500 entrepreneurs every market day. The figure below shows some of the components in the vulnerability context that mostly affect rural poor women entrepreneurs as dictated by the enabling environment and livelihood assets. Figure 7.2

shows the relationship between the enabling environment, the poor rural female entrepreneur's assets and the level of vulnerability.

Figure 7.3: The relationship between the enabling environment, assets and level of vulnerability



Source: Researcher data

7.4 Livelihood strategies and outcomes

When analyzing what poor people do to improve on their livelihoods, one should not have any preconceived ideas of what they do and what their expectations are. Many of the assumptions made about the poor have never been properly tested. For example, there are assumptions that poor people live in rural areas and their main occupation is agriculture. Therefore, supporting agriculture may seem most appropriate in the rural areas without considering that agriculture is not the only occupation in the rural areas. From this study, it was revealed that due to the gradual decline in agricultural production in the rural areas;

agriculture is now carried out to supplement income from other sources in order to sustain people's livelihood. In line with this argument, rural poor women adopted petty trading as the strategy to improve on their livelihood and get out of abject poverty.

However, in undertaking this study it was not very clear to know the contribution of household income from agriculture and from business. Even the respondents themselves did not know because they put income from all sources together. There were no proper records of household consumption as respondents were interested in making sure their family got meals and other needs. Importantly, what seems to matter for the rural poor women is to get on with living and working as it is not easy to distinguish between work and life time.

Moreover, in the coast, the poor rural female entrepreneurs needed to spend more time at the market place, while in the highlands they needed less time. The reason for this may be explained by the fact that in the coast the market place is considered to be one of the socialising places so women will prefer to stay there even if they are making no money/profit. The opposite is true in the highlands where women prefer to spend as less as possible time at the market place so that they can utilise the rest of the available time in doing other economic activities. Therefore, one can conclude that in terms of productivity, time is more usefully spent in the highlands than in the coast.

There have been changes also in the roles played by different social groups in the society. For example, it has been shown that girls, who helped their mothers in business and other household chores, have themselves become female entrepreneurs. This may serve as a role model and instrumental example for the future entrepreneurs.

Most of the respondents, if not all, showed investing in their children's education as the strategy for improving family's future livelihood. The motive behind this is that when the children get better education and they will have a good job and will do better business that in turn will help their parents. Other respondents showed their happiness for their immediate investment in terms of fixed assets such as plots, houses and farms, household assets such as television sets, mobile phones, kitchen utensils, bed and mattresses and working assets such as a pub, livestock and guest houses. Therefore, having their own business has improved the choices available to the respondents. Moreover, there is some social and economic accomplishment to some female entrepreneurs for such things like freedom to pay rent,

supporting families, and starting a new business. In many ways they have become liberated, but paradoxically at the cost of being constrained to work in the business.

The study showed that women entrepreneurs move from one place to another to take advantage of income earning opportunities on their own initiatives or decisions. Those who do that are either unmarried or divorced. That is where the customs and traditions come in, as husbands have to make final decisions for women even if the move is beneficial to the family; a woman cannot make final decisions. Also family pressures, like looking after children, restrict most entrepreneurs to take advantages of income earning opportunities away from homes. The freedom, the emancipation described above, is also constrained by their social circumstances. Only those without family are able to move around. Indeed the loss of family may even force them to move in search of a living.

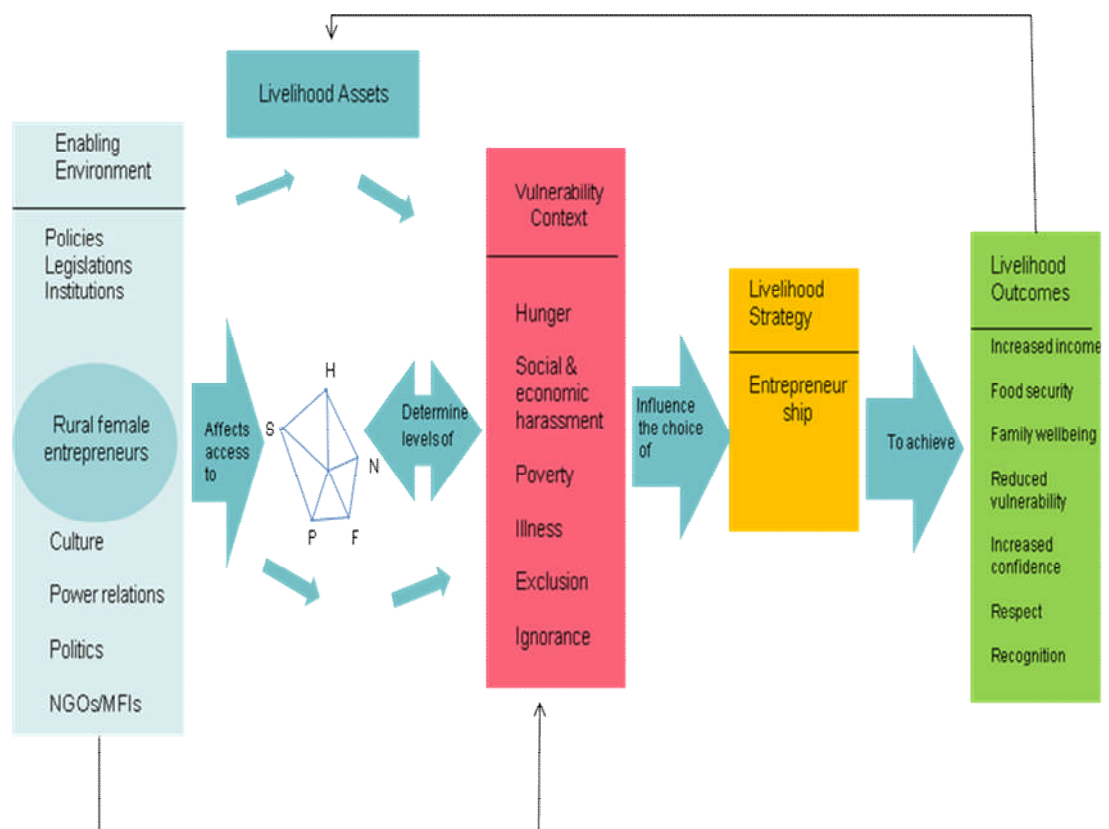
When analysing livelihood strategies for poor rural female entrepreneurs it may be necessary to acknowledge people, in particular poor people who compete for scarce opportunities for employment, productivity, markets and better produce prices, thus making possible for everyone to simultaneously achieve the same level of livelihood objectives or outcomes as the poor people are not homogenous and are less competitive.

In this study, some entrepreneurs revealed that they have attained some of their livelihood objectives, even though their sustainability cannot be guaranteed. For example, they mentioned increased levels of self confidence, self-esteem, political representation and social inclusion, or increased income, all as a result of being entrepreneur. Others managed to take their children to school, provide food for their families, support relatives and secured appropriate shelter.

Generally, it can be deduced that for rural poor women, being an entrepreneur has resulted into increased income, improved family wellbeing, reduced vulnerability and improved food security. However, as the poor people are not homogenous their livelihood objectives are also different. This implies that the researcher cannot identify or recommend any one livelihood strategy as a preferred option to take people out of poverty. But only those entrepreneurial strategies have made some things possible.

Even though some good things have happened to poor rural female entrepreneurs because of being enterprising, still there is a lot to do. Many women in the rural areas have little knowledge about their rights, and underrepresented in decision making bodies. Some still have traditional mind that women were born to be poor and serve the man's empire. This calls for deliberate efforts in addressing these issues. It should be borne in mind however, that there are some trade-offs in addressing these issues and livelihood objectives. While others may be benefiting from one course of action, others may suffer as a result of such actions. Thus, a balance needs to be sought in order to achieve sustainable livelihood outcomes. The figure below presents the modified livelihood model for the studied rural women entrepreneurs.

Figure 7.4: The livelihood framework for rural poor female entrepreneurs



Source: Research Data

7.5 Conclusion

Therefore, generally speaking, the researcher can conclude that rural female micro entrepreneurs undertake entrepreneurial activities in order to survive and not because they want to be entrepreneurs. This chapter has looked into the five components within the livelihood framework and their influence on the way rural female entrepreneurs go about bringing sustainability in their livelihoods.

It was revealed that the enabling environment dictates the type, amount and quality of assets possessed by the rural women entrepreneurs. It was also shown that poor women with few or no assets are more vulnerable to much of the social and economic harassments. It is within this vulnerability context where poor rural female entrepreneurs, choose the strategies in order to achieve their livelihood outcomes.

CHAPTER EIGHT

CONCLUSIONS AND CONTRIBUTIONS OF THE STUDY

The meaning attached to business and therefore growth motivation of some women business operators will change after a degree of success.

Rosa et al, 2006

8.0 Introduction

This final chapter presents the summary and conclusion of the research findings, the general framework of the study, the practical and theoretical contributions of the study and recommendations for future research. It brings together the researcher, the research sites and the respondents. This chapter will propose a way of understanding the nature and processes of the poor rural female entrepreneurs. Considering the nature of the research setting and respondents the researcher used a combination of entrepreneurship and livelihood theory in enhancing understanding of the phenomenon under study.

8.1 Summary of the thesis

This section gives the summary of the chapters in the thesis. In *Chapter One* the reader was introduced to the background of the study. It demonstrated the importance of undertaking this study in a specific context. This was justified because it was shown that there are differences in entrepreneurial performance between poor rural female entrepreneurs of the same region or locations in the same country. These differences may be explained, in part, by the different socio cultural background of the respondents and how it has shaped the way they undertake entrepreneurial activities in that country or locational context. The context for this study, the background information about the research settings was described in *Chapter Two*. It described the historical, economical and political environment before and after Tanzania's independence. It also described the background of entrepreneurship and the role played by poor female entrepreneurs in rural areas. The relevant literature was reviewed in *Chapter Three* whereby the genesis of entrepreneurship and female entrepreneurship were explored. *Chapter Four* presented the theoretical framework of the study. It introduced the social construction of knowledge as the high level theory and later the sustainable livelihood perspective was used as a middle range theory and a framework for analysing data. It

presented the theories and concepts relevant to the phenomenon. A critique of adopting western models of entrepreneurship and their application in developing countries was developed. *Chapter Five* presented the methodology of the study. This study was conducted using a qualitative methodology using an ethnographic approach with the aim of studying the activities of poor rural female entrepreneurs, the aim was to try and understand how they strived to improve their livelihoods in that rural context. The study also looked on how socio cultural factors impact on how the rural female entrepreneurs undertake their activities.

Chapter Six presented a descriptive account of the study, that is, how the data were contextualized in the rural setting. The nature of rural female entrepreneurship and the processes involved were described and presented. *Chapter Seven* analysed the data by using the sustainable livelihood framework. Within case and cross case analysis was done by looking at the five components of sustainable livelihood framework for the purpose of enhancing understanding of the phenomenon under study. It aimed at establishing if there were similarities or differences depending on the socio cultural attributes of the respondents. Also the discussions on how the socio cultural factors have contributed to the way women undertake their activities in improving their livelihoods were conducted. The *Final Chapter* was devoted to summarizing the study, presenting the contributions of the study and the conclusions of the five livelihood components. It also presented the implication for theory, policy and practice and lastly it suggested areas for further research.

8.2 Research Contribution for theory

The main theoretical implication for this study is the suggestion of a new theory emerging about the notion of “survivalist” entrepreneurship with a view to the future. From within the perspective of a developing economy, western theories do not take sufficient account of the context of poor Tanzania. Hence their explanatory power is limited. The survivalist theory of entrepreneurship focuses, like Sarasvathy’s effectuation, on using the resources that they have at hand. They are not primarily interested in growth, but simply on getting enough to get by. They use what they have, time, effort, things they have grown or can buy or borrow to add a little value by selling them. The added value is modest, but real, and importantly provides a way out of the poverty trap. For example when a respondent buys a kilo of maize flour and cooks stiff porridge and sells to customers. It can be seen that this opportunity "effectuation" is determined not only by the limited resources ready to hand, but by the context and by the sorts of values that can be realistically added. It is not simply necessity

entrepreneurship, but a survivalist strategy that can also change life. This notion will differentiate entrepreneurship as a mere activity of making ends meet but as a way of improving one's life. This implication may be used to analyse entrepreneurship in broader categories depending on the context of the studied phenomenon.

Understanding entrepreneurship using this view has been presented throughout the study. The society under study will shape on how people carry out entrepreneurial activities. The socio cultural background of a particular society has a role to play on how people are motivated to start and run their own businesses. It is not easy to separate people and their socio cultural belonging. Studying a phenomenon without considering how the society operates within their socio cultural contexts may result in missing important aspects of how the lives of people are embedded into their social and cultural worlds and how they place meanings to life worlds.

Survivalist entrepreneurship constitutes understanding on how poor rural female entrepreneurs undertake their activities. Most female entrepreneurs in developing countries are perceived to be a disadvantaged group in society. They overcome this belief by becoming entrepreneurs, particularly in rural areas where gender equality is still an issue. These poor rural female entrepreneurs own and manage micro and small businesses and most of these businesses are service oriented and very informal. Apart from the reality explained here, poor rural female entrepreneurs still have unequal resource ownership when it comes to fixed assets like land. This deprivation limits their efforts and resources to undertake meaningful entrepreneurship and become future successful entrepreneurs.

Female entrepreneurs examined in this study were very clear of their future goals. Most of them wanted to grow their businesses either by adding another business or growing the existing business. When they were asked whether they wanted to give up their businesses and be employed, the majority were not in favour of that. Firstly, because with their limitation in terms of education and training. They said this business is their own and nobody can challenge their achievements. Secondly, they felt very proud to be business owners; their confidence has improved and they get more respect from others in their groups. Perhaps the businesses will be formalized and the motivation for starting business will shift from the need for achieving life necessities to owning and managing growing businesses. Their entrepreneurial activities are woven in their beliefs and contexts and that is how they operate.

The study has shown how the phenomenon of entrepreneurship is context specific and it differs across cultures. People may possess all the necessary psychological traits for being entrepreneurs but their socio cultural circumstances will have an impact on how they undertake their activities. In other words future research in female entrepreneurship and especially in African countries should put emphasis on the context of operation both for the studied group and the phenomenon under study.

8.3 Implications for policy and practice

This section presents the main insights of rural female entrepreneurship in Tanzania. The practical and policy implications on the size, role, importance and future of female entrepreneurship in Tanzania are also synthesized.

8.3.1 The future orientation of female entrepreneurship

It is believed that women in Tanzania decide to start business not as career but rather as a life survival strategy (Nchimbi, 2000). Women see their entrepreneurship activities as a means for making their lives better (Olomi, 2001; Rose et al, 2006). This view has been strongly confirmed in this study. The study has seen respondents moving from first having nothing to become capable providers for their families. In some cases, the entrepreneurs have been able to shift towards becoming growth oriented entrepreneurs. Neema from Kongowe is a good example. She has moved from owning a kiosk and selling charcoal to owning a guest house.

If given opportunities, it is evident that poor female entrepreneurs, especially in the rural areas can shift from merely making life better to realizing more entrepreneurial potential. They have found opportunities, some very modest, but ones that have enabled them to shift from extreme poverty to a much stronger position. They may now be able to make choices when operating their businesses.

Female entrepreneurs in Tanzania choose their activities based on their family obligations and other factors. Some of the factors identified to affect their choice of business are their abilities in business management skills, availability of capital and innovation (Olomi, 2009). Many female entrepreneurs seem to conform to this prevailing argument presented in the literature on why they choose their entrepreneurial activities (Rutashobya, 1995; ILO, 2003). As Anderson (2000) puts it, entrepreneurship is a melding of self and circumstances. Most of

the businesses done by women are those which allow them to attend to their families before going to the market or doing both activities at the same time. For example, in the coastal areas some rural female entrepreneurs take their children to the market or prepare food for their families at the market. In this way they fulfil their obligations to the family and also manage to generate income. If these women were relieved of some of the family obligations by other family members or social services like day care centres for children, they would have more time to concentrate on their businesses or even expand and grow their businesses.

Apart from the evidence that there are signs of future growth orientation, most entrepreneurs, women mainly operate tiny, minute micro businesses. Most of them grow at a very slow rate or sometimes there is no growth at all. Yet despite the lack of obvious growth these businesses are resilient; resilience in terms of both the process and the outcomes and it directs what they do. Although many entrepreneurs aspire to better their businesses, their dreams will take time to come into reality. Many are faced with barriers and constraints which retard or kill their businesses and they may need to adopt survival strategies to pick up and start up again. As discussed in the previous sections, these rural entrepreneurs would clearly benefit from more support and guidance in terms of business management skills, the importance of acquiring capital, loan management skills and developing appropriate attitudes towards business growth and entrepreneurial performance. It can be argued that these interventions may contribute to stimulate positive changes beyond mere survival and eventually lead to the desired entrepreneurial development with the view to improved national economy.

If these women improve their businesses, the community where they live will also benefit and improve their life in return. The importance of entrepreneurship in Tanzania is displayed in the way the business is part of everyday life and the way life is dependent on everyday business. Female entrepreneurs carry the burden of taking care of their families and they are obliged to provide for them. Given their huge family responsibility, these are the ones who are more involved in trying to use the available resources in production of goods and provision of services. Participation of women in the well being and the economy of their country cannot be separated. The more they participate in income generating activities the higher the national income and hence desired economical development. It can be argued that the activities performed by female entrepreneurs have a direct influence on the economy and therefore the better the entrepreneurial performance, the better the economy of the country.

So both at the micro level of family well being and at the broader macro economic level, there seems a strong case to be made for supporting these micro business women.

Women have been on the forefront of many activities, like social, political and non political campaigns. If female entrepreneurs are facilitated to learn skills, acquire loans, receive business support services, the move may aid in overall improvement of entrepreneurship activities particularly in rural areas. Better products may be produced and better services will be rendered and more people, and in this case, more women may be motivated to undertake entrepreneurial activities. In order to accomplish this it can be argued that the education system of Tanzania should include entrepreneurship concepts at different levels of education and equip female entrepreneurs with knowledge and skills to undertake entrepreneurial activities in a manner which will encourage growth and profitability. Moreover, all women should receive a basic education, so that a minimum level of literacy is achieved.

8.3.2 Government Participation in the improvement of entrepreneurship

By understanding how women think or what concerns them, the government will be able to develop policies or programmes which will aim to improve the lives of female entrepreneurs and their families. The different issues have been discussed in the previous chapters, but it can be argued that the government has an important role to play in the development of entrepreneurship in the country.

In Tanzania the administrative structure starts from village or street level to the national level. In this study it was evident that the street or village local government plays an important role in day to day activities of the female entrepreneurs. All loan applications must be approved by the secretary of the local government. This structure has supposedly improved the implementation of different policies and programmes in the area. It can be argued that apart from having the administrative structure from the grassroots, most poor rural female entrepreneurs are unaware of existing policies and programmes which are intended for them. Thus there is a rural gap in the dissemination of this information. In order for the rural people to improve their lives through entrepreneurship, more efforts should be directed to the majority of the population who live in the rural areas. It can be argued that if the existing policies and programmes were fully implemented across all areas of the country, the overall operating environment for the rural entrepreneurs may be more conducive to operate their businesses. With the upcoming dialogue of Public Private Partnership it can be

argued that if all stakeholders will participate seriously, the well being of individual entrepreneurs, groups and the nation at large will benefit. For example local vegetable growers are given opportunities to supply nearby public institutions.

8.3.3 Impact of socio cultural factors on rural entrepreneurship

As discussed in the previous chapters, Tanzania is a country with a large number of ethnic groups with different socio cultural orientations, traditions and practices. It was noted how some of these cultural beliefs have negative impacts upon entrepreneurship and hence economic development of the country. As mentioned in chapter six and seven, witchcraft and ignorance towards education have influenced the way people start and run their businesses. Other difficulties are associated with religious and customary laws which discriminate against women and hinder their efforts in undertaking entrepreneurial activities. These impacts call for joint efforts to educate people on the negative effects of some customs and beliefs. It can be argued that if female entrepreneurs are educated on the consequences of their customs and beliefs, and how to overcome them, how to use the good customs and traditions like communality and goodwill as assets in their business endeavours, their entrepreneurship potential may be better realised. This intervention will also call for more studies to be undertaken on issues regarding social and cultural beliefs.

8.4 Final comments and suggestions for further research

Understanding the socio cultural background and how it impacts on the daily entrepreneurial activities of female entrepreneurs calls for joint awareness and effort from stakeholders from community to national levels. It is of great importance that female entrepreneurs and the activities they undertake be fully understood as a contextualised phenomenon. This understanding may aid in motivating and supporting them. The state, local and international organisations may also assist in improving the environment where these entrepreneurs operate. For example the operating environment is better in Patandi compared to Kongowe and Ruvu Darajani, simply because there is a large number of NGOs operating in the area. Improvement of infrastructure such as better markets in Kongowe and Ruvu Darajani may assist entrepreneurs to improve their performance. Technological and business training programmes and facilities may be improved, for example Micro Finance Institutions disbursing loans in Kongowe, Ruvu Darajani and Patandi could also add an element of business support service to loan recipients.

There are positive directions on government policies which aim at improving the livelihoods of women in general and in particular poor female entrepreneurs in rural areas. As one of the officials of the Ministry of Trade who preferred to be anonymous said, "... *if only a third of policies on Women Development in Tanzania were implemented we would be somewhere else speaking about something else...*" The responses from research participants give a picture of improvement in the general performance of female entrepreneurs and more women have started micro enterprises as a way of improving their livelihoods. It is still a long way for full scale performance to be achieved.

The importance of female entrepreneur's contribution to developing economies cannot be over emphasized, bearing in mind the economic contribution they make to their families, community and (sometimes without being aware) to their nation's economy. There are constraints which may hamper the entrepreneur's ability to perform well. These constraints impact on the whole process of entrepreneurship at all stages. For the poor rural female entrepreneurs in a poor country like Tanzania, the improvement of existing macro and micro entrepreneurship operating environment is vital. Strategic short and long term interventions to address problems facing female entrepreneurs may be one way of improving the enabling environment.

Poor rural female entrepreneurs may be assisted to improve their performance by designing specific programmes for female entrepreneurs. This point is evident in the comments of some respondents; they say they have been left like orphans with no one to turn to. In turn this has important ramifications for the national aim of promoting women enterprise.

Tanzanian communities have a role to play in improving the performance of entrepreneurship which in turn improves the livelihood of people in their areas. Times have changed and change of attitudes towards better life and more hard work might assist entrepreneurs to reach their goals. In the long run this change of attitude and support may encourage communities to support government initiatives and vice versa. Most respondents showed concern for their children to have better education. Female entrepreneurs might participate in government initiatives like universal primary education for all. There is scope to promote community schools which have increased the number of pupils who get

opportunity to go to secondary school at affordable school fees. Respondents wished their girl children be given opportunities to study.

Recognition of the role played by women in Tanzania may bring about changes which will facilitate poor rural female entrepreneurs and assist in improving policy and practice. Understanding what women need may be a good starting point, and then appropriate interventions may be put in place and may bring changes which in turn will benefit the economy and improve the lives of people. Support services should, nonetheless be based on understanding the process of entrepreneurship from the women's point of view.

This study has paved a way for further studies in the area of female entrepreneurship. This study, like many others, has established the importance of conducting context specific studies which aim at improving the way people do things and eventually better their livelihood. It did not address all issues which affect how poor rural female entrepreneurs undertake their activities, but it has covered to a greater extent the major socio cultural issues in understanding the process of entrepreneurship in rural areas. The depths of issues affecting female entrepreneurship in rural Tanzania may be better understood by conducting further research.

This study enhanced understanding of female entrepreneurship in developing countries in a way which has never been addressed before. It has created more questions than answers and hence provoked more research in the area of female entrepreneurship. More studies could be conducted in other cultural groups to examine how female entrepreneurs from these groups undertake their activities. More specific research may be conducted to give a more distinct understanding and depth to the influence of socio cultural background on rural female entrepreneurship in African countries. The researcher suggests areas of research to be investigated may include; the influence of education on entrepreneurship, the prospects of entrepreneurship to all marginalised groups in the community. This study therefore can act as a framework for a researcher to design and implement specific studies.

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APPENDICES

Appendix I: letter of informed consent to participate in the study

Dear Participant,

This letter intends to ask for your participation in the study about female entrepreneurship in your village. The information provided is meant to ask you to participate in the study as an informant. You should be aware that you are free to decide if you want to participate or not and you are free to withdraw anytime without affecting your relationship with the researcher during field work.

This study aims at understanding the process of entrepreneurship in your village market. The procedure of this study will be a single episode with intervals in between. Data will be collected from female entrepreneurs who are currently operating in the village markets and those who have stopped for any reason. Also data will be collected from the ward/village local government officers and micro finance institutions staff. Data collection will involve also taking photographs with your consent.

You can ask any questions during or after participating in the study would be happy to share with you the initial findings after field work and the findings after the study is completed.

There are no known risks or discomforts in undertaking this study. The main benefit for you is to be able to participate in a study in your village.

Thank you for your time.

Lucy B. SSendi

Researcher

Source: This letter is influenced by the letter by John Creswell, 2009

Appendix II: Research Guide

1. Present Circumstances

- Age
- Marital status
- Religion
- Tribe
- Number of children/dependants

2. Historical Background

- Family background
- Education
- Business motivation

3. Business environment

- Type of business
- Importance of the type of business
- Business income
- Market and prices
- Seasonality
- Household needs
- Importance of cash income and remittance

4. Operating Environment

- Sources of market information
- Inclusion and exclusion
- Knowledge management
- Innovation
- Policies and regulations

5. Availability of Livelihood assets

(i) Social capital

- Levels of social capital

- Trends
- Nature of civic relations
- Membership

(ii) Natural capital

- Types and use of resources available
- Quality and quantity of resources
- Productivity of resources

(iii) Physical capital

- Physical infrastructures
- Availability of business premises

(iv) Financial capital

- Availability of Capital
- Availability of financial services
- Savings

(v) Human capital

- Availability
- Productivity

6. Livelihood structures

- Authority and jurisdiction
- Ownership and belonging
- Community /business leadership and management

7. Livelihood processes

- Analysis of policies and legislation
- Practice

8. Livelihood Strategies

- Portfolio of social groups
- Lifetime changes

- Choices
- Combination of strategies and
- Achievability of objectives

9. Livelihood outcomes

- Political, social and economic rights awareness
- Financial Security
- Sources and quality of information
- Representation
- Access to business services