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The Influence of Selected Demographic and Business Characteristics on the Performance of Women Owned Microenterprises in Tanzania

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Abstract: Performance of women owned microenterprises is a function of many factors including, but not limited, size of capital, access to credit, demographic factors and also a number of business characteristics. However, the aim of this paper is to show how the performance of those microenterprises related to selected business and individual owners' characteristics in Tanzania. The paper relied on data collected from 400 women owners of microenterprises selected randomly from three major cities including 200 from Dar es Salaam, 100 from Mwanza and other 100 from Arusha. Business performance was measures using three indicators namely sales revenue, net profit and business net worth. Findings revealed that business net worth differed significantly across those three types of businesses. The findings revealed that sales of businesses operating in the city centres (in shops) and of those businesses operating around the industrial areas were significantly higher than those of businesses operating at home, in markets, on the road sides and of the mobile businesses. Also, it was revealed that microenterprises' owners with higher level of formal training performed better than those with little or without formal training. Furthermore, the findings showed that net profit and net worth of manufacturing enterprises were higher than for retain and service businesses. The study made the following recommendations. First, Local Government Authorities should designate spaces in towns where women owners of microenterprises can operate their business. Second, Regional Trade Offices should design short training programs that can equip women owners of microenterprises with simple but comprehensive understanding of the dynamics of their businesses.

Keywords: Demographic, Business, Characteristics, Microenterprise, Performance

INTRODUCTION

Women engagement into microenterprise activities in Tanzania has been on a sharp increase in the recent years. According to National Baseline Survey for micro, small and medium enterprises (MSMEs), women comprised 54.3% of owners of microenterprises [1]. However, in Tanzania, women are predominantly found in informal, micro level, and low-growth sectors [2]. They also have low levels of education compared to their male counterparts [3] the fact that makes them concentrated in the informal sector given that they are unable to find employment in the formal sector. In terms of type of business, women owners of microenterprises in Tanzania were mostly involved service and retail businesses [4, 5]. Further, evidences suggest that those women engaged in microenterprise activities out of necessity as opposed to career path [6, 9, 7, 8]. As a result, most of those businesses were short lived and they normally did not graduate into SME [8, 9]. Based on this background, it is clear that some demographic and business characteristics do affect the performance of women owned microenterprises.

The aim of this paper, therefore, is to show how the performance of women owned microenterprises related to selected business and individual owners' characteristics. Specifically, the paper endeavours to show whether microenterprises of women with different individual characteristics performed differently or not. Also, the paper shows whether microenterprises with different characteristics performed differently or not.

LITERATURE REVIEW

Literature shows that performance of women owned microenterprises (MEs) is a function of a number of factors; both personal and institutional ones. For instance, demographic factors like age, marital status, and level of education of formal training, age of business as well as location of business influence the performance of microenterprises. Sleuwagen and Goedhuys [10] found that age of a firm was a determinant for business growth in Côte d'Ivoire. However, there are mixed results as to whether age of business owner has positive or negative effect on business performance. Zahra [11] found that age of business operator influenced not only the motive for women to engage in small businesses but also with income resulting from those entrepreneurial activities in Pakistan. According to this study, younger women's

businesses performed better than those of the older ones [11]. Similar findings were also reported showing that younger entrepreneurs were relatively more successful than older ones [12, 13]. On the contrary, other evidence also established that the older the entrepreneur the greater his/her life experience, maturity, ability to accumulate financial credibility and manage a business [14]

Literature revealed mixed results about owner's marital status and business performance. On the one hand, there is evidence that married women were faced with conflicting tension between family and business as a profession [15]. The authors observe that although being married had no statistically significant effect on the business performance, women owners of businesses perceived marriage as a constraint against business success. On the other hand, there is evidence showing that business owned by married women performed better than those whose owners are not married [16, 17]. The authors explained this phenomenon noting that married couples extend to each other social, financial and psychological support and in that way support each other in handling business and family responsibilities as opposed to unmarried or widowed entrepreneurs.

Human capital is an essential aspect to consider while explaining various factors that may make microenterprises grow. Entrepreneurial know-how was found to be an important factor in determining operators' capability to access external financial resources [18]. Specifically, level of participation in the formal trainings was found to have positive influence on microenterprises' performance [3, 19, 20]. However, women owners of microenterprises lacked the entrepreneurial know-how, reason that in turn led to limited access to funds to enable them start and/or expand their businesses [18, 21, 22]. Due to limited education, women business operators concentrate more on service and retail sectors which are less profitable [22].

Business location has positive influence on the performance of microenterprises. A study conducted in South-Western Nigeria to assess the choice and performance of women entrepreneurs in technological and non-technological enterprises revealed that the status of business premise had a significant effect on business performance [16]. The study found that businesses operating in surroundings with more cash-based economy performed better than those operating from locations with less cash-based economy.

Furthermore, type of business is also an important aspect that can determine the performance of women owned microenterprises. A study by Abor and Biekpe [23] in Ghana revealed that women were mostly involved in very small firms called technically 'sole proprietorship businesses'. It is also shown that women were less likely to start up and operate manufacturing or technological businesses than males [24]. In Tanzania, women microenterprises were concentrated in specific types of businesses which are labour intensive as opposed to capital intensive. According to Rutashobya [5], most women engage in retail, food processing, textile, clothing and service businesses. Similarly, three studies conducted by International Labour Organization in Tanzania [3], Ethiopia [25] and Zambia [26] revealed that women were mostly involved in service and retail businesses including food vending, beauty salons, decorations, informal catering, pottery and basket making. The studies also found that only few women were engaged in less capital intensive manufacturing businesses like tailoring, batik making, local brewing or informal food processing.

A study conducted in Ghana revealed that strong family support system, social network and professional development were among the factors that influenced the survival of women-owned small business start-ups in the city of Tema [27]. Aldrich [38] posits that social networks may have far-reaching consequences on business performance among women operators. According to this author, new entrants into business activities were excluded in the social networks and thus suffered from lack of relevant or important business information. The importance of business networks is also highlighted by Burke and Lee-Gossling [37] noting that such networks were important in identifying business opportunities in Canada.

Experience with a specific business determined the level of performance of microenterprises. Evidence from the United States of America and the Netherlands suggest that continued experience with a business in the specific industry had positive effect on the performance of the firm [28, 29]. Related experience was likely to result into increased number of contacts with suppliers, contractors, and customers [30, 31]. Specifically, Brush and Chaganti [36] found industry specific experiences had a significant effect on firm's revenues and employment levels in retail and service businesses. Accordingly, Jovanovich [32] posits that continued experience results involved a learning process whereby entrepreneurs with more experience with their businesses were more likely to have their businesses growing compared to the new entrants.

Based on the surveyed literature, it is a fact that a number of studies on women's participation in microenterprises have been conducted in Tanzania. Some of those previous studies focused on the constraints against performance of women microenterprises [4, 7, 8]. Also, a handful of other studies focused on credit and business performance or general welfare [33-35] as well as the role of training on business performance [3]. However, it is worth noting that those studies did not adequately address the contribution of individual and business characteristics

on their performance. Where such attempt was made, the approach was descriptive [6] rather than inferential. Specifically, those studies did not show how the performance of women owners of microenterprises with different individual characteristics like age, marital status and level of education varied. Furthermore, they also did not specifically show how such business characteristics as type, location of operation and age of business were related to performance.

METHODOLOGY

This paper relied on the findings of a survey conducted in three major cities in Tanzania namely Dar es Salaam, Arusha and Mwanza. These three cities were selected because had relatively more women engaged in microenterprise activities than other cities and towns in Tanzania. Simple random sampling technique was used to obtain a total of 400 women owners of microenterprises including 200 from Dar es Salaam, 100 from Mwanza and 100 from Arusha regions. Data were collected through a questionnaire. Business performance was measured in terms of total sales, net profit and business net worth. In order to offset recall problem, especially among women entrepreneurs who did not keep records, the researcher relied on business data for only one month i.e. the previous month before data collection.

The paper involved four demographic and three business variables. The demographic variables included were age of business owners, marital status, and size of household and level of education. The three business characteristics included were age of business, type of business and location from which business operates. Sales revenue was defined as total revenue obtained from business per month. Net profit was calculated as follows:

> Net Profit = Sales – [business costs + other operating costs] + output consumed by entrepreneur or her household + output given away

Business net worth was considered to be sum of fixed and current assents. All three business performance measures namely sales, net profit and business net worth were expressed in Tanzanian Shillings (TZS).

One way Analysis of Variance (ANOVA) was used to determine whether business performance varied among respondents with different levels of education, those with different marital status, those involved in different types of businesses and also among those operating businesses from different locations. Post hoc multiple comparison analysis was used to find out whether the differences between groups were statistically significant. Correlation analysis was used to determine relationships between business performances on one hand and age of business owner, size of household and age of business on the other hand.

FINDINGS

Selected owners' demographich characteristics and busienss performance

This paper involved four demographic characteristics of women owners of microenterprises namely age, level of education, marital statuses and size of household. The respondents' demographic characteristics were as summarized below.

Table-1: Demographic characteristics of respondents

	Name of region			Total (n = 400)
	Arusha (n = 100)	Dar es Salaam (n = 200)	Mwanza (n =100)	
Level of education				
Never attended formal education	7 (7%)	4 (2%)	4 (4%)	15 (3.8%)
Primary education	71 (71%)	167 (83.5%)	73 (73%)	311 (77.8%)
Secondary education	21 (21%)	26 (13%)	22 (22%)	69 (17.2%)
Post secondary school education	1 (1%)	3 (1.5%)	1 (1%)	5 (1.3%)
Marital status				
Single	14 (14%)	55 (27.5%)	19 (19%)	88 (22%)
Married	66 (66%)	137 (68.5%)	75 (75%)	278 (69.5%)
Divorced	2 (2%)	2 (1%)	1 (1%)	5 (1.2%)
Separated	4 (4%)	5 (2.5%)	1 91%)	10 (2.5%)
Cohabiting	2 (2%)	1 (0.5%)	1 (1%)	4 (1%)
Widow	12 (12%)	0 (0%)	3 (3%)	15 (3.8%)
Mean age of respondents (yrs)	36.2	32.7	34.3	34.0
Mean size of household	4.5	4.2	4.7	4.4

Most of respondents (77.8%) had attained primary education. This was so in all of three regions namely Dar es Salaam (83.5%), Mwanza (73%) and Arusha 71%). Among the remaining respondents 17.2% had attained secondary education while 1.3% had attained post-secondary school education. Surprisingly, 3.8% respondents had never attended formal education, the fact that could signify that they were not able to read

and write. The point to also note here is that about half of the illiterate respondents (i.e. 7 out of 15) were from Arusha region. The findings also revealed that while 69.5% respondents were married, 22% were single women who had never been married, 3.8% were widows, 2.5% were married before but had separated, 1.2% had divorced their husbands and 1% were cohabiting with some men. The mean age of respondents was 34 years while average size of their households was 4.4

Business performance and level of education

The findings revealed that businesses whose owners had attained post-secondary school education performed better than those of owners whose level of education in terms of total sales, net profit and business net worth. In particular, businesses whose owners had never attended formal education performed poorer than the rest.

Table-2: Mean business performance by level of education (n = 400)

Level of education	Mean sales (TZS)	Mean net profit (TZS)	Mean business net worth (TZS)
Never attended formal education	871,569	400,771	265,847
Primary education	1,277,375	560,896	520,099
Secondary education	1,169,088	417,445	808,237
Post secondary school education	1,386,281	602,203	2,008,400

Results of one way ANOVA revealed that there was significant difference in business net worth among respondents with different levels of formal education ($F(3,396) = 13.290$, $p < 0.001$). There was no significant difference in total sales ($F(3,396) = 1.213$, $p = 0.305$) and in net profit ($F(3,396) = 2.225$, $p = 0.085$) among women entrepreneurs with different levels of education.

Post hoc multiple analysis results revealed that business net worth for respondents with post- secondary school education (mean =2,008,400 TZS) was higher than for those with secondary education (mean = 808,237 TZS), primary education (mean = 520,099 TZS), and those who had never attended formal education (mean = 265,847 TZS) at $p < 0.001$. Accordingly, the results showed that business net worth for respondents with secondary education (M = 808,237) was higher than for those with primary education (mean = 520,099, $p = 0.001$) and those who had never attended formal education (mean = 265,847, $p = 0.003$).

Business performance and marital statuses

Findings revealed that businesses whose owners had separated women performed better than those whose owners had different marital statuses in terms of total sales and net profit. In terms of business net worth, business of cohabiting women performed better than of women with different marital statuses.

Table-3: Business performance by marital status (n = 400)

Marital status	Mean sales (TZS)	Mean net profit (TZS)	Mean business net worth (TZS)
Widow	966,165	463,343	471,438
Cohabiting	1,274,350	248,725	1,323,250
Separated	1,814,574	709,090	499,860
Divorce	945,700	447,000	327,900
Married	1,349,262	568,700	581,799
Single	913,371	419,266	577,342

One way ANOVA results showed that there was significant difference in total sales among women with different marital statuses ($F(5, 394) = 4.573$, $p < 0.001$). However, there was no significant difference in net profit ($F(5, 394) = 2.069$, $p = 0.068$) or business net worth ($F(5, 394) = 1.237$, $p = 0.291$) among women with various marital statuses.

Post hoc multiple comparison analysis revealed that average sales of businesses of separated women (mean = 1,814,574 TZS) were significantly higher than those of single women (M = 1,814,574 TZS, $p = 0.002$) and of widowed women (mean = 913,371 TZS, $p = 0.018$). Accordingly, average sales for married women (mean = 1,349,262) were significantly higher than those of single women (mean = 1,349,262 TZS, $p < 0.001$).

Relationship between size of household and business performance

The sizes of respondents' households, in terms of number of persons who normally stayed in the household, varied widely. The minimum size was one person while the maximum size was 12 persons. Average size of household was 4.4. Although regional variations were relatively small, average size of households in Dar es Salaam (4.2) was relatively smaller than in Arusha (4.5) and Mwanza (4.7). Results

of bivariate correlation analysis revealed that there was significant positive correlation between size of family and total sales (r = 0.121, p = 0.016). There was no significant correlation between size of family and net profit or between size of family and business net worth.

Table 4: Business performance by size of family of owner (n=400)

	Size of family	Total sales	Net profit	Business net worth
Size of family	1			
Total sales	0.121* (0.016)	1		
Net profit	0.045 (0.372)	0.734*** (0.000)	1	
Business net worth	-0.036 (0.470)	0.311*** (0.000)	0.254*** (0.000)	1

***. Correlation is significant at the 0.001 level (2-tailed). *. Correlation is significant at the 0.05 level (2-tailed).

Relationship between age of business owner and business performance

Ages of business owners ranged from 20 to 62 years. Average age for women entrepreneurs included in this study was 34 years. There were no big regional variations on average ages of respondents. For is stance, it was found that average age of respondents in Arusha region was 36 years, while in Dar es Salaam and Mwanza were 33 and 34 respectively. Bivariate correlation analysis results showed that age of business owner was positively correlated with total sales (r = 0.121, p = 0.015) and negatively correlated with business net worth (r = -0.111, p = 0.026). Age of business owner and net profit were not significantly correlated.

Table-5: Business performance by age of the owner (n=400)

	Age of business owner	Total sales	Net profit	Business net worth
Age of business owner	1			
Total sales	0.121* (0.015)	1		
Net profit	0.086 (0.087)	0.734*** (0.000)	1	
Business net worth	-0.111* (0.026)	0.311*** (0.000)	0.254*** (0.000)	1

***. Correlation is significant at the 0.001 level (2-tailed). *. Correlation is significant at the 0.05 level (2-tailed).

Selected Business Characteristics and Business Performance

This paper involved three business characteristics namely location of business operations, type and age of businesses. The description of those businesses is presented below.

Table-6: Distribution of respondents by business characteristics

Location of operation		Type of business	
Roadside	236 (59%)	Service	211 (52.8%)
Market	85 (21.2%)	Retail	127 (31.8%)
Home	48 (12%)	Manufacturing	62 (15.5%)
City centre (in shops)	9 (2.2%)		
Industrial areas	4 (1%)		
Average age of business	5.3 years		

Slightly more than half of respondents 52.8%) were engaged in service businesses. Among the remaining respondents, 31.8% were involved in retail business while 15.5% were involved in manufacturing businesses. The ages of the businesses ranged from 1 to 43 years. The average age of those businesses was 5.3 years. A large proportion of respondents (59%) operated their businesses from roadsides. Among the rest of respondents, 21.2% operated from market, 48 (12%) from home, 2.2% from city centre (in shop) and 1% from industrial areas. The findings show that the businesses of other 4.5% were mobile meaning that they were street vendors.

Business performance by type

Findings revealed that mean sales were the highest for retail businesses (mean = 1,325,764 TZS) and the lowest for manufacturing businesses (mean =

1,044,431 TZS). Net profit was the highest for manufacturing businesses (mean = 574,196 TZS) and the lowest for the retail businesses (mean = 509, 525). Business net worth was the highest for manufacturing businesses (mean = 883,966 TZS) and the lowest for service businesses (mean = 440,157 TZS).

Table-7: Business performance by type (n = 400)

Type of enterprise	Mean sales (TZS)	Mean net profit (TZS)	Mean Business net worth (TZS)
Service	1,255,019	530,593	440,157
Retail	1,325,764	509,525	660,393
Manufacturing	1,044,431	574,196	883,966

One way ANOVA results revealed that business net worth was varied significantly among all three types of businesses ($F(2,397) = 12.574$, $p < 0.05$). Post hoc multiple comparison analysis results indicated that business net worth for manufacturing businesses (mean = 883,966 TZS) was significantly higher than for service (mean = 440,157 TZS, $p < 0.001$) and for retail businesses (mean = 660,393 TZS, $p = 0.027$).

Business performance by location of operation

Findings showed businesses operating in city centres (in shops) had the highest sales (mean = 2,448,278 TZS) while those operating on the road sides had the lowest sales (mean = 1,157,542 TZS). Accordingly, businesses operating in city centres (in shops) had the highest net profit (mean = 1,160,285 TZS) while mobile businesses had the lowest net profit (mean = 466,102 TZS). Business net worth was the highest for businesses operating around industrial areas (mean = 1,215,000 TZS) and the lowest for businesses operating in markets (mean = 528,407 TZS).

Table-9: Business performance by specific location of operation

Location of business	Mean Sales (TZS)	Mean net profit (TZS)	Mean business net worth (TZS)
Home	1,172,543	508,304	565,331
Market	1,360,508	560,334	528,407
Roadside	1,157,542	498,047	582,744
City centre (in shops)	2,448,278	1,160,285	714,222
Industrial area	2,308,425	966,632	1,215,000
Mobile	1,197,912	466,102	593,500

Results of one way ANOVA revealed that mean sales of women owned microenterprises operating from various locations differed significantly ($F(5,394) = 5.470$, $p < 0.001$). Likewise net profit of businesses operating from various locations differed significantly ($F(5,394) = 4.536$, $p < 0.001$). Post hoc multiple comparison analysis revealed that the sales of businesses operating in the city centres (in shops) (mean = 2,448,278 TZS) were significantly higher than those of businesses operating from home (mean = 1,172,543 TZS, $p < 0.001$), in markets (mean = 1,360,508 TZS, $p < 0.001$), on the road sides (mean = 1,157,542 TZS, $p < 0.001$) and of the mobile businesses (mean = 1,197,912 TZS, $p < 0.001$). Similarly, post hoc analysis revealed that sales for businesses operating in the industrial areas were significantly higher than for business operating from home (mean = 2,308,425 TZS, $p = 0.013$), market (1,360,508, $p = 0.034$), road sides ($M = p = 0.09$) and of the mobile businesses (mean = 1,197,912 TZS, $p = 0.022$). However, there was no difference between mean sales of businesses operating in city centres (in shops) and those operating around the industrial areas.

The findings further revealed that net profit of businesses operating in city centres (in shops) (mean = 1,160,285 TZS) was significantly higher than of those businesses operating at home (mean = 508,304 TZS, $p < 0.001$), in markets (mean = 560,334 TZS, $p < 0.001$), on the road sides (mean = 498,047 TZS, $p < 0.001$) and of the mobile businesses (mean = 466,102 TZS, $p < 0.001$). Net profit of businesses operating around the industrial areas (mean = 966,632 TZS), was significantly higher than of businesses operating on the road sides (mean =, 466,102 TZs, $p = 0.043$) and of the mobile businesses (mean = 466,102 TZS, $p = 0.049$). Net profit of businesses operating in city centres (in shops) and of businesses operating around industrial areas was not significantly different.

Relationship between age of business and its performance

Results of correlation analysis revealed that age of business was positively correlated with total sales ($r = 0.232$, $p < 0.01$) and with net profit ($r = 0.172$, $p < 0.01$). There was negative but insignificant correlation between age of business and business net worth ($r = -0.021$, $p = 0.681$).

Table-10: Relationship between age of business and performance (n=400)

	Age of business	Total sales	Net profit	Business net worth
Age of business	1			
Total sales	0.232*** (0.000)	1		
Net profit	0.172** (0.001)	0.734*** (0.000)	1	
Business net worth	-0.021 (0.681)	0.311*** (0.000)	0.254*** (0.000)	1

***. Correlation is significant at the 0.001 level (2-tailed). **. Correlation is significant at the 0.01 level (2-tailed).

DISCUSSION OF FINDINGS

The findings revealed that businesses of women with post-secondary school education performed better than of those with lower levels of education. It appears from these findings that women who had attained higher level of education made long term investment in their businesses through purchasing of business assets, which constituted business net worth. This finding, therefore, is in line with findings of several previous studies which concluded that level of participation in formal training had positive effect on microenterprises' performance [11, 3, 19, 20]. In this respect, participation in formal training (education) enhanced entrepreneurial know-how in terms of effective utilization of resources including credit

There was positive correlation between age of business owner and business performance. This particular finding corroborates previous studies which found that businesses of older entrepreneurs were likely to perform better than those of new entrants because of their greater life experience, maturity and ability to accumulate financial credibility and manage businesses [14]. It was also shown that businesses of older respondents were likely to have less value of business net worth (assets) than those of younger ones. On this aspect, the findings support those of previous studies which found that younger entrepreneurs were relatively more successful than older ones [12,13]. Probably, the most appealing explanation of this particular finding is that older business operators owned business assets with lesser value than younger ones. This can be justified by the fact that older business owners also owned older assets than the younger ones, especially in the context of microenterprises in Tanzania.

Size of household was positively correlated with total sales at significant level ($p < 0.05$). Although there was positive correlation between the same and net profit and business net worth, those relationships were not statistically significant. The expectation of this study was that size of household would have negative effect on all the three measures of business performance, given that household members also consumed part of the business output or used part of the money obtained from the business to pay school fees or cater for medical expenses. This view is also held by Olson et al. [15] noting that "children are expensive, and if the business must be able to support the family adequately for the owner to perceive it as successful, each additional child may raise the threshold of what is perceived as success". Surprisingly, the study revealed something different. However, this particular finding can, probably, be explained by the fact that in many cases family (household) members served as unpaid employees to the women owned enterprises. This supply of unpaid labour might have had positive effect on business performance.

Age of business owner was positively correlated with total sales. This means that older business owners were performing better than younger ones. The findings contradict the previous studies whose findings revealed that younger entrepreneurs were relatively more successful than the older ones [12,13]. Probably, the most appealing explanation of this particular finding is that older business operators were more connected to large pool of operators of similar businesses the fact that may have boosted their sales. Further, the findings revealed that business net worth for manufacturing businesses was significantly higher than for retail and service businesses. This finding can be explained by the fact that service and retail businesses required less capital than manufacturing businesses. It is worth noting that women, who in many circumstances are capital constrained, tend to concentrated on service and retail business activities [24, 22]. For instance, it was showed that women were less likely to start up and operate manufacturing than males [24]. It was also noted that due to limited education women business operators concentrated more in service and retail sectors which were less profitable [22]

Location from which businesses operated was found to affect business performance. Specifically, the findings revealed that sales of businesses operating in the city centres (in shops) and around the industrial areas were significantly higher than of businesses operating at home, in local markets, on the road sides and of the mobile businesses. This particular phenomenon can be explained by the fact that city centres and the industrial areas were highly populated and for that reason businesses operating there were likely to have more consumers than those in the city peripheries; i.e. those operating along the roads or at

owners' homes. At this point it can be argued that businesses operating from areas with insufficient cash-based market activity are likely to suffer from poor performance in virtually all aspects [16].

Lastly, the findings showed that age of business was positively correlated with total sales and net profit. This finding implies that the older the age of the businesses the more were the sales turnover and net profit. Similar findings also emerged from a study by Brush and Chaganti [36] which found that industry specific experiences had a significant impact on firm's revenues and employment levels in retail and service businesses. This can be explained by the fact that continued experiences, associated with older businesses, was likely to result into increased number of contacts with suppliers and customers [31, 30].

CONCLUSIONS AND RECOMMENDATIONS

The findings revealed that sales of businesses operating in the city centres (in shops) and of those businesses operating around the industrial areas were significantly higher than those of businesses operating at home, in markets, on the road sides and of the mobile businesses. The finding lead to conclusion that women owned businesses operating in areas with large working population could perform better than those operating in less populated locations like homes or road sides. Also, the findings gave indication that microenterprises' owners with higher level of formal training performed better than those with little or without formal training. This finding leads to conclusion that level of formal training is an important determinant of women owned microenterprises' performance. Furthermore, the findings showed that net profit and net worth of manufacturing enterprises were higher than for retain and service businesses. These findings lead to a conclusion that although manufacturing businesses involved higher levels of capital investment, they were also more profitable than retail and services businesses.

Based on the above findings and conclusions, this paper puts forth the following recommendations. First, findings revealed that businesses operating from cities or towns centres performed better than others. Local Government Authorities (PGAs) in townships and cities should designate spaces in towns where women owners of microenterprises can operate their business. Doing so will enable more women operating microenterprises from homes or on roadsides get better locations for their businesses. Second, the findings revealed that formal training enhanced better business performance. Regional Trade Offices in each administration regions in Tanzania should design short training programs that can equip women owners of microenterprises with simple but comprehensive understanding of the dynamics of their businesses. Lastly, based on the findings showed that manufacturing businesses performed better than retail and service businesses, this study recommends that microcredit schemes as well as government subsidised loan programs should direct their loan products to the manufacturing microenterprises. In terms of policy implication, financing of microenterprises involved in manufacturing of goods will contribute to the attainment of Tanzania's national Sustainable Industrial Development Policy (SIDP) 1996 – 2020. In particular, it will contribute to the achievement of the first objective of the policy on enhancing human development and creation of employment.

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