

Promotion of Small-Scale Industries and Development of Business. A Case Study; Masafu Subcounty (Busia)

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Abstract: *Small scale business owners are recognized as essential for the economic development of nations around the world due to their contribution to the national income (GDP), advancement, export revenue, the sale of products and services to society and large enterprises, political harmony, employment, and the performance improvement of economic health. The P-Value (0.04) is less than the alpha threshold of significance (0.05) in the chi-square test of the relationship between firm progress (dependent) and the consequences of small company performance (independent), indicating that it is statistically significant. There ought to be effective and successful checks and authorisation procedures in place, as well as clearly defined payment methods. With the aid of skilled people, it is crucial to establish the right procedures for project quality oversight and evaluation, as well as to elevate status reports so that the appropriate measures can be taken.*

Keywords: small-scale industries, GDP and development

Background of the study

MASAFU is a sub-country located in the bukedi sub-region of the busia district of Uganda. It has a healthy mix of emerging and established small-scale businesses as well as developing industries.

Advancements in small business would encourage the economy's money flow, revitalizing the neighborhood and giving it a more sophisticated economic base for future growth.

Strategic marketing scholars, researchers, and managers are still fascinated by market orientation, which has become one of the key research streams in recent years (Guo, 2003:1154).

Marketing professionals are aware of the importance of the market orientation theory as a foundational element of the behavioral-strategic approach to business (Jones & Hecker, 2006:2).

Market orientation can be a useful indicator of how effectively a company is implementing the marketing strategy (Zebal & Goodwin, 2012:339).

The three goals for market orientation stated by Kohli and Jaworski (1990:15), referenced in Narver and Slater (1990:23), were departmental knowledge transmission, institutions response, and international group market intelligence development.

Establishing and maintaining customer connections is a crucial part of marketing since it encourages the exchange of ideas, products, and services that satisfy everyone's needs (Mohammed et al., 2002:163).

The creation and maintenance of client relationships as well as customer satisfaction are important outcomes of the interchange process.

Hence, in order to respond to the continuously changing demands of the market, market orientation unavoidably necessitates accepting the risk of investment in better product innovation or service upgrades (Agarwal et al., 2003:68).

Problem statement

SSI, which was previously blocked off from worldwide competition due to lax protectionist policies and obstacles to its development in the MASAFU subregion, now frequently finds itself in bitter combat with these rivals on global markets (Morrison, et al., 2003:28).

In order to better understand how small businesses contribute to the growth and development of the aforementioned subnation, the study is being conducted.

While assessing the SSBE head's willingness to change daily routines and established SSBE patterns, it is necessary to keep in mind that one of the main reasons for beginning one's own firm is a desire for autonomy. This drive, which is typically linked to a great personality and/or concerns to power and control, may be detrimental to one's ability to learn from others or to see early flaws in a company's operations.

Some control-oriented business owners are reluctant to expand their business because doing so would require hiring more people and delegating work to others, for fear of losing some of their control.

Specific objectives

1. To evaluate the role of the small-scale industries development to the economy
2. To analyze the determinates and barriers to the growth and development of small-scale industries
3. To access the relationship between the small-scale industries and the growth and development of the case study

Research Questions

1. What is the role of small-scale industries development in the economy of Masafu sub country?
2. What determinates and obstacles of the small-scale industries growth and development?
3. What is the relationship of the small-scale industries and the growth and development of the stated case study?

Methodology

System Investigation

System investigation was carried out to help the researcher gather information about the objective/goals of the case study, the nature of the scope of the problem under the study.

Population Study

The study population constituted both female and male employees and employers of MASIFU sub country. These were assumed having reliable information about the topic of study.

Sample size Determination

The study was conducted amongst 35 respondents from and these were chosen with the aid of purposive and of simple random sampling techniques. As the sample size increases more and more, the biasedness tends to disappear and as it continues to increase indefinitely, the sample mean converges to the true population parameter

Table 1: Sample Size selection by Department

Category	Sample size	Male	Female
Administration	5	2	3
(Staff)	20	10	10
Well-wishers	10	5	5
Total	35	17	18

Sampling techniques

Stratified probability sampling was used in the study. This was a sampling method whereby the population was divided into mutually exclusive groups (based on the city in which the SSIs are situated) and random samples were drawn from each group (Armstrong & Kotler, 2007:111).

Simple random sampling technique

The respondents were randomly selected each unit of the study population will have an equal chance of being selected. This sampling technique enables the researcher to generalize the larger population and make references.

Purposive sampling technique

This sample selection was used to find respondents who were knowledgeable about the study's subject.

Using this method, the researcher was able to find informed respondents who were interested in the study's subject.

Data gathering techniques

For this particular study, both primary and secondary data approaches that are (qualitative and quantitative in nature) were utilized.

The interview was qualitative, whereas the quantitative, closed-ended questionnaire was.

Questionnaires

A survey is a type of research tool that is used to gather information from participants by asking them a series of questions and offering them additional advice.

Despite the fact that this is frequently the case, they aren't always made for the study of responses (Ezeani, 2005).

Data Analysis and Presentation

The researcher used both qualitative and quantitative methods of data analysis. Data was sorted using the Statistical Package for Social Scientists (SPSS) method. The analysis relied on both descriptive and inferential statistics. The descriptive statistics included use of frequency tables, mean, and standard deviation.

Quantitative Data Analysis

Quantitative data got from the questionnaires was computed into frequency counts and percentage. Data was sorted using the Statistical Package for Social Scientists (SPSS) method. The researcher adopted bivariate analysis techniques in analyzing her data. Bivariate analysis is the simplest form of quantitative (statistical) analysis.

Qualitative data analysis

Under the process of content and topic analysis, qualitative information gathered from interviewees and a study of the documentary was sorted and organized into themes.

In order to determine whether the material was sufficient to address the study questions, the researcher coded the data, distinguishing categories and characteristics that arose in the answers (Glenn Firebaugh, 2013).

Summaries of the relationships between various themes and variables were created while qualitative data was being analyzed.

RESULTS

Response Rate Presentation of tabulated data according respondent's response rate

Instrument	Target	Actual response	Response rate
Questionnaire	109	61	55.9
Interview	05	04	80
Total	114	65	135.9

Source Primary Data (2017)

Table 1 above presents the response rate from the study. The number of questionnaires distributed were 109 and 61 were returned making a response rate of 55.9%. Face to face interviews were carried out with the respondents; in total 04 respondents were interviewed. Creswell (2003) notes that a response rate above 50% of the target number is adequate

Findings on Background Characteristics

This section presents findings on demographic characteristics of the respondents is presented below

Sex characteristics of the Respondents

The gender characteristics of respondents were investigated for this study, and findings are presented in Table 2 below.

Valid	Frequency	Percentage
Male	28	45.9
Female	33	54.1
Total	61	100.1

Table 2 above: Summary statistics on the sex of the Respondents

Table above shows that the majority of the respondents were male (45.9%) and female were (54.1%). Although the sex findings indicated a discrepancy in favor of females, the study was representative of all sexes since both males and female were included in the study sample. This implied SMEs are equal opportunity employers.

Age of the Respondents

The study looked at age distribution of the respondents by age using frequency distribution. The results obtained on the item are presented in Table 4.3 below

Valid	Frequency	Rate
20-29	18	54.5
30-39	5	15.2
40-49	7	21.2
50 above	3	9.1
Total	61	100.0
MINIMUM= 21	MAXIMUM= 59	STANDARD DEV= 23.25
Kurtosis= 0.67		

Since standard deviation (23.25) lies within the minimum and maximum age, it means that age meets the measures of central tendency. However, comparing the Jarque-Bera value (0.67) with the significance level, since 0.67 is greater than 0.05, we reject the null hypothesis and conclude that the disturbance term is not normally distributed

From the above Table, the majority of respondents who took part in the study were between 20-29 years making a total percentage of 54.5%, 15.2% were between the age of 30 -39, those between 40-49 years were 21.2% and those that who were above 50 years were 9.1%. This indicated that all categories of respondents in reference to different age groups were represented in this study.

Respondents by Highest Level of Education the Respondents

The table 3 presents the summary statistics on highest level of education of the respondents.

	frequency	%
Bachelors	10	16.3
Diploma	13	21.3
Certificate	25	40.9
Others	12	19.6
TOTAL	60	98.4

Source: Primary Data (2017)

The breakdown of participants by highest level of education is seen in the table above.

Certificate holders made up the majority of respondents, accounting for 40.9 percent of the total, followed by diploma holders (21.3 percent), those with bachelor's degrees (16.3 percent), and dropouts (19.6 percent).

These findings show that the respondents were well-qualified and possessed the necessary abilities.

Also, the respondents were able to read, comprehend, and interpret the survey and provided pertinent answers.

Empirical Results on factors affecting the performance of Small and Medium Enterprises

In this section, the empirical results for each of the specific research objectives is presented, analyzed and interpreted with an overall goal of examining the factors affecting the performance of Small and Medium Enterprises. Objective one: business development and the performance of Small and medium Enterprises The items on business planning were structured basing on the objectives of the study. Items were measured on a five-point Likert scale where code 1 = Strongly Disagree, 2 = Disagree, 3 = Not sure, 4 = Agree and 5 = Strongly Agree.

Responses on the effect of the performance of small medium enterprises	Strongly agree	disagree	agree	TOTAL
No	8 24.46 40.06	2 12.59 18.00	10 62.95 66.92	20 100 40.00
Yes	17 38.41 50.04	30 51.09 60.00	3 10.5 20.08	50 100 60.00
TOTAL	25 34 100	32 40 100	13 26 100	70 100 100

Chi-square =7.67

Prob= 0.04

From the Table 4 above, a chi-Square test of tabulation of development of business (dependent), the effects of the performance of small scale enterprises (independent), the P-Value (0.04) is less than the alpha level (0.05) of significance which implies that it is statistically significant and therefore we conclude by saying that performance of small scale enterprises has a significant effect on the development of businesses.

Conclusions

In order to produce the study's recommendations, this part will give a summary of the study's key findings in relation to each research goal.

Three research questions were addressed by this study in order to offer solutions.

Based on the many research goals, which are shown below, research results were obtained;

The P-Value (0.04) is less than the alpha significant level (0.05) in Table 4 above, a chi-square test of the association between corporate development (dependent) and the impacts of small business success (independent), showing that it is statistically meaningful.

As a result, we come to the conclusion that small business success significantly affects business growth. The betterment on business planning in terms of operational planning, market planning, and operational planning, the higher the performance of SMEs in Masafu,

Recommendations the researcher recommended that;

Business strategy and SMEs' performance in Masafu were significantly positively correlated, according to the study's findings; the correlation was 0.688** and $p = 0.000$.

In order to successfully award construction contracts, best value planning, a process in which bidders start competing on the grounds of managerial and technical merit, past data and safety practices, the credentials of artisans, technological advance, economic wellbeing, or other variables, in addition to cost, is required.

Because most undertakings go over budget, deadlines must also be adhered to in order to avoid interruptions in the delivery of goods and the provision of services.

There should be efficient and effective checks and permission processes in place, as well as clearly defined payment methods.

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