



SEEK WISDOM, ELEVATE YOUR INTELLECT AND SERVE HUMANITY!



College of Business and Economics

**Department of Public Administration and Development
Management**

**“The Role of Local Government in Promoting Small Scale Business
in Addis Ababa City”**

By: Abraham Tesfaye

Advisor : Elias Birihanu (PhD)

**Thesis Submitted to The School of Graduate Studies of Addis Ababa
University in Partial Fulfillment of the Requirements for the Master’s
Degree in Public Management And Policy**

June, 2024

Addis Ababa Ethiopia

DECLARATION

I hereby declares that the master's thesis has submitted on the year 2024 for the Master of Public Administration and Policy degree at the Addis Ababa University College of Business and Economics' Department of Public Administration and Development Management, under supervision of Dr. Elias Birhanu , is an original work that I have been awarded. The thesis is titled "The Role of Government promoting for Small scale business in Addis Ababa City in case of Nifas Silk Lafto sub-city." To the best of my knowledge, it has not been submitted for consideration for any degree or other title similar to that in any other university, and all cited sources have been properly cited.

Name: Abraham Tesfaye Debela

Signature: _____

Date: _____

The thesis has been submitted for examination with my approval as university advisor.

Advisor's Name: Dr.Elias Birihanu

Signature: _____

Date: _____

Addis Ababa University

School of Graduate Studies

College of Business and Economics

Department of Public Administration and management

Letter of Approval

This is to certify that the thesis prepared by Abraham Tesfaye entitled “The Role of Local Government in Promoting Small Scale Business in Addis Ababa City “and submitted in partial fulfilment of the requirements for then Degree of Master of Art in Public Management and policy (MPMP) and complies with the regulation of the university and meets the accepted standards with respect to originality and quality.

Approved By Board of Examiners:

Department Head’s Name:

Name _____ Signature _____ Date _____

Advisor:

Name _____ Signature _____ Date _____

Internal Examiner:

Name _____ Signature _____ Date _____

External examiner

Name _____ Signature _____ Date _____

Acknowledgment

I want to express my sincere gratitude to my teachers for walking me through the courses over the previous teaching and learning sessions. I am particularly grateful to Dr. Elias, my advisor, for his encouragement and assistance. Additionally, I would like to express my gratitude to the Nifas Silk Lafto Sub city woredas 1 and 15 for their assistance with data collecting and for giving up their time for ten crucial interviews.

Lastly, I want to express my gratitude to the businesses that helped me by giving up their time for interviews and questionnaire completion.

Table of Contents

List of Contents	Pages
Acknowledgment	i
Table of Contents	ii
List of Figures	v
Acronyms	vi
Abstract	vii
CHAPTER ONE	1
INTRODUCTION	1
1.1. Background of the Study.....	1
1.2. Background of Nifas silk lafto sub city	3
1.3. Statement of the problem	3
1.4. Objective of the study	5
1.4.1. Specific objectives.....	5
1.5. Research questions.....	5
1.6. Significance of the study	5
1.7. The scope of the study	6
CHAPTER TWO	7
LITERATURE REVIEW	7
2.1. The concept of Small Scale business	7
2.2. Roles of Small Scale Business in the Economy	8
2.3. Role of government Policies to support Small business	11
2.4. The public sector as customer	12
2.5. The characteristics and challenges of small scale business in developing countries.....	13
2.6. What role local government can play promoting Small scale business	15
2.6.1. Financial assistance	15
2.6.2. Technical assistance	15
2.6.3. Training	15
2.6.4. An entrepreneur needs information.....	16
2.6.5. Industrial cluster development.....	16
2.6.6. Government and private sector procurement from SMEs.	16
2.7. Problems and challenges of small and medium enterprises	16

2.7.1. Shortage of raw material	16
2.7.2. Inadequate finance	16
2.7.3. Lack of managerial skills	17
2.7.4. Problem of skilled manpower.....	17
2.7.5. Inadequate credit assistance	17
2.7.6. Absence of adequate infrastructure	18
2.7.7. Access to Market	18
2.7.8. Regulatory Assistance.....	19
2.7.9. Support to local production systems.....	19
2.8. Challenges of local governments in promoting small scale business	20
2.9. Review of Related Empirical Studies	21
CHAPTER THREE	23
RESEARCH METHODOLOGY	23
3.1. Introduction	23
3.2. Research design	23
3.3. Research application	23
3.4. Source of data	23
3.4.1. Primary data collection	23
3.5. Data gathering instruments.....	24
3.6. Sampling design	24
3.7. Method of Data Analysis	25
3.8. Design Measurement Instruments	25
3.9. Validity and Reliability	26
3.10. Ethical Considerations	26
CHAPTER FOUR.....	27
RESULT AND DISCUSSION	27
4.1. General information about respondents	27
4.1.1. Gender of respondents.....	27
4.1.2. Age Category of respondents.....	27
4.1.3. Educational background of respondents.....	27
4.2. Respondents response analysis on the role of local government	27

4.3. Government role on building capacity and creating enabling environment for SMS establishment and sustainability	30
4.3.1. The Sub City Micro & small enterprises Development Bureau has played adequate role in creating a market linkage for small scale business.....	30
4.3.2. The Local government concerned office has created access for financial resource for small scale business establishment	32
4.3.3. The Local government of Addis Ababa has provided raw material access to reduce the increasing raw material cost impacts.....	33
4.3.4. The Local government of Addis Ababa has provided training before business establishment and running for SMS	34
4.3.5. The provided training above is directly relevant for the establishment and running of the small scale business	35
4.3.6. The Nifas silk Lafto Sub city has providing an area or facility (land or shelter for production of good) for small scale business.	36
4.3.7. Most small scale businesses are at risk of forced eviction or demolition or losing the facility due to the land to be claimed for other purposes.	37
4.4. Key Findings	39
CHAPTER FIVE	41
CONCLUSION AND RECOMMENDATION	41
5.1. Conclusion.....	41
5.2. Recommendation	42
References	43
ANNEXE 1	53
ANNEX 2	54
ANNEX 3	59

List of Figures

Figure 1. <i>based on the researcher analysis</i>	29
Figure 2. <i>based on the researcher analysis</i>	30
Figure 3. <i>based on the researcher analysis</i>	33
Figure 4. <i>based on the researcher analysis</i>	34
Figure 5. <i>based on the researcher analysis</i>	36
Figure 6. <i>based on the researcher analysis</i>	37

Acronyms

SSE:	Small Scale Enterprises
OECD:	Organisation for Economic Cooperation and Development
FDRE:	Federal democratic Republic of Ethiopia
EMSEDS:	Ethiopian Micro and Small Enterprises Development Strategy
GBSS:	Government Business Support System
LSEs:	Large Scale Enterprises
MSEs:	Micro and Small Enterprises
FeMSEDA:	Federal Micro and Small Enterprises Development Agency
MFI:	Micro Finance Institution
MSMEs:	Micro, Small and Medium Enterprises
OECD:	Organization for Economic Co-operation and Development
ReMSEDA:	Regional Micro and Small Enterprises Development Agencies
SMEs:	Small and Medium Enterprises
SMMEs:	Small and Medium Manufacturing Enterprises
TVET:	Technical Vocational and Educational Trainin
MoUDH:	Ministry of Urban Development and Housing
MSEDA:	Micro and Small Enterprises Development Agency
RDO:	Research Development Organization
AACMSEDA:	Addis Ababa city administration small enterprise development agency
OECD:	Organization for Economic Cooperation and Development

Abstract

The business environment for small and medium-sized enterprises has become increasingly complex, dynamic, and uncertain as a result of several constraints. As a result, businesses should collaborate with regional governments to strengthen their efforts to stay competitive in the market. To increase the flexibility and competitiveness of small and medium-sized enterprises, local governments must encourage small scale business initiative. This study, therefore, examined the role of local government in supporting MSMEs from commencement of their business and during running it. The study employed a mixed method approach using both quantitative and qualitative data. A total of people from the enterprises could be reached for this survey are 126. The finding of the study indicated that the government's involvement in enabling and supporting SMEs is crucial to their survival since it is a key decision maker on the provision of means of production such as land facilities. The government is the one that shapes the favourable or unfavourable environment that enterprise in a city face. In areas on which the government pays little attention to SMEs sector, then, the sectors have been prone to suffer and leading to many businesses being unable to survive. The government budget and technical capacity limitation also the challenge in the government side. Generally, all things considered, government has made a important effort to foster an atmosphere that encourages businesses to invest and support the national economy based on the available human as well as financial capacity. But still shows role limitation compared with the business demanding and expectations. So the local government need to strengthen its financial as well as institutional capacity to be able to play adequate promotional role for small scale business expansion and growth.

Keywords: Local Government, Small and medium scale business, competitiveness.

Chapter One

Introduction

1.1. Background of the Study

To date extensive evidence shows that growth of micro and small scale enterprises (MSSEs, hereafter) is a critical ingredient in sustainable development of developing economies (Mbugua et al. 2013). Government support not only to promotes quick access to resources but also supports SME's financial and non-financial at underdeveloped stages (Hansen, Rand, & Tarp, 2009).

The experience accumulated by other countries, like Poland or Germany, shows that the role of local authorities for SMEs development is rather significant. This is because the quality of the functioning of the whole system of support of entrepreneurship is determined regionally and locally. For instance, the local authorities of Poland put a lot of effort to coordinate the system of SMEs development support and to increase its quality. Germany, has an SME Advisory Board at the Federal Ministry for Economic Affairs and Energy made of independent experts. It focuses on the current situation and future economic prospects facing SMEs as well as professional services. German SMEs are considered the backbone of the German economy 99.6 per cent of all German firms were SMEs in the year 2015, creating 58.5 per cent of all jobs subject to social insurance contribution and 35.3 per cent of total sales of all firms in Germany. They constituted 54.9 per cent of net value added in Germany in 2015 (IfM Bonn 2016).

In Germany, KfW development bank plays a big role as State development banks could give credit to SMEs that have already been successful in all economic sectors, and such development banks could get privileged funding from the central bank. Interest rates could be relatively low and credit long enough for sound investments.

In many of the successful Southeast Asian countries, the state-owned postal banking system took on the important responsibility of financing companies, including SMEs (Stiglitz, Uy 1996 focusing and devoting time and resources to addressing SEMs challenges, African governments indirectly creating room for development through thousands of jobs to be created by SMEs thereby boosting individual country economic development and overall growth and poverty reduction (Adisa, Abdul Raheem & Mordi, 2014).

In Ethiopia, the importance of this sector is noticed on different documents like industrial policy, MSSE development strategy, and the growth and transformation plans I and II to accelerate growth and reduce poverty (Esubalew and Raghurama 2017). In the developed policies and also sectoral strategies small scale business has got special focus for generating employment and also seen as an emerging private sector, forming the basis for private-sector-led growth. (CSA 2006)

Ethiopian government formulated the country's first comprehensive micro and small enterprises development policy in 1997 which took in to account the experience of South Africa (Ebabu Engidaw 2021). Since then various strategies have been implemented to support the emerging sector. A revised strategy which further gives more focus to MSEs was formulated in 2011 (FDRE, 2011). The revised strategy is packed with various promotion and support packages, including facilitating access to markets (market linkages), provision of technical, financial management, marketing management, entrepreneurial and other trainings, and improving access to finance and working premises.

The Ethiopian government saw the small company sector as crucial to laying the groundwork for the development of an industry-led economy, in addition to providing jobs for urban unemployed people.

Given the significance of small businesses to the Ethiopian economy and the risks they face, research is required to determine the role the government and how stakeholders and participants in small business perceive it, and the difficulties posed by local government role limitations, if any. This research can also help identify potential solutions for the problems at hand and encourage other researchers to get involved and work toward better research outcomes. The Ethiopian government saw the small company sector as crucial to laying the groundwork for the development of an industry-led economy, in addition to providing jobs for urban unemployed people.

Given the significance of small businesses to the Ethiopian economy and the risks they face, research is required to determine the role the government has been playing, how stakeholders and participants in small business perceive it, and the difficulties posed by local government role limitations, if any. This research can also help identify potential solutions for the problems at hand and encourage other researchers to get involved and work toward better research outcomes.

1.2. Background of Nifas silk lafto sub city

Historically, Addis Ababa was founded in 1887 by emperor Menilik II and Empress Taitu. Addis Ababa was chosen as the residence of the emperor because of its thermal spring at a spot known as Filweha. In terms of climate, its average elevation is 2,500 meters above sea level, and has a fairly favourable climate and moderate weather conditions.

Geographically, the city is located between 8055' and 9005' north latitude and between 38040' and 38050' east longitude, while its total area is 54,000 hectares with a total population of more than 3 million. Besides, for political and administrative reasons, the city is made to be structured at three layers of government: city government at the top, 11 sub-cities administrations in the middle and 116 woreda level administrations at the bottom (AACMSEDA, 2011:42). Specifically, the study area covers Nifas Silk lafto sub-city.

Nifas Silk Lafto Sub-city is one of among the eleven sub-cities in Addis Ababa with a land area of 5876.02 hectares and this constitutes 11.31% of the total land area of the city which makes the sub-city in 5th place in area size amongst 11 sub cities. Nifas Silk Lafto Sub-city is located in the South-West edge of Addis Ababa. The Sub-city is bounded by Kolfe Keraniyo Sub- city in the North-West, by Bole and Akaki Kality Sub-cities in the East, by Lideta and Kirkos sub-cities in the North and Oromia regional state in the South. It is characterized by moderately downslope type of topography with noticeable elevation difference landscape around river gorges in some areas. Generally speaking, in the sub-city, the altitude ranged from 2074 to 2485 meters above sea level which has a range of 411 meters. At present, the sub city is divided in to 12 Woredas, 128 sub Woredas, 397 sefers and 1059 blocks. In terms of absolute location, the sub city lays at 8057'' 41'' North to 38043'' 39'' East (AACAILIC, 2014). Among the 12 Woredas in Nifs Silk Lafto, the lager area is covered by Woreda 01 with 2592.83 hectares that is 44.12 % of the sub city land area. And Woreda 08 covered the smallest land area of 10.84 % of the sub city land area.

1.3. Statement of the problem

Experience shows that, while many MSE start-ups may survive, many others fail in a few years leaving only a small percentage to grow into medium and large enterprises. Nevertheless, MSE operators still serve as the most important pool of growth oriented investors engaged in developing entrepreneurial attitudes and skills. For example, if there are half a million MSEs,

and 99% are not able to develop into medium or large enterprises or fail completely, this still means that 1% - or 5,000 – become medium sized enterprises, and eventually may become large scale businesses. (FDRE).2005.) MSEs should be recognized as incubators of developmental investors.

Micro, small and medium enterprises (MSMEs) are one of the important sectors and play a significantly important role in contributing to economic growth, with a major share of employment in Ethiopia. According to the MSEs Strategy document of 2011, the strategy devises not only reducing poverty through employment in urban areas but also nurturing entrepreneurship and laying the foundation for industrial development by the transition of small scale business to medium size level enterprises (FMSEDA, 2011).

Based on the strategy the regional governments of the FDRE have entitled to cascade the strategy and implement at the zonal and district/urban levels

However, such government incentive initiatives were not yielding the desired result due to overbearing bureaucratic procedures, corruption, insufficient and ineffectual infrastructural amenities, and inconsistent government policies as some of the challenges faced by small scale businesses in Ethiopia (MUDC, 2013; Assefa, ,2014). The empirical studies have also indicated the major challenges which seem to affect performance of small scale businesses in Addis Ababa. This study will focus on mainly on the opinion of the respondents regarding the adequacy of the promotional role of the local government for small scale business based on selected key areas of support the local governments mandated and can play compared with some countries which can be used as a benchmark. The findings can assist academicians in broadening of the prospectus with respect to this study by providing a deeper understanding of the government role for small scale business. It may also serve as a base for further detail study on the sector for those who want to proceed with this idea and other arguments related to this study as well.

1.4. Objective of the study

The main objective of the study is to assess the role of government in promoting small scale businesses in Addis Ababa, with particular inclination to Nifas silk Lafto Sub city.

1.4.1. Specific objectives

- To investigate the local government supporting scheme on promoting the development of small scale business in Addis Ababa in general and in Nifas silk Lafto Subcity in particular.
- To evaluate the challenges encountered by the small businesses under investigation in relation to the lack of local government promotion assistance.
- To evaluate the challenges in implementing local government initiatives for the growth of small businesses.

1.5. Research questions

The major research questions answered by this research paper are:

1. What are the local government supporting scheme on promoting the development of small scale business in Addis Ababa in general and in Nifas silk Lafto Subcity in particular.
2. What are the difficulties encountered by the small businesses under investigation in relation to the lack of local government promotion assistance?
3. What are the difficulties in implementing local government initiatives for the growth of small businesses.

1.6. Significance of the study

The findings can assist academicians in broadening of the prospectus with respect to this study by providing a deeper understanding of the government role for small scale business. It may also serve as a base for further detail study on the sector for those who want to proceed with this idea and other arguments related to this study as well. Apart from its contribution to the existing literature, the findings from this study can be used as inputs by policy makers in formulating policies and strategies regarding SSEs. The findings may enlighten policy makers regarding the roles of government support schemes, entrepreneurs' motivations and competition on the growth of micro and small manufacturing enterprises and take corrective measures accordingly.

The results of this study assist small-scale business owners in Addis Abeba City in better understanding government promotion schemes, identifying their vulnerabilities in gaining access to government assistance programs, and taking appropriate remedial action.

1.7. The scope of the study

The study will focus on three sectors of small scale business, namely Construction materials producers such as blocket , wood work and Metal works which are the dominant sectors of the subcity. This study will not incorporate other sub-sectors because of time and financial constraints. The study concentrates on manufacturing sector because it has a strong contribution for the economy of developing countries than other sectors . Although the study is restricted only to manufacturing sector, its findings are expected to somehow reflect some of the common features of other sectors since some of the challenges exhibited in manufacturing sector of Small scale business are also observed on others.

Chapter Two

Literature Review

2.1. The concept of Small Scale business

SME has no standard definition. SMEs have been identified differently by various individuals and organizations, such that an enterprise that is considered small and medium in one country is viewed differently in another country. Some common indicators employed in the various 11 definitions include total assets, size of the labor force employed, and annual turnover and capital investments (Baenol, 1994).

The Committee for Economic Development Standard identifies a business as small if the management is independent, capital is supplied and ownership is held by an individual or small group of people, the horizon of operation is mainly local, and considered small when compared to the biggest unit in its field of operation.

According to Gebreeyesus (2009 cited from Dababneh and Tukan, 2007), the characteristic of MSEs not only reflects the economic patterns of a country but also the social and cultural dimensions. These differing patterns are noticeably reflected within different definitions and criteria of MSEs adopted by different countries: whereas some refer to the number of employees as their distinctive criteria for MSEs, others use invested capital, and some other use a combination of the number of employees, invested capital, sales and industry type. Rigorously defining small business has always been difficult, even controversial.

Gebrehiwot regarding traditional approaches to MSE development as it relied on direct and subsidized provision of financial and non-financial services. The disappointing outcome necessitated a search for more effective ways. The new approach, takes individuals' "creativity, drive and commitment", rather than government actions, as the key in setting up, operating and developing businesses. It also recognises that the wider social, economic and institutional context, over which government has control affect the conditions that enable and/or constrain entrepreneurship. It emphasises three areas: business environment, financial services, and business development services (BDS). Some aspects of the required environment are common for all firms, small and large alike. These include: stable macro-economy, openness in trade and investment, competitive financial sector, developed physical (transport, warehousing, port

facility, communication) and social (education and health) infrastructure” (Hallberg 1999). Others aspects are specific to MSEs”.(Ethiopian Journal of Economics, Vol X No 2, October 2001).

2.2. Roles of Small Scale Business in the Economy

The small business sector is recognized as an integral component of economic development and a crucial element in the effort to lift countries out of poverty (Wolfenson, 2001). Small-Scale businesses are driving force for economic growth, job creation, and poverty reduction in developing countries. Further, small scale business has been recognized as a feeder service to large-scale industries (Fabayo, 2009)

According to Shokan (1997), some of the roles small scale businesses play in the economy include are summerized in to five areas :

1. SSBs help in the generation of employment. In most emerging economies, SSBs account for a large proportion of firms and a large share of the employment (Safiriyu & Njogo, 2012).
2. SSBs bring about new goods and services and supply the needs of large enterprises, which have to depend on small scale businesses for their own success.
3. They encourage the development of local manpower as well as increasing indigenous participation in the manufacturing sector.
4. Rural-urban migration is abridged through the creation of SSBs in rural areas. They check the effect of divergence by a premeditated and orderly development of rural areas
5. SSBs aid the mobilization of resources in their area of operation; thereby, increasing the living standard of the population.

According to Rwigema and Karungu (1999), SMEs are dominant in numbers in most economies. In First World countries like the United States of America and the United Kingdom, small enterprises play an important role in the economy, accounting for an estimated one third of industrial employment and a lower percentage of output. In Third World countries where SMEs dominate economically active enterprises, the SMEs prosperity is considered far more important than in First World countries (Rwigema and Karungu, 1999).

The activities of SME enterprises in Africa (Rogerson, 2001a), is of vital importance for the promotion of economic growth, job creation and the mitigation of poverty. However, research conducted on SMEs in Africa by Mead and Liedholm (1998) confirmed that on average, there are more SME closures than expansions, with approximately only 1% of micro enterprises growing from five or less employees to ten or more. It has long been debated that SMEs are pivotal to employment creation and economic growth, particularly in countries such as South Africa that has a high unemployment rate, estimated at up to 40% (Friedrich, 2004; Watson, 2004), cited by (Smit and Watkins 2012).

According to the study conducted by Behrman J. R., and Deolalikar .A. B, (1989); Khan and Manopichetwattana, (1989), with rapid growth in population, African countries have been experiencing the problem of large size of unemployment through its economic history since indeterminate time in the past. Because of this fact, the problems of unemployment and poverty have been the prime challenges that many governments have tried their best to alleviate these challenges at all levels, Chrisman and Leslie, (1989)

Although the SME sector is responsible for 75% of new jobs, largely due to the emergence of new micro enterprise formations, it compares poorly to Asian countries where SME employment contribution is estimated at 80% (Friedrich, 2004; Watson and Godfrey, 1999).

Small-scale industries can mobilize a good amount of savings and entrepreneurial skill from rural and semi-urban areas remain untouched from the clutches of large industries and put them into productive use by investing in small-scale units. Small entrepreneurs also improve social welfare of a country by harnessing dormant, previously overlooked talent. (Mohammed 2016)

Small entrepreneurs stimulate a redistribution of wealth, income and political power within societies in ways that are economically positive and without being politically disruptive. Thus small-scale industries ensures equitable distribution of income and wealth in the Ethiopia society which is largely characterised by more concentration of income and wealth in the organised section keeping unorganised sector undeveloped.

The use of indigenous resource which involves very low capital to set out the small scale industry allows for conversion of minimal resources into productive ventures. Also, small scale

industries are known for their creativity in the utilization of local raw materials that do not necessitate advanced technology to process.

In a developing country like Ethiopia, the role and importance of small-scale industries is very significant towards poverty eradication, employment generation, rural development and creating regional balance in promotion and growth of various development activities. This clearly shows the importance of small-scale industries in the economic development of the country. The small-scale industries have been playing an important role in the growth process of economy. In spite of, stiff competition from the large sector and not very encouraging support from the government.

According to Mohammed (2016) the basic problem that is confronting the Ethiopian economy is increasing pressure of population on the land and the need to create massive employment opportunities. This problem is solved to larger extent by small-scale industries because smallscale industries are labour intensive in character. They generate huge number of employment opportunities. Employment generation by this sector has shown a phenomenal growth. It is a powerful tool of job creation. (Mohammed May 2016).

In light of this, Micro and Small Enterprise Development Program in Ethiopia has been given due attention by government since 2004/2005. Until 2004/2005, the national strategy was implemented by Federal MSEs Development Agency organized only at national level. Because of this, it was very difficult to make the strategy practical specially in delivering business development service for MSE operators. Thus, by considering the critical role of the sector and the challenges faced by MSE operators since 2004/2005 the government of Ethiopia decided to establish MSEs coordinating body at the regional level.

The role of Micro and Small Enterprises (MSEs) is indispensable in poverty reduction through employment generation. Cognizant of this, a national MSEs Development Strategy was formulated in 1997. Ethiopia's MSE Policy envisages not only reducing poverty in urban areas but also nurturing entrepreneurship and laying the foundation for industrial development. The strategy revised in 2010/11 was with renewed interests and more ambitious targets on employment and number of entrepreneurs and transition to medium size level (Addis ReMSEDA 2009a, Addis ReMSEDA 2009b).

2.3. Role of government Policies to support Small business

Government policies have great influence on economic development of any country. SMEs are great source of economic development, income generation and job creation in an economy. Government policies are key elements that influence the success and performance of SMEs (Jasra et. al, 2011). Thus, it is essential that administration should support and initiate such projects for SMEs, with the goal that should have a sustainable development of the economy. Mostly governments are determined and focused to support the SME industry, to have a steady economy (Ganbold, 2008). Governments are generally keen to help the SMEs from that extent where they can't generate funds for their profitable projects, in addition governments are interested in supporting innovative ventures, which is one area where SMEs generally exceed expectations, and also keen to support the SMEs growth due to their job creation. Recently, with the support of government projects for SMEs in many countries, it has turned out to be progressively conceivable to offer such mixture of tools to SMEs having low credit ratings and insignificant financing needs than what might be in actual in private capital markets (Demirgüç, 2006).

Designing and implementing appropriate economic policies, strategies, and legal and regulatory framework are prerequisites for creating an enabling environment to promote MSEs. In Ethiopia it could be argued that deliberate effort to promote MSEs is relatively recent. In line with its ideology, policies and regulations of the Derg regime aimed at curtailing (if not eliminating) the private sector. Restrictive policies such as fixing a ceiling on industrial capital, introducing one man-one license rule, favouring state/parastatal organizations in availing foreign exchange and bank loans, limits on single borrower loans¹, restrictions on license and investments, absolute priority given to the public sector in access to trained qualified manpower, etc. were in place. In general, the legal requirements to obtain licenses during the Derg were bureaucratic which discouraged the participation of micro and small enterprise operators.

Following the regime change in 1992, drastic measures, intended to transform the command economy to a market-led one, many of which are bound to affect MSEs, were taken. The main

macro economic reforms and restructuring that, directly or indirectly, affect the development of MSEs include: adoption of market economic policy; deregulation of domestic prices; devaluation of the local currency; privatisation of public enterprises; decentralization and devolution of power and the formation of regional states; formulation of a new labour law; financial sector reforms including the opening of private banks, insurance companies and microfinance institutions. The reforms also included the monetary management and liberalization of interest rates and foreign exchange market; fiscal policy reform including tax reform, budgetary restructuring and reduction of government deficits; introduction of investment laws to encourage private (both domestic and foreign) investment; liberalization and promotion of foreign trade; and promotion of favourable economic environment and bilateral, regional and multilateral international relations. There are also MSE focussed measures including the issuance of the National Micro and Small Enterprises Strategy (1974)² and establishment of the Federal Micro and Small Enterprises Development Agency.

Taken at face value, it would appear that these measures would go a long way in promoting MSEs in the country. However, a study by the ECA (2001) concluded that countries such as Cameron, Ethiopia, Gabon, Nigeria, Senegal and Uganda have shown that the policy environment in which MSEs operate proves to be a major handicap for their expansion and growth. The same study reveals that the complexity of the customs system and the many forms and declarations required have had a negative impact on the general business climate, diverting entrepreneurs' efforts from more productive tasks. The tax levied on imported raw materials is often higher than that on imported finished products that use the same raw materials. The result is a substantial increase in the production cost of MSE operators that require highly taxed imported inputs, thereby limiting their competitiveness. In Ethiopia, the infrastructure was also evaluated as particularly disabling.

2.4. The public sector as customer

Contributions on this aspect are broadly in agreement that public sector organisations are seen to be attractive customers (Loader, 2005), and a number of positive attributes are recognised in the

literature. An important dimension for small suppliers has been the stability provided by public sector ,although in the current uncertain economic climate it is likely that this benefit will be challenged. Peck and Cabras (2011) note, however, that small suppliers are willing to accept a trade-off, sacrificing some stability for a reduction in the cost burden imposed by the bureaucracy of the procurement process. Other benefits reported include the associated prestige of supplying government organisations (Loader, 2005; Michaelis et al, 2003), the certainty of payment (Loader, 2005), and the security and continuity of work (Loader, 2005). Such low participation is worrying for government and the small business sector and requires investigation. The same survey elicited that contributory factors to the low level of participation include a lack of knowledge about opportunities and that SMEs see the public sector as a more troublesome customer than the private sector, citing issues such as the formality of the environment and slow payment. These represent barriers. which will be discussed more based on the finding later in this research paper.

2.5. The characterstics and challenges of small scale business in developing countries

There is growing recognition of the important role small and medium enterprises (SMEs) play in economic development. They are often described as efficient and prolific job creators, the seeds of big businesses and the fuel of national economic engines. Even in the developed industrial economies, it is the SME sector rather than the multinationals that is the largest employer of workers (Mullineux, 1997). Interest in the role of SMEs in the development process continues to be in the forefront of policy debates in most countries.

Various types of SMEs such as village handicraft makers (weaving, embroidery etc), potteries, dying, small machine shops, restaurants, knitting, small dairy process etc, are, therefore, becoming increasingly important to economic development of developing nations. For example between 1990 and 1995, an average of 84 out of 100 new jobs in the region were generated by micro enterprises in Latin American countries. (Orlando & Pollock, 2000).

SMEs represent over 90% of private business and contribute to more than 50% of employment and of GDP in most African countries (UNIDO, 1999). Small enterprises in Ghana are said to be a characteristic feature of the production landscape and have been noted to provide about 85% of manufacturing employment of Ghana (Steel and Webster, 1991; Aryeetey, 2001).

A 1992 study by the Ghana Statistical Service revealed that nearly 93 percent of all registered businesses in Ghana are of the SME category. The National Board of Small Scale Industries (NBSSI) defines SMEs as enterprises that employ no more than 29 workers, with investment in plant and machinery (excluding land and building) not exceeding the equivalent of \$100,000. Small enterprises in Ghana are said to be a characteristic feature of the production landscape and have been noted to provide about 85% of manufacturing employment of Ghana (Steel and Webster, 1991; Aryeetey, 2001).

SMEs are also believed to contribute about 70% to Ghana's GDP and account for about 92% of businesses in Ghana. Similarly, in the Republic of South Africa, it is estimated that 91% of the formal business entities are Small, Medium and Micro Enterprises (SMMEs) (Hassbroeck, 1996; Berry et al., 2002). They also contribute between 52 and 57% to GDP and provide about 61% of employment (CSS, 1998; Ntsika, 1999; Gumede, 2000; Berry et al., 2002).

In Nigeria the growing rate of small businesses is characterized with high rate of unemployment and the increasing rate of graduates from different institutions without correspondent employment opportunities and consequently, the society is gradually getting to the stage where the average graduate is willing and ready to go into business (Ahmed, 2006). Small scale enterprise is usually managed in by the owners or relatives of the business. Most of the ownership structure being sole proprietorship and partnership. The sources of fund are majorly from the owners' savings, borrowing from friends, relatives and banks (Ekpenyong and Nyong, 1992). In Nigeria, government also provides soft loans to the small scale businesses.

Another major characteristic of small-scale enterprises in Nigeria is the difficulty they experience in raising adequate capital for their businesses (Adeyemi, 2014). External sources are difficult to be assessed from finance houses and banks. Even where the banks agree to provide fund for these businesses, the conditions or collateral for these loans are always difficult to be met by the business owners. Small enterprises with a small capital base tend to use the informal financial institutions. Chukwuemeka (2006) pointed out that about 80% of small enterprises are not thriving as a result of poor financing and other problems associated with it. Therefore, small businesses are often found in certain areas of the sector particularly due to their financial ability, and human resource capabilities and opportunities presented by the economy and not necessarily because of their passion or expertise (Adeyemi, 2014).

SMEs therefore have a crucial role to play in stimulating growth, generating employment and contributing to poverty alleviation, given their economic weight in developing countries.

The Ethiopian existing 2021 to 2030 ten years plan has six strategic pillars: Ensure quality growth, improve productivity and competitiveness, undertake institutional transformation, ensure private sectors leadership in the economy, ensure equitable participation of women and children, build climate resilient green economy. But the role of small and medium scale business is in focusing areas under manufacturing sector.

2.6. What role local government can play promoting Small scale business

According to Henry Rwigema & Peter Karungu³, has summerized how SME can be assisted to play important role the local economy of then country:

2.6.1. Financial assistance

Finacial assisitance is one option, including micro-finance. While main-stream financial institutions shun survivalist firms, an important innovation has been to replace traditional collateral requirements with group liability, as in Bangladesh (Grameen Bank) and the Banco Sol in Bolivia, where recovery rates exceed 95 per cent (Mitra, 1995). These institutions provide working capital ofabout R500 for the poor to start their own micro-enterprises, ie those employingfewer than five people, with a turnover below R150 000 annually and gross as-sets of up to R100 000. The financing needs of SMMEs range from start-up capi-tal, equity finance and short-term working capital to overcome unforeseen short-falls, to special finance for specific purposes, eg diversification and re-engineering.

2.6.2. Technical assistance

Technical assistance is needed for aspects such as information on changing markets and technology.

2.6.3. Training

Training may involve on the job coaching or classroom instruction on virtually any relevant aspect. This helps to build skills and boost entrepreneurial confidence (De Kadt, 1976; Echtner,1995).

2.6.4. An entrepreneur needs information

Information on service suppliers, availability of training, product opportunities, design and packaging, raw materials and machinery suppliers, research and development, distribution channels, legal issues and other services. Newsletter-type information could be provided to small business organisations as a public service.

2.6.5. Industrial cluster development

This is widespread in many countries. It involves small-scale factories located together for easy access, the rent of which is usually subsidised. They facilitate economical provision of business services (information, advice and training) at centralised locations. In India, Japan, Korea, Taiwan, Italy and Sweden, clusters have nurtured close linkages between different sectors (Mitra, 1995: 13).

2.6.6. Government and private sector procurement from SMEs.

In India, for example, 412 different types of items purchased by the government and government sector are sourced exclusively from village and small-scale industries. In the United States, the Small Business Administration has a 'set-aside programme' under which certain requirements are provided by small firms. It also provides information on markets and buyers to small enterprises on a daily basis (Mitra, 1995).

2.7. Problems and challenges of small and medium enterprises

2.7.1. Shortage of raw material

Procurement of raw materials of required quality, and quantity competitive price is the most serious faced by this sector. Though the institutional arrangements regard to the allocation mechanism often work against the interest of these. This is more pronounced in the case of scarce raw materials that have to be imported. Besides, frequent interruptions in the availability of essential raw materials prevent fuller and economic utilization of productive capacity of small units (Simon, Ken and Stan, 2003).

2.7.2. Inadequate finance

It is more difficult for SMEs to get affordable, adequate and long-term credit than it is for bigger firms (Beck 2007) First, refinancing costs for banks in developing countries are usually much

higher than in developed countries. Second, capital exports reduce opportunities for credit expansion in domestic currency hird, the lack of collateral keeps interest rates especially high and credit supply low for SMEs. Fourth, sometimes credits to SMEs are too small to be attractive for banks. Finally, banking systems are in many cases inefficient and need high interest rate spreads.⁴

In order to supplement the institutional finance micro and small enterprises have to approach the unorganized money market at terrible heavy rates of interest or on suppliers credit on exceedingly unfavorable terms Private finance, ultimately spoil the unit and cause for sickness in the small business (Balu, 2000).

2.7.3. Lack of managerial skills

Small business are owned by one person or small group of people and managed by their owners, who with all management usually with the other little help. In our country most of micro and small enterprises launched without a feasibility report. Moreover, wherever such reports were prepared, the purpose was to use them as advice to obtain institutional finance than to serve as a plan to make the unit a success.

2.7.4. Problem of skilled manpower

The success of a small enterprise revolves around the entrepreneur and its employees, provided the employees are skilled and efficient. Because of inefficient human factor and unskilled manpower create innumerable problems for the survival of small industries. Non-availability of adequate skilled manpower in the rural sector poses problem to small-scale industries.

2.7.5. Inadequate credit assistance

Adequate and timely supply of credit facilities is an important problem faced by small-scale industries. This is partly due to scarcity of capital and partly due to weak creditworthiness of the small units in the country. MSEs at the start-up stage are required to save 20% of the loan within six months. For those who cannot afford saving 20% from their own sources or from their parents, the government provides them with job opportunities to raise seed money. Coble stone work is a good example. Second, similar to start-up enterprises, growing MSEs that are engaged

in priority sectors are expected to save 20% of the credit within six months. However, growing enterprises that are involved in export activities are obliged to save only 15% of their credit demand. On the other hand those growing MSEs that are neither engaged in export nor in priority sub-sectors are forced to save 25% of their credit need within six months.(Assefa, Abebaw , and Biruk ,2014)

2.7.6. Absence of adequate infrastructure

Thus absences of adequate infrastructure adversely affect the quality, quantity and production schedule of the enterprises which ultimately results in under-utilization of capacity. The Ethiopian Development Research Institute has also include access to working space not only shortage, working spaces are built arbitrarily – for example, they are far from industrial zones. Market linkage may become easier if MSE are located near medium and large enterprises or industrial zones in general. MSEs can benefit from proximity to industrial zones.(Assefa, Abebaw , and Biruk ,2014)

2.7.7. Access to Market

One of the major challenges that hampers the growth and development of MSEs in Ethiopia is access to sufficient and sustainable market. From our consultation meetings with various stakeholders we identify the following support packages that the government is implementing towards mitigating this challenge.

The government tries to solve marketing problems in at least three ways: firstly, the government itself buys goods directly from MSEs. Federal Public Procurement Administration Agency has set a rule that enforces public institutions to source certain portion of their annual procurement from MSEs. That is, MSEs are given priority in government procurements. Secondly, the government tries to link MSEs with large and medium enterprises in the market in the form of subcontracting and input suppliers. The FEMSEDA has introduced a new directive on franchising, sub-contracting and out-growth linkage with large and medium enterprises. For instance, in condominium housing construction projects, 40% of the construction works mainly involving finishing such as sanitary, electric installation and other finishing works are given to MSEs. In addition, MSEs are involved in the national road construction projects particularly in the construction of feeder roads. Moreover, MSEs are taking part in power generation program

that is undertaken by the Ethiopian Power Corporation; and there are similar efforts to involve MSEs in the country's mining sector.

2.7.8. Regulatory Assistance

Ideally, a local government's regulatory processes, like permitting and zoning, exist to guard against detrimental development, preserve local assets, and safeguard citizens. Regulatory processes, however, can also present barriers to small businesses that do not have the time or resources to navigate bureaucratic steps (McFarland & Seeger, 2010). Governments can, given their powers, have considerable influence over the entrepreneurial process by stifling the efforts of those attempting to start a new business. This may be done through onerous bureaucratic requirements, complex regulations, or merely slow reaction to requests for decisions required to form a new business. (Reynolds et al., 1994, p. 452). In addition to choose the locations Policy formulation and strategic development of SMEs is literally controlled by central authorities and do not allow participation of owners who run their business in this sector (HAGOS, Yared and Haftay,2012).

2.7.9. Support to local production systems

These are based on the idea that individual firms benefit from agglomeration externalities and coordination. For instance, consider a project in a region specialized in a given sector providing incentives for firms to act collectively (such as training, joint purchases, or joint certifications). Economic theory suggests that formal firms might act together to capture collective externalities, experience mutual growth, and impact local economic performance (Sanusi, 2003). According to Simpson et al., 2012, a successful project that allows firms to benefit from positive externalities generated by collective actions would affect outcomes such as employment and regional growth through: i) the establishment of collective agreements, and ii) specific outputs from collective action. The resulting causal chain is as follows: firms will organize around a common goal, enabling them to capture positive externalities from collective actions. Collective actions are expected to generate intermediate outputs that allow firms to achieve higher levels of productivity and employment and, in turn, positively impact regional economic performance. Interventions related to agglomeration economies also relate to value chains, networks, or clusters (ibid)

2.8. Challenges of local governments in promoting small scale business

In a decentralized system of government as in Ethiopia, local governments exercise considerable autonomy, as well as various roles and functions intended to increase accountability and responsiveness of government services to local performances (Roxas, et al., 2009). They are expected to assume a leading role in a local economy by developing various forms of interventions to attract business to invest in the local area and enhance the performance of the existing firms. The government support policies for MSMEs vary from country to country and from developed economies to developing nations due mainly to the level of industrialization, cultural differences and business context (Ibrahim, et al. 2016). Governments of most countries, especially developing countries have invested so many efforts and resources in establishing policies geared toward improving entrepreneurship and MSMEs (Nguyen Hoang Quy, 2016; Shariff et al., 2010). However, previous studies indicated that overall government supports for SMEs are not impressive in Sub-Saharan Africa including Ethiopia, in cases where such programs exist, they are under-utilized (Fatoki, 2012)

In Ethiopia, the incumbent government has geared its efforts towards the development of MSMEs. Several policy

measures and financial support instruments were introduced. The government over the years demonstrated its commitment to support the development of MSMEs through various initiatives including financial and industrial policy measures. In addition to this, urban development policy, industry development strategy and both the old and new Micro and Small Enterprises Development Strategies of the government show the supports enterprises receive from local government bodies have a role on their performance. However, such government incentive initiatives were not yielding the desired result due to overbearing bureaucratic procedures, corruption, insufficient and ineffectual infrastructural amenities, and inconsistent government policies as some of the challenges faced by MSMEs in Ethiopia (MoUDC, 2013; Assefa, ,2014).

There is no doubt that SMEs are seen as the the engine that power the economic engine of growth, employment creation, and poverty reduction (among other things), as their operations and investments cover every aspect of economic and business activities. If SMEs capacity is not enhanced through empowerment programs, this will remain untouched and unproductive.

The past programmes initiated by the Government used to promote SMEs operations and to alleviate poverty and the likes had either failed out rightly or yielded no significance result, due to poor implementation, lack of good mission and vision, inappropriate planning system, inadequate funding system, corruption and political sabotage (Abdullahi., 2015). The obstacles and constraints that affect SMEs from not performing well in order to provide high expected employment opportunity and to reduce poverty in the country are poor or inadequate financing system, poor state of infrastructure, corruption, weak or inconsistency Government policy, poor strategic planning system and multiple tax charge among others(ibid)

Mago and Toro, 2013 conducted a research on South African government's support to small, medium micro-enterprise (SMMEs) and the study found that programs have fallen short of their objectives of providing financial and non-financial services to SMMEs. It is generally agreed that the originally well-intentioned support programmes focus on the main SMME constraints, but suffer from sub-optimal implementation. Contrary to such perceptions, however, the incapacity of support institutions to persuasively raise awareness of their existence and effectiveness explains the low usage of programmes better than their poor implementation.

2.9. Review of Related Empirical Studies

Maunganidze (2013) focused on the role of the government on the establishment and development of small and medium enterprises (SMEs) in Zimbabwe. It identified that a great number of provisions and policies concerning these enterprises are politically motivated and are talk shows, especially when election period is near and agencies created by the government towards SMEs development are not adequately financed by the treasury. Adebisi and Gbegi (2013) examined the effect of multiple taxation on SMEs survival in Nigeria and revealed that multiple taxation has negative effect on SMEs' survival and the relationship between SMEs' size and its ability to pay taxes is significant. The study suggested that government should implement uniform tax policies that will favour the development of SMEs and put the size of SMEs as a criterion when setting tax policies.

Mobolaji conducted a study on the impact of SMEs on economic development in Nigeria (1980-2008) (Adefeso, H. A., & Mobolaji, H. I. (2010). *The Fiscal-Monetary Policy and Economic Growth in Nigeria: Further Empirical Evidence*. Employing a time series econometric approach, the study found that though SME is a catalyst for development and its impact on the

development path in the country is still negligible. The study suggested that the poor performance of SMEs may be due to inadequate funding facilities, low education level and poor government support amongst others. Ekot (2010) adopted the survey design focused on small business ownership and management in Uyo , Akwa Ibom State, Nigeria and identified that lack of funds and interest by the young and literate people to undertake small businesses and poor government and institutional support constitute part of the problems plaguing small businesses in Uyo metropolis and Akwa Ibom State generally.

According to Stephen and Wasiu (2013) the transformation of traditional industries is one of the contributions of small scale industries to the growth and development of the country. In short the modern sector has evolved through structural transformation and modernization of the traditional type-cottage or artisan industry. Small scale industry can be a means of achieving a smooth transition from tradition to modern industrial sector. Study made by Fabayo (1989) observed that one major claim for focus on SMEs is that they are large employers of labor and this makes them vital in coping with the problems of unemployment and poverty. According to him, strong evidences based on country and regional experiences exist to show that small firms are major source of employment opportunities for a wide cross-section of the workforce: the young, old part-time workers and the cyclically unemployed. According to the studies conducted by Ibrahim (1986),\ provide evidence that management skills are critical factors in both the failure and success of businesses (Lichtenstein & Brush, 2001). They illustrate that accounting, cash flow, and marketing need management skills and lack of them is a major cause of failure. Weaknesses in these areas are found to impact on all other areas of the business. A lack of management skills and expertise is a major constraint hindering the progress of the SME sector in Kenya. A study conducted by Bhavani (2010) highlights the issue of quality employment generation by the SSIs and negates the short term attitude of increasing the volume of employment generation compromising with quality. The author argues that employment generation by the SSIs may be high in quantitative term but very low in quality. Technological up-gradation would enable the small firms to create quality employment improving remuneration, duration and skill.

Chapter Three

Research Methodology

3.1. Introduction

The primary quest of this study is to assess the role of government in promoting small scale businesses in Addis Ababa , taking the experience from Nifas Silk Lafto Subcity selected woredas. The study used a sampling based survey methodology, which includes a questionnaire, field observations, and key informant interviews in the study , is better suited to a survey design (Creswell, 1994).

3.2. Research design

This study adopted a descriptive research design and took a quantitative approach to collect and analyse data. The descriptive research design has been used in this study to describe respondents’ perceptions of the role local administration for their small businesses establishment and running . The quantitative approach is chosen because data is gathered using questionnaires and the results are based on a large sample .

3.3. Research application

Under quantitative part involves the generation of data from questionnaires in quantitative form which can be subjected to Excel based quantitative analysis using percentiles in a formal and rigid fashion. In constructing the questionnaire, Likert-scale with a five-point options and the rating scale will be adopted; thus, allowing opinions of respondents to be score their opinion on a scale of 1 to 5. The responses on the questionnaire is to be restricted to Strongly Agree, Agree, Not sure , Disagree and Strongly Disagree.

3.4. Source of data

3.4.1. Primary data collection

Primary data have been used for survey using questionnaire to identify the responders’ view on the level of local government role on supporting the small scale business. Some subjective open ended and closed questions have been used to get diverse attitude of participants’ .

Focal Group discussion has been used to get to full explanation for what, how and why questions related to local government role and their existing small scale business sustainability.

Key Informant Interviews used as other data collection instrument technique. The information gathered through this method has been used to triangulate and complement the information collected through other methods. The data is gathered by interviewing concerned government officials as well as the majority of Small scale business's operators, who have better knowledge and experience in the subject matter or in the field. In this study, the key informants are the main actors of the study which have included experts and the MSEs development program officers. Face-to-face interview is held about the various issues of government support in order to identify the true nature of the problem. Open-ended discussion is undertaken to gather the required information from the informants.

Observation was also used to describe the businesses challenges as result of factors such as infrastructures , accessibiulity of sitres ,which are influencing their survivals.

3.5. Data gathering instruments

Qualitative data gathered through questionnaires structured in closed-end format. Key Infromat Interveiw has been used to accommodate key concerned and directly involved individuals in the leading ,establsihing and managing Small scale businesses to be able to triangulate the infromation with the outcome of data analysis to be identified from the quastionairs.

Under this approach comparison will be done on the different times government reforms and actions and reported small scale business expansion of sectors under study.

3.6. Sampling design

During the sampling Probablity sampling was planned .during the data collection the researched found it preferable to use non probablity sampling technique To choose the two targeted Woredas of the sub-city.

As a crucial non-probability sampling technique, the purposeful sampling approach has also utilized to choose the type of small business to be studies.

To gather information from various small size businesses, stratified random sampling is used. The nature of the population and the study's objectives will determine the appropriate sample number. Despite the lack of any universal guidelines, the sample size typically relied on the community being sampled (Catherine Dawson, 2009).

Construction material enterprises such as blocket , wood work and metal work are the most dominant enterprises or business in Nifas Silk Lafto Sub-city. The total population of undrs the business are close to 688 peoiple comprised as member of the business owners groups. the study was planned to be 130 people for the three business but could achieve to collecte data from 126 which include construction material (57), wood work (28) and metal work (41). Since the researcher involved in tye data collection all targetted planned data collected during the limited time frame.

3.7. Method of Data Analysis

Evaluation of data from both primary and secondary sources using qualitative and quantitative techniques will be used . The data gathered from surveys will be processed and analyzed using excel based analysis using percentatage .

In order to make the analysis and interpretation of the gathered data easier, descriptive statistics such as frequencies, percentages, figures, (to determine the level of significance of government assistance programs for Small scale Business) need to be used.

Qualitative information gleaned from national strategies and documents will be examined, and qualitative information collected from interviews will be examined using a qualitative analysis approach. The study will use a four-step process for its qualitative data analysis: managing the raw data, data reduction, data interpretation, and data display.

3.8. Design Measurement Instruments

The instruments used in this study were designed based on the objectives of the study and research questions. A five point Likert scale (strongly agree, agree, undecided, disagree, strongly disagree), which is ranging from 1(Strongly disagree) to 5 (Strongly agree), questionnaire was developed according to the principles of questionnaires by making simple, clear, and short. Both the instruments were designed in such ways that can utilize the information to make this study feasible. As a result of this the questionnaires were developed both in English and Amharic languages. The main purpose of using Amharic language was addressing those respondents who cannot understand English language.

3.9. Validity and Reliability

So far, the concepts of reliability and validity as they have been redefined for their usefulness in qualitative research have been presented. Now, the question which remains to be answered is 'How to test or maximize the validity and as a result the reliability of a qualitative study? The study was conducted at Nifas Silk Lafto Sub-City MSEs after the supported letter of Addis Ababa University. In order to test the validity and reliability or truthfulness of the study the researcher has included similar questions which are in the questionnaires also included in the Focus Group Discussion and key informant interview data collection tool. The main purpose was to use triangulation for testing the validity and reliability of the results.

Triangulation is typically a strategy (test) for improving the validity and reliability of research or evaluation of findings. Mathison (1988) elaborates this by saying: Triangulation has risen an important methodological issue in naturalistic and qualitative approaches to evaluation [in order to] control bias and establishing valid propositions because traditional scientific techniques are incompatible with this alternate epistemology p. 13)

3.10. Ethical Considerations

The goal of the study was initially presented to the participants in an effort to gain the respondents' trust. With the participants' agreement and consent, all the data were collected. The participants were given the assurance that the information collected from the employees would be kept private and that no personal information would be used for anything other than academic and empirical goals; as a result, there was no violation of confidentiality.

Chapter Four

Result and Discussion

4.1. General information about respondents

4.1.1. Gender of respondents

From the entire participants 70% are male. When we look at participant's survey from each sector showed that, 37% from the Metal work, 24% from Wood work and 39% of the respondents from Construction work responded as they have agreed. From all sectors respondents 30% of them are female. Among them 21% from Metal work, 19 % from wood work and 60% disagreed.

4.1.2. Age Category of respondents

When we look at the age category of participants 17% of them are 18-25 of age 54% of the participants' age is 26 – 35, 29% of them are 36- 45 .

4.1.3. Educational background of respondents

When we look at the educational background of participants 16% of them Certificate 54% of the participants' have Diploma, 30 % of them have degree.

4.2. Respondents response analysis on the role of local government

Objective: To assess the willingness and freedom given for the business owners or established small scale business partners who has engaged in the sectors.

2.1. Freedom of choice given for small scale business establishment and engagement

The majority of responders close to 87% of responders agree and strongly agree that the freedom provided to them is to choose from the lists of business provided for choice for them. It indicates from the responders' data few are allowed to engaged by their own choice of business to be engaged by submitting their own business ideas.

The key informant interview revealed that the targeted woredas and the sub city's enterprises promotion department had provided lists of business sectors or areas for groups of interested people to select and participate in the business.

Rational choice is defined as "the process of determining what options are available and the choosing the most preferred one according to some consistent criteria" by Levin and Milgram (2004). According to this study, selecting a business option involves first figuring out what possibilities are available and then selecting the most desired option based on a predetermined.

There are few studies relating SMEs' success to their business decisions. However, as Birley and Westhead (1994) point out, a successful entrepreneur needs a variety of qualities and abilities, including being deliberate, goal-oriented, adaptable, pragmatic, motivated, diligent, and self-assured. On the other hand, Liguori et al. (2020) suggested that an entrepreneur's success is related to the owner-manager's technical and mental aptitude, interpersonal skills, strong drive for success, and inventiveness and originality. In the survey 49 % of them responded that they agree and strongly agree that they could engage in different business if they have provided more freedom for choice.

Information gathered from the department head indicates that one of the difficulties in this area is the limited ability of local government agencies to assess the sustainability and profitability of business proposals

2.2. The business sector in which you have currently engaged is directly related to your professional educational background.

More than half of the participants in this study feel that their educational background has no bearing on the type of business they are involved in. According to the woreda Small Scale Enterprises Support and Facilitation Office, each person organizing as a business group or entity must have a Certificate of Conformity (CoC). However, the business sectors listed do not take into account the kind of professional background that each member needs to possess in order to be able to create and participate in the business group. Based on the key informant interview conducted to the above department and asserted by enterprise owners, focus group discussion the sub city has criteria which are mostly administrative type such as:

- Unemployment certificate
- Federal Document Authentication and Registration Service
- Having Tin, No
- Trade registration licensing and like.

- Bringing letter of support from job creation commission etc.

The sub city has used these and similar other administrative points as a criterion for small scale businesses to be registered and get support from the local administration.

2.5. The business location where the business being undertaken decided by the preference of the sub city concerned office.

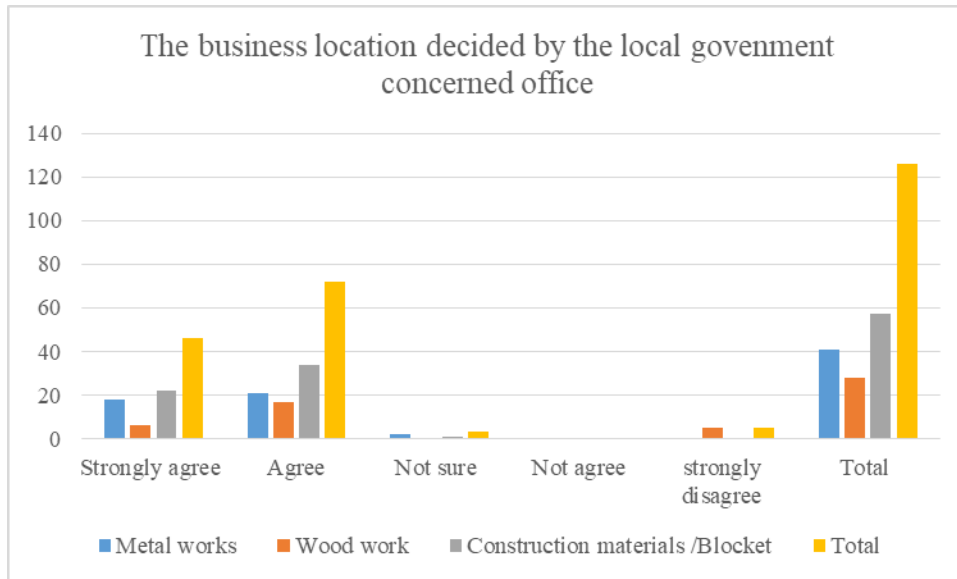


Figure1: based on the researcher analysis

Numerous methods to assist in choosing a site have been researched, developed, and encouraged. For (Zimmerer and Scarborough, 2008). Studies in the past has acknowledged that a variety of factors, both internal and external, might impact SMEs' decisions about where to locate. These factors can be considered soft or hard. (Felzensztein et al., 2019;). According to Scarborough (2010), the business's location choice has a significant and frequently enduring impact on the competitiveness of SMEs.

Based on the results of the survey, 94% of participants agree and strongly agree that the sub city's decision, taking into account the high cost of land in the city, has determined where their small business would be located. The key informant interviews that were conducted with particular individuals or business managers indicate that it is challenging for customers to access the specified areas, especially when it comes to loading and unloading products. The woreda office of small scale business development unit asserts that most of the locations are provided even for limited business due to shortage of facilities and lands. The location may be outside the residential woredsa of the small business owners. The majority of the locations are deemed

transitory, according to the woreda 1 office, and lack sanitary amenities, which can occasionally make entry challenging during the wet seasons. Since the locations are used for both manufacturing and marketing, this action affects the business's ability to be preferred by customers and not easily accessible. Since it was the wet season while the data was being collected, the researcher also noticed an accessibility issue.

4.3. Government role on building capacity and creating enabling environment for SMS establishment and sustainability

The purpose is to assess the local government role on building the capacity of small scale business and creating enabling environment for their growth and sustainability

4.3.1. The Sub City Micro & small enterprises Development Bureau has played adequate role in creating a market linkage for small scale business

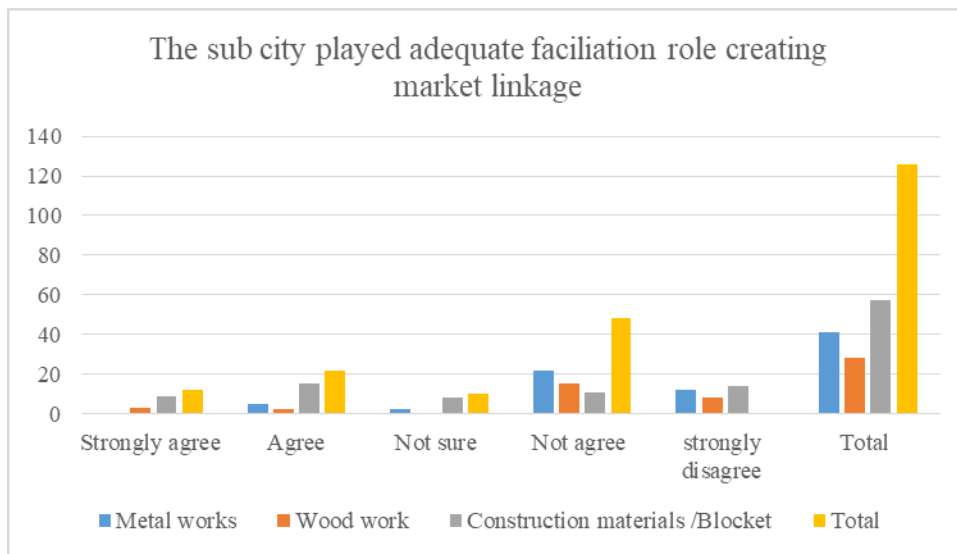


Figure2: based on the researcher analysis

Market linkages enable MSMEs to supply products and gain input in the commercial value chain, creating jobs and improving business efficiency. However, the existing vertical links between MSMEs and large firms are very limited, with limited access to raw materials (Seid and Besir 2019) and high raw material costs, and this is a major challenge for MSMEs in.

The 2016 micro and small enterprise development policy and plan made clear how crucial it is to help small businesses by using cluster development as the main strategy for reducing poverty. It demonstrates the degree of commitment to the policy to offer MSEs facilities and support at a reasonable cost, to lessen the constraints associated with their production and sales space, to make technology more accessible, and to enhance their access to markets and business financing. The demands of government and government-affiliated projects were linked by the local government administration, which gave small businesses priority in providing their goods to these initiatives. Large-scale government initiatives to build condominiums in the wake of past years have helped the majority of small businesses, especially those in the three industries included in this poll. The local government agency had a plan to put the marketing linkage program into place in order to prevent MSE marketing and distribution issues. For instance, creating and promptly updating databases and data repositories at its many bureaus; providing technological support centers with new designs, patterns, and standards for MSEs; and setting up permanent exhibit and sales spaces specifically for MSE items (Berihu et al, 2014).

The small scale business constituted in the survey more than 65% of the three sectors do not agree and strongly disagree that the local government has played adequate role in creating the required level of market linkage for their products. But according to the key informant interview with the metal work sector business owners team leaders, the local government provision of working place with affordable rent has created an opportunity to produce their products with lower than other producers who do not get the similar local government support which can lead to have competitive capacity. But in other side, the government Micro and small enterprises policy and strategy document has clearly identified the impact of the market linkage for Small and medium scale enterprises with local governments projects which was focused on procurement by Government institutions, which may have undermined the prospect of MSEs becoming self-sustaining and competitive in the market. These shows still the local government role in creating market linkage as well as their future sustainability has limitations.

4.3.2. The Local government concerned office has created access for financial resource for small scale business establishment

The government Micro and small enterprises policy and strategy document has shown a support plan for to implement to facilitate access to startup capital, for those who have an interest to establish MSEs by encouraging starting their own savings as a prerequisite. Those with their own savings has given priority to access loans from financial institutions. According to the finding from the key informant interview the local government office in the Kirkos sub city woredas ,one of the key financial institute which participated in the provision of a loan for small scale business establishment is Addis Credit and saving institution share company A(DCSI) which is one of the oldest Micro Finance Institutes in the history of microfinance service industry in Ethiopia; providing microfinance services mainly credits, saving, micro insurance and money transfer services which aim to enhance economic base of the poor for the last two decades. It was initiated by Addis Ababa City Administration to provided financial services, especially for those financial poor urban societies which do not have access to conventional banks in the city. The local Small scale development offices provide supporting letter to establishing small scale business to get access to loan with lower interest rate (12 to 13 %) compared with 17% interest rate provided for other business. In Addition, sometimes they are provided a chance to compete without bill of quantity using only local government supporting letter as a collateral. But this does not have a guarantee and government institutions are not obliged to accept then letter as a collateral. (AdCSI 2006,)

If we look at respondents for this survey more than 85% agree and strongly agree the financial support provision is not adequately provided according to the raw material and production market. But during Focal group discussion and also key informant interview, the main challenge is the initial required saving level and also finding collateral pushed back a number of individuals who have good talents which can be changed to profit and progress in the business. The other challenge is the short freelance of starting paying back the loan which have influence on their growth since the impact of increasing inflation in the market making it difficult to manage the business within short period. Regarding the adequacy of the finance accessed 45% of respondents constituted in the survey agreed and strongly agree. It is indicated that still more need to be done to satisfy the financial need of small scale enterprises.

4.3.3. The Local government of Addis Ababa has provided raw material access to reduce the increasing raw material cost impacts

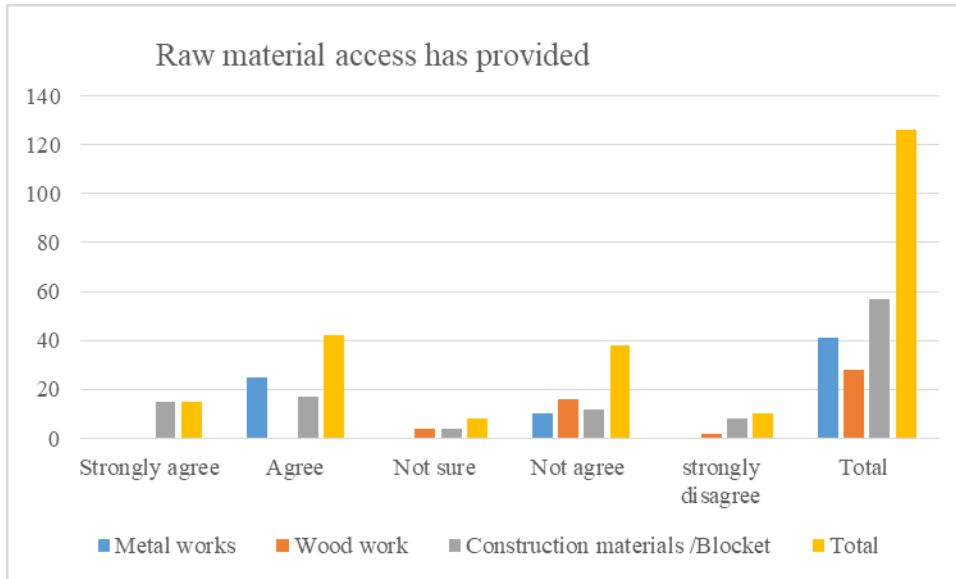


Figure 3: based on the researcher analysis

According to a survey by Fantaye (2016) based on 125 sample firms, one of the main obstacles facing small businesses is a shortage of raw materials. During the key informant interview conducted with the business representatives, particularly at the initial time of the business development raw material access is crucial to make their business compete in the market. The construction material producers to access for Cement and related materials from producing manufacturers the government role is very important.

The survey result indicated that the role of Local government of Addis Ababa on facilitating for access for raw material 42 % of the three sectors agreed and strongly agreed but 51 % of them not agreed or strongly disagree that the local government has played sufficient role in this regard. As a result, they agree that it has a big impact on their competitiveness in the market and also growth.

4.3.4. The Local government of Addis Ababa has provided training before business establishment and running for SMS

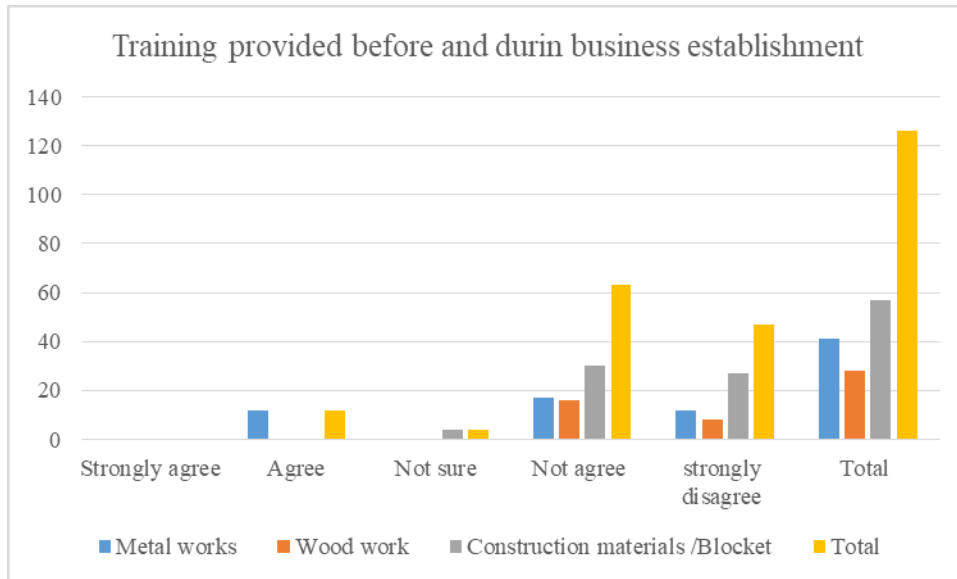


Figure 4: based on the researcher analysis

Since 1996, TVET institutions have been obligated to identify skill gaps, provide training to remedy them, and extend both formal and informal training in order to support and collaborate closely with SEs (Dereje, 2013). As per the primary unstructured interview, this route has aided numerous youth in establishing small businesses, in addition to additional assistance from the local government. However, groups of recently graduated individuals who were unable to find job were organized in small businesses without attending technical or vocational schools at the time this poll was performed. At this point, providing training was seen a crucial service that the local government had to make accessible.

Nifas Silk Lafto Sub City Woreda 1 Concerned Office Information states that the training given to the established firm is dependent upon the demands that have been discovered. However, as the case leader of the woreda 1 office pointed out, the function of the woreda office is to link business owners with NGOs that offer such trainings, like the SOS vocational training center, so they can receive it. For those who have graduated, the institution offers competency exams. The local government's reliance on the training centers, which specialize in particular business sectors like metal work and woodworking, has compelled them to address the issue of trainees' competency gaps.

When we look at other countries experience, in china for example Small scale enterprises school is established with a vision of creating a competitive business within the country and also globally. It has clear strategy such as creating connectivity between large business with idea of performing social responsibility of large business owners. This initiative helps the enterprises realize independent, self-help and self-management of internal training, provides technical foundation and physical guarantee for building a learning-oriented enterprise more effectively. (World Intellectual Property Organization <https://www.wipo.int> › *sme* › *wipo_smes_cju_07*).

The training school has not only provided training the trainees expected to write an article related to what they have learnt and how to use it with respect to their business. The school have close monitoring mechanism to follow the impact of the training with related to the objective.

During then survey respondents more than 87% of respondents disagree that the training was not provided before they established the business and also 73% disagree that the training was relevant to their training needs. And also the training was not provided regular based on their identified needs.

In this regard the local government's need to work more to satisfy the training need of small scale enterprises aiming the objective of their establishment by establishing such separate visionary schools.

4.3.5. The provided training above is directly relevant for the establishment and running of the small scale business

Of all those who took part in the study, 37% strongly disagree or do not agree that the sub city or the woreda concerned office is doing enough to ensure that their trainings are both supportive of the established business and relevant to their educational background. Furthermore, none of the survey participants who were involved agreed that the trainings were given on a regular basis. The business owners acknowledge during the focus group discussion that although the woreda gave them a structure to fill in the training gaps, the training still did not fully address their needs.

The woreda claims in the key informant interview that the trainings were provided via forming partnerships with non-governmental organizations that offer training facilities. However, not all of the firms' requests for training are met by the program.

In addition, they have recommended to sub city to create have linkage to other successful similar enterprises for regular experience sharing visits to improve their skill and knowledge gaps.

From the survey 76 percent of respondents across all categories disagree that staff members at the woreda and sub municipal offices have been providing technical support to small firms in their respective industries. Small business owners admitted during the focus group discussion that the advice given to them on routine visits did not address their actual issues and skill gaps as a result of capacity limitations they had seen in the relevant local government agencies. During key informant interview both woredas admitted the capacity gap in terms of practical businesses' experience to assist the small scale business.

4.3.6. The Nifas silk Lafto Sub city has providing an area or facility (land or shelter for production of good) for small scale business.



Figure5: based on the researcher analysis

The Abdissa & Fitwi (2016) survey identified a deficiency of production and marketing space as a primary hindrance for small-scale firms in Addis Ababa. During the key informant interview and asserted by during Focal group discussion with, the local government can be appreciated in some level for the provision of facilities for their production as well as marketing while other limitations remain the same. The sub city has one designated office which is mandated for the provision facilities for small scale enterprises. From the survey analysis from the respondents all of them agree and strongly agreed the local administration commitment to provide the facilities for their business. But According to the respondents, the facilities have the below limitations.

- The facilities locations have been selected by the local government concerned office based on the availability. The majority of sheds prepared in the locations which are poor infrastructure and difficult for accessibility.
- Some of the facilities constructed of temporarily purpose without following the city Master plan which makes the facilities to be at risk for forced eviction.
- The facilities have been provided for limited period of time /Maximum 5 years/ without a clear exit or transition strategy for the years beyond five years.

None of those who participated in the poll agreed that the working place has given to be used permanently or with low cost. Due to the high cost of rent in the city, this condition has made it difficult for small businesses to compete in the market and survive if they are out of the provided facilities. Respondents to the focus group discussion advised that these facilities should be supplied for a little longer period of time in accordance with the circumstances associated to the sites, with sufficient access to raw materials and funds, market connections, and other relevant promotional support. Due to the city's lack of land, the sub city views this as one of the problems in providing more facilities.

4.3.7. Most small scale businesses are at risk of forced eviction or demolition or losing the facility due to the land to be claimed for other purposes.

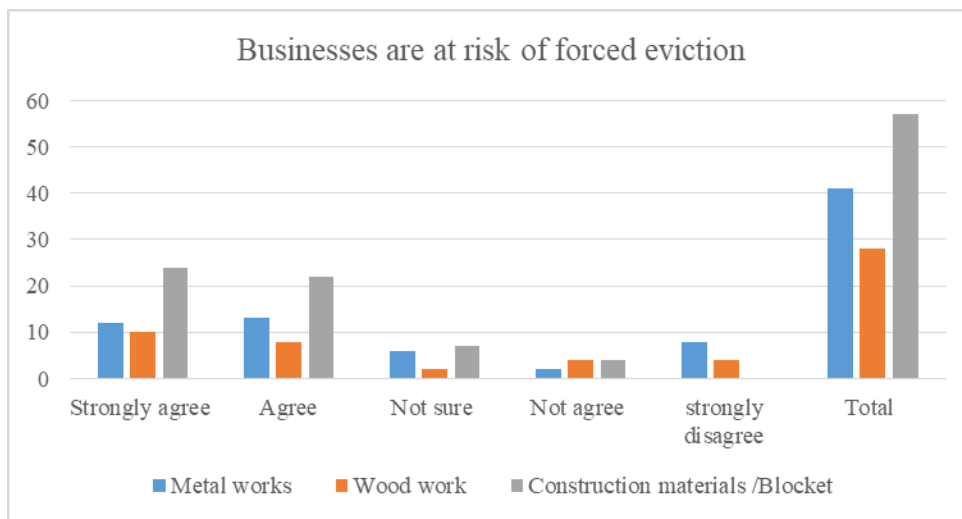


Figure6: based on the researcher analysis

According to the survey result ,71 % of respondents agree and strongly agreed that they are at risk of forced eviction due to the claim from the local government administration on the facilities

and working places for other purposes. Information obtained from the two Woredas during the key informant interview reveals that one of their office's biggest problems is forced eviction, for which they were unable to come up with protective measures for the small businesses that were uprooted and disappeared.

According to the information obtained from the sub city's woreda 1 within one-year period 48 small businesses were forcibly removed from their work spaces and departed without being offered any other options for carrying on their operations. During the data collection the researcher has also observed that there are number of businesses areas are demolished for other purposes.

Forced eviction is “the permanent or temporary removal against their will of individuals, families and/or community from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection” (Committee on Economic, Social and Cultural Rights, general comment No. 7 (1997) on the right to adequate housing: forced evictions).

UN habitat on the forced Eviction global crisis and solution indicated one of the impacts of sudden eviction people from their homes or business facilities:

In this sense, the local government must deal with this issue; otherwise, it will lead to unpredictable circumstances that could affect small businesses' commitment.

4.4. Key Findings

The challenges encountered by the small businesses under investigation in relation to the lack of local government promotion assistance. But the government's efforts were clearly demonstrated by the local government's creation and implementation of a variety of support instruments in addition to the formulation and enactment of various policies and strategies to assist businesses in navigating the nation's shifting socioeconomic conditions. The local governments have been Providing the below key promotional scheme even though challenges remain existed.:

- supporting small and medium-sized businesses by facilitating training access to non-government organization-managed centres. However, this approach is not always able to offer essential and pertinent training.
- One of the main obstacles to the local government offices' ability to give technical support is also a lack of technical capacity.
- Even if the collateral and credit interest period are still difficult for the firm, the local administration (the sub city) has been helping small and medium-sized businesses to obtain financing by giving supporting letters to receive the credit service with lower interest rate. While the collateral and credit time frame remain difficult for the enterprises, the local government (the sub city) has been helping small and medium-sized businesses to obtain finance by offering supporting letters to get the credit service with a lower interest rate.
- Providing facilities to small and medium-sized businesses is one of the motivating promotional initiatives. One of the issues the local government has experienced in providing suitable facilities is the scarcity of land in comparison to the prices of land in cities. In this regard, one of the challenges facing local governments is the budget limitation.

According to respondents' perceptions, the government's involvement in enabling and supporting SMEs is crucial to their survival since it is a key decision maker on the provision of means of production such land facilities. The government is the one that shapes the favourable or unfavourable environment that enterprises in a city face. When the government

pays little attention to SMEs sector, then, the sectors is prone to suffer leading to many businesses being unable to survive. The following major challenges are the one Small and medium Enterprises facing:

- Underdeveloped infrastructure resulting in inefficiencies and high logistics costs has made them difficult. In addition, the location with in adequate infrastructure made difficult to get customers visit of the small business's products.
- The respondents' conclusions indicate that the local government's insufficient support in granting access to reasonably priced raw material resources has a negative influence on their ability to compete in the municipal market.
- The respondents' conclusions indicate that the local government's insufficient assistance in granting access to reasonably priced raw material resources has a negative influence on their ability to compete in the municipal market.
- The facilities that the local government offers for small enterprises' production and marketing needs are a major factor in their growth. The municipal master plan's dynamically changing environment presents a challenge to the business sites and their physical structures. Due to this circumstance, small and medium-sized businesses now face the possibility of being forcibly removed.

Chapter Five

Conclusion and Recommendation

5.1. Conclusion

Based on respondents' perceptions and opinions, the study produced qualitative evidence that shows how small enterprises' competitiveness and performance depend on local government support and advice. All things considered, it is evident that the government has made a significant effort to foster an atmosphere that encourages businesses to invest and support the national economy based on the available human as well as financial capacity. However, it still demonstrates how limited local government's role is in comparison to what businesses anticipate. In addition to increasing efforts in critical areas like forming marketing connections, providing financial support, giving business owners adaptability in selecting their locations, and reducing the possibility of an unexpectedly business eviction, the local government should improve its technical and financial capacity.

According to several studies, in order to lower unemployment and assist the expanding economy, Addis Abeba City and the nation as a whole need to involve the younger generation, who can launch and expand their own enterprises or work in social groups. To support this in influencing the attitudes, skills, and cultures of the youth in the formation of small scale enterprise, the federal and local governments must collaborate.

5.2. Recommendation

Micro, small and medium enterprises (MSMEs) are one of the important sectors in both developed and developing countries contributing to economic growth and poverty alleviation. They play a significantly important role in contributing to economic growth, with a major share of employment in Ethiopia. But the local government need to work more to build their competent capacity by taking favourable action.

The following recommendations are sent to local governments and other interested parties:

Strengthen the capacity of local governments to take a meaningful role in supporting small businesses: allocating adequate budget; building the technical, institutional capacity such establishing well equipped training institute which can provide training and close follow ups, working facilities constructed following the city master plan which can be used for long years and so forth.

Local governments could commit to helping small businesses in their community to develop and survive as needed. The results of this survey indicate that the local administration, including the Sub city and woerdas, must play a promotional role in the following important areas:

- First, local businesses might come and promote themselves and engage with clients and business partners if they were given a suitable workspace in a convenient location. Locations may allow them to access physical space for advertising.
- Second, facilitating for access for adequate finance and raw material with affordable price, can give the small scale enterprises to compete in the city market and attract customers.
- Third, in order to enhance the managerial and technical skills of small businesses operating in the dynamic business environments of cities, strategic and intentional trainings and experience-sharing sessions must be offered on a regular basis.
- Fourth, if their locations become necessary for other development projects, the local government must have an appropriate plan in place to protect small businesses from being forcibly evicted.
- Finally, local governments must foster market linkages by promoting the use of small-scale businesses' products in both public and private development projects.

References

- AACAILIC (2014). Nifas Silk Lafto Sub City Atlas; Sivanet Printing, Addis Ababa, Ethiopia.
- A. Berihu , Z. Abebaw and T. Biruk ,(2014) "Identifying key success Factors and Constraints in Addis Ababa City Administration Micro and Small Enterprise Development Agency (AACMSEDA). 2011. ‘Inception Report on Micro and Small Enterprise Development in Addis Ababa’. Addis Ababa, Ethiopia.
- Addis ReMSEDA (2009a), Micro and Small Enterprises Development Achievement in Addis Ababa, Addis Ababa: Addis Ababa Trade and Industry Bureau. Addis ReMSEDA. (2009b) Overview of Addis Ababa Trade and Industry
- Addis Credit and Saving Institution (AdCSI) Annual Reports and Financial Statements for 2006,
- Abdissa & Fitwi (2016) Determinants of Micro and Small Enterprises Performance in South West Ethiopia: The Case of Manufacturing Enterprises in Bench Maji, Sheka, and Kefa Zones Volume 16 Issue 10 Version 1.0 Year 2016 Type: Double Blind Peer Review International Research Journal Publisher: Global Journals Inc. (USA)
- Acs, Z., Audretsch, D., Strim, R. (2009). Entrepreneurship, Growth and Public Policy. New York: Cambridge University Press.
- Aguinis, H., & Kraiger, K. (2009). Benefits of training and development for individuals and teams, organizations, and society. *Annual Review of Psychology*, 60(1), 451–474. [https:// doi.org/10.1146/annurev.psych.60.110707.163505](https://doi.org/10.1146/annurev.psych.60.110707.163505)
- Anamekwe, C. (2001). “Micro and Small-Scale Industries in Nigeria: Problems and Prospects”. Being paper Presented at Workshop on Grassroots Advocacy and Economic Development. September 11-13.
- Aroenwanit, P., Phuensane, P., Sekhari, A & Gay, C. (2023). Risk management in the adoption of smart farming technologies by rural farmers. *Uncertain Supply Chain Management*, 11(2), 533-546.
- Assefa, B., Zerfu, A., & Tekle, B. (2014b). Identifying Key Success Factors and Constraints of Ethiopia’s MSE Development: An Exploratory Research. Ethiopian Development Research Institute.

- Berihu Assefa, Abebaw Zerfu, and Biruk Tekle. Identifying Key Success Factors and Constraints of Ethiopia's MSE Development: An Exploratory Research. 2014. EDRI Research Report 18. Addis Ababa: Ethiopian Development Research Institute.
- August. Wolfenson, J.D. (2001) Comparing the performance of male and Female –controlled businesses: relating output to inputs. *Entrepreneurship Theory and Practice*. 26 (3). pp 91-100.
- Arshad M. Khan and Veerachai Manopichetwattana *Journal of Business Venturing*, 1989, vol. 4, issue 3, 187-196
- Aryeetey, E. 2001. "Priority Research Issues Relating to Regulation and Competition in Ghana", Centre on Regulation and Competition Working Paper Series, University of Manchester, Manchester.
- Ahmed, S. A. (2006). *The Role of SMEs in Developing Economy*. Abuja, Omotayo and Co. Ltd.
- Adeyemi, A. M., & Adeyemi, S. B. (2014). Personal factors as predictors of students' academic achievement in colleges of education in South Western Nigeria. *Educational Research and Reviews*, 9(4), 97-109.
- Adebisi and Gbegi Effect of Multiple Taxation on the Performance of Small and Medium Scale Business Enterprises. (A Study of West African Ceramics Ajeokuta, Kogi State Mediterranean Journal of Social Sciences Published by MCSER-CEMAS-Sapienza University of Rome (2013
- Adefeso, H. A., & Mobolaji, H. I. (2010). The Fiscal-Monetary Policy and Economic Growth in Nigeria: Further Empirical Evidence. *Pakistan Journal of Social Sciences*, 7, 137-142. <https://doi.org/10.3923/pjssci.2010.137.142> Annual Report 2011-12, Govt. of India, Ministry of Micro, Small and Medium Enterprises
- Ardic, O., Mylenko, N., Saltane, V. (2012): Access to finance by small and medium enterprises: A cross-country analysis with a new data set, in *Pacific Economic Review* 17(4): 491ff.
- Beck, T. (2007): Financing constraints of SMEs in developing countries: Evidence, determinants and solutions. Tilburg University; available at:

https://pure.uvt.nl/portal/files/1107677/Financing_Constraints_of_SMEs.pdf (last accessed on 10.11.2017).

Bhavani, T.A. (2010), "Dynamic Business Environments: What These Mean for Indian Small Enterprises" in " Micro and Small Enterprises in India: Era of Reforms: Keshab Das (Ed)" pp. 27-45.

Baumol, W. (1990), "Entrepreneurship: productive, unproductive and destructive", Journal of Political Economy, Vol. 98 No. 5, pp. 893-921.

Baenol (1994). Small Business Management, An entrepreneurial emphasis. London: Thomson-

Beck, Thorsten & Demirguc-Kunt, Asli, 2006. "Small and medium-size enterprises: Access to finance as a growth constraint," Journal of Banking & Finance, Elsevier, vol. 30(11), pages 2931-2943, November.

Berry, A., M. von Blottnitz, R. Cassim, A. Kesper, B. Rajaratnam, and D. E. van Seventer, 2002. "The Economics of SMMEs in South Africa", Trade and Industrial Policy Strategies, Johannesburg.

Berihu Assefa, Abebaw Zerfu, and Biruk Tekle. Identifying Key Success Factors and Constraints of Ethiopia's MSE Development: An Exploratory Research. 2014. EDRI Research Report 18. Addis Ababa: Ethiopian Development Research Institute.

Sue Birley *, Paul Westhead *A taxonomy of business start-up reasons and their impact on firm growth and size Venturing Volume, January 1994, Pages 7-31

Creswell, J. W. (1994). Research design: Qualitative & quantitative approaches. Sage Publications, Inc.

CSS, 1998. "Employment and Unemployment in south Africa 1994-1997, South Africa

CSA, report on Small Scale manufacturing industries Survey february,2006. Ethiopian Central Statistical Authority. Report on Large and Medium Scale Manufacturing and Electricity Industries Survey. 2005-2006. Vol.321. Available at http://unstats.un.org/unsd/economic_stat.

Dawson, Dr Catherine, Introduction to Research Methods: 4th edition: A Practical Guide for Anyone Undertaking a Research, Project Published by How To Books,2009

- DE KADT, Maarten, the development of management structures: the problem of the control of workers in large corporations, New School for Social Research, Ph.D., 1976 Economics, general
- Dereje, D. (2013), Current Practices and Prospects of Technical and Vocational Education and Training (TVET): The Case of East Wollega Zone (Ethiopia: Jimma University).
- Ethiopia's MSE Development: An Exploratory Research Report 14," Ethiopian Development Research Institute, Addis Ababa
- Ensley, M. D., Pearson, A. W., & Sardeshmukh, S. R. (2007). The negative consequences of pay dispersion in family and non-family top management teams: An exploratory analysis of new venture, high-growth firms. *Journal of Business Research*, 60(10), 1039–1047. <https://doi.org/10.1016/j.jbusres.2006.12.012>
- Esubalew, A. A., & Raghurama, A. (2017). Micro, small and medium enterprises (MSMEs) development strategies in Ethiopia: retrospective and prospective analysis. *International Journal of Commerce, Business and Management*, 6(1), 11–20.
- Ebabu Engidaw, A. (2021). Exploring entrepreneurial culture and its socio-cultural determinants: In case of Woldia University graduating students. *Journal of Innovation and Entrepreneurship*, 10(1), 1–15.
- Echtner, C. M. (1995). Entrepreneurial Training in Developing Countries. *Annals of Tourism Research*, 22(1), 119-134.
- FEDBPACS, (2009). Addis Ababa Population Images: Published by Finance and Economic Development Bureau Population Affairs Coordination Sub Process, Addis Ababa, Ethiopia.
- Federal Democratic Republic of Ethiopia (FDRE).2005. Micro and Small Enterprise Development Strategy. Addis Ababa, Ethiopia.
- Christian Felzensztein , Geographical co-location on Chilean SME's export performance *Journal of Business Research* Volume 105, December 2019, Pages 310-321
- Fayomi, I.O. (2012). An Appraisal of the Small and Medium Scale Enterprises on Poverty Alleviation in South-western State of Osun in Nigeria, *OIDA International Journal of Sustainable Development*, 05:04, 97-105
- F Ncube, P Sibanda, L Maunganidze. *Journal of Emerging Trends in Economics and Management Sciences* 4 (3), 328-336, 2013. 10, 2013.

- Fabayo, J.A. (2009) Small and Medium Enterprises development strategy: A critical Option for sustainable Long –Term Economic Development in Nigeria. A paper presented at the first Annual International Conference on: Ijebu -Ode held from 25 - 27
- Fabayo, J. A. (1989), “Small-Scale Enterprise Development Strategy: A Critical Option for Long-Term Economic Progress in Nigeria”. The India Journal of Economics. Vol. 58, pp. 159-171.
- Federal Democratic Republic of Ethiopia (FDRE).2005. Micro and Small Enterprise Development Strategy. Addis Ababa, Ethiopia.
- F. Ncube, P. Sibanda, L Maunganidze. Journal of Emerging Trends in Economics and Management Sciences 4 (3), 328-336, 2013. 10, 2013.
- Friedrich C (2004). Taking it personally: The crucial success factor for small businesses is its entrepreneurs. Finance. Week, 51, December. GCIS (2002).
- Government of Federal Democratic Republic of Ethiopia Ministry of Urban Development and housing “Micro and small enterprise development policy and strategy second edition March 1912, edit April 2016, Addis Ababa.
- Gebrehiwot Ageba and Wolday Amha ,Micro and Small Enterprises (MSE) Development in Ethiopia: Strategy, Regulatory Changes and Remaining Constraints Ethiopian, Journal of Economics, Vol X No 2, Oct. 2001
- Gebrehiwot Ageba and Wolday Amha [http:// geconsearch.umn.edu.aesearch@umn.edu](http://geconsearch.umn.edu.aesearch@umn.edu)
- Gebreeyesus, M. (2007). Growth of micro-enterprises: empirical evidence from Ethiopia. Ethiopian Development Research Institute (EDRI).
- Gebreeyesus, M. (2007). Growth of Micro-Enterprises: Emprical evidence from Ethiopia. Ethiopia Development Research Institute (EDRI). Available at https://www.researchgate.net/publication/228457234_Growth_of_Micro-Enterprises_Empirical_evidence_from_Ethiopia.
- Ganbold, B. (2008). Improving access to finance for SMEs: International good experiences and lessons from Mongolia. London: Prentice Hall Inc
- Gumede, V. 2000. “Growth and Exporting of Small and Medium Enterprises in South Africa, Some Thoughts on Policy and Scope for Further Research”, Trade and Industrial Policy Strategies, South Africa

- Henry Rwigema & Peter Karungu, 1999. "SMME development in Johannesburg's Southern Metropolitan Local Council: An assessment," *Development Southern Africa*, Taylor & Francis Journals, vol. 16(1), pages 107-124.
- Hukwuemeka, A.I. and Hyacinth, E.O. (2006) Vacuum Deliveries at the University of Nigeria Teaching Hospital Enugu. *Tropical Journal of Obstetrics and Gynaecology*, 23, 23-26.
- Hagos Haftay , small and medium enterprise in Ethiopia: the challenges and Prospects. KDI School of Public Policy and Management,2012
- Henry Rwigema & Peter Karungu, 1999. "SMME development in Johannesburg's Southern Metropolitan Local Council: An assessment," *Development Southern Africa*, Taylor & Francis Journals, vol. 16(1), pages 107-124.
- Ibrahim, A. B., & Goodwin, J. R. (1986). Perceived Causes of Success in Small Business. *American Journal of Small Business*, 11(2), 41-50 <https://doi.org/10.1177/104225878601100204>
- Ibrahim, K. M.; Hosni, H. A.; Peterson, P., 2016. Grasses of Egypt. Smithsonian Inst. Sch. Press, Smithsonian Contrib. to Botany, N° 103
- James J. Chrisman & John Leslie, 1989. "Strategic, Administrative, and Operating Problems: The Impact of Outsiders on Small Firm Performance," *Entrepreneurship Theory and Practice*, , vol. 13(3), pages 37-52, April.
- Jere R. Behrman, Anil B. Deolalikar *The Journal of Industrial Economics*, Vol. 38, No. 2 (Dec., 1989), pp. 215-226 (12 pages) <https://doi.org/10.2307/2098531>
- JW Creswell · 1994 · Cited by 208288 — Creswell, J. W. (1994). *Research design: Qualitative & quantitative approaches*. Sage Publications, Inc. Abstract. How do you decide
- Javed Jasra “Determinants of Business Success of Small and Medium Enterprises”, *International Journal of Business and Social Science*, Vol. 2, No. 20, November 2011 7 Pages Posted: 16 Aug 2012 Last revised: 3 Jun 2015
- LaDue E.L.; Department de l' Agriculture, Kinshasa (Zaire). Bureau du Commissaries d' Etat. [Corporate Author] *Toward a more meaningful measure of firm growth* [1977]

- Loader, K. (2005), "Supporting SMEs through government purchasing activity", *International Journal of Entrepreneurship and Innovation*, Vol. 6 No. 1, pp. 17-26
- Lichtenstein B. & Brush C. (2001). How do 'resource bundles' develop and change in new ventures? A dynamic model and longitudinal exploration. *Entrepreneurship Theory and Practice*, 25(3), 37–58.
- Liguori, C. Winkler, J. Vanevenhoven, D. Winkel & M. James (2019): Entrepreneurship as a career choice: intentions, attitudes, and outcome expectations, *Journal of Small Business & Entrepreneurship*, DOI: 10.1080/08276331.2019.1600857
- Mathison, Sandra, Why Triangulate, *Educational Researcher*, v17 n2 p13-17 Mar 19
- Mohammed Sani Abdullahi "Strengthening Small and Medium Scale Enterprises (SMEs) For Poverty Alleviation in Nigeria" *IOSR Journal Of Humanities And Social Science (IOSR-JHSS)* Volume 20, Issue 6, Ver. III (Jun. 2015), PP 101-110
- Michaelis, L. (2003). The Role of Business in Sustainable Consumption. *Journal of Cleaner Production*, 11, 915-921. [https://doi.org/10.1016/S0959-6526\(02\)00160-9](https://doi.org/10.1016/S0959-6526(02)00160-9)
- Mohammed Getahun (2016) The Challenge and Prospects of Small Scale Enterprise in Ethiopia: A Survey of Some Selected Small Scale Enterprise in Addis Ababa City *IJSRP*, Volume 6, Issue 5, May 2016 Edition [ISSN 2250-3153]
- Ministry of Finance and Economic Development (2010), Growth and Transformation Plan 2010/11-2014/115, Volume I, Ministry of Trade and Industry. "Growth, Employment, Poverty and Policies In Ethiopia." An Empirical Investigation.
- Demeke, M., F. Guta, and T. Ferede. Discussion Paper 12(24) 2003. Ministry of Finance and Economic Development (2010), Growth and Transformation Plan 2010/11-2014/115, Volume I,
- Mankiw, N. G. (2011). *Principles of economics* (6th ed.). New Jersey: Thompson South-Western.
- Mathison, S. (1988). Why triangulate? *Educational Researcher*, 17(2), 13-17.
- Mbugua, J. K. et al. (2013). Factors Affecting the Growth of Micro and Small Enterprises: A Case of Tailoring and Dressmaking Enterprises in Eldoret. *International Journal of Business and Social Science*, 4, 285-293.
- MITRA, A, 1995. Comment on 'Access to markets and tenders'. Paper delivered at the President's Conference on Small Business. Durban, March 1995.

- Chrisman, James J. & McMullan, Ed & Hall, Jeremy, 2005. "The influence of guided preparation on the long-term performance of new ventures," *Journal of Business Venturing*, Elsevier, vol. 20(6), pages 769-791,
- MUDC, (2013). *Survey on Micro and Small Scale Enterprises in Selected Major cities of Ethiopia*. Addis Ababa, Ethiopia.
- Ntsika Enterprise Promotion Agency (South Africa). Policy, Research and Information Division, *National Small Business Regulatory Review: Final Report* Ntsika Enterprise Promotion Agency, 1999
- Nguyen Hoang Quy, 2016. "Relationship between Economic Growth, Unemployment and Poverty: Analysis at Provincial Level in Vietnam," *International Journal of Economics and Finance*, Canadian Center of Science and Education, vol. 8(12), pages 113-119, December.
- Olawale Fatoki, 2012. "The impact of gender on SME characteristics and access to debt finance in South Africa," *Development Southern Africa*, Taylor & Francis Journals, vol. 29(3), pages 448-461, September.
- Opening remarks by Dr Joseph O Sanusi, Governor of the Central Bank of Nigeria, at the National Summit on the Small and Medium Industries Equity Investment Scheme (SMIEIS) held at the Lagos Chamber of Commerce and Industry Auditorium, Victoria Island, Lagos, 10 June 2003
- P.D. Reynolds (1994) 'Autonomous Firm Dynamics and Economic Growth in the United States 1986–1990' *Small Business Economics* 28 4 429–442
- Peck, F., & Cabras, I. (2011). The impact of Local Authority procurement on Local Economies: The case of Cumbria, North West England. *Public Policy and Administration*, 26(3), 307-331. <https://doi.org/10.1177/0952076709356859>.
- Rogerson CM (2001a). Growing the SMME Manufacturing Economy of South Africa: Evidence from Gauteng Province. *J. Contemp. Afr. Stud.*, 19(2): 267-291.
- Raja M. Mitra India's Emergence as a Global R&D Centre an overview of the Indian R&D system and potential
- S M Towhidur, Rahman, Khulna University Factors influencing location choice and cluster pattern of manufacturing small and medium enterprises in cities: evidence from Khulna City of Bangladesh ,December 2019

- Peter B. Robinson and Edwin A. Sexton The effect of education and experience on self-employment success *Journal of Business Venturing*, 1994, vol. 9, issue 2, 141-156
- Syed M. Q. and Mohammed N. A. (2009). Constraints to MSEs: A Rotated Factor Analysis Approach. *A research Journal of South Asian Studies*, vol. 24, No. 2
- Shariff A, Kangas J, Coelho LP, Quinn S, Murphy RF. Automated Image Analysis for High-Content Screening and Analysis. *Journal of Biomolecular Screening*. 2010;15(7):726-734. doi:10.1177/1087057110370894
- Shokan, O. (1997). *Entrepreneurship Development in Small Scale Business*, Labson Resource Nigeria Limited, Lagos
- Seid Mohammed & Hassen Beshir, Determinants of Business Linkage Between Medium-Small and Large Business Enterprises in Manufacturing Sector *Journal of Economics and Sustainable Development* www.iiste.org ISSN 2222-1700 (Paper) ISSN 2222-2855 Online, Vol.10, No.3, 2019
- Scarborough, N. M., & Zimmerer, T. W. (2008). *Essentials of Entrepreneurship and Small Business Management* (5th ed.). Upper Saddle River, NJ: Prentice Hall.
- Scarborough, N.M. (2010). *Essentials of Entrepreneurship and Small Business Management*. (6thEdition). New Jersey:Prentice Hall.
- Safiriyu, A. M. and Njogo, B. O. (2012). Impact of small and medium scale enterprises in Lagos State. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 11(1): 107-151
- Stephen, E.O. and Wasiu, A.B. (2013) 'The contribution of small scale industries to the National Economy', *Standard Research Journal of Business Management*, 1(2), pp. 60-71
- Simon Bridge, Ken O'Neil and Stan Cromie, *Understanding Enterprise, Entrepreneurship and Small Business*, Macmillan Business 2003
- Yolande Smit* and J. A. Watkins Department of Internal Auditing and Management Accounting, Cape Peninsula University of Technology, South Africa *African Journal of Business Management* Vol. 6(21), pp. 6324-6330, 30 May, 2012.
- Steel, W.F. and Webster, L.M. (1991) *Small Enterprises in Ghana: Responses to Adjustment Industry*. Series Paper, No. 33, The World Bank Industry and Energy Department, Washington DC.

- Tewelde Fissehatsion Goey , Addis Ababa University, case study “Micro and Small Scale Manufacturing Enterprises Growth “June 2020
- United Nations. Economic Commission for Africa. (2002-06). Year 2001 status report on ECA's partnership programme. Addis Ababa.: © UN. ECA,
<https://hdl.handle.net/10855/37949>”
- UNIDO program performance report 1999
- Wolfenson, J.D.(2001) Comparing the performance of male and Female –controlled businesses: relating output to inputs, Entrepreneurship Theory and Practice. 26(3).Pp 91-100.
- Watson GEH (2004). A situational analysis of entrepreneurship mentors in South Africa. A dissertation submitted in fulfilment of the requirements for the degree Masters of Commerce in Business Management at the University of South Africa.
- Watson LM, Godfrey NF (1999). Entrepreneurial Support for Rural Small, Medium and Micro Enterprises (SMMEs) in South Africa. University of South Africa (UNISA) & Council for Scientific and Industrial Research (CSIR), South Africa. [Online] <http://161.31.108.27/research/icsb/2005/119pdf> [23/7/2008]
- Yared Teshome Geneti*Institutes of Development Studies (IDS), University of Mysore, Karnataka, India DOI:10.18311/sdmimd/2018/19994.
- Yonas Fantaye Macroeconomic Determinants of Foreign Direct Investment in Ethiopia: A Time Series Analysis, Addis Ababa University, department of Economics, JUNE 2016.
- Zimmer, W.T. and Scarborough, N. 2008. Kewirausahaan Dan Manajemen Usaha Kecil. Salemba Empat. Jakarta.

ANNEXE 1

The Role of local government in promoting Small scale business in Addis Ababa in the case of Nifas Silk Lafto sub city ''.

Interview questions for Key Informants

General respondents profile

Name _____

Organization _____

Position _____

Role in the Small scale business development _____

Interview questions for The sub city and woreda concerned offices representatives

1. What are promotional scheme the sub city has been implemented in the past years? /
Selection process, raw material access, finance access, facility access such as lands,
and market linkage
2. Most of facilities in which small scale business run their business are very poor quality
compare with the city infrastructure standards? why is that are happening.
3. How do you identify the training need of the Small scale business organized by your office?
4. Do you have any complaint handling mechanisms in placed for the Small scale business?
How do you handle them?
5. What are your monitoring mechanism and for what purpose you are monitoring?
6. Do you thing the promotional role the sub city /woreda / has played so far is enough?
if not what are the challenges?
7. How do you say /policy reforms/ impact the Small scale business development in the sub
city?

ANNEX 2

The Role of local government in promoting Small scale business in addis Ababa in the case of Nifas Silk Lafto sub city "

በአዲስ አበባ የአነስተኛ ተቋማትን ለመደገፍ እና ለማሳደግ የአካባቢ በቀጥታ የሚመለከተው የመንግስት አስተዳደር የተጨማሪው ሚና ንፋስ ስልክ ላፍቶ ክ/ከተማ እንደማሳያ

ክፍል 1. ምላሽ ሰጪዎች አጠቃላይ መረጃ

ጾታ ወንድ ሴት

የእድሜ ክልል 18-25 26- 35 36-45 > 45 እድሜ

የትምህርት ደረጃ ሰርቲፍኬት ዲፕሎማ ዲግሪ ማስትሬት ዲግሪ
ዶክተሬት ዲግሪ

ሌላ ትምህርት /ደረጃ ጥቀስ _____

በየትኞቹ የስራ ዘርፍ ነው የተሰማሩት

- የእንጨት ስራ ማምረት ለምሳሌ _____
- የብረት እቃዎች ማመረት ለምሳሌ _____
- የግንባታ ግብአት ማምረት ለምሳሌ _____
- ሌሎች ጥቃቅን እና አነስተኛ ቢዝነስ _____

ያለዎት የሐላፊነት ደረጃ

- የቢዝነሱ ባለቤት,
- የቢዝነሱ አባል ,
- ተቀጣሪ ሰራተኛ
- ሌላ _____

በዚህ ስራ ላይ ምን ያህል ጊዜ ቆዩ _____

ክፍል 2. ስራ አይነት እና ሁኔታ ለመወሰን እና ለመጀመር የተሰጠው ነፃነት

አላማው :የስራ መስኩን አይነት እና መጠን እና አካሄድ ለመጀመር ፍላጎት ላይ እና ውሳኔ ላይ የቢዝነሱ ጀመሪያ አባላት የነበራቸው ነፃ ፍላጎት ለመዳሰስ

አላማው ገብቶኛል

ምላሹን በሰጥኑ ውስጥ ✓ ምልክት ያድርጉ

- አነስተኛ እና ጥቃቅን ተቋማት ባለቤት ቡድኖች ሚፈልጉትን ስራ ለማሰብ እና ለመጀመር ሙሉ ነጻነት ነበራቸው

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- አነስተኛ እና ጥቃቅን ተቋማት ሲጀምሩ የስራ መስክ አይነቶች ዝርዝር ቀርቦላቸው ነው የመረጡት

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- አነስተኛ እና ጥቃቅን ተቋማት ከመጀመሪያው ነፃ እድል ተሰጥቶቸው ቢሆን አሁን ከተሰማሩበት የስራ መስክ ውጪ ሳይሆን በሌላ የስራ መስክ ይሰማሩ ነበር ::

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- አነስተኛ እና ጥቃቅን ተቋማት አባላት አሁን ተሰማርተውበት ያለው የስራ ወይም ቢዝነስ ከተማሩበት የትምህርት አይነት ቀጥታ ተያያዥነት አለው

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- አነስተኛ እና ጥቃቅን የጠቋቋመበት ቦታ /አካባቢ/ በመንግስት አካል ተመርጦ የተዘጋጀ እንጂ በስራው ላይ በተሰማሩ አባላት የመረጡት አይደለም::

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የክፍለ ከተማው ወይም ወረዳው ቢሮ በአነስተኛ እና ጥቃቅን ተቋም የሚሰማሩትን ሰዎች ሲያደራጁ ተስማሚ የምርጫ መለኪያ ተጠቅሟል::

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

ክፍል 3. የአካባቢ መንግስት ቢሮ አነስተኛ እና ጥቃቅን ቢዝነሶችን ለማጠናከር እና ለማሳደግ ያደረጋቸው አቅም መገንባት ስራዎችን ለመዳሰስ

- በክፍለ ከተማው እና በወረዳው አነስተኛ እና ጥቃቅን ቢዝነሶችን የሚያደራጀው ቢሮ ለምርቶቻቸው ገበያ እንዲያገኙ በቂ ጥረት አድርጓል።

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- አነስተኛ እና ጥቃቅን ተቋማት ፋይናንስ ወይም መቋቋሚያ በጀት ማግኘት እንዲችሉ ተደርጓል።

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- አነስተኛ እና ጥቃቅን ተቋማት የስራ ማስጀመሪያ ገንዘብ ለመውሰድ እንዲያቀርቡ የተጠየቁት ማስያዣ አልነበረም ወይም በቀለቀሉ ማግኘት የሚችሉት ነበር።

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- አነስተኛ እና ጥቃቅን ተቋማት ፋይናንስ ወይም መቋቋሚያ ያገኙት በጀት ወይም ገንዘብ ተቋሙን ለማቋቋም እና ለማሳደግ በቂ ነበር

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የመንግስት አስተዳደር አነስተኛ ተቋማት የጥሮ እቃ ማግኘት የሚችሉበትን መንገድ በመፍጠር የጥሬ እቃ ዋጋ ጫና እንዲቀንስ ልቻው ተደርጓል።

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የጥቃቅን እና አነስተኛ አደራጅ የመንግስት ቢሮ አነስተኛ ተቋማት ከመቋቋማቸው በፊት ስልጠና እንዲያገኙ አድርጓል።

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- ለጥቃቅን እና አነስተኛ ተቋማት ከመቋቋማቸው በፊት የቀረበላቸው ስልጠና ስራውን ለመጀመር ጠቃሚ ነበር

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- ለአነስተኛ እና ጥቃቅን ተቋማት እንዲጠናከሩ ተከታታይነት ያላቸው በስራ ላይ እያሉ ስልጠናዎች ይሰጡ ነበር

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- በተከታታይነት ሲሰጡ የነበሩ ስልጠናዎች አነስተኛ እና ጥቃቅን ተቋማትን ለማጠናከር እና ቀጣይነት እንዲኖራቸው ለማድረግ ጠቃሚ ነበሩ

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- ለአነስተኛ እና ጥቃቅን ተቋማት የሚሰጡ ስልጠናዎች የስልጠና ፍላጎታቸው ተጠይቀውና ዳሰሳ ጥናት ተካሂዶ ነበር

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የክፍለ-ከተማው ወይም ወረዳው የሚመለከተው ቢሮ አነስተኛና ጥቃቅን ተቋማት እንዲጠናከሩ ሙያዊ ድጋፍ የሚያደርግበት ስርአት ነበረው

ክፍለ ከተማው ወይም ወረዳው ተቋማት ለባቸውን ክፍተት ወይ ጉድለት ለማወቅ የመከታተያ ስርአት ነበረው።

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- ክፍለ ከተማው ወይም ወረዳው ለጥቃቅን እና አነስተኛ ተቋማት የመስሪያ ቦታ አዘጋጅቷል።

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የንፋስ ስልክ ላፍቶ ክ/ከ ወይም ወረዳ ለአነስተኛ እና ጥቃቅን ቢዚነስ ተቋማትን ያዘጋጀው የመስሪያ ቦታ በጥቂት ክፍያ ወይም በነጻ እንዲጠቀሙበት ነው

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የንፋስ ስልክ ላፍቶ ክ/ከ ወይም ወረዳ ለአነስተኛ እና ጥቃቅን ቢዚነስ ተቋማትን ያዘጋጀው የመስሪያ ቦታ ለተወሰነ ጊዜ ሳይሆን በቋሚነት እንዲጠቀሙበት ነው

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የንፋስ ስልክ ላፍቶ ክ/ከ ወይም ወረዳ ለአነስተኛ እና ጥቃቅን ቢዚነስ ተቋማትን ያዘጋጀው የመስሪያ ቦታ አካባቢው ለስራው ትክክለኛ ቦታ ነው

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የንፋስ ስልክ ላፍቶ ክ/ከ ወይም ወረዳ ለአነስተኛ እና ጥቃቅን ቢዚነስ ተቋማትን ያዘጋጀው የመስሪያ ቦታ የተሰራው በከተማው መሪ ፕላን መሰረት ያደረገ ጥራት ነው።

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- የንፋስ ስልክ ላፍቶ ክ/ከ ወይም ወረዳ ለአነስተኛ እና ጥቃቅን ቢዚነስ ተቋማትን የመስሪያ ቦታቸው ለሌላ ስራ ተፈልጎ ወይም በተመሳሳይ ምክንያት ሊፈረስብን ዌም ሊወሰድ ይችላል ብለው ይሰጣሉ።

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- ጥቃቅን እና አነስተኛ ተቋማት የያደራጃቸው ወይም እንዲመሰረቱ በረዳቸው የመንግስት አካል መሰረት እየተጠናከሩ መተዋል።

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- ጥቃቅን እና አነስተኛ ተቋማት የያደራጃቸው ወይም እንዲመሰረቱ በረዳቸው የመንግስት አካል ድጋፍ እጥረት ከፍተኛ ተግዳሮቶች እንዲጋፈጡ ተገደዋል።

እስማማለሁ አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

ክፍል 4. አጠቃላይ ድምዳሜ

- እንዳጠቃላይ በንፋስ ስልክ ላፍቶ ክ/ከ / ወረዳ ጥቃቅን እና አነስተኛ ተቋማት አደራጅ ቢሮ ተቋማቱ እንዲጠናከሩ እና እንዲያደርጉ በቂ ስራ እየሰራ ይገኛል ።

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

- እንዳጠቃላይ በንፋስ ስልክ ላፍቶ ክ/ከ/ወረዳ ጥቃቅን እና አነስተኛ ተቋማት አደራጅ ቢሮ ተቋማቱ እንዲጠናከሩ እና እንዲያደርጉ በቂ ስራ እየሰራ አይደለም ።

እስማማለው አልስማማም እርግጠኛ አይደለሁም በጣም እስማማለሁ በጣም አልስማማም

አጠቃላይ አስተያየት ካልዎት

ANNEX 3

The Role of local government in promoting Small scale business in addis Ababa in the case of Nifas Silk Lafto sub city "

PART1. General Information and Demographic Background of Respondents

Gender Male Female

Age category 18-25 26- 35 36-45
> 45 years of age

Educational Background/status

Certificate Diploma Degree Masters
Doctors

Other /please mention _____

Which working sector

- wood work on production of _____

- metal work on production of _____

- building construction materoials on production of _____

- other small scale business/please mention/ on production or provision of _____

status of your position

- Business owner,
- business partner ,
- employed by the business
- **other role**

how long have you been working in the sector _____

PART 2. Entrepreneurship freedom on business establishment

Objective : To assess the willingness and freedom given for the business owners or established small scale business partners who has engaged in the sectors.

OK I understand

Please underline your choice of answer.

Small scale business owners has given full freedom to propose the business sector in which they wanted to be engaged.

Agreed disagreed Not sure strogly agreed strongly disagree

Small scale business owners has given lists of business areas for choice

Agreed disagreed Not sure strogly agreed strongly disagree

If you are given the chance to choose the Small scale business sector you could involve in other areas than your existing business engement

Agreed disagreed Not sure Strogly agreed strongly disagree

The business sector in which you have currently enaged is directly related to your profesional educatiuon

Agreed disagreed Not sure strogly agreed strongly disagree

The business location where the business being undertaken decided by the preference of the sub city concerned office.

Agreed disagreed Not sure strogly agreed strongly disagree

The Small scale business establishment the Sub city has issued a clear selection criteria for interested persons or groups

Agreed disagreed Not sure strogly agreed strongly disagree

PART 3. Government role on building capacity and creating enabling environment for SMS establishment and sustainability

This is to assess the local government role on building the capacity of small scale business and creating enabling environment for their growth and sustainability

The Sub city Micro & small enterprises Development Buearu has played adequate role in creating a market linkage for small scale business

Agreed disagreed Not sure rogly agreed ngly disagree

The Local government concerned office has created access for financial resource for small scale business establsihement

Agreed disagreed Not sure rogly agreed ngly disagree

Small scale business could get access financial resources with affordable collateral

Agreed disagreed Not sure rogly agreed ngly disagree

The financial resource access provided or facilitated is adequate for small scale business establsihement and growth

Agreed disagreed Not sure trogly agreed rongly disagree

The Local government of addis Ababa has provided raw material access to reduce the increasing raw material cost impacts

Agreed disagreed Not sure rogly agreed ngly disagree

The Local government of addis Ababa has provided training before businss establishment for SMS

Agreed disagreed Not sure ogly agreed ngly disagree

The provided training above is directly related and relevant for the establishment and running of the small scale business

Agreed disagreed Not sure trogly agreed ngly disagree

On job trainings has been provided regularly by the concerned local government of addis Ababa city to stregthen SMS

Agree disagree Not sure strogly agreed strongly disagree

If on job regular training provided it is very impactfull to stregthen and grow small scale business

Agreed disagreed Not sure strogly agree strongly disagree

The capacity building trainings provided by local government of addis Ababa sub city concerned office have been based on gap analysis and needs of SMS.

Agree disagree Not sure strogly agree strongly disagree

Local government of addis Ababa /Nifas Silk Lafto sub city / have regular technical support mechanism for Small scale business

Agreed disagree Not sure strogly agree strongly disagree

The Nifas silk Lafto Sub city has a regular monitoring mechanizm to follow the small scale business performance or gaps

Agreed disagreed Not sure strogly agree trongly disagree

The Nifas silk Lafto Sub city has providing a area facility (land or shelter for production of good) for small scale business

Agreed disagreed Not sure strogly agree strongly disagree

The Nifas silk Lafto Sub city has providing an area a facility (land or shelter for production of good) for small scale business to be used freely(low cost) and permanently.

Agree disagree Not sure strogly agree strongly disagree

The Nifas silk Lafto Sub city has providing an area a facility (land or shelter for production of good) for small scale business to be used for limitted time frame

Agree disagreed Not sure strogly agree strongly disagree

The Nifas silk Lafto Sub city has providing an area a facility (land or shelter for production of good) for small scale business at proper location.

Agree disagree Not sure strogly agree strongly disagree

The Nifas silk Lafto Sub city has providing an area a facility (land or shelter for production of good) for small scale business at standard with the city master plan.

Agree disagree Not sure strogly agree strongly disagree

Most small scale business are at risk of forced eviction or demoluion or losing the facility due to the land to be claimed for other purposes

Agree disagree Not sure strogly agree strongly disagree

Small scale business in the sub city are strong as result of promotional role of the local government

Agree disagree Not sure strogly agree strongly disagree

Small scale business in the sub city are facing so many challenges due to the deart of as result of promotional role of the local government.

Agree disagree Not sure strogly agree strongly disagree

In genaral the Addis Ababa sity Local government /The nifas silk lafto sub city / has played adequate role for the establsihement and sustainablity of smalls scale business

Agree disagree Not sure strogly agree strongly disagree

Thank you