

**THE INTERPLAY OF LEARNING AND WORKLIFE  
EXPERIENCES: A CASE OF JOB CREATION BY SMALL AND  
MEDIUM ENTERPRISES (SMEs) IN KAMPALA - UGANDA**

**BAMUTIRE ESTHER**

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## DECLARATION

This thesis is my original work and has not been presented for a degree in any other university.

Esther Bamutire

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVAL**

We, as the university supervisors confirm that the work is by the candidate.

Mr. Jacob Oyugi Lalango

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

**Principal Supervisor**

Mr. Ali Kyakulumbye

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

**Internal Supervisor**

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## ABSTRACT

This research was intended to study the interplay between learning and work life experiences, taking a case of job creation by Small and Medium Enterprises (SMEs) in Kampala. SMEs create employment, thereby reducing unemployment, which is a problem in Uganda, and affects both the educated and those that are not. In most cases many people keep looking for employment and when they do not find it they remain unemployed. Many of these people have skills, but they are not able to use them to create employment for themselves. The experiences of successful SME entrepreneurs could strengthen formal education, to reduce the problem of unemployment. This is a significant study because the lessons learned from it can lead to improvement in education and encourage people to start employment for themselves and for others, leading to a reduction in the unemployment problem, which is rampant in Uganda.

The study was carried out on five Enterprises which were selected from various SMEs that attended a workshop organized by the Private Sector Foundation of Uganda in March 2010 for SMEs. These included a manufacturer of energy-saving stoves and cooking systems, a bee-keeping equipment manufacturer, a mushroom grower, a furniture company and a producer of herbal products. Information was gathered through carrying out interviews and observation.

The study gave rise to a number of findings and these included the following. One does not need to have the technical knowledge to be able to start an enterprise. Much can be accomplished through other people. Some enterprises develop from people's hobbies, even without prior intention to turn them into enterprises. In order to create employment it is important to be creative and to put into practice knowledge acquired. People who intend to start enterprises should start early, when they are still young and energetic because it is very demanding. Integrity

is very essential if one is to succeed in self employment and it should be cultivated right from an early age and in school. Education is very important in job creation, even in cases where people start enterprises from using skills they acquired from elsewhere other than from school. Also, networking and social skills are essential in enterprise. People can start enterprises even without a lot of funds. It is very possible to start small and grow over time.

A number of recommendations were made, including the following. Learners in various fields should not only be equipped with technical skills but rather, other skills such as social skills need to be developed. In addition, attention should also be paid to their gifting and hobbies because these can reward their carrier. Opportunities should be created for teachers and students in institutions to learn from entrepreneurs' experiences. Creativity should also be promoted in the course of training so that learners can be able to think and come up with enterprises, even after they leave school. They should be able to use the knowledge, skills and resources they have productively.

In conclusion, job creation can be achieved by many more people than is the case today. There is need for flexibility on the part of people who seek employment, especially those who are educated. There are many opportunities around us and knowledge in various forms. Thus, the knowledge and skills acquired should be put into practice to create jobs, and this can lead to reduction in the unemployment problem.

## **DEDICATION**

This work is dedicated to my family, who have been very supportive to me and have put up with all the inconvenience caused during the course of this research.

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May the Almighty God richly reward you all.

**LIST OF ACRONYMS**

|       |   |
|-------|---|
| ADB   | African Development Bank                                |
| CARE  | Carry American Relief Everywhere                        |
| CIDA  | Canadian International Development Agency               |
| ECLAC | Economic Commission for Latin America and the Caribbean |
| HBEs  | Home Based Enterprises                                  |
| IRC   | International Red Cross                                 |
| KTB   | Kenya Top Bar hive                                      |
| MoA   | Ministry of Agriculture                                 |
| MoES  | Ministry of Education and Sports                        |
| MoH   | Ministry of Health,                                     |
| NDA   | National Drug Authority                                 |
| NGO   | Non Governmental Organization                           |
| NOMA  | NORAD Masters Program                                   |
| NORAD | Norwegian Agency for Development                        |
| PSFU  | Private Sector Foundation of Uganda                     |
| SCOUL | Sugar Corporation of Uganda                             |
| SMEs  | Small and Medium Enterprises                            |
| UBOS  | Uganda Bureau of Standards                              |
| UIA   | Uganda Investment Authority                             |
| UK    | United Kingdom  |
| UMA   | Uganda Manufacturers Association                        |
| UMI   | Uganda Management Institution                           |

|       |  |
|-------|--|
| UNBS  | Uganda National Bureau of Standards                |
| UNDP  | United Nations Development Program                 |
| USAID | United States Agency for International development |
| UWESO | Uganda Women's Efforts to Save Orphans             |
| VET   | Vocational Education and Training                  |

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## CHAPTER ONE

### 1.1 BACKGROUND TO THE STUDY

#### 1.1.1 The Small and Medium Enterprises and Job Creation

A Small and Medium Enterprise (SME) is a business that employs between 4 and 50 people with revenue in the range of 5 million and 300 million Uganda shillings per annum (Wafula, 2010). Also, according to Wafula SMEs contribute to about 90 percent of formal and informal jobs in the East African region, which is an indication that SMEs are very significant in creation of jobs.

Since SMEs contribute many of formal and informal jobs in the East African region there are possibly some lessons that can be learnt from them, concerning their learning experiences in starting and sustaining enterprises or businesses. SMEs mostly operate in the informal sector and today, the informal sector stands out vividly as the most important labor sponge in Africa's labor market (Wafula, 2010). Informal commerce and trade engage 63% of Ugandan entrepreneurs (Snyder, 2000, pp. 5,37).

In Uganda there are many higher institutions of learning, including technical and vocational institutions. According to Egau (2002:17) the aims and objectives of technical and vocational education in Uganda include acquisition of skills by students in order to make them productive members of the community; and to produce craftsmen, technicians and other skilled manpower to meet the demands of industry, agriculture, commerce and the general labor force. When these objectives are met, it is hoped that there would be reduction in unemployment especially among the youth who go through the training

institutions and have acquired skills to enable them create employment for themselves as well as for others. One of the ways they can create the employment is by starting SMEs.

Job creation can provide employment and thus reduce unemployment. Given its potential to support economic growth, many governments including Uganda have made it a policy to develop a culture of job creation through various initiatives. The Government of Uganda aims at reducing poverty with emphasis on the private sector as the driver of economic growth and creation of jobs. The government is promoting entrepreneurship among researchers and graduates (Budget 2010/2011, 2010). In the same budget, one billion Uganda shillings was allocated to Enterprise Uganda and training of more entrepreneurs while two billion shillings was set aside for industrial training for the youth in the informal sector, a move aimed at reducing unemployment (Kaija, 2010). Efforts to promote private investments under the Uganda Investment Authority have over the last decade and a half created about 350,000 jobs (East African Tribune, April 2009). This is a clear indicator of the importance of job creation as a beneficial venture for a country.

In Uganda and the East African region there is a problem of unemployment among both the educated and the uneducated. The Ministry of Public Service puts the national unemployment rate at 3.2% while that of the youth is at 22.3%. In Kampala, the youth unemployment rate is reported to be above 32.2%, while the Ministry of Public Service puts the national unemployment rate at 36% for the university graduates (AllAfrica.com, 2008). The Uganda Public Service Commission puts the number of university graduates that can be accommodated by the country's labor market at 50% (AllAfrica.com, 2008). Thus, the remaining 50% of university graduates may not be able to find jobs in the labor market. This shows that unemployment is a general problem, even among the educated.

On the other hand, there are persons who have had only a little or no formal education, and yet they have been able to create employment for themselves and have even employed other people. This has been found to be the case with entrepreneurs in Uganda where some attained up to secondary school education, some having had only primary education and a few others with no education at all (Snyder, 2000, p. 66).

### **1.1.2 Problem Statement**

The successful experiences of SME entrepreneurs in Uganda have significant implications for vocational as well as general education, yet there is no utilization of these success story experiences in formal education. The SMEs are very important in job creation and in the East African region they contribute about 90% of formal and informal jobs. Through SMEs there are persons who have had only little or no formal education but have been able to create employment for themselves and also to employ other persons. This has been found to be the case with some entrepreneurs in Uganda. This research investigated the various learning experiences (formal, informal and non-formal) among persons who have been able to start enterprises, and how such experiences have contributed towards job creation. The learning experiences were majorly in starting and sustaining of enterprises.

### **1.1.3 Purpose of the Study**

The purpose of the study was to establish how successful experiences of SME entrepreneurs could be used to encourage and strengthen vocational as well as general education.

#### **1.1.4 Objectives of the Study**

1. To examine the background and learning experiences of SME entrepreneurs.
2. To ascertain the relationship between formal learning, and starting and sustaining SMEs.
3. To establish the learning acquired from various experiences by the SME entrepreneurs.

#### **1.1.5 Scope of the Study**

The scope outlines parameters within which the study was carried out covering the content and geographical scope.

##### **Content Scope**

The study was carried out on persons who started SMEs, to analyze how they started and the factors that influenced their start-up. It was geared towards the learning experiences that these people went through and how such experiences enabled them start and sustain the SMEs. It explored ways of how such experiences can be used to improve learning, to encourage job creation and reduce unemployment.

##### **Geographical Scope**

The study was carried out on persons who set up SMEs in Kampala District, and their employees. It was carried out in five different enterprises that are involved in different trades.

### **1.1.6 Significance of the study**

This study could bring to light areas where more research needs to be carried out concerning unemployment and job creation. Thus it may be of great significance to researchers. It also offers written literature for them to use in various related studies.

The study could provide a better understanding of job creation; that is what it involves and how one can start an enterprise and sustain it. The unemployed and those who intend to create employment for themselves and others can learn from those who have already been through the process. This may give them some direction and enable them to avoid certain pitfalls.

The information in the study may help owners of other SMEs to know the challenges that others elsewhere go through and how they are able to overcome them. This can help them improve their enterprises.

The study could be of importance to parents and students, as it is expected to lead to a change in attitudes towards various trades and systems of education. It may possibly lead to improved career choices among the students.

The study could be essential to Institutions of Learning, those responsible for development of the educational curricula and the education planners in that it is expected to highlight learning practices, attitudes, values and skills that can promote learners' ability to start their own employment/enterprises after they have completed their learning.

The study could contribute towards the advancement of knowledge concerning job creation. If the findings of the study are followed, reduction in unemployment may result.

### **1.1.7 Definition of Key Terms**

#### **Job creation**

The term job creation in this study refers to the starting and sustaining of an enterprise which can provide employment for the person who started it and for other persons.

#### **Unemployment**

In this study unemployment refers to being without a job, especially where a person has the ability to work.

#### **Learning experiences**

Learning is a process by which behaviour changes as a result of experience (Maples and Webster 1980 in Merriam, and Caffarella, 1991, p. 124). Learning is the acquisition of facts, skills, and methods that can be retained and used as necessary (Smith, 2003). Learning experiences refer to various incidences that a person goes through which lead to acquisition of knowledge or skills. In this study it is those experiences that have contributed towards one's ability to start and sustain an enterprise. In this context the learning experiences of the entrepreneurs, both the formal and informal, their learning experiences in different work places and the general learning life as a whole were in the centre of the study.

#### **Formal Learning**

Formalized learning arises from the process of facilitating learning and it is educative. There is a consciousness of learning in that people are aware that the task they are engaged in entails learning. Formalized learning makes learning more conscious in order to enhance it (Rogers, 2003, p. 27). Formal learning refers to acquisition of knowledge

and skills where the teaching is structured and it happens mostly in schools, colleges and universities. It usually involves a teacher-student relationship and it normally leads to award of certificates.

### **Informal learning**

Informal learning is learning from life through the experience of day-to-day situations (Wikipedia, Learning, 2010). It normally takes place in an unstructured environment and manner. Most of the learning that goes on is almost unconscious. It can take place in families, with friends and through experience as a person does various things. It tends to happen throughout a person's life and in many cases it is not planned. There is accumulation of experience, but there is normally no award of certificates.

This learning goes on all the time, is concrete, immediate and confined to a specific activity (Rogers, 2003, p. 18). Examples include much of the learning involved in parenting or with running a home. While the learner is always conscious of the task at hand, he or she may not be aware of the learning that it entails (Rogers, 2003, p. 21). In other words, the learner may not be conscious of the learning, but is usually aware of the specific task at hand (Smith, 2003).

Non-formal learning is organized learning outside the formal learning system (Wikipedia, Learning, 2010). It is consciously aimed at meeting specific learning needs of particular groups of people. What is learned is structured but not as much as in the case of formal learning. It can be in form of business seminars and workshops. Sometimes certificates are awarded.

**Training**

Training refers to impartation of specific skills or knowledge in an individual to enable him gain expertise in that area (Lutalo Bosa, 2007). A trained person is one who can demonstrate competence. The concept of training is mainly used in relation to vocational and technical education.

**Entrepreneurship**

Entrepreneurship is the practice of starting new organizations or revitalizing mature organizations, particularly new businesses generally in response to identified opportunities (Onuoha, 2007). Entrepreneurship also refers to doing something new or known things in new ways (Schumpeter, 1995).

**An enterprise**

An enterprise is a business or an organization that is set up in response to an identified opportunity with an objective of making profit. It is a venture that has been set up to offer goods and/or services to the public for the purpose of making profit.

**Vocational pedagogy**

Vocational pedagogy is a field of knowledge oriented towards trades, occupations and professions (NOMA, 2008). The central theme in vocational pedagogy is the relationship between learning in school and learning in actual work. There is interplay between learning and working life experience. This understanding has its roots in the development of vocational education in schools and the apprentice systems as they have been developed in the Middle Age in Europe (Mjelde, 2006). This way of thinking is also

connected to traditional ways of learning in African society where young people learned physically from the practices of the elders in order to becoming good doers and crafts people (Lave and Wenger, 1991).

## 1.2 LITERATURE REVIEW

### 1.2.1 Introduction

This chapter reviews documentation on what has been done with regard to learning and job creation. This includes unemployment, learning, entrepreneurship and other factors that affect job creation. The literature review is linked to objectives addressed by the study.

### 1.2.2 Learning

Learning is the process of constructing new knowledge, its ongoing reinforcement and enhancing its breadth and organization through deployment (Billett, 2001, p. xv). It is an integral part of generative social practice in the live-in world (Lave and Wenger, 1991, p. 35). Learning is an important means to achieve change in work organization. It involves the creation of something new and contrasting with the traditions within an organization (Ellegard, 1991).

Formalized learning arises from the process of facilitating learning in formal settings, for example schools, colleges and universities. It is educative learning rather than the accumulation of experience. Learning in formalized settings is conscious, in that a person is aware that the task he is engaged in entails learning (Smith, 2003). It involves guided episodes of learning. In contrast, as described above, some learning is informal, embedded in activities that are going on all the time. This form of learning is concrete, immediate and confined to a specific activity; it is not concerned with general principles (Smith, 2003). Examples here include where a child learns by working with his parent, friends or siblings. Some have referred to this kind of learning as unconscious or

implicit. Whereas the learner may not be conscious of the learning, they are usually aware of the specific task at hand (Smith, 2003). A lot of learning takes place informally (Sloan & Sobieszek, 1994).

In any education system teachers are a very important factor. According to the Report of the Education Review Commission of 1992, no education system can be better than the quality of its teachers (Egau, 2002, p. 25). In order to have good quality of graduates from the vocational institutions of learning for example, there is need to have well qualified teachers or instructors who have pedagogical, technical skills as well as the industrial experience. In addition, the skill level of the teacher trainers needs to be enhanced using modern technology and equipment, improving methods of training, attracting good students to the profession, improving teachers' salaries and conditions of service (Egau, 2002, p. 26).

The method of teaching is also an important factor for learning to take place. There are gaps between the methods applied and those that are seen as the most effective and appropriate in teaching (European Commission Report, 2008, p.66). The use of experience-based teaching methods is crucial to developing entrepreneurial skills and abilities as compared to the traditional educational methods which are mainly lectures, which do not correlate well with instilling entrepreneurial traits and attributes into the learner (European Commission Report, 2008, p.66).

Academic definitions, no matter how precise cannot instantly be applied in the real world of work. Managers need to promote learning so that it gradually emerges as a key part of organization's culture (Senge, 1998). Learning and working are interdependent. The types of activities individuals engage in and the guidance they access are central to

learning the knowledge required for work (Billett, 2001, p. 39). Thus, learning does not happen and end at the point of the teaching but rather, it continues even as the learner proceeds to real work, bringing more internalization and understanding as time goes on. Such an individual with time becomes more experienced and skilled at their work, and even others can learn from him or her. Participation in workplace tasks assists new learning and reinforces what has been learned through further practice. Workplaces are seen as legitimate and effective learning environments (Billett, 2001, p. 14).

This research sought to make visible the learning experiences among SME owners and how such experiences help running of the SMEs. However the study will also focussed on the learning before the SME came into being and how this learning helped in the formation of the SMEs. Enterprises are often attracted to work-based learning because of the prospect of accessible pertinent and cost-effective ways of developing the skills they need for effective work practice (Billett, 2001, p. 177). The learning is formal, non-formal and informal because each form of learning matters for SMEs as the excerpt below shows us.

*The distinction of formal from informal learning is not important for the SME.... In SMEs a variety of learning happens, but sometimes this is not reflected or even seen as learning. The awareness about what is happening helps to plan and develop certain learning strategies due to the needs formulated by the employee and by the employer (Mjelde and Daly, 2006, p. 398)*

In many instances persons get motivated to learn through various circumstances such as joblessness (Billet, 1986, p. 9). Such motivation then pushes them to learn and in the end

they are able to create jobs for themselves and for other people. Besides learning being enhanced by motivation and circumstances, it is also influenced by the learning style.

Learning style refers to the manner in which a learner perceives, interacts with, and responds to the learning environment (Wikipedia, 2007). Learning styles are different ways in which a person can learn (Wikipedia 2007). It is a mode through which a person masters learning, solves problems, thinks or simply reacts in a pedagogical situation. There are various styles by which people learn, even when it comes to starting their own employment.

There are four orientations to learning which include the behaviorist, cognitivist, humanist and social and situational aspects. (Merriam & Caffarella, 1991, p. 138). These are summarized in the following table.

Table 1: Table showing a summary of the various learning orientations.

| <i>Aspect</i>                           | <i>Behaviourist</i>  | <i>Cognitivist</i>   | <i>Humanist</i>                             | <i>Social and situational</i>   |
|---|--|--|---|---|
| <b>Learning theorists</b>               | Thorndike, Pavlov, Watson, Guthrie, Hull, Tolman, Skinner                              | Koffka, Kohler, Lewin, Piaget, Ausubel, Bruner, Gagne  | Maslow, Rogers                              | Bandura, Lave and Wenger, Salomon   |
| <b>View of the learning process</b>     | Change in behaviour  | Internal mental process (including insight, information processing, memory, perception)                | A personal act to fulfill potential.        | Interaction /observation in social contexts. Movement from the periphery to the centre of a community of practice |
| <b>Locus of learning</b>                | Stimuli in external environment  | Internal cognitive structuring   | Affective and cognitive needs               | Learning is in relationship between people and environment.   |
| <b>Purpose in education</b>             | Produce behavioral change in desired direction   | Develop capacity and skills to learn better  | Become self-actualized, autonomous          | Full participation in communities of practice and utilization of resources  |
| <b>Educator's role</b>                  | Arranges environment to elicit desired response  | Structures content of learning activity  | Facilitates development of the whole person | Works to establish communities of practice in which conversation and participation can occur.                     |
| <b>Manifestations in adult learning</b> | Behavioral objectives<br>Competency -based education<br>Skill development and training | Cognitive development<br>Intelligence, learning and memory as function of age<br>Learning how to learn | Andragogy<br>Self-directed learning         | Socialization<br>Social participation<br>Association<br>Conversation  |

Source: (Smith, 2003)

The behaviorist learning orientation is intended to produce behavioral change in a desired direction in response to stimuli in the external environment, which is organized to bring out a desired response.

The cognitive learning orientation entails an internal mental process, which includes insight, information processing, memory and perception. There is internal cognitive

structuring aimed at developing capacity and skills to ensure better learning. The teacher structures content of learning activity.

In the humanist aspect, a personal takes action to fulfill his potential, and bases on affective and cognitive needs. The educator facilitates development of the whole person, aiming at the learner becoming self-actualized and autonomous.

In the social and situational aspect, communities of practice are established and they involve conversation and participation. There is full participation and utilization of resources, with interaction and observation in social contexts. The learner moves from the periphery to the centre of the community of practice and learning is in a relationship between people and the environment.

### **1.2.3 Small and Medium Enterprises**

In this study emphasis was on SMEs because these are greatly involved in creation of jobs. Small enterprises and the informal sector constitute the second largest employer and have the potential to create more and better jobs (The East African Tribune April 2009). The sector has displayed creativity, dynamism and innovation. Close to 4.4 million people in Uganda work in the informal sector for their livelihood and source of income (UBOS, 2007). This has been as a result of persons that have created enterprises and have been able to employ others. However, much as job creation is worthwhile there are a number of factors that hinder it. Such factors include lack of financing, environmental factors, gender issues, government policies, political issues and fear.

Job creation is always a difficult undertaking and sometimes many new businesses fail.

For a person to create employment, they must be willing and able to convert a new idea

or invention into a successful innovation. The person must be a risk taker in terms of ideas, spending much time as well as capital on an uncertain venture (Snyder, 2000).

The kinds of jobs created are mainly determined by developments in technology or labor supply (Garibaldi, 2000, p. 10). In vocational education and training (VET) the technology used during learning is essential, for the learner to gain competence. For learners to gain competence that would enable them be productive in the job market it is imperative that their practical learning is done with current technology. Garibaldi further found that declines in youth employment seemed to be related partly to the number of years spent in school. This is supported by one of our research expedition carried out on Kyambogo University students, where we found that students who instead of proceeding to A-level from O-level rather opted to go for vocational study certificates, and thereafter they were able to get employment (Mayor B, et al, 2009). These students were able to earn a living and even sponsor their degree studies thereafter, as opposed to their counterparts who went through straight to university and found it hard to find employment, or were under-employed when they eventually found employment.

## **1.3 METHODOLOGY**

### **1.3.1 Introduction**

This study was carried out to determine the learning experiences of SME entrepreneurs, which enabled them to create and sustain employment. Five entrepreneurs were included in the study. This chapter discusses the methodology that was used. It describes the study area, study design, and data collection methods and instruments that were used during the study based on the research objectives (Amin, 2005, p. 31).

### **1.3.2 Research Design**

A descriptive design was used. Qualitative methods were used in order to explore the research objectives formulated for the study.

### **1.3.3 Area of the Study**

This research was carried out in Kampala District (Uganda), focusing on five SMEs in various trades. Two of the enterprises were located in Kampala Central Division, two in Kawempe Division and one was located in Rubaga Division.

### **1.3.4 Study Population and Sampling**

The population of interest was SMEs in Kampala. Five enterprises were selected randomly, out of over 50 enterprises that were represented in a workshop organized by the Private Sector Foundation of Uganda (PSFU) for SMEs at Lugogo UMA Hall in March 2010. Snowball method was also used where one of the entrepreneurs, that is, the bee-keeping equipment manufacturer made reference to the mushroom entrepreneur

whom he thought would make a good contribution to the research. All the enterprises chosen fell in the SME category although they were operating in different trades.

The SMEs in the study included Footsteps Furniture Company Limited, Kaddu John, a Bee Equipment Manufacturer and Trainer, Betina Horticulture, a mushroom grower, Sangoma Herbal Products and F. K. Rwashana and Associates Co. Limited, a company that manufactures energy-saving cooking systems and products. The respondents were the persons who started the enterprises or the owners, and some of their employees.

### **1.3.5 Data Collection Instruments/Techniques**

The data collection methods used in the study included interviews and observation.

#### **1.3.5.1 Interview Schedule**

Structured interview guide questions were used (See appendix A). Interviews give opportunity for in-depth study of the research questions (Amin, 2005, p. 178). All interviews were tape recorded to ensure accuracy of quotations and that important information is not left out. Some of the respondents were really elaborate while some were brief. Some were very busy and wanted the interviews to take a short time.

#### **1.3.5.2 Observation**

Information was also gathered through observation. This was done as the interviews were carried out at the premises. Photos were taken to capture processes, machinery and products to provide visual substantiate the data collected through interviews.

### **1.3.6 Data Collection Procedure**

After polishing up of the research instruments an introductory letter was obtained from Kyambogo University to each of the enterprises (See Appendix B). Pre-visits were made to the work places where the research was to be done. Each of the enterprise was then visited according to prior arrangement and the instruments were administered. Information was collected from the entrepreneurs themselves and from some of their employees. Effort was made to ensure a free atmosphere for the respondents to answer questions freely.

### **1.3.7 Data Analysis Procedure:**

Data was transcribed from the voice recorder by typing it out on the computer. The interpretations and explanation of results were done according to the research objectives and later summarized by tabulation.

## CHAPTER TWO

### 2.0 BACKGROUND AND LEARNING EXPERIENCES OF SME ENTREPRENEURS

#### 2.1 Introduction

This chapter presents the results from the interviews with the SME entrepreneurs. It includes their educational background, including how they came to start their enterprises and how they have been able to develop them overtime. It includes five entrepreneurs, that is, Fred the energy-saving stove manufacturer, John the bee-keeping equipment manufacturer, William the owner of the furniture company, Betty the mushroom grower and Michael the herbal products entrepreneur. These persons have created jobs for themselves and for those that they employ, through their enterprises.

I decided on Fred, the energy-saving cooking systems manufacturer after looking at some of his products that were exhibited at the UMA Show Grounds during the SMEs workshop. The products were really captivating, especially one that could bake, roast and cook at the same time, using very little charcoal.

As for John the bee equipment manufacturer, I sat with him during one of the sessions during the SMEs workshop. As we chatted about starting enterprises he told me about why he chose to go into self employment and he also talked about how he had been able to gain much knowledge on bee-keeping by reading a book, after which he managed to start the business. He referred me to the fourth respondent Betty, because I had explained to him the purpose of this research and he felt she had interesting experiences that would make a good contribution to the study. Since she was operating in a field different from the other respondents I took her up.

The SMEs workshop program had sessions where specific successful entrepreneurs were asked to share their experiences on how they started enterprises. Among those who spoke was William, the owner of a large furniture company. I decided to include his enterprise for this study because of the interesting humble beginning, given the fact that I knew the company as a big one, always offering high quality products. I was also interested in another person, Regina, an owner of a leading funeral service company. However she was so busy that I was not able to arrange an interview with her.

The herbal products entrepreneur was also one of the exhibitors at the SMEs workshop. He gave samples of herbal products to people who he felt needed them. As I passed his stall he gave me a sample of herbal soap because he felt it could make my skin better. I decided to include him in the study after realizing that his products were effective.

## **2.2 Study Method Used**

Information was gathered using interview guide questions that could provide information on the entrepreneurs' background, learning experiences and how they started the enterprises. The entrepreneurs were asked questions on their background, occupation, start of the enterprise, products, employees and learning experiences. (See Appendix A, section A, for the detail of interview guide questions). Photos were also taken to capture images of products and processes.

## **2.3 Findings**

### **2.3.1 The Entrepreneurs' Background Information and Narration.**

#### **Fred**

Fred, a man in his late 70s went to Kigezi High School for his junior education. He says he did not perform well because he got involved in business at an early stage. His sister had bought him a camera which he always used to raise some money. Because he did not perform well at Junior 2 he went to Junior 3 after which he applied and was admitted to Bukalasa Agricultural College. While at the college he had to compete with people who came from Senior six, since it was the same syllabus. Those who did not perform well were discontinued. Through hard work he succeeded. After the second year he had 3 choices to choose from; that is, Veterinary Medicine in Entebbe, remain doing Agriculture at Bukalasa, Agricultural Research at Kawanda Research Institute. Because he preferred research, he opted for Agricultural Entomology, which is the study of insects. It was a very hard study but he managed to do it very well.

He learned working from his father, who was a hardworking man. He, for example, used to take him to weed coffee at around the age of six years; he used to make soap from sheep fat and ash when soap was scarce, and they always had excess food for sale. He says they taught all their children to work and as a result they were all well placed and quite enterprising. He adds that one of the children confessed it during a speech that their parents taught them how to work and they all know how to work. According to him, it is important to nurture whatever little that you may see in a child so that it can blossom.

Around 1960 the Uganda Government was preparing for independence, and thus issued scholarships to about 700 Ugandans to go to UK and study so that they would take over administration after the attainment of independence. After his graduation in 1961 he got a scholarship to the UK. He studied Science and Laboratory Technology for three years and qualified in Botany and Zoology in which he specialized concurrently.

While in London he realized that the richest people were the industrialists. To him, these were people who seemed to be doing something for their country. He thus developed interest towards industrialization. During holidays, they had a special allowance that would enable them to visit places of special interest. He opted to go and work with a factory that was manufacturing microscopes because he felt this would be relevant in his biology. So he studied how microscopes were manufactured, how the lenses are lined up, handling and cleaning of prisms. This knowledge was practical and very useful when he went back to the entomology department in Uganda, because he found 12 binoculars non functional. He found out that the problem was minor – the prisms had grown fungus thus objects could not be visualized. Even the expatriates in the department could not repair them. He was able to repair them easily, giving him a good start.

He did not stay long in the Entomology Department, but rather joined Kyambogo where the Science Laboratory Technology course was being introduced. In 1968 he went to Manchester for a Teachers Certificate – Technical, which he completed and returned to Uganda. Not after long he left Kyambogo and joined Sugar Corporation of Uganda Limited (SCOUL) in the 70s as a training officer. He spent there 3 years and left for another factory where he also spent three years. Mr. Rwashana always did jobs for not more than 3 years, then he would change to another. He says this was because he hated

routine, and always wanted to do something new. He felt that when one is employed by another, the employer wants him to do what he wants him to do, that is, what he can do best, and he may not want the employee to change to other areas. In 1978 he decided to stop being employed by others and opted for self employment.

He started a workshop in 1980. He had no machines. A project under the African Development Bank started giving machines to industrialists in the rural areas. Since he could not benefit from it in the city he decided to go to Mbarara, where he organized space (5 acres) for a wood fabrication processing factory to make low cost houses. He got a loan of 1 million dollars and bought machines from Germany, because the loan was specific. It was a long term project which needed a lot of money. ADB could only give foreign money and the local cover had to be raised by the person receiving the loan. The loan could only be used to acquire machinery from Europe, and not for any local transactions.

He could not raise money to meet the high running costs and thus he introduced another person into the enterprise to make some financial contribution. The project kicked off, they even brought in some Germans to train workers, and put up some sample houses in different places such as the UMA grounds and in Kabwohe. The houses were made of wood-based slab. The wood was chopped into chips, then it was pressed adding some chemicals and some bonding materials. Three pieces would then be put together to make a standing wall, and they would go on interlocking. A house would be finished within one week, but the business needed a lot of working capital.

For the bank to think of only foreign capital without thinking of local capital was a great oversight. This contributed to failure of the project, because it required a lot of working

capital. He spent 10 years running the project, which time required a lot of sacrifice. He never used to earn a salary and the family suffered, having only the wife as the breadwinner. He had stopped everything he was doing before, to concentrate on the project. In addition to the principal loan amount, the interest accumulated up to 1.5 billion shillings. The project was sold off and the proceeds used pay back the loan, though it was not sufficient. Good enough, the partner being a politician managed to convince Government to write off the debt. He had to start afresh on another idea.

### **John**

John, aged 50 is an entrepreneur whose area of operation is in apiculture (bee-keeping). After his A-levels he joined vocational school and trained in metal trade for two years. He also studied entrepreneurship for 2 years at the Uganda Management Institute (UMI). He also attended educative seminars in bee-keeping and entrepreneurship. He had been in the practice for 20 years. He dealt in a number of products and services as given below:

Bee hives - The Kenya Top Bar hive (KTB) and the Langstroth hive the most advanced technology hive.

Smokers essential in harvesting of honey

Safety gear, which includes head gear/veil, overalls, rubber gloves and boots

Hive tools to open the hive during harvesting

Bee brushes, used to brush off the bees, say from one's hands

Api-tourism -- People coming to see how bees are reared

Training in bee-keeping. He has conducted trainings in and out of the country.

Bee colonies – this refers to a collection of bees. It comprises a queen, hundreds of drones and thousands of worker bees. They are always bought by beekeepers, but also by farmers and horticulturalists for pollination of their crops. Each hive contains a colony.

**Figure 1: Protective gear for harvesting honey**



**Source: Author**

### **Background:**

Way back in secondary school about 30 years back, he had a friend who would always bring a lot of pocket money to school. He approached him and asked where he always got all that money. The friend told him that he was a beekeeper. During holidays this friend would harvest honey and sell it. If he was not able to sell it he would keep it and sell it later, because honey never goes bad. He was inspired by this friend and bought a book entitled “Bees are Wealthy”.

He then wanted to start bee-keeping but his father would not allow him, because he did not want bees anywhere near his home. Unfortunately, the father was murdered in 1979.

He then had a chance to start bee-keeping because they were orphaned and needed money.

He has three employees who work for him, but he only engages them when he has orders, especially the large ones for the hives and smokers. These do the carpentry and joinery work. He tends to move with one of them when going for trainings and this has given him much exposure that he is now able to begin on his own. When it comes to other products like the tools, overalls and head gear, he hires services of blacksmiths and tailors and gives them specifications of what he wants. He ensures they do quality work.

Since he started he has had seven employees but four left. He started by getting one trained carpenter, who recommended others who could do the work well.

### **William**

William is the managing director of a furniture company, whose products include home furniture, office furniture, stationery and electronics. He has been in business for 20 years. The furniture business started in 2004. He started way back in 1990 by selling stationery on City House on Luwum Street in Kampala. By then he was a secondary school teacher, teaching Agriculture. He used to supply stationery to fellow teachers and to schools. He then moved to Nkrumah Road, where he had a small stall – about 90cm by 2m, and shared the shop with others. By 1997 they had become the proud owners of that shop. The shop basically dealt in stationery, and in 2001 furniture was introduced in the shop.

**Betty**

Betty, aged 60 years is a mushroom grower. After her O-levels she did a secretarial course in Temple College Nairobi. She worked with various organizations for about 30 years until she retired. Growing mushrooms started as a hobby when she was still employed, and later it became a side income project.

Sometimes she would feel she was fed up with employment due to various challenges at the place of work and she lacked satisfaction. Many times she tried to quit employment but would fear and think of a salary, she would then go back. When she told colleagues that she had finally decided to retire they took her to be unserious. She retired in 2008.

Makerere University through CIDA (Canadian International Development Agency) started clustering SMEs, and because she was a member of the PSFU and the university had entered into partnership with PSFU, she was chosen to represent mushroom growers as their chairperson. This helped give her more exposure and opportunities, like representing agro business women in East Africa.

**Michael**

Michael, an environmentalist has been in business for 10 years. The enterprise was started in 2003 by 4 people, under a mango tree with a zeal concerning the environment. They would grow medicinal herbs, and people always demanded to know the use of the herbs they grew. This led them into further research concerning the herbs.

### **2.3.2 Start and Sustaining of the Enterprises**

#### **The Energy saving cooking systems**

There was a problem. An announcement was made in 1990 whereby the government urged the public to stop cutting trees and burning charcoal. Fred wondered any alternative fuel was being given since the public was being stopped from cutting trees, and there was none. So he thought, "I may not think of an alternative now but I can at least think of ways of reducing fuel consumption". This is how he came up with the idea of the energy-saving stove. He started making the energy-saving stoves and also started making energy-saving cooking systems for various institutions like schools and prisons. This is still ongoing and he also makes incinerators. Indeed making of the energy-saving cooking systems reduced fuel consumption. He cites Buganda Road Primary School which had been using seven lorries of firewood a term, but this reduced to one and a half truck per term after they started using the energy-saving system for cooking. Mbarara High School was using 55 lorries of firewood per term but this was reduced to 15 lorries. The construction of energy saving cooking systems was done in other schools like Gayaza, Buddo, even St. Peters Senior Secondary School in Tororo. The change was great and yet at that time the stoves were not as improved as they were at the time of this research. He started training others, while other copied. He was able to make money from this and contribute to environmental conservation at the same time.

Figure 2: Processes and finished cooking stoves and ovens



Source: Author

John then decided to put more emphasis on domestic energy saving stoves. He came up with the unique top of the stove when a white man went to him with a stove made in China, wanting him to make for him a similar one. He asked him to leave the sample behind and fabricated it. He felt the top would make a great improvement to his products and decided to copy it. His stoves are superior to other stoves, they catch fire much faster, cook very fast and they are very durable. At the time he decided to start the stove business his colleagues laughed, thinking that this was not good business, since there were many petty traders selling stoves. He however knew that the stoves he intended to make were not the usual, but a better quality.

The energy-saving stove business was so successful that an organization from California decided to sign an agreement with him, to fund the energy saving stove business, by paying a specific amount for every stove sold. This was expected to reduce the cost of production, so that in the long run the price of the stoves is lowered and more people buy the stoves, leading to reduced fuel consumption and contribution towards environmental conservation. Thus, the business started as a result of a problem of environmental degradation, to reduce fuel consumption and it was beneficial because the stoves, ovens and institutional cooking systems indeed reduced fuel consumption.

### **The Bee-Keeping Equipment Manufacturer**

John started bee-keeping as a hobby and later it turned into a business. In the 1980s he was picked to join the Ministry of Agriculture as a trainee, courtesy of CARE Uganda, an NGO that was promoting bee-keeping in Uganda. They were given the knowledge and the equipment for bee-keeping. After that, Apiculture was scrapped in MoA for 7 years, reason being that it was seen not to be viable. In 1995 however, said John, the ministry realized that beekeeping was important, and a need for the equipment arose. An official from MoA approached him, wondering whether he was able to produce equipment like what had been given them by CARE in the 1980s. The knowledge he had obtained in Metal Fabrication enabled him produce the equipment. Thus he started producing the equipment for the officer for sale. He started receiving invitations to bee-keeping seminars and he says, it was in one of them that he got a break-through.

There was a problem/challenge amongst bee-keepers. During that seminar the problem was raised and he was the person with an answer to it. The problem was that the bees were not colonizing hives as expected. The answer to this was wrong construction of the

hive, in particular wrong bar length. According to John, the size of the bar has to be exactly 32mm. Once there is a difference, however small, then the bees cannot build the honey combs well. He was asked for a sample of a hive he constructed and he provided it. When some experts were consulted concerning the hive, John says, they found it to be perfectly constructed.

This won him a contract with UWESO in the late 1990s. He received two orders, to supply 180 hives and payment was made in advance. This was a great lift in his business and the scale of operation increased. By that time he never had machines but would go to various people, for example carpenters to have part of his work done. He would give them the specifications of what he wanted and ensure they did good quality work. Later he was able to purchase a machine so as to have work done more quickly and at a much lower cost. In the following year UWESO gave him another order to supply 200 hives, and paid 50% in advance. He then bought a second machine to ease the work and to finish on time. He kept developing his products by adding more features and he acquired more machines.

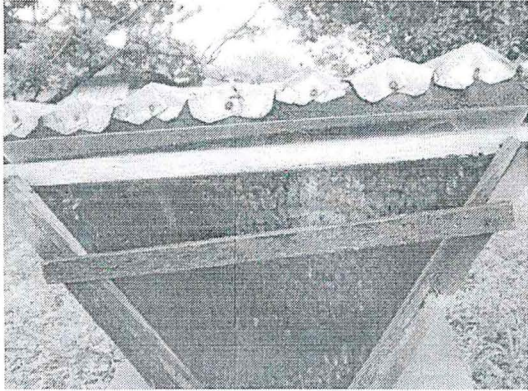
In another seminar he was asked to produce equipment for a pilot project by UNDP. This included 10 hives per district, plus protective harvesting gear. Then another time he was recommended to IRC, who wanted him to make hives to be given to refugees and war returnees in Northern Uganda. He also supplied USAID with hives, and they also hired him to train war returnee artisans in making bee-keeping equipment in Kitgum. Now, when he is contacted by people from the North, he refers them to some of the people he trained.

An NGO promoting bee-keeping came to Uganda some years back and on learning that he had done good work for reputable organizations they sponsored him for training in making the most current technology bee-hive called the Langstroth. After the training he fabricated a machine that could produce this type of bee-hives, and the organization started giving him orders. These included an order to supply 200 hives in Arua. Because the hives are of new technology they are more expensive and thus more rewarding. This enabled him buy a vehicle to ease his transport.

The organizations started referring to him people who wanted the equipment and even the districts started contacting him for consultation and equipment. This way he received publicity. He also advertised in The Monitor Business Directory and this has brought him more customers. He always inquires from his customers how they got to know about him and keeps records. The MoA also referred to him visitors from Tanzania and this has opened doors for him to go to Tanzania to carry out training.

He has made innovations like baiting the hives, so that the bees can colonize them easily. This involves putting beeswax in the hive and it is at an added cost. The advantage in this is that colonization is quicker and faster.

Modern bee-keeping enables the bees to stay in one hive without splitting. They normally split when they become too squeezed in a hive and this leads to low honey production. When he realized this, he used his demonstration hives to make colony multiplication, where one can have a colony in one hive and divide it into two. He then started selling colonies in addition to the bee hives.

**Figure 3: Demonstration of bees in a KTB hive**

Source: Author

**Figure 4: Langstrophe bee hives**

Source: Author

All in all, John says that what a person produces is what markets him. If one is to do work for someone, he should do a good job, at the right time, and that person will market him to others. According to John, Ugandan honey was accepted on the European Union market, attracting many people into the business. He was the first Central representative to the Uganda Apiculture Trade Organization which is the apex body for bee-keeping in Uganda.

He works from home, an idea he got from Germany where he spent three months of training. He had to ride a bicycle for two kilometers to the workshop and back in the hostel. One time it rained nonstop for four consecutive days, and on three of these days he had to ride a bicycle in the rain to and from the workshop. This made him feel bad. The gentleman with whom he was working was staying up in the storied building with the workshop in the basement of the same building. This made him determine that when he got back home he would start a business that he would be able to do from home. He does the bee-keeping equipment business based at his home, with a carpentry workshop (specifically for the business) in his backyard. This he says enables him to have his work done no matter the weather conditions and the time of the day. He also does bee-keeping,

but basically for demonstration purposes and offers training in bee-keeping. These he says, have attracted students from institutions like Makerere University and individuals. He also has other home-based businesses such as cake-making and making roses from icing sugar, which he supplies to one of the powerful supermarkets in Kampala.

The smoker is very essential because it helps to keep away the bees during harvesting without them being killed. He learned to make smokers by dismantling what was given by CARE and replicated it. The smoker is used to puff smoke into the hives. When the bees see the smoke, they think there is a fire. They run to the cells where they keep the honey and eat as much of as possible. They do this in order to have enough in the stomach so that even if they are to go for days without eating they don't hunger. In the process, the stomach bulges so much that they cannot sting. Using smoke preserves the bees as opposed to using naked fire which kills them in great numbers. With use of smoke, one is able to harvest twice a year, compared to use of fire where the bees would have to first reproduce, so that harvesting is only once a year. He says the smoker is his trademark, because many bee-keepers always use fire.

Thus, John started by getting inspired by a friend and reading a book on bee-keeping. He received trainings on bee-keeping and making the equipment. He ensured high quality of products and this contributed to growth of his business.

### **The Furniture Company**

In 2001 William decided to introduce furniture in his stationery shop. This was because of a desire to expand and be ahead of the competition, which the entrepreneur said he feared. By 2003 the business had grown and the furniture could not be accommodated in

the shop any longer. He decided to rent other premises where the furniture business could be run. The furniture company was registered in January 2004 and in October of the same year the furniture company transferred to the current premises. Originally they used to import the furniture but in 2006 they started a workshop at Seventh Street in Kampala industrial area, to manufacture some of the furniture, because importation was very costly. In the same year they bought some land for construction of a workshop. At the time of this interview construction was still on-going, though the workshop had already transferred to the new premises. He had a plan to cover all aspects in a home, such as children's wear, phones and fridges in order to cut the high rent cost by spreading it out to many products.

**Figure 5: Machinery, work in progress and finished furniture**



Source: Author

The company currently has 40 employees, but since start of business they have employed about 100 staff. Some have moved on say for greener pastures, while others have been terminated due to not adhering by the rules of the company. Recruitment is always done after advertising in the papers through a recruitment agency and also by head-hunting. After this, interviews are held and the most suitable candidate taken. Qualification requirements are according to what is set out in the company's Human Resource manual,

where different jobs have different requirements. They always give probation of three months after which an employee is given confirmation, if his performance is satisfactory.

In summary, William went into furniture business due to a desire to grow and beat the competition challenge. He decided to start production locally instead of importation, and quality was significant in his business.

### **The Mushroom Grower**

Betty started growing mushrooms as a hobby, but later it became a side income project even when she was still employed. She had never known that mushroom growing would ever become a business/job to her. She started very small around 1994, when she picked interest from a friend who used to grow mushrooms. The friend gave her one-day training, after which she started growing mushrooms. She started in her garage, and at first they used to eat the mushrooms within the family. After some time she started expanding production. She would pack them in polythene bags and take them to the office where she used to work. She used to sell them to her workmates. She got to know another lady who had market for mushrooms, contacted her and this lady started taking some of her mushrooms, which she would sell and pay her after.

One time she got a set-back, when she bought mushroom seeds that were not good. They all died and she spent some time without production. After some time she was able to get some funds and resume production. Even when she would change jobs she would continue with mushroom growing and would get new customers at the new place of work.

Her vision is to have mushrooms on a shelf of every big supermarket worldwide. In the future she plans to pack and export mushrooms. In a day they can harvest about three kilos. She had three permanent workers, but sometimes she would also have some others who would work on part time basis.

**Figure 6: Mushroom growing and processing**



Source: Author

She has attended various exhibitions in and out of the country and this has greatly given her exposure, for example in food processing. From knowledge gained she was able to get a carpenter, who made her a dryer. If the mushrooms are not sold while fresh they are dried. The dryer uses solar energy. A kilo of fresh mushrooms goes for about 3500 to 6000 shillings whereas one for the dried ones can go for about 35,000 to 60000 shillings depending on the buyer. 10kilograms of fresh mushrooms give 1 kilogram when dried.

For Betty, mushroom growing started as a hobby but later became an income generating activity. She chose to retire from employment to concentrate on the business. Determination and love for her work sustained her in her business.

### **The Herbal Products Entrepreneur**

The enterprise was started in 2003 by 4 people, under a mango tree with a zeal concerning the environment. They would grow medicinal herbs, and people always

demanded to know the use of the herbs they grew. This led them into further research concerning the herbs.

Their products include tree estate development, which includes planting trees. Whereby a land owner can contract them to plant trees and after ten years they are paid 50%. They provide everything required, like seedlings and labor. Trees planted include those that are medicinal, ornamental and for wood. Other products include tree nurseries, dried and packed herbs, herbal soap and herbal wines. The company has four departments: the marketing, production, sales and advertising departments, each having a manager.

The company has 10 employees. Since its inception it has had about 30 direct employees. They also have distributors. Recruitment is done in three ways, that is, through advertising e.g. on radio, whereby people apply and interviews are held and the qualifying person recruited. This is mostly done with marketing. But in production, someone must be directly qualified to do the work. Here they are a bit selfish, they spot right from the university. They are biased on courses like Botany and Zoology. A person recruited must be qualified to do the work. They also carry out on-job training of their workers.

Michael is an example of people who after formal education did not start seeking for employment, but rather start their own employment. The traditional knowledge he had, coupled with his interest in environmental preservation led him, together with his colleagues into starting of a herbal products business.

Table 2: Summary of SME entrepreneurs Background and Learning experiences

| Nature of the Firm           | Education/qualification  | Trade                         | How he/she started the enterprise  | Reason for starting own enterprise                      | What enabled him to start and grow enterprise  | Mode of operation  |
|------------------------------|--|-------------------------------|--|---|--|--|
| <b>Energy-saving Systems</b> | Junior 3<br>Agricultural research (Entomology)<br>Science Laboratory Technology (Botany & Zoology)<br><u>Other trainings:</u><br>Manufacturing microscopes | Energy-saving cooking systems | Creatively application of Science and Technology knowledge<br>Desire to make an alternative that would reduce fuel consumption | Hated routine work<br>Always wanted to do something new | Making higher quality energy-saving stoves   | Workshop employing technical people  |
| <b>Bee-keeping equipment</b> | UACE<br>Metal trade<br>Entrepreneurship<br><u>Other trainings</u><br>Bee keeping and hive construction   | Bee-keeping equipment         | Started bee-keeping as a hobby and later it turned into an income generating activity  | So as to have his own employment and earn a living      | Making good products with the exact technology<br>Replicating products and producing them locally<br>Acquiring his own | Working from home<br>Hiring others' services when he needs them<br>Starting his own workshop |

|                                    |                                |                  |   |   |  |  |
|------------------------------------|--------------------------------|------------------|---|---|--|--|
|                                    |                                |                  |   |   | machines   | Diversification  |
| <b>Furniture Company owner</b>     | UACE<br>Agriculture teacher    | Furniture trade  | Started with a small stationery business<br><br>Introduced furniture which he later transferred to new premises | Vision of having a large enterprise   | Fear of competition<br><br>Diversification                       | Started by importing furniture<br><br>Have now started production locally workshop |
| <b>Mushroom grower</b>             | O-level<br>Secretarial studies | Mushroom growing | Started mushroom growing as a hobby<br><br>Started small, in her garage   | Got tired of being employed   | Love for mushroom growing<br><br>Determination<br><br>Commitment | Home-based enterprise  |
| <b>Herbal product entrepreneur</b> | UACE<br>Environment            | Herbal products  | Started under a tree<br><br>4 people with the same interest coming together                                     | Interest in herbal product production<br><br>Interest in environmental protection | Traditional knowledge  | They have 4 departments. Production, Marketing, Sales and Advertising.             |

All the entrepreneurs started the enterprises in a humble way, and these grew over time. The knowledge used was obtained mostly informally. The findings are discussed in more detail in the following section.

## **2.4 Interpretation and Discussion of Findings from the Entrepreneurs Background**

### **2.4.1 Starting of Enterprises**

#### **Fred**

The energy-saving stove came as idea to solve an identified problem and indeed it was a great success. A good idea is one of the roots of a business (Symons and Adam, 1992). This involved being abreast with what was happening around and a lot of creativity to get a solution to the identified problem. For one to create employment they need to identify a problem, for which a product or service will be required and to come up with an idea that can address that problem.

Getting a huge loan to start up a factory, without matching funds for management and operations led to inability to run the factory, leading to sale and a great loss of the project. It would possibly have been better if the loan had been obtained after the project had set off. It would have been better to start at a lower manageable scale and to grow gradually. Loans accumulate interest which eats into the profit that the enterprise would have otherwise earned. People who are starting enterprises should avoid starting with loans, because this can jeopardize growth as a result of paying interest.

**John**

Bee-keeping for him started as a hobby, not knowing that in future it would turn into a business. Being able to pursue his interest and hobby enabled him develop it further. This opened opportunities for further training, leading to further development of his skill and he was able to add to his line of products. This all contributed to his own employment.

At the start he never had machines but would go to various people, for example carpenters and metal fabricators to have his work done. He would give them the specifications of what he wanted and ensured that they did quality work, though this was always time wasting, as the machines had to be adjusted every time, and it was costly. He does the same for some products like the overalls, for which he gives specifications to the identified tailors and ensures that they do quality work. This means that he does not have to do all the work by himself, but can have technical people do the work that he cannot do. Thus, people can start enterprises even when they don't have all the required machinery and workforce, using services provided by others until a time when the business grows.

**William**

William started small and growth came over time. He did not wait until he had enough capital to start a large enterprise. This supports the idea of starting small as opposed to fearing to start due to lack of sufficient funds.

Attending a boys' school during the 70s, which were years of scarcity, working to get whatever he needed, struggling to get knowledge due to the ill-equipped libraries and loss of his father at a tender age are all circumstances that contributed to his becoming a hard-

working person. Sometimes external circumstances prompt learning (Brookfield, 1986). He feels this gave him good training, making him a job creator.

### **Betty**

For Betty, growing mushrooms started as a hobby while she was still employed, but later it became a side income project. She never knew that mushroom growing would ever become a business or a job to her. Skills, however insignificant they may appear are very important and can help a person create employment.

She started very small in her garage after having picked the interest from a friend who used to grow mushrooms. After some time she started expanding production. This is the same as with the previous entrepreneur, echoing the practicability of starting small and growth over time.

### **Michael**

The enterprise was started by 4 young people, under a mango tree. They had no capital to even rent premises. However, they managed to start the enterprise and they used to work from under a tree. With time they were able secure premises where they work from. This too highlights the possibility of starting employment even without sufficient funds.

Thus, having an idea is important in starting of an enterprise. The person does not have to possess all the required capital and machinery before they start an enterprise. It is possible to start small and grow the business over time. Various circumstances that people go through can shape them into entrepreneurs and hobbies and other interests that people have can turn into income generating activities and help in creation of employment.

#### **2.4.2 Reasons for Starting Enterprises**

Fred's hatred for routine and always wanting to do something new was also a contribution towards his ability to start his own employment. Indeed when one is employed by another, he is expected to do what the employer wants and normally what he can do best. Many workplaces limit learning potential of work (Jorgensen, 2008). This makes it difficult venture into new areas. Creating employment enables one to venture into various areas of interest and to amass knowledge and experience in various areas.

Working from home enables John to have his work done no matter the weather conditions and the time of the day. In addition it reduces the cost of operation, ensures full supervision of workers and efficiency in production. Economic production can also take place in a home. These can be referred to as home based enterprises (HBEs) and they can be initiated with little capital and have limited overhead costs (Snyder, 2000, pp. 64,65). People trying to create employment can consider the HBE alternative since it requires less funds. According to a survey carried out by UBOS on informal businesses in Uganda during 2009/10, 86% of the 1.8 million informal businesses were home-based (Tentena & Waiswa, 2010).

William went into furniture business as a result of a desire to expand and be ahead of the competition, which he said he feared. This is ability to stand when faced with challenge and being creative to beat the competition. In some cases people fear competition and end up quitting but in his case, he instead saw an opportunity when he was faced with a challenge.

Betty had long decided to quit employment due to dissatisfaction. Her fear for lack of a monthly salary, coupled with her friends who thought her unserious to think of self employment delayed her decision to quit, until a time when she finally made up her mind. However when she left the employment, she realized more satisfaction and felt she would never turn back. This is partly an issue of fear, where people think they can only earn well when employed by others. Another factor that tends to hinder others from accomplishing is public opinion, however, she overcame these.

### **2.4.3 Learning the Trade and Making Developments**

#### **Fred**

The superior quality of the stove resulted from improvements and development of the various parts over time. The unique top of the stove was a result of critically looking at a sample stove made in China, which a customer brought to him to fabricate a copy. This shows how knowledge acquisition is not static, even for a single item, and it is very important if a person is to start an enterprise. One should be able to cease various learning opportunities.

#### **John**

John's inspiration by a friend created in him interest in bee-keeping. Reading a book in his area of interest enabled him to learn bee-keeping. He then put the knowledge acquired into practice. In this case inspiration came as a result of inquiring from a friend and knowledge was acquired through reading more. It was all by his own initiative. This is important in creation of employment. People need to take the initiative and start enterprises, instead of just seeking employment elsewhere.

John learned manufacturing bee-keeping equipment from the specific training received, from workshops or seminars and from dismantling other equipment, studying how they were made, and later replicating them. He kept developing his products by adding more features and also kept adding to his line of products. This has widened his market because his products are modified and of high quality. The more features the products have, the more expensive and thus the more profitable they are to him. This is a case of innovation and creativity, which are essential in entrepreneurship.

The metal fabrication knowledge he acquired at school is very useful when it comes to making his own machines or machine components that are meant for specific parts of the products for example for the Langstrophe hive. This reduces his cost of production and enhances growth. Thus, the knowledge he acquired from school is applicable even when it is not directly related to his trade. The types of activities individuals engage in during the learning process are important in acquisition of knowledge required for work (Billett, 2001, p. 39).

### **William**

Before becoming self employed he was a secondary school teacher of Agriculture. He had no prior skill, knowledge or experience in furniture or carpentry. Working for pay right from the time he was young could have introduced him to doing business. His going into a field where he had no experience, suggests that it is possible to start an enterprise where one does not have the technical knowledge.

**Betty**

A one-day training that she received from the friend enabled her to start mushroom growing, which later became her business. It did not take her a long period of training, and yet she was able to start a business that later became her employment. Sometimes it does not require long training to acquire skills that can help in job creation. This is in line with the argument where an idea for an enterprise was often embedded in social activity through an unanticipated opportunity that expands into an enterprise (Fenwick, 2004, p. 260). This may challenge the notion of a person achieving vocational competence after a long period of training (Nilsson, 2008).

**Michael**

The entrepreneurs had traditional knowledge which they got from parents who practiced herbal healing. In addition to the traditional knowledge, some were incorporated in the subject itself, for example one of them who did zoology at the university. They also had the zeal and interest in the herbal production.

The decision to make further research concerning the herbs enabled them discover more uses that the herbs could be put to. This meant a variety of products leading to a wider market and thus more profitability. Information is very important to every enterprise and can facilitate learning and growth. Time and other resources need to be set aside to seek information and knowledge.

#### 2.4.4 Success in Starting Enterprises

##### **Fred**

Fred's involvement in business at an early stage may have ushered him into employing himself and contributed to his success later when he chose to quit employment. This may also be the case with William who started working for money at an early age. In many cases people prefer to seek employment because one is not sure whether they can be able to earn by employing themselves and for fear of the unknown.

For people to succeed at creating employment, it is important to have the right attitudes towards work. When Fred decided to start the stove business his colleagues laughed, thinking that this was not good business, since there were many petty traders making stoves. He however knew that the stoves he intended to make were not the usual, but rather a better quality and making stoves would not harm him in any way. This was a good attitude and indeed it proved worthwhile.

Interest towards industrialization came as a result of exposure, where Fred realized that the richest people in London were the industrialists. Exposure enables one to see how things are done in other parts of the world and it can help in developing of ideas. His option to work with a factory that was manufacturing microscopes during his holidays gave him knowledge and skills that were indeed useful when he got back to his work. The practice of allowing students into established workplaces through apprenticeship gives them exposure and it can help them to learn better and become more practical.

**John**

His innovation which contributed to the good quality of products widened John's market because each time his customers kept referring to him more customers. This led to growth of his business and even opened more opportunities for him, for example where he had to go out of the country to carry out training. Advertising his business in a business directory also brought him more customers and increased his competitiveness because more people got to know about his products.

**William**

Deciding to start producing their own furniture and their plan to cover all aspects in a home, such as children's wear, phones and fridges was a great way of reducing costs and to grow further, increasing profitability. This creates more employment opportunities for the technical workers and at the same time it increases their customer base.

**Betty**

Her vision, to have mushrooms on a shelf of every big supermarket worldwide drives her forward. For a person to be successful in creation of employment it is important to have vision of where they want the enterprise to be in the foreseeable future.

The various exhibitions and workshops she attended in and out of the country gave her great exposure and she got ideas of doing her work better, for example mushroom processing. Exposure is important as it enables people to see and learn from others' work, which can lead to making improved products and services.

She started by selling to her workmates in office and with time she got more customers. She never got discouraged by friends who asked how she could dare “move with mushrooms like a hawker”. This was because she had a determination to carry on with her business. Determination is important when it comes to self employment because people can easily get discouraged. This determination is also evident where she lost greatly during the course of her business but never gave up. This also brings out the wrong attitudes that many people have that make them fail to start their own employment.

### **Michael**

The decision to make further research concerning the herbs enabled them discover more uses that the herbs could be put to. This meant a variety of products leading to a wider market and thus more profitability. Information is very important to every enterprise and can facilitate growth. Time and other resources need to be set aside to seek information.

When it comes to recruitment they are particular especially when it is for production. The person must be directly qualified to do the work. In addition they carry out on-job training of their workers. This all ensures good quality of products, which helps an enterprise to have customers and to grow.

### **SUMMARY**

From the respondents it is apparent that a number of enterprises start rather informally, and at first they may start as a hobby and turn into business later. They picked interest after identifying problems for which solutions were needed, available opportunities, and

from inspiration by friends. They were then able to get ideas, and these also came as a result of exposure.

The enterprises started at low profile with minimal funds, in other words they started small. They employed cost saving practices like working from home, working under trees, hiring other people's machines and services to make products and starting by selling to friends and colleagues. The enterprises grew over time and were then able to acquire more machines, premises and to recruit more workers and to expand operations.

The entrepreneurs had varying reasons that led them into starting their own employment. Such reasons included hatred for routine while employed elsewhere, wanting to earn an income, the desire to advance, being fed up with conditions at the place of work and the desire to conserve the environment.

The enterprises started with the owners not originally having sufficient technical knowledge of the trades and how to do business. They were able to acquire knowledge at different stages by reading books, receiving short trainings, dismantling other products and copying from the way they were made and from making research concerning various products.

The entrepreneurs were able to start and sustain their enterprises amidst challenges. This is because they had a positive attitude and did not allow discouragement from others. Some of them went into job creation early, meaning that they were still energetic and able to overcome challenges. To compete in the market they kept developing their products and adding more products through diversification and provided high quality products. They also resorted to producing products that they previously imported.

From the background of the various persons who started employment we realize that a person can start an enterprise in a simple way, using the available resources around them. They can acquire knowledge through various avenues and apply it in their enterprises so that they can grow. One does not need to wait until they have everything they need to start an enterprise. As time goes on the business owner gets experience in his work and the profits can be used to expand the business.

In conclusion, a person from any background can become an entrepreneur. This can arise as a result of various learning and experiences. Entrepreneurs are developed from different starting conditions and through learning processes (Birley, 1996). It is not only those that may have undergone training that is specifically geared towards entrepreneurship or those trained in specific trades. This is further supported by the view that "Entrepreneurs are rather made than born (Birley, 1996).

## **CHAPTER THREE**

### **3.0 LEARNING IN RELATION TO STARTING AND SUSTAINING SMEs**

#### **3.1 INTRODUCTION**

This chapter presents the study findings on the relationship between formal learning and starting and sustaining SMEs. It also gives the entrepreneurs' opinion on the general education system in Uganda, and their suggestions for improvements in the system.

#### **3.2 Study Method used**

Information was gathered using interview guide questions that could provide required information on formal learning in relation to starting and sustaining of SMEs. The entrepreneurs were asked questions on formal education. (See Appendix A, section B, for the detail of interview guide questions).

#### **3.3 Findings**

##### **3.3.1 Learning and starting and sustaining of SMEs**

Fred's formal education was helpful in his work. However, he says the course he did in Science Laboratory Technology is a course that enables a person to do many things. He was able to use the scientific knowledge he had obtained to mix specific metals and substances to come up with a stove that saves energy and yet cooks fast.

John felt that the education he received was helpful and related to his work. He felt that Technical Drawing, which he learned at A-level was very helpful because bee-keeping involves a lot of architectural work. It also enables him supervise his workers to ensure good quality products. His knowledge in metal fabrication was useful in fabricating of machines.

William had no previous knowledge of carpentry and did not even study it in school. He was previously an agriculture teacher. According to him, business arises out of one's mission in life. When a person knows what he wants to be, he can be that, and when one has a mission in life he can achieve it. He added that even in business, when one starts it, it can grow. For him, he wanted his business to grow and indeed it is growing although he started small. He says that what he studied had little relationship with his work.

Betty learned mushroom growing from a friend. She feels the formal education she received was helpful. However, she would have been much better and at higher levels if she had received more education say to the level of a degree. She added that basic education did not equip her with accounts, which is very useful in entrepreneurship. Even then she tries to keep her records.

In the case of Michael, the entrepreneurs had traditional knowledge which they got from parents who practiced herbal healing. In addition to the traditional knowledge, some were incorporated in the subject itself, for example one of them who did zoology and the other who did Environmental studies at the university. They also had the zeal and interest in the herbal production.

Michael did Environmental Studies at the university and he felt this was related to his work since he is so much interested in the environment, and is involved in tree planting as an occupation. He felt that formal education contributed to the success of the enterprise, for example, in case of public relations he was able to communicate. Also, value is added to the products from the trees grown to make the herbal products.

### 3.3.2 Opinion on the Formal Education System in Uganda

Fred felt that the education system in Uganda does not promote self-confidence and this was the reason many people have qualifications but are not able to put into action what they learn. In addition, they are not interested in work. Otherwise there is a lot of work here which someone can do. He felt, our education system needs to be more practical. He cited an example of the Science and Technology course that he did, because it widens one's thinking that one is able to do many things.

According to John, formal education gives basic knowledge which is not sufficient for work. One needs to have a culture of seeking more knowledge, say through reading. William also held the same view, adding that without the basic knowledge such as communication skills one cannot be a good business person.

According to William education equips one with the basics of life, for example, without which he would not be a businessman. In other countries the approach to education is different. Right from the early stages a child is trained into a trade. In other countries like India one can go through the general education system, and after the first degree, he can go for a professional course. People tend to switch jobs after their first degree.

Our education system is structured in such a way that it produces people who search for white-collar jobs. Some graduates are half-baked and for example, they cannot even write an application letter. According to him, the system should have included aspects of vocational training. Also, the education system is so much examination-oriented and not about learning to manage oneself. There are also issues of lack of integrity and doing

poor-quality work, for example where people get to the extent of cheating examinations in order to pass.

Another issue that William mentioned was that trying to reduce the number of subjects in O-level may not be a solution, since the subjects being reduced and made optional were the practical ones like Technical Drawing, Carpentry, Home Economics, Agriculture and leaving the theoretical ones like History. His view was that these subjects should be enforced on children in the schools. The emphasis being laid on Entrepreneurship can bear better results if the students are equipped with practical skills. He however added that it is better and easier to train a person who has had a basic education, basing on the in-house trainings that are always carried out for their employees.

According to Michael, there is a lot of undone work amidst unemployment. There is a gap, which gap can be bridged by the job seekers creating employment. This is not taught in formal education, but it is the innovation part of it.

### **3.3.3 Suggestions for Improvement in Uganda's Education System**

Fred suggested that the education system could be improved by making the knowledge given to learners transferable. Learners should be able to apply it to solve various problems. He emphasizes the importance of being practical.

According to John learning should not be theory only, it should also be practical. He cited an example of the engineering departments of Makerere and Kyambogo University, where the roads had potholes. He felt that those aspiring to be engineers needed to practice by repairing the roads so that even as they go to the field they have the practical experience. It is not easy to learn something practical theoretically. Primary schools near

his home benefited a lot in that he always went to them to teach pupils about bee-keeping, and thereafter they would go for the practical demonstration.

William felt that the whole curriculum needed to be looked at in order to empower people to use their heads and hands. He cited Germans, who train their people to use their head and hands, adding that they thus have the best artisans. He suggested that other countries could be looked at for examples of better systems, so that the good education aspects are applied to our system and made applicable to our setting. He added that in some countries children's capabilities are identified at an early age, and then the children are modeled into professions and trades such as engineering, medicine and inventin (for example the Filipinos, Chinese and Indians are doing this).

William felt that if we could have a vocational school at every sub-county, we would be a better country. If many of our youth could be trained in trades such as agriculture, carpentry and simple mechanics, we would possibly have a better country with a more productive labor force. He said he had plans to have a vocational school in future, which would recruit graduates, and train them to use their 'head and hands'. He felt this type of education would save many from becoming desperate after failing to find jobs.

According to Betty, the education system should be improved to enhance learners' creativity so that instead of looking for jobs, graduates can think of ways of putting what they have learned into practice. They should also take short trainings/courses in specific skills and also interact with people who are already in areas of their interest because these can give tips that can enable them come up with ideas. In addition to the knowledge from school, a person needs to also seek other knowledge outside the formal education, which is very important to bridge the gap between what is learned and actual work.

Table 3: Summary of Relationship Between Formal Learning and SMEs

| Enterprise                   | Education/qualification  | Trade                         | How trade was learned/other information   | How education received relates to the trade | Opinion on education system  |
|------------------------------|--|-------------------------------|---|---|--|
| <b>Energy-saving Systems</b> | Junior 3<br>Agricultural research (Entomology)<br>Science Laboratory Technology (Botany & Zoology)<br><u>Other trainings:</u><br>Manufacturing microscopes | Energy-saving cooking systems | <ul style="list-style-type: none"> <li>- Creatively applying the knowledge received</li> <li>- Looking at a stove top and replicating it.</li> <li>- Reading books</li> </ul>                               | Indirectly                                  | <ul style="list-style-type: none"> <li>-Does not promote self confidence</li> <li>-System not practical</li> <li>-People not interested in work</li> </ul> |
| <b>Bee-keeping equipment</b> | UACE<br>Metal trade<br>Entrepreneurship<br><u>Other trainings</u><br>Bee keeping and hive construction   | Bee-keeping equipment         | <ul style="list-style-type: none"> <li>- Reading books</li> <li>-Training in bee-keeping &amp; making bees equipment</li> <li>- Dismantling products and copying from them</li> <li>- Experience</li> </ul> | Indirectly<br>Helpful                       | Gives basic knowledge<br>Not sufficient for work<br>No practical experience in learning  |

|                                    |                                |                  |   |                         |   |
|------------------------------------|--------------------------------|------------------|---|-------------------------|---|
| <b>Furniture Company owner</b>     | UACE<br>Agriculture teacher    | Furniture trade  | No previous knowledge in furniture making | Little relationship     | <ul style="list-style-type: none"> <li>- Equips one with basics of life</li> <li>- Produces white-collar job seekers</li> <li>- Produces half-baked products</li> <li>- System is exam-oriented</li> <li>- Does not teach people to manage themselves</li> <li>- Promoting non-practical subjects</li> <li>- Lack of integrity</li> </ul> |
| <b>Mushroom grower</b>             | O-level<br>Secretarial studies | Mushroom growing | Taught by a friend<br>Seminars            | Not related but helpful | The graduates are not able to put into practice what they learn   |
| <b>Herbal product entrepreneur</b> | UACE<br>Environment            | Herbal products  | Traditional knowledge<br>University       | Related and helpful     | Students not taught to create jobs  |

On the overview, the entrepreneurs started the enterprises using knowledge that they obtained informally. The knowledge that they obtained formally was also useful in their work. The findings are discussed in more detail in the following section.

### **3.4 Interpretation and Discussion of Findings on Learning in Relation to Starting and Sustaining SMEs**

#### **3.4.1 Learning and work**

Having had a hard-working father possibly gave Fred a good example to follow, and also, teaching him to work at an early age could have helped him to learn working and to be hard working. Passing this over to his children possibly contributed to their being enterprising. This means that teaching a child to work while he is still young can help them become hard-working. His notion of nurturing whatever little talent in a child to ensure its blossom can indeed bring out the best in a person.

For John, the various learning he obtained from school, from a friend, reading books, attending trainings and seminars all equipped him with knowledge on the subject of bee-keeping and equipment making. This brings out the aspects of formal, informal and non-formal education, which are all useful in job creation because they all equip a person with various skills and competences.

The training that William received in school was in a field that is not related to his current work that is, a trained agriculture teacher currently in furniture trade. Going through a rough time while growing up is an experience that could have created resilience in him, especially where as a growing child he had to fend for himself. Tough circumstances can indeed lead to learning (Brookfield, 1986, p. 9), and such learning can usher a person into job creation, even at an early age. Secondly, this shows the possibility of starting an enterprise even in an area where one has no technical knowledge or skills.

For Betty, formal learning was indirectly helpful in her work, though it did not equip her with some essential skills or competences such as bookkeeping. She was able to learn from others' experiences and also to teach herself, and these have helped her in her business. Learning involves the whole person, and this is in relation to specific activities and to social communities (Lave and Wenger, 1991, p. 53). It is very important to interact with others who are in the same practice because this can facilitate learning, for example where business people learn from each others' experiences.

In the case of Michael and his colleagues, the knowledge they acquired from formal education was an enhancement of the traditional knowledge that they had already obtained from their parents who practiced herbal healing. This highlights the importance of traditional knowledge systems (Ssekamwa, 1997), and these can be a good foundation for formal education. They also had the zeal and interest in the herbal production. Having the traditional knowledge and interest in the environment and in herbal production enabled the young men to choose courses related to their area of interest. As a result, the entrepreneur felt that what he studied was directly related to his work, unlike the others who felt there was limited or no relationship. Also, indigenous knowledge can be a source of business ideas which can help people to start jobs and it can be modified to meet the required standards. This also emphasizes the importance of introducing young people to practical trades earlier in life, because this helps them to make informed decisions, concerning their careers.

### **3.4.2 Education system**

Many people cannot use what they obtained from school to create employment, according to respondents because the education system in Uganda tends produce people who search for white-

collar jobs and it does not promote self-confidence. This is because our education system is rather more theoretical than practical, even when it comes to practical subjects. In addition, some graduates are half-baked and cannot perform even simple tasks and always do poor-quality work. This is supported by findings of a research expedition to one of the agricultural colleges in the country (see Appendix C for the expeditions), where most of the learning was done theoretically. True knowledge that can be put into practice needs to also be achieved through practice (Mjelde, 2006, p. 23). It thus becomes difficult for such students to put into practice what they have learned and thus they cannot create even their own jobs in their area of specialization. Learning is more effective when there is practice. This learning may take place consciously, or unconsciously (Bruner, 1966, p. 59).

Reduction in the number of subjects at O-level may not solve the problem because it is the practical ones like Technical Drawing, Carpentry, Home Economics, Agriculture being made optional, leaving others like History to be compulsory. The emphasis being laid on Entrepreneurship as a subject in schools will be more beneficial if it is coupled with practical skills. Engagement of learners in practice is very important for them to gain practical skills (Lave and Wenger, 1991). It is such practical skills that they can use in creation of employment. It is thus important to , the theory with practice (Mjelde, 2006, p. 202).

Many students are not interested in practical work. An example cited was some students who go to the enterprises for practical/industrial training but are always in a hurry and don't want to spend much time doing practical work. Such students will find it more appealing to look for white-collar jobs, which are not easily available and when they fail to find such jobs it may be difficult for them to create their own jobs. This could partly be as a result of the thinking that

practical learning is for VET, which is seen to be inferior and only suited for those who have not succeeded in school (Young, 2006, p. 1).

To some extent, the education system is examination-oriented in that students in most cases seek to pass examinations by just cramming instead of learning, understanding and being able to perform tasks. This is also partly what gives rise to issues of integrity where students get to the extent of cheating exams to pass so that they can obtain qualifications. Qualifications have an important role of linking education systems to the wider society and they provide evidence of knowledge and more general capabilities (Young, 2006, p. 3). However, they are not sufficient if the person cannot perform the practical work.

General education equips one with the basics of life, for example communication, which is very important in business. However, the knowledge given may not be sufficient for work. This is why on-job training is always given to employees to acquaint them with the real work situation. It is however better and easier to train a person who has had a basic education because it enhances people's understanding.

In many cases people have started enterprises without formal business training (Fenwick, 2004, p. 260) and realized thereafter the knowledge they needed to have concerning various areas. Knowledge has to be accessed from different sources and the learning process is always continuous (Fenwick, 2004, p. 261). There is need to have a culture of seeking to know more and this can be through reading, attending short courses and exposure.

### 3.4.3 Improving education

The education system can be improved by making the knowledge given to learners transferable, that is, learners should be able to apply it to solve various problems. This can be done by including other aspects of vocational training. Learning in school is preparation for one's participation in working life (Mjelde, 2006, p. 76). Working life involves doing practical work. If the learning is to benefit the learners it should be practical. This can be done by using the students' surroundings. For example, the engineering students should be able to repair roads and renovate buildings within their institutions. There is better learning when they are involved in practice/activity and experience (Mjelde, 2006, p. 23).

The education system needs to be improved to enhance learners' creativity so that instead of looking for jobs, graduates can think of ways of putting what they have learned into practice. In addition to the knowledge obtained from school, a person needs to also seek other knowledge which can help equip him with ideas. This can be through reading more, taking short trainings/courses in specific areas and also interact with people who are already in their areas of interest to help them come up with ideas. There is learning at work and this can range from learning about the job and how to do the work and understanding about the nature of the work and how it impacts on society (Spencer, 2009, p. 296).

Entrepreneurs have an important role to play in education. The example of John teaching about bee-keeping in Primary schools near his home, with demonstration, is a good one that can be replicated by other schools. Entrepreneurs can also set up training institutions which can equip learners with skills that are actually needed for work. Take the example of William who plans to have a vocational school in future, where he will recruit graduates, and train them to use their

'head and hands'. Indirectly, employers can play a role in improving vocational education by the demands which will arise due to upgrading their production (Young, 2006, p. 1).

In some countries, unlike in Uganda, children's capabilities are identified at an early age, and then the children are modeled into various vocations such as engineers, doctors and inventors. It is beneficial to teach learners with a purpose. The purpose of any learning process is preparation for some subsequent activity (Mjelde, 1995). Countries cited with such systems include the Philippines, China and India. Such systems can be studied so that the good education aspects are copied and applied to our system.

## SUMMARY

The people were able to start jobs as a result of learning formally, informally and non-formally. Sources of learning included school, parents, friends, products, traditional practices and the learning was through observation, being taught and trained and through practically making products. The entrepreneurs had minimal or no knowledge in the areas of operation at the time when they started the enterprises, but they were able to acquire more knowledge along the way and to develop their products further.

In most cases people have not been able to put the knowledge they acquire into practice by creating jobs, but instead they always prefer to search for jobs, especially the white collar jobs. This is because they mostly learn theoretically and they hate practical work. Also the education system tends to be more examination oriented. The education system needs to be made more practical and to help students to become more creative, starting with children at an early age. Entrepreneurs have an important role to play.

The way learning takes place and what people learn have a great impact on job creation. A good system can possibly lead to creation of more jobs, and when it is not improved the unemployment problem may continue to grow.

## CHAPTER FOUR

### 4.0 LEARNING ACQUIRED FROM EXPERIENCES

#### 4.1 Introduction

This chapter gives the entrepreneurs' experiences about creating employment through entrepreneurship. Such experiences include what has enabled them to start enterprises and the challenges that they face. The entrepreneurs cite factors that can enable one to start and sustain an enterprise and also, they give their opinion on why many people do not involve themselves in job creation. These enhanced learning and success in sustaining of the enterprises, in various ways.

#### 4.2 Study Method Used

Information was gathered using interview guide questions that could provide the required information on the learning acquired from entrepreneurs' experiences. See Appendix A, section C, for the detail interview guide questions.

#### 4.3 Findings

The various entrepreneurs narrated what enabled them start the enterprises, the challenges faced in entrepreneurship and the reasons why people do not start enterprises.

##### 4.3.1 Factors that promote start of the enterprises

###### Fred

With self employment one needs to start early, not to wait for retirement age, because then one would be tired and yet private sector calls for strong persons. He talked of friends who had gone into self employment after retirement, but had not been successful due to its demanding nature.

When he was leaving Kawanda Research Institute his colleagues tried to discourage him, wondering how he could afford to lose his three years of pension which he had attained during the time he served there. He felt this was partly the reason why people don't want to opt for self employment especially the public servants; they fear to lose pension. He has no kind words here when he says, "pension is for those who fear to face the reality out there, and those who are not willing to work hard". This is because in the private sector there is need for hard work, "since nobody is going to put money on your account," he says. He however adds that self employment is good and rewarding if one is willing to work hard.

Fred says entrepreneurship calls for a lot of creativity. Where he started is not where he is now. The quality of products has been improving. He stressed the importance of this and gave an example of Toyota, who never get satisfied with any single type of car but are always making better models.

He believes God created us all with various talents, and that we are all able to make various creations and to make use of our talents. He adds that there is no little talent and that the human brain is a mental power, meaning that people need to think. One must know themselves and appreciate who they are. He says that God created each person for a purpose; and once we discover who we are we can be able to accomplish much.

Fred believes that for a person to be able to start an enterprise there is need to have an idea. The idea must be one that will solve a problem. In other words, one can only come up with a good idea in response to an identified problem. Lack funds is not the key issue why people cannot start businesses, as is always said. What is lacking is the idea. When one determines to do something then they can be able to realize the funds. He believes that when you set out to start on

something, God provides what is needed. He says he has seen this in the many things that he has been able to start, even those that people thought he could not manage. When developing an idea one needs to remain focused and to concentrate.

In private sector/SMEs people don't rely on only one line of business. One needs to have a number of ideas transformed into enterprises so that when one slows down the other can sustain him. This way one is able to carry on in business. Communication is very important. It is always good to talk to people because you can get ideas and also know where the resources are located. This country is really gifted and there are lots of opportunities. However, ignorance is a problem, and it needs to be overcome, say by reading books and journals.

It is important to have the will to do something in addition to having an idea. Setting out to do something, opens new opportunities. He gave an example of when they decided to put some land in Bombo to use by growing food for sale. An organization contacted them to supply potato and cassava cuttings, for which they got large contracts, worth lots of money.

According to Fred, a person does not need to know everything to get started. This tends to be time wasting. He says there have been people with less information, less intelligence and less education profiting from the same ideas where others may be waiting to have enough information and knowledge before they can start.

Fred stated the following as some of the factors that can lead to success in entrepreneurship.

- Having an idea
- Having a burning desire
- Having a vision
- Having faith in God and trusting that He will see you through.

- Associations for example those for business people.
- Giving free products, say at fundraising functions. He cites examples of times when he has made donations to Bududa and at a church fundraising, which in turn brought him good orders.
- Reading books. There are many which are resourceful.
- Learn on the job. The stoves did not start where they are, he has kept on getting ideas of making improvements.
- Having interest in the particular enterprise undertaken
- A person does not have to wait until you have everything needed. It is important to get started and the funds can be realized later.
- Keeping records is another important aspect. He always kept for example important newspaper articles and records concerning various business opportunities.

### **John**

John says producing quality products makes good reputation. For example he ensures that he uses good quality wood to make durable bee hives. He says, it is better not to do a job than doing sub-standard work.

Consistence is very important if one is to succeed in any business. Though it may not be easy to begin, one needs patience to grow. He also believes in starting small and growing with time. For example a person may have to first hire others' machines and then acquire his own with time.

Record keeping also contributed to his success. For example, through keeping records of how customers came to know about his products he was able to know that advertising in the Monitor

Business Directory brought him more business and thus decided to advertise in it more. Record keeping thus helps him to make better decisions.

He believes that in entrepreneurship competition is good, because it can lead to better quality products. People should not be discouraged by it but should instead face the challenge by making high quality products. Good reputation which results from supply of quality goods and services has enabled sustenance of his business. Counterfeit products by others, for example fake beehives on the market have been a great challenge in the business.

### **William**

What helped him start and succeed in business is that he is always never comfortable being in the same place; he always looks out for challenges. He says that when a person does not want to be poor he needs to look at his surroundings and find out how best he can benefit from it. He says that if we sleep like we do in Africa we won't achieve much and adds that it is an inner thing to find a way of survival. According to him, we should be self-engineering; God has created this world for us and we should make use of it. The world is about discovery and hard work.

He stated the following as other factors that helped him succeed in entrepreneurship.

- Taking small courses
- Traveling a lot
- Attending trade fairs and learning from others' experiences.
- Learning from other entrepreneurs like the Indians, by looking at how they work. For them it is mutual trust, having a belief that *if I trust you I can do business with you.*
- Being ethical, because business is not about making quick money.

- Being honest and keeping one's word.
- Making high quality products.
- Starting to produce locally instead of importing products.

He highlighted the following as factors that can enable a person start an enterprise: Integrity, hard work, innovation, saving and reinvestment, making consultancies for example in management, being open to learning – constant learning, putting in extra time in one's work and Good management. He adds that it is important to participate in the day-to-day running of the business and not to just sit back and let the managers do the work.

### **Betty**

Betty visited other places like Tanzania and found mushroom growers still on a small scale, but very hardworking and interesting. She gave an example of old women staying with grand children but earning an income through projects like mushroom growing. She concluded that people in Uganda are lazy and love sleeping. She said, “we are in a comfort zone which is artificial. In Tanzania most homes have an income generating activity”.

She highlights the following as some of the factors that have helped her to succeed in entrepreneurship.

- Patience
- Putting aside public opinion
- Packaging with a label
- Dedication
- Hard work

- Love for mushroom growing
- Seeing the business move forward

Other factors she cited that can help one succeed in entrepreneurship include love for what you are doing, devoting time, being honest, diligence in one's work, hard work, need to know some book-keeping and separating business and family affairs.

### **Michael**

Innovativeness and always seeking knowledge helped him start the business. If he had tied himself directly on seeking employment, he would maybe be working with some company or a government office. But he had to demystify that kind of thinking and was able to start an enterprise.

For success in entrepreneurship communication is very important. This is because one needs to communicate every other time. For example in case of a new product there is need to communicate to colleagues and the general public.

Networking is another factor. Important networks include the Ministry of Agriculture, Ministry of Health, Uganda National Bureau of Standards, National Drug Authority, and Export Promotions in case of exports.

Trustworthiness is very important in entrepreneurship/business. For example where a product is needed and one does not have it. They should be able to tell the truth. They should also be able to deliver as promised.

Having trust in others is key. For example, they have distributors all over the country. When these distributors call and need supplies, they have to deliver, trusting that payment will be done. He also added that it is important to be accountable to staff and to colleagues.

#### **4.3.2 Challenges faced by entrepreneurs**

During his journey as an entrepreneur Fred had faced some challenges which include inadequate transport, which was a great challenge when he started a water project. Sometimes there is a lot of overworking because he has to ensure continuation of his projects. The failure of the low-cost housing project was a great set-back.

William cited the following as challenges he faced as an entrepreneur

- Furniture business requires a lot of space and yet rent is high.
- Capitalization issues, the cost of money is high, for example on loans from banks.
- The exchange rate is not stable because it does not have the pillars to support it. Our economy is floating, meaning that anything that blows hard would hit it badly.
- Lots of cheap poor quality furniture on the market.

#### **Betty**

Betty faced a number of challenges, and some are given below.

Inability to produce in large bulk. For example when she took part in an exhibition in Italy and took her dried mushroom samples, many people picked interest and wanted her to supply. However they wanted the mushrooms in bulk. This could only be achieved by various mushroom growers coming together to supply however, she noted that mushroom growers in Uganda were

secretive not very willing to come together because they felt so insecure and thought that coming together might make them loose their market.

Mushroom growing requires high standards of hygiene, and these are not easy to meet, due to a high cost implication. For example, the hall or room where the mushrooms are grown should be very clean with a good ceiling. This is expensive to construct.

There are tough conditions by some buyers for example some super markets, which can only pay when one supplies to a tune of 500,000/= and payment is always by check. This discourages the small entrepreneurs.

- Cotton waste and seed is hard to get. It is seasonal, and so she always has to buy in bulk.
- Buying seed that is not good, or not yet ready; this does not work and thus leads to loss.
- Change of weather; hot weather leads to reduced harvest.
- Mushrooms sometimes get attacked by pests.
- Mushrooms always need much water, whether it is during the rainy or dry season.
- There is a need to always go out and look for market.

### **Michael**

Some of the challenges faced include that of herbal medicine being relatively new on the market. The difference between old traditional/indigenous herbal medicine and the current is in the packaging. This creates a snag whereby some people who would have preferred to buy local herbal medicine end up not buying it thinking that it is imported.

Certification and approval processes long are. There are so many government departments attached to the herbal industry. These include UNBS, NDA, National Research Lab, Ministry of

Agriculture and the Export Promotions Board. One has to go through all the hassles to have his products certified and recognized.

Despite the numerous challenges faced by the entrepreneurs, they have stayed in business and they were satisfied that they chose to create the enterprises and employment.

### **4.3.3 Reasons cited for people not starting enterprises**

According to John, many do not start enterprises because they want to earn a lot of money quickly and also because of the thinking that one needs a lot of money to be able to start an enterprise.

According to William people don't start enterprises due to the following:

Entrepreneurship is an aspect that one will develop within himself/herself. Nobody can tell/train you to be an entrepreneur. It is about self-motivation. Where such motivation is lacking, it may become hard for a person to go into enterprise.

It requires a lot of self-training, for example one ought not to eat all that he makes, but should think about saving and reinvestment. From experience, he says, reinvestment helps the enterprise to grow.

In most cases many give the lack of capital as the major reason why they cannot start enterprises.

“People talk about capital but I think capital has never been a problem, one can get it along the way,” he said.

People fear to start. Others want to wait when their parents die so that they can inherit wealth.

But it is better to learn from scratch.

Many people want to earn quick and they lack integrity.

Ugandans tend to be slow in the way they work; elsewhere, the world is about running. The world is competitive and globalised. There is need to sharpen what we do.

According to Betty, not many succeed in starting their own employment because they start half-heartedly, some wanting their businesses to grow within a short time, being money-hungry, not separating business and family/home affairs and not being dedicated.

### **Michael**

Many tend to limit themselves to lack of capital, forgetting that they themselves are the capital. This has to be demystified. In their case, they themselves were the capital, and they started from under a mango tree as their office. But you may find a person with a degree saying “how can I sit under a mango tree as my office?” The degree/qualification in itself is the paper, but there is the real life in the real field, where you have to present yourself, where it is the results that really matter, not just the papers.

Inconsistence is another problem. Some people start on one thing today, and then jump onto another thing after a short time, yet if one is to persist with a given venture, 5 to 10 years down the road they would be experts. From their own experience, 7 years in the business they are now experts and the business is growing; they no longer work from under a mango tree.

Table 4: Summary of Success Factors and Challenges in Entrepreneurship, and Reasons for not Starting Enterprises

| <b>Factors for success in enterprise</b>   | <b>Why many don't start enterprises</b>  | <b>Challenges faced by the entrepreneurs</b>  |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Starting early</li> <li>• Hard work, dedication and determination</li> <li>• Creativity/innovativeness</li> <li>• Talent</li> <li>• Having an idea</li> <li>• Diversification</li> <li>• The will/burning desire and interest</li> <li>• Good communication skills</li> <li>• Having a vision</li> <li>• Faith in God</li> <li>• Joining associations</li> <li>• Reading and being open to learning</li> <li>• Learning on job</li> <li>• Record keeping</li> <li>• Good quality products</li> <li>• Consistence and patience</li> <li>• Starting small</li> <li>• Always aiming higher</li> <li>• Saving and reinvestment</li> <li>• Short courses</li> <li>• Travel/exposure</li> <li>• Being ethical</li> <li>• Integrity/Honesty</li> <li>• Consultations</li> <li>• Being open to learning</li> <li>• Participation in day-to-day running of the enterprise</li> <li>• Self-discipline</li> <li>• Networking</li> <li>• Separating business and family</li> <li>• Being accountable</li> </ul> | <ul style="list-style-type: none"> <li>• Fear to lose pension</li> <li>• Waiting until one has full knowledge.</li> <li>• Waiting to get enough resources.</li> <li>• Wanting quick money</li> <li>• Thinking that starting needs a lot of funds</li> <li>• Being slow</li> <li>• Laziness &amp; Love for sleep</li> <li>• Fear of public opinion</li> </ul> | <ul style="list-style-type: none"> <li>• Inadequate transport</li> <li>• Overworking</li> <li>• Failures</li> <li>• Counterfeit products on market</li> <li>• High operational costs</li> <li>• High interest rates</li> <li>• Inability to produce on large scale</li> <li>• Selfishness of others</li> <li>• Inadequate finances</li> <li>• Scarce raw materials</li> <li>• Poor raw materials</li> <li>• Natural conditions like dry weather</li> <li>• Lack of market</li> <li>• Long certification and approval processes</li> </ul> |

The factors cited for the success in starting and sustaining enterprises apply to all enterprises and persons who are entrepreneurs or those who intend to become. All the entrepreneurs faced challenges; however they did not give up. The entrepreneurs felt that the reasons given for not starting enterprises were issues that people need to overlook in order to be able to start their own employment. The findings are discussed in more detail below.

#### **4.4 Interpretation and Discussion of Findings on Learning from Experiences**

The respondents cited a number of challenges that they faced in entrepreneurship and these included poor transport, overworking, losses and failures, high costs of operation, high interest rates on loans, lots of cheap poor quality or counterfeit products on the market, inability to produce in large bulk, scarcity and poor quality of raw materials and long certification and approval processes. Despite the challenges, the enterprises thrive.

##### **Factors that promote enterprises**

For a person to be able to start an enterprise they need to have an idea. The idea must be one that will solve a problem. In other words, one can only come up with a good idea in response to an identified problem. When developing an idea one needs to remain focused and to concentrate. Also, in private sector/SMEs people may not only rely on one line of business. One needs to have a number of ideas, transformed into enterprises so that when one slows down the other can sustain him. This way one is able to carry on in business. To be an entrepreneur a person must convert an idea into a successful innovation (Schumpeter, 1950). In addition to having an idea it is important for the entrepreneur to be creative so that he can be able to put his idea into reality and make products that he can offer in the market.

A person starting an enterprise must have an interest in the business he is starting. This refers to a passion and love for what they intend to do, and they should strongly believe that the product or service would meet a real need in the marketplace (Schaefer, 2006). This interest is a great motivation and can help the entrepreneur not to give up when faced with challenges. In addition, it is important to have the will to start and to be hard-working. Starting on enterprises opens new opportunities.

Entrepreneurs tend to be motivated by an overwhelming need for achievement (McClelland, 1961). This was evidenced in this study by the entrepreneurs' desire to achieve, to the extent that they left their former employment to start their own. They preferred independence as opposed to being employed by others. Entrepreneurs are always tough, pragmatic people driven by needs of independence (Collins, & Moore, 1970).

There is need to have sufficient operating funds as one starts an enterprise (Schaefer, 2006). However, according to some of the respondents, lack of funds was not a key issue why people cannot start businesses. One can be able to start even with minimal or no funds once they have the idea. Indeed this was the case with some of them who were only able to realize funds along the way, when they had already started. In this research it was mainly the workers who felt it was not possible to start an enterprise without having enough funds, giving a variation of thinking between them and the entrepreneurs. This implies that the way a person regards money in relation to entrepreneurship can enable them start employment or make them fail. If one thinks it is critical then it may be hard for him to start in case he does not have enough.

Before starting any business, the owner needs to learn the basics of that business' industry because not knowing how to do the business can lead to its failure (More Business.com, 2009).

According to the page, experience does count and lack of it will only lead to dissatisfied customers and a negative reputation for the business. However, according to the findings of this research, it is not imperative to know much about a business before one starts an enterprise. According to one respondent, this tends to be time wasting, and yet there have been people with less information and less education profiting from the same ideas where one may be waiting to have enough information before they can start. The entrepreneur can always learn on the job and through short courses and workshops or seminars. He should also consider consultations concerning issues like management.

Market intelligence is crucial for any businesses to stay ahead of competitors, and this includes being able to know the new changes or innovations in the market and making necessary changes in the business (Hunter, 2010). Businesses which cannot adapt to changes in the market and/or those that are slow to grasp new technologies would not be able to compete effectively. Also, the products need to be improved from time to time. In today's business environment, the ability to stay ahead of competitors in terms of product development, pricing, delivery and timing is important in determining the success of the business. Reading books, journals and always looking out for information can help entrepreneurs to stay ahead of competition.

Attitude is very important in entrepreneurship (Starting a Business, 2009). Entrepreneurs need to have an attitude of success and to avoid people who speak negativity as these can cause discouragement. They need to stay positive and believe in reaching their goals. In the case of the entrepreneur who succeeded in the energy stove business and the one who would take mushrooms to her customers, their attitude helped them to go forward even when they were faced with discouragement from friends.

The quality of the products or services is essential. In some cases consumers may even be more willing to pay more for trendy and high quality products than paying cheaply for poor quality products. Businesses should also consider the suitability of products offered in relation to the tastes and preferences of consumers in the area they serve, otherwise they may not profit much (Hunter, 2010). Thus people planning to start enterprises should purpose to produce quality products and services.

People starting enterprises should avoid over-reliance on credit. Much as credit helps in financing the activities of a business it always carries an interest with it. Where interest payable exceeds the profits of the business, failure can result (Small Business Encyclopedia, 2008). It is better to start small and grow gradually. Where one lacks resources such as machines they can start by hiring others' until a time when they can afford their own.

As one respondent put it, in creation of employment it is important to start early, especially where the person is to be personally involved, as opposed to starting after retirement. This is because it is so demanding and calls for a lot of energy. It is also important for the entrepreneur to involve themselves in running of the business and not only leave it to the employees and managers so that he knows how it runs and can manage and plan for it better.

Entrepreneurship requires a lot of self discipline, for example one ought save and always invest from what they earn. Reinvestment helps the enterprise to grow. It is important to separate business and family affairs. Treating profit as personal money and not injecting it back into the business can lead to failure (Snyder, 2000, p. 205).

The entrepreneur should ensure good management of the business, such as proper maintenance of records and/or books of accounts. Small enterprise owners tend to cross many boundaries of

knowing because they have to ensure proper running and success of the business (Fenwick, 2004, p. 259). Fenwick refers to this as innovative problem solving, where invention is a way of being. Before the enterprise grows to a level where they can recruit employees into the various functions the entrepreneur may have to play a number of roles.

For one to be successful at entrepreneurship he needs to be visionary and to be consistent. He should not give up easily but rather press on because the longer a person stays in an enterprise the more experience, better products and profitability, partly because of the expertise gained. Attributes of expertise comprise ability to respond effectively to both the routine and new work tasks encountered in work (Billett, 2001, p. 43). One needs to be patient to grow (Snyder, 2000, p. 204), always aiming higher, not getting satisfied with status quo. Consistence also will enable an entrepreneur to achieve professional competence because of doing the same work repeatedly (Nilsson, 2008).

Communication is very important. It is always good to talk to people because one can get new ideas and other useful information such as where the resources are located. Networking is another factor and this is with those such as raw material suppliers, customers, companies in the same industry, the Uganda National Bureau of Standards and Export Promotions in case of exports. Entrepreneurs also need to always get exposure for example through travels and taking part in trade exhibitions so as to get more ideas.

Entrepreneurship requires being ethical, it is not about making quick money. People prefer to transact with persons who are honest. Unethical behavior can destroy the reputation of an organization and of a person.

It is not only enough to start enterprises but it is also important to ensure their continuity and growth. The above factors are some of those that can enable a person start and sustain an enterprise. The challenges are not meant to scare off others but to prepare them and to show that despite them enterprises thrive.

## **CHAPTER FIVE**

### **5.0 THE EMPLOYEES AND COMPARISON WITH THE ENTREPRENEURS**

#### **5.1 Introduction**

In this chapter the findings from the employees are presented and a brief comparison made with the findings from the entrepreneurs to find a relationship between the views of persons that have started enterprises and those that have not. Information was gathered by using interview guide questions set for the employees (see Appendix A, Section D), to get their opinion on formal learning in relation to their work and on self employment.

The decision on the employees to interview was made by the entrepreneurs. This was mainly because the workers were occupied with their work and it was not easy to get them off their work. Thus the entrepreneurs decided on which ones to be interviewed. This was mainly the case with the furniture company and the cooking systems entrepreneur. For the bee-keeping equipment manufacturer and the herbal products, the workers interviewed were those at the workplace on the specific days.

#### **5.2 Findings**

##### **5.2.1 Workers at the Energy Stove Manufacturer**

The first worker interviewed was a foreman who stopped in Junior 3 and trained to be an artisan. He had practiced Metal Fabrication since 1975 and joined this particular enterprise in 1998. He said he always made stoves, weighing scales, ovens and institutional cooking systems. He added that the stoves they made were high quality, compared to the usual common metallic and mild steel types.

He felt that formal education was very beneficial in his work because it enabled him to express himself. It enabled him to do a good job and to do some business and gain some experience.

He said he learned some of his work from his brother who was an engineer. He had been able to start some personal businesses somewhere and hoped to one day leave this employment and concentrate on his own businesses. He felt the enterprise was only well-paying to the employer but not to the employees.

The respondent felt that these days' young people want quick money, and are not patient compared to them who can persist in such practical jobs like welding. The young people prefer white collar jobs. According to him, they think such work is also shameful because it is seen not to be well-paying. He cited an example of some students whom they trained in making the high quality stoves but thereafter, they never put into practice what they learn. Instead, they always make the low quality cheap ones in order to get quick money.

He adds that students these days do not care. In their times, they used to be so inquisitive during training, always asking questions. But the students who always go to them for industrial training are always in a hurry, as he said, "even when you want to explain more they say 'that's enough,' they don't want practical work that much, and yet practical is a base for all engineering". Previously, that is, for them they had to be sent into the industry for 3 months, then they would have to get back to school and compare with what they had been taught. He stressed that Industrial training should be encouraged for students, and added that opportunities were always available, though students always don't seize them. He cited Katwe, a town in the outskirts of Kampala to have many opportunities in trades such as metal fabrication, welding and carpentry.

He also felt that there should be diversification in skills acquired, not only a single one. This would contribute to a person's success, since they would be able to do more than just one job.

Concerning being self employed/creation of employment, he felt it is good as long as one has the money, is knowledgeable and is able. He stressed that lack of funds greatly hinders people from starting their own businesses and added that if one does not have someone to support him, and yet he cannot support himself, he cannot stand on his own two feet and do a business alone.

The second worker, a Technical engineer had a Diploma in Animal Husbandry and also qualified in Technical engineering. He worked as an Innovator, whereby if someone has an idea, he writes it down, gets an idea of what machine can perform the task and make a plan of the machine. He had been in the practice for six years. He had for example innovated products such as a stove that uses a liquid to cook, and claws for picking rubbish in channels (these were in several designs). This he innovated after seeing workers cleaning sewerage channels using bare hands, given the filthiness of the channels.

He felt formal education was very helpful because it helped him to put an idea into practice. He was able to see a problem, come up with an idea and then find a solution to the problem. According to him, an educated person can jump very many hurdles, and to improve education students need to go to the ground. There is a lot that they can learn from there. Government needs to carry out research and put funds in ventures that will actually bring development.

He felt that there are so many qualified people, that government cannot create employment for them all. So people must find sectors to create jobs for themselves. The problem is that many don't opt for job creation/self employment, because some have got wrong attitudes and under

look various jobs especially those that are practical. Many people want white-collar jobs and yet these are few.

### 5.2.2 Workers of the Bee-keeping Equipment Manufacturer

Isaac, aged 30, joined technical school after O-level for a Craft I Certificate in Carpentry and Joinery. He has been doing carpentry and metal fabrication work for seven years. He felt that what he had learned was directly related to his work, but he had come to learn that in work it is good to be open to more learning. One should not think they know it all. Workplace tasks reinforce what has already been learned because the worker engages in further practice (Billett, 2001, p. 14). A person learns more and better ways of performing tasks as they work.

Figure 7: Workers making bee-keeping equipment



Source: Author

He felt that to improve learning, vocational subjects need to be introduced to learners right at the primary school level. This may help us get better job creators. This is in line with the entrepreneurs who said it was important to introduce vocational subjects early in education.

His opinion on job creation was that it is good however he preferred to work together with others so that what they are already doing can grow. He was not for self employment, saying it is better to work with others.

Andrew, 23, stopped in P7. His major work was building, however, at John's he mainly did joinery work whenever there was need. He had worked for John for two years. He said that the education he had obtained enabled him to understand his work better. He has been able to learn the practical work like building and joinery by working under others. Participation in workplace tasks enables learning and this makes the workplace an effective learning environment (Billett, 2001, p. 14). A person is able to learn how to perform tasks even when they did not learn it in school.

According to him, practical subjects should be introduced at an earlier level.

He felt self employment and starting of jobs was a good thing for which he has a vision for the future. He however added that not many go for it because they lack self confidence. He was of the view that all things can be done by trying.

Gonzan, 60 stopped in P3. He did joinery work at John's and had worked with him for 12 years. He learned on the job. He was of the view that learners should be taught vocational skills so that in future they can create their own employment. He felt self employment/job creation is a good idea however not many can do it due to lack of finances.

### **5.2.3 Workers at the Furniture Company**

Resty, a Showroom Supervisor and Sales person was a degree holder and had other trainings in customer care, sales, supervision and management. She had worked for the company for 5 years.

She felt formal education was very helpful in her work and also other trainings like computer and communication had made her a better worker. She felt that learning should be made a continuous process in that people can always go back and relearn so that they don't forget what they learned.

She thought that self employment is good however people lack the capital, the skills, knowledge and creativity to start their own employment. She added that people believe that from school one has to look for a job, and this is partly why few start their own employment.

The second worker Paul, was a higher degree holder and had had other trainings in management. He was an Operations Manager and had worked for the company for 4 years. He felt that formal education was not directly related to actual work.

According to him, learning can be improved by reducing the theory and teaching the actual work. Training also needs to address the social side, for example being able to relate well with others and good behavior so as to have better workers and more success, even in business. He said that without good grooming, even with good qualifications, one can turn out to be the worst.

His opinion on job creation and self employment was that before people start their own employment they should first work for others, or with other organizations so that they can learn to work better and become disciplined. He also added that it is important to have a good idea. People need to take off time to think. Some people have the resources but they just copy what they see others doing and after a short time when they feel it is not profitable they close the business. Some lack the resources like land and finances and cannot start enterprises.

### 5.2.4 Sangoma Workers

Elsa stopped in S6 and had worked for the company as a cashier for 7 years. She felt that her formal education was not related to her work and was of the view that Formal education can be improved by making students study what they are to do in future. According to her, self employment is good, however many don't involve in it due to lack of capital.

Patience stopped in A-level. Her work involved marketing and she had been working with the company for 5 years. She felt that the education she received was not related to her current work. She had learned how to talk to people in the course of her work.

She felt that self employment/starting business is good but many don't do it because they want to start with big money, which they may not have. Others don't have the capital at all. Others think what they make might not profit them. She added that people should save in order to invest.

Table 5: Summary of Employees Responses

| Employees                        | Opinion on formal education  | Opinion on self employment  |
|----------------------------------|--|---|
| Energy saving systems enterprise | <p><b>1<sup>st</sup> worker – Metal fabrication</b></p> <p>Very beneficial and related to work</p> <p>Young people want quick money</p> <p>They don't like practical work</p> <p>Students not willing to learn – always in a hurry</p> | <p>Very rewarding</p> <p>Requires a lot of money</p> <p>Requires knowledge and ability</p> <p>People need to be supported</p> |

|                                  |   |  |
|----------------------------------|---|--|
|                                  | <p><b>2<sup>nd</sup> worker – Innovator</b></p> <p>Formal education beneficial</p> <p>Preference for white collar jobs</p> <p>Students under look jobs – poor attitude</p>  | <p>Job creation good</p> <p>Many don't opt for job creation because they have wrong attitudes</p>  |
| Bee-keeping equipment enterprise | <p><b>1<sup>st</sup> worker – Carpentry &amp; metal fabrication</b></p> <p>What he learned is related to his work</p> <p>Vocational subjects should be introduced to learners at primary level</p>  | <p>Self employment is good</p> <p>However, it is better to work together with others so that what they do can grow</p>   |
|                                  | <p><b>2<sup>nd</sup> and 3<sup>rd</sup> workers – Joinery work</b></p> <p>Formal learning received not related to his work</p> <p>Education helps one understand their work.</p> <p>Practical subjects should be introduced at an earlier level</p>   | <p>Self employment is good</p> <p>Not many opt for it because they lack self confidence</p> <p>Many don't go for it due to lack of funds</p>   |
| Furniture company                | <p><b>Worker 1 – Supervisor/Sales person</b></p> <p>Formal education helpful</p> <p>Learning should be made a continuous process where people always go back and re-learn so as not to forget what they learned.</p> <p><b>2<sup>nd</sup> worker – Operations Manager</b></p> <p>Formal education is not directly related to work.</p> <p>Theory should be reduced and actual work taught.</p> <p>Training does not address social side</p> | <p>Self employment is good.</p> <p>It is hampered by lack of capital, skills, knowledge, creativity and belief that from school one should look for a job.</p> <p>Before self employment people should first work for others to learn to work better and to become disciplined</p> <p>Lack of resources is a hindrance</p> |
| Herbal product                   | <p><b>1<sup>st</sup> worker – Cashier</b></p>   |  |

|            |  |   |
|------------|--|---|
| enterprise | Formal education not related to her work<br>It should address what one is to do in future<br><b>2<sup>nd</sup> worker – Marketing</b><br>Education not related to her work | Many don't involve in self employment due to lack of capital<br><br>Self employment good but many don't have the capital. Some think it may not help them.<br><br>It needs saving |
|------------|--|---|

Both the workers interviewed at the cooking systems entrepreneur's workshop were qualified for their work. They had received the training in school. For the bee-keeping equipment manufacturer, one worker, who was the carpenter, was a trained and qualified carpenter, but the two persons who did the joinery work had learned on the job, as they did not possess any previous training in joinery.

For the workers interviewed in the furniture company, they were qualified however, their work was not directly related to their work. The workers interviewed for the herbal products producer were both not qualified but learned on the job. The workers responses are discussed, rather briefly, in the following section to supplement the entrepreneurs' findings.

### 5.3 Discussion of Workers' Responses

#### 5.3.1 Learning in Relation to Work

The respondents were of the view that the formal education they had received was helpful in their work. Apart from some few, their formal education was related to their work. The few who felt their education was not related to their work were those who did not receive education beyond secondary school, and one whose area of specialization was different from his work.

For the employees, it is more common to find that formal learning is related to their work, possibly because in most cases employers seek workers who can perform and have knowledge of the work. Qualifications are always a basis for recruitment whereas for the entrepreneurs, they don't start enterprises basing on their qualifications. This in a way confirms it that the Ugandan education system promotes job-seeking more than job creation.

Both the entrepreneurs and employees were of the view that young people prefer white-collar jobs to practical work, which in many cases they under-look. Both categories suggested introduction of vocational subjects at an earlier level.

### **5.3.2 Opinion on self employment**

Both the entrepreneurs and employees agreed that self employment was good. However, unlike the entrepreneurs, the employees were mostly of the view that without sufficient funds or resources, starting of an enterprise would be difficult or impossible. This could possibly be an issue of wrong attitudes, which the entrepreneurs and some employees actually cited to hinder starting of enterprises. The other issue could be lack of creativity, innovativeness and exposure, which were also cited by the entrepreneurs to be essential in job creation.

The case of the employee who preferred to work for others (working together with others) could also possibly suggest lack of self confidence which was cited in both entrepreneurs' and employees' responses as a hindrance to self employment. This could be as a result of the worker thinking that he cannot start and sustain an enterprise, as a person, without the help of others and yet he was trained in a vocational school, and he possessed practical skills.

## CHAPTER SIX

### 6.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 6.1 Introduction

In this chapter, the findings of the research are summarized according to the objectives of the study. The conclusion is given and recommendations made basing on the SME entrepreneurs' experiences, for the improvement of formal learning, to encourage job creation among the graduates. It also gives suggestions of areas that can be taken up for further research. These were all based on the objectives of the study, which included examining the background and learning experiences of SME entrepreneurs; ascertaining the relationship between formal learning and starting and sustaining SMEs; and establishing the learning acquired from various experiences by the SME entrepreneurs.

#### 6.2 Summary

##### **Background of entrepreneurs**

From the background of the various persons who started enterprises, people start enterprises for various reasons such as hatred for routine work, desire to do something new, being tired of being employed by others, having a desire to employ themselves to earn a living, having various purposes and visions in life and in pursuit of various areas of interest.

In many cases, they started small and the enterprises grew over time. In some cases they started in a humble way, for example in their homes and made use of others' machinery and resources until a time when they could acquire their own. Hiring of other people's services is quite

common because some of the entrepreneurs find it not necessary to make recruitment for every service/job that needs to be done.

Some of the entrepreneurs started without prior knowledge that it would turn out to be a means of earning an income, but rather a hobby. The learning of the various trades was rather informal, through being taught say by a friend, learning from parents and from other products. It was enhanced with knowledge obtained formally from school and through other informal sources like reading books and getting exposure through travels, and non-formal sources like workshops and seminars. There was also learning from experiences that the various persons went through. In some cases the entrepreneurs had no prior knowledge/skills in their specific areas of operation but rather hired those that had the skills to produce different products.

A number of factors enabled the persons to be able to start and sustain the enterprises. These included having a positive attitude and not allowing to get discouraged by others. There was also the ability to put the knowledge acquired into practice and being innovative and practical. The issue of good quality products and employing of modern technology was also seen to be significant in the success of the enterprises. There was also a tendency of not relying on one line of production but rather to diversify.

### **Formal learning and starting and sustaining of SMEs.**

Formal learning was found to be of great importance in entrepreneurship because it equips learners with basic and general knowledge and skills such as communication which are essential in entrepreneurship. However, some of the entrepreneurs felt that there was little or indirect relationship between their work and what they had learned in school. One felt there was no

relationship between what she learned at school and her work, whereas another, who pursued a degree in line with his area of interest found his education to be related to his work.

According to the respondents, the current education system is seen not to promote self confidence, is more theoretical than practical and tends to produce job seekers, especially for white-collar jobs rather than job creators. It mostly promotes non-practical subjects and equips learners with basic knowledge, which is not sufficient for work. There is no practical experience in the learning and it is in most cases examination-oriented, leading to integrity issues as students focus on passing examinations. As a result it produces half-baked products, who are not interested in practical work and are not able to put into practice what they learned.

### **Learning acquired from various experiences.**

A number of factors were cited to hinder many people from starting enterprises. The major one given was the thinking that starting an enterprise requires a lot of funds, whereby people think they cannot be able to start if they don't have enough resources. In addition many people want quick money and don't want to go into ventures that are slow rewarding. Also, many people tend to think that one needs to first have all the required knowledge and information before they can start an enterprise. Other factors cited included the fear of loss of pension in the case of public service workers, fear of public opinion and laziness. These however, were seen not to be an impediment as all the entrepreneurs started small and were able to grow their businesses over time.

A number of challenges were cited to be faced by the entrepreneurs, but also there were also factors cited that can enable one overcome the challenges and succeed in entrepreneurship. These included starting early, hard work, dedication, determination, creativity and innovativeness,

talent, having an idea, diversification, the will or burning desire and interest in the business, communication, having a vision, faith in God, joining associations, giving some free products, reading, learning on job, record keeping, good quality products, consistence, patience, starting small, advertising, always aiming higher, saving and reinvestment, short courses, travel and exposure, being ethical, integrity or honesty, making consultation, being open to learning, participation in day-to-day running of the enterprise, self-motivation, self-discipline, networking, having some book keeping knowledge, separating business and family affairs, being accountable and being able to trust others.

### **6.3 Conclusion**

#### ***Starting of enterprises***

From the background of the entrepreneurs we can conclude that despite a person's background he can be able to start an enterprise, even with minimal resources. People go through various experiences which enhance learning and acquisition of skills. The knowledge and skills acquired are important in creation of enterprises, which provide employment to the owner and to others. What is essential here is a person putting into practice the knowledge or skills acquired. In some cases where one does not have the required skills or resources they can hire others' services.

From the findings of this research, people's experiences can greatly contribute towards one's ability to start and sustain an enterprise. Social attributes are of great significance to the starting and success of enterprises. One has to be disciplined and be open to learning. Exposure is also important because it enables people to see how things are done elsewhere and it can help them come up with new ideas.

### *Learning and Entrepreneurship*

There is a relationship between formal learning and starting of enterprises however, in many cases this is limited. The knowledge acquired is vital in starting enterprises but on its own it is not sufficient. Other skills acquired, say informally through sources like reading books, being taught by friends and from traditional practices or those in form of hobbies are quite valuable and can be helpful in creation of enterprises. However the way formal education is done in Uganda does not promote creation of employment because the products or graduates are not able to put into practice what they learn and to create jobs.

There is a great need to strengthen the education system in Uganda in order to make the learners more enterprising. Entrepreneurs are made rather than born (Birley, 1996). The findings in this research show this clearly. It shows that there is a gap between what is learned in the formal educational system and the ability to start enterprises. Education programs need to be related to actual work and industry so that the learners can easily transition from school to work. In the following section are suggestions made that can possibly contribute to improvement of the education system.

#### **6.4 Recommendations**

The respondents felt that the formal education they obtained was beneficial, however, they perceived a gap between what they learned and the need they felt as practical entrepreneurs in starting and sustaining of enterprises.

### *Improvement of Learning*

There is a need to make learning in schools more practical. It is important that students are taught to use their surroundings and available resources. For example engineering students in colleges and universities can learn by working on say roads and buildings within their institutions. This will equip the learners with practical experience and it can cultivate within them a love for work and to value it. Productive schools should be set up whereby students are able to make real products. Quality of work and products should be emphasized in learning. This can help demystify the white-collar job mentality and lead to more job creators than job seekers. Teaching students to use available opportunities and resources can enable them to learn to start enterprises even with minimal resources.

There is also need for clear career guidance to students at all levels of education. This can enable them make informed decisions. Also, exposure of students, say through travels and cultivation of a reading culture in them can possibly equip learners with useful information that can enable informed decision-making.

### *The Teachers*

Emphasis also needs to be laid upon the teachers with regard to the way they are trained and how they carry out training. This is because it is not easy for teachers to teach learners in a practical way when they have not undergone such an experience. This will possibly lead to more competent teachers and steer clear of half baked products or graduates. The use of experience-based teaching methods is crucial to develop entrepreneurial skills and abilities (European Commission, 2008). The teachers need to be given opportunity to participate in enterprises or industry to gain practical work experience. An example where this happened is Germany, where

some universities give their professors opportunities to get practical experience from firms (European Commission, 2008).

### *The Teaching*

To make learning more related to work, opportunities need to be created for people who are practicing in various fields to teach in schools, that is, real entrepreneurs or business practitioners ought to participate in the teaching. This can bring inspiration among students and since many teachers have little or no practical experience in entrepreneurship this can help to bridge the gap. It can help the students to learn better and make it easier for them to transfer knowledge and skills when it comes to time of employment.

Vocational subjects or VET need to be introduced to learners, right from an early stage, that is, possibly right from primary school level, through to the higher institutions. Also, learners' hobbies and talents should be encouraged and developed because these can become income generating activities and facilitate creation of employment. Creativity should be developed through providing challenging practical situations to learners. VET enables people to make transition into working environment and ensures that there are enough qualified people in the future (Lutalo Bosa, 2007). Lutalo Bosa adds that VET is geared to the labor market and that the education of the future must be more tied to the needs of the labor market. This however should not hinder the urge for learning and understanding more through book learning. The main issue is that the learning processes should develop from the point of view of curiosity of what is happening in the world outside formal education and with an understanding that a person develops and learns as long as he lives.

The whole curriculum needs to be looked at in order to empower people to use their heads and hands. It should emphasize learning as opposed to emphasizing passing of examinations. It also needs to address the social aspect of learners so that they can learn to make social networks and to work well with others. Teaching should be geared towards expected outcomes (European Commission, 2008). This helps to make it clear within students' minds the purpose for the different things they learn. In other words it should be related to trades and occupations. This facilitates better learning, but also teaches them to work with vision of what they want to accomplish. There is a difference when occupations are made the articulating centre of school life and this is in terms of motive, of spirit and atmosphere (Dewey, 1900). Dewey started the laboratory schools in Chicago, USA and he made hands on learning the axis of the classes from early in the children's learning processes and there was a great impact. The assessment of learners should also include practical projects.

### ***The Institutions of Learning***

The number of vocational institutions needs to be increased, that is, where work of the hands goes hand in hand with the work of the mind (Mjelde, 2006, p. 195). Consideration should also be put on the location of vocational institutions so that they can be accessed by as many people as possible. Increasing the number of vocational institutions will lead to an increase in the numbers of technical people, who in turn are likely to create more jobs. The rural areas also should as well be dotted with these vocational institutions so that the skills needed are equally spread all over the various areas. The vocational institutions need to be well equipped and the instructors be equally well-trained so as to cope with the current educational needs and the corresponding needs of the market. This is a great challenge in development of vocational

education due to the cost of equipment. There is a need of possibly engaging craft and industry in the development.

Learning institutions, that is universities, schools and colleges need to work with their alumni. They can do this through building and maintaining very good networks with their alumni, who can bring back knowledge and skills training (European Commission, 2008). These can also be a source of inspiration to the students.

### ***Vocational Pedagogy***

Vocational Pedagogy can address these challenges. Consideration can be made about the possibility of implementing vocational pedagogy in the Ugandan education system. Vocational pedagogy is the field of knowledge oriented towards trades, occupations and professions, and it emphasizes the interplay between working life and the education system (NOMA, 2008). It is a learner-centered approach to teaching and learning in which the relation between the student and the task is central; the work activity itself is the rotation point of learning (Weil, Koski, & Mjelde, 2009, p. 125). In vocational pedagogy school and work are two sides of the same coin and are qualitatively different from the traditional formal school system which separates school and work. Work/activity is the central aspect (Mjelde, 1993).

Vocational education has three components, and these include practical skills, vocational theory and general knowledge (Mjelde, 2006). These are all addressed in vocational pedagogy, which is a learner-centered approach to teaching and learning, and the relationship between the students and their tasks is central (Weil, Koski, & Mjelde, 2009). The central point of learning is the activity itself. When learning involves performing practical tasks it makes more meaning to the learner than if it is only done theoretically. Thus, it becomes likely that a person can more easily

use the skills and knowledge achieved, say to create their own employment. Implementation of vocational pedagogy at all levels of education can result into an improved economy, with the technology improving, leading to growth in the industrial sector and exporting of processed products, as more people will become self-employed and job creators. This can be related to the various ways that the entrepreneurs learned the trades in which they started enterprises.

### **6.5 Areas for Further Research**

According to this research, formal education is essential in starting and sustaining of enterprises. However, there are many who are uneducated but have set up enterprises. Further research can be carried out specifically on enterprises that were started by people who did not receive any formal education to establish what enables them succeed.

Vocational education is important in equipping people with practical skills, which can enable them create employment for themselves and for others. This is because good VET is not only theoretical but also practical. However, it is a challenge when it comes to areas like business studies; how can they be taught practically? A research can be undertaken to study how business trades such as Accounting and Marketing can be taught practically.

One of the aspects that came out in this research was that to realize success, people should start enterprises early, and not wait to start later in life. Research can be undertaken concerning success and growth of enterprises in relation to the ages of the entrepreneurs to ascertain whether the above view holds.

In this research there was only one woman out of the five entrepreneurs, meaning that in terms of gender, there was more representation from men. A possible research can be carried out to

compare men and women entrepreneurs, especially, given the African traditional belief that women are basically supposed to stay at home and look after the family.

Tools and equipment are important in vocational education and training (Mjelde, 2006, p. 52).

Research can be carried out on how the craft, industry and other sectors have possibly contributed towards practical learning especially in the area of tools and equipment and how this contribution can be improved to enhance practical learning in schools.

Research can also be carried out on whether there is any relationship between the number of years spent in school and a person's ability to start an enterprise. This could provide insights on ways of improving vocational and general education.

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## APPENDIX A: INTERVIEW GUIDE

### INTERVIEW GUIDE FOR THE ENTREPRENEUR

#### DEMOGRAPHIC INFORMATION

*(Tick where appropriate)*

1. Age: 20-30  31 - 40  41 -50  51 above
2. Sex: Male  Female
3. Marital status: Single  Married
4. Highest Education level Attained;
 

|             |                          |                        |                          |
|-------------|--------------------------|------------------------|--------------------------|
| None        | <input type="checkbox"/> | Bachelors degree       | <input type="checkbox"/> |
| Primary     | <input type="checkbox"/> | Masters degree         | <input type="checkbox"/> |
| Secondary   | <input type="checkbox"/> | PHD                    | <input type="checkbox"/> |
| Certificate | <input type="checkbox"/> | Others, Please specify | <input type="checkbox"/> |
| Diploma     | <input type="checkbox"/> | .....                  |                          |

#### A. Background and learning experiences of SME entrepreneurs

1. What is your occupation?
2. For how long have you practiced in the occupation in 5 above?
3. When did this enterprise start?
4. What are the products (goods and services) of the enterprise?
5. How many employees are currently in the enterprise?
6. How many employees has the enterprise had since it started?
7. How did you learn this trade in which you are now?
8. What led you to starting your own employment?

9. Please give a brief history of how you started.

**B. Relationship between formal learning and starting and sustaining of SMEs**

1. How is what you studied in school related to what you are doing?
2. How do you think your formal education contributed to the success of this enterprise?
3. Are there any ways that you feel your education is a hindrance in your enterprise? Please explain.
4. Do you feel the training your employees receive from school is good enough for them to do their work well? If not, please explain how you ensure that they perform.
5. Is there anything that you feel formal education did not equip you with, but is necessary in your work? Please explain
6. Please suggest ways that formal education can be improved to produce graduates that can create jobs.

**C. Learning acquired from various experiences by the SME entrepreneurs**

1. What things have you learned that have made you a better entrepreneur?
2. What do you think can make one successful in creation of an enterprise?
3. What factors do you think hinder people from starting enterprises?
4. How is the enterprise managed?
5. How do you ensure sustainability/continuity of the enterprise?

## INTERVIEW GUIDE FOR THE EMPLOYEE

### DEMOGRAPHIC INFORMATION

*(Tick where appropriate)*

1. Age: 20-30  31 - 40  41 -50  51 above
2. Sex: Male  Female
3. Marital status: Single  Married

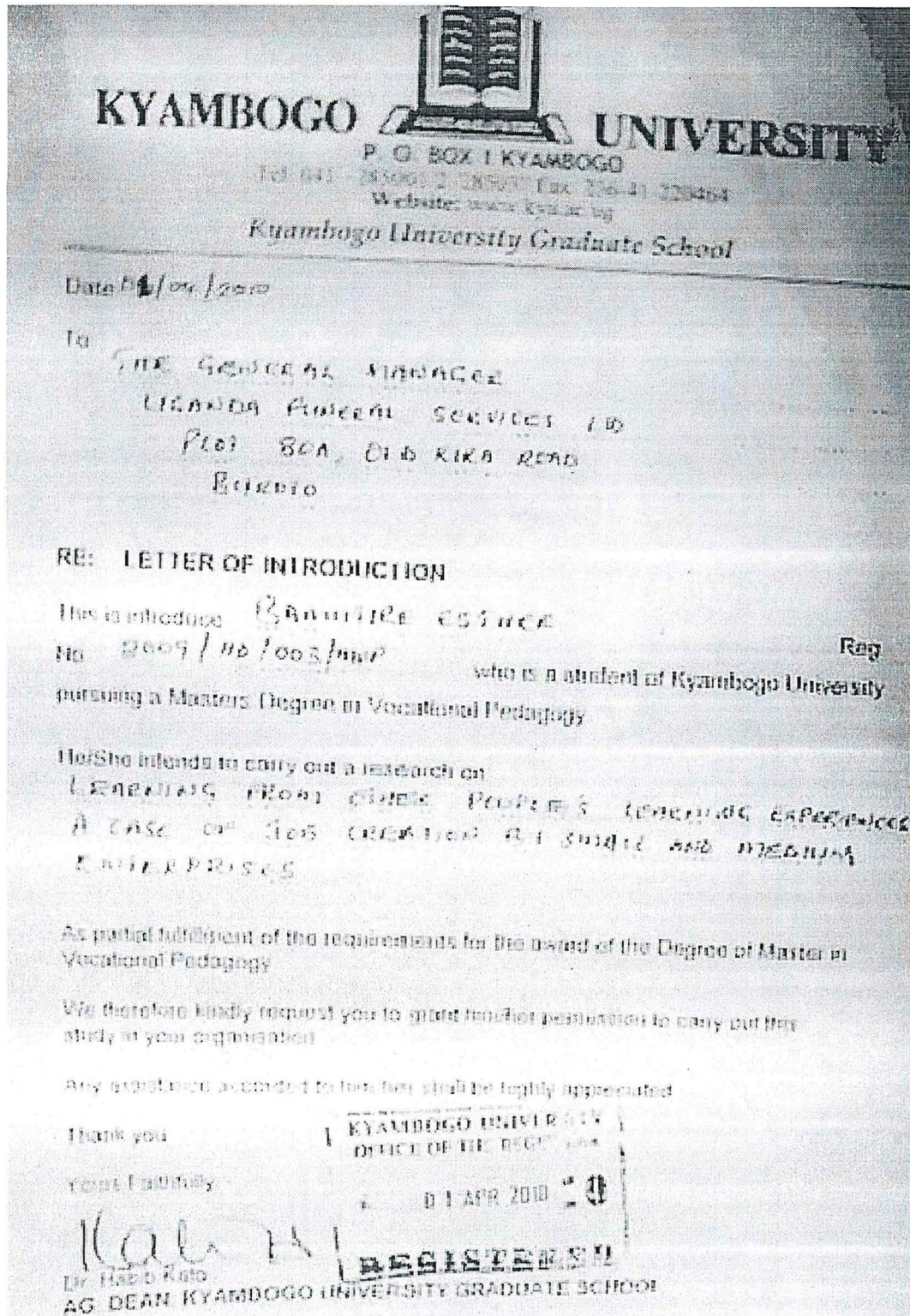
#### **D. Employee's work, education and opinion on self employment.**

4. Highest Education level Attained;

|             |                          |                        |                          |
|-------------|--------------------------|------------------------|--------------------------|
| None        | <input type="checkbox"/> | Bachelors degree       | <input type="checkbox"/> |
| Primary     | <input type="checkbox"/> | Masters degree         | <input type="checkbox"/> |
| Secondary   | <input type="checkbox"/> | PHD                    | <input type="checkbox"/> |
| Certificate | <input type="checkbox"/> | Others, Please specify | <input type="checkbox"/> |
| Diploma     | <input type="checkbox"/> | .....                  |                          |

5. What is your occupation
6. For how long have you practiced the occupation in 5 above?
7. When did you join this enterprise?
8. What is your role in the enterprise?
9. Do you feel the formal education you received is helpful to your work? Please explain.
10. What other learning has equipped you with skills/knowledge that are helpful in you work?
11. What is your opinion about job creation/self employment?
12. Why do you think many people don't take it up?

APPENDIX B: Copy of one of the Introductory Letters



**APPENDIX C: Research Expeditions and some of the Activities by the MVP Students.**

1. February 10, 2009, the official Launch of NOMA Masters programme at Kyambogo University, Boardroom, Senate Building in Kampala.
2. Tuesday February 17, 2009, expedition to the School of Nursing and Midwifery in Jinja, Uganda.
3. February 24, 2009, expedition to a biscuit Factory in Kawempe Division, Kampala District.
4. February 26, 2009, Inauguration of NOMA House at Kyambogo University in Kampala.
5. Tuesday April 28, 2009, expedition to the Uganda Bureau of Statistics (UBOS) in Kampala.
6. May 19, 2009, expedition to a Vocational Training Institute in Kampala.
7. September 3, 2009, expedition to the Directorate of Industrial Training (DIT), Kampala.
8. Thursday September 17, 2009, expedition to some blacksmiths in Katwe, Kampala.
9. A research on Gender issues and productivity in vocational education and training: A case study of Kyambogo University students.
10. Friday October 23, 2009, expedition to Young Men's Christian Association (YMCA) Kampala, Uganda.

Other activities:

11. An essay on Vocational Pedagogy in an African Context, done in teams of 3 students.
12. Book review was also carried out in groups of seven group members.
13. An expedition to the Parliament of the Republic of Uganda to meet and exchange ideas with members of the social affairs committee of parliament concerning the promotion of vocational education in Uganda.