



AMERICAN JOURNAL OF YOUTH AND WOMEN EMPOWERMENT (AJYWE)

ISSN: 2835-3250 (ONLINE)

VOLUME 4 ISSUE 1 (2025)



PUBLISHED BY
E-PALLI PUBLISHERS, DELAWARE, USA

Assessment on the Contribution of Women Entrepreneurship in Reducing Poverty at Household Level, A Case of Akheri Ward in Arumeru District

Harry Bilegeya^{1*}

Article Information

Received: July 09, 2024

Accepted: August 12, 2024

Published: April 22, 2025

Keywords

*Poverty Reduction, Women
Entrepreneurs*

ABSTRACT

The global goal of empowering women in various economic activities is essential in achieving the overarching objective of poverty reduction and sustainable economic development. The goal of current study was to assess the contribution of women entrepreneurs in poverty reduction at household level at Arumeru District in Arusha region. The specific of this study was to identify different activities performed by women entrepreneurs in Arumeru district, to find out challenges facing women entrepreneurs in Meru ward and to examine the contribution of women entrepreneurs in reducing household's poverty. The study used both primary and secondary data and different methods used in collecting those data such as interview, questionnaire, observation and documentation and focus group discussion. A sample of 30 respondents was selected for the study including Municipal Development Officer, Ward Executive Officer and Women entrepreneur. The Researcher used MS Excel to conduct data analysis. The findings revealed that the activities that are done by women entrepreneurs in Meru District include food vendors, tailoring, charcoal sellers, loan provisions, shopkeepers and hand crafts design that could lead them to generate their own income. The contribution of women entrepreneurs in reducing household income poverty because it helps them to support family needs such as to pay school fees for their children. The study came out with the challenges which face women in entrepreneur which lead them to fail in their development plans such as limited access to credit. Based on the findings, several government and other stakeholders should inject their progressive and sustainable interventions to foster women participation and engagement in entrepreneurship activities and take actions to facilitate in overcoming the challenges facing their activities by improving credit and market accessibility.

INTRODUCTION

The word entrepreneurship derived from French word "entrepreneur", meaning to do something or to undertake. In earlier 16th century it will applied to those who were engaged in military expeditions. In 17th century the word entrepreneur was used for civil engineering activities such as construction and fortification. It will be applied to business for the first time in 18th century to designate a dealer who buys and sells goods at uncertain price (Khanka, 2005).

Entrepreneur may be properly applied to those who incubate new ideas, start enterprises based on those ideas and provided added value to society based on their independent initiatives, (Holt, 1992). Most of the growth is being spearheaded by young women selling agricultural and home based goods such as catering and arts and crafts. For the foreign investors, there are many opportunities available as the country modernizes and privatizes governmental units. The country is also seeking assistance from foreign investors and NGOs, to develop the local workforce. The country is encouraging entrepreneurship amongst its people so Tanzanians can become self-sufficient and not dependent on foreign aid for survival (International entrepreneurship copyright, 2003).

Women are constrained by education or training, business

experience, discriminations, socialization or networking and unwillingness to take risk (Nchimbi, 2002). Also the overall negative attitudes towards the business owned by women, inadequate and affordable business premises, are limiting the overall performance of the female owned enterprises. On sources of funds for starting and running business, the insufficient internally generated liquidity is therefore one of the factors which are frequently cited as the causes of entrepreneurs business failure (Chijoriga & Cassimon, 1999).

In Meru municipality, the environment will be scattered which lead a difficult for women to start and run enterprises due to the expectations and demands of their transportation for finding goods and capital challenges obtaining (Olomi, 2003).

The negative attitude and belief about women traditional role have some significant impact on women entrepreneurs as indicated below, not being able to access appropriate resources, being vulnerable to harassment from male officials and business men, lack of adequate education, limited or no experience of formal employment and business and limited network especially business related networks (Ayi, 2013).

There exists a market failure discriminating against women possibility to become entrepreneurs and their possibility to become successful entrepreneurs. While

¹ Department of Project Planning & Management, Tengeru Institute of Community Development, Arusha-1006, Tanzania

* Corresponding author's e-mail: mckageyo@gmail.com

the economic impact of women is substantial, we still lack a reliable picture describing in details that specifies such impact. Recent efforts initiated by the organizations for Economic Cooperation and Development – OECD (2004) are responses to this lack of knowledge and have focused the attention of the researchers on this important topic. Women entrepreneurship has also been largely neglected both in society in general and in the social sciences. Moreover, fewer women participation rates in entrepreneurship than men but they also have generally peculiarity of choosing to start and manage firms in different industries than men tend to do. The industries (primarily retail, education and other service industries) chosen by women are often perceived as being less important to economic development and growth. Furthermore, research, policies and programmers tend to be “Gender Biased” and too often do not take into account the specific needs for women micro entrepreneurs and would be women from the perspective of entrepreneurship is still not a reality (Harper, 1997).

Income poverty the prevalence of income poverty is still high in Tanzania. According to the household budget survey of 2017 the proportion of the population below the national food poverty line is 22.8 percent and that below the national basic needs poverty lines is 35.7 percent. In Tanzania 75% of the people live in rural area and others in urban areas majority of them are women. They have less access of moving forward for their entrepreneur due to different challenges which they facing them. As the population growing, the absolute number of the poor raises concern. There is also a big disparity between urban and rural poverty for both food and basic needs poverty (URT, 2013).

The task reducing poverty and improving the living standard of Tanzania population in huge. The rate growth of national economy has been high enough to generate the number of job required that bring up the issue of majority to enter into private sector in the form of entrepreneurship and small business, thus expending the private sector in the form of the economy from corresponding the share of public sector in the economy decreased. At the same time the share of public sector employment in the formal sector increased about a number of women are seen (Mfaume *et al.*, 1997).

Statement of the problem

In Tanzania women entrepreneurs have proven that they are major force for development within their communities and can make important contribution to the country socio-economic wellbeing. They have a driving business spirit and a part of the solution to modernizing the development economies. However, women entrepreneurs and those hopeful to do various kinds of business face challenges that hinder them from attaining their goals and contributing their support at the household level. It is very difficult in Tanzania for women entrepreneurs to get access to capital. You may find that someone complaining that her business not yet big because of the capital and taxation, costly registration and licensing

procedures are further obstacles. For instance, getting a business license takes a long time and it is expensive. The government recognizes that in women entrepreneurship policy, women have less access to productive resources, such as land, credit, and education, and it outlines specific measures to promote women’s micro entrepreneurship (Gupta *et al.*, 1991).

Despite the effort of the government of Tanzania to enhance women’s economic capacity through making credit facilities available to the majority of women, building and supporting women micro-entrepreneurial skills, improving their management capabilities, increase training and access to technology, there are no significant outcomes. Some of the established schemes for low income women in Tanzania. There are still challenging facing women micro entrepreneurs like lack of adequate education (Makombe *et al.*, 1999).

Limited or no experience of formal business and limited network especially business plans which guide them what they start and where to be ended. Similarly, there exists a market failure discriminating against women micro entrepreneurs. Using meru municipal at Akheri ward as a case study, the present study, therefore, will examine contribution of women entrepreneurs in reducing poverty within households in Tanzania particularly in meru district. Hence come up with appropriate recommendations.

LITERATURE REVIEW

Entrepreneurship

Entrepreneurship can be defined as creating a new business in the face of risk and uncertainty to achieve profit and growth by identifying significant opportunities and assembling the necessary resources to capitalize on them. Although many entrepreneurs come up with great business ideas, most never act on them (Zimmer, 1994).

Entrepreneur

The entrepreneur is the aggressive catalyst for change in the world of business. He or she is an independent thinker who dares to be different in background of common events. The literature of entrepreneurial research reveals some similarities as well as a greater many differences. Chief among these characteristics are personal initiates, the ability to control resources, management skills, a desire archiving and risk taking. Other characteristics involve competitiveness, goal oriented behavior, confidence, aggressiveness, opportunistic behavior, intuitiveness, clarity based actions, the ability to learn from mistakes and the ability employ human relations skills. In entrepreneur there are classification such as innovative in this entrepreneurs introduced new methods of production or discover market for selling their product. Imitative or adoptive entrepreneur this kind of entrepreneur are not innovative they copy technology or technique of others in order to advance their business. According to MC Kinsey, in 2015, 110-130 million people were estimated to be unemployed, out of which 90-100 million people were entrepreneurs. Holt explain about this entrepreneur

who starts a new business by taking initiatives and risk associated with the new venture and who does by creating something new through using resources which available in usual ways to provide values for his or her customs (Holt, 2005).

Women Entrepreneur

Women entrepreneurs are those who are involved in starting and owning a business; they do different activities in order to gain income, which help them in starting and owning a business; they do different activities in order to gain income, which helps them fulfill their needs. As a women group who initiate, organize, and run business enterprises in India country, the Government has defined as entrepreneurs because they own and control their activities. At minimum financial interest of 51% of capital and giving at least 51% of employment generated in the enterprise to women. In many countries women are large number compared to men and they have an opportunity of take care their families as roles which attributes with the society.

Empirical literature review

Experience from Africa

Household is a social grouping that lives together in a certain one area and eats together. A number of households per territory vary as a result of the population size and the household. The fewer households there are per 100 people the bigger size and household. The largest households on average with 7.7 people living in them example Iraq. The region with the largest household the size is central Africa where an average of 5 people lives together (Jianguo lin, 2003).

In Africa many countries different studies reveal that enterprise owning by women experience the same contribution as those owned by men, however there are certain characteristics are typical for many women entrepreneur owned businesses. These characteristics include small size of their business, limited prospects for profitability and failure to provide collateral for obtaining loans (Coleman, 2002). Women are constrained by less education and skills, business experience, discriminations, socialization or networking and unwillingness to take risk (Nchimbi, 2002).

Experience from Tanzania Household

May consists of one or more people who live together in a certain area and also share meals or living accommodation, also may consist of single dwelling will be considered will be considered to contain multiple households if either meals or living space are not shared. The household is the basic unit of analysis in many aspects such as I social, microeconomic and government models, and it's important to the fields of economics and inheritance. Households models include the family, varieties of blended families by sharing house, group homes, boarding houses (Nitchell, 1997).

Tanzania is among of the developing countries having a population of 62 millions according to past census of

2022 include many household from different areas. In these women are found in high number compared to men and they engage into different activities to acquiring amount of money in order to improve their lives. They face different challenges during control their business such as absence of enough capital to help them in control their business and market to sell their products.

Experience from Africa Poverty

An Indian economist called Amartya Sen was given the (1998) Nobel Prize for economics analysis which have done about poverty and famine. His work pointed out that in many cases the causes of famine were not societies overall lack of food and nutrition but much more on social and economic. Over the last 30 years, worldwide absolute poverty has fallen sharply (from about 40% to under 20%). but in African countries the percentage has barely fallen. Still today over 40% of people living in sub Saharan Africa live in absolute poverty.

Poverty is more about society share money out than how money is overall. Some African countries are very poor, but others are wealthier with extreme inequalities between them citizens (Amartya Sen, 1999).

These include inadequate capacity in terms of general level of education, technical and business management skills including the sophistication to work with financial institutions, attitudes in terms of interest and commitment in the activity and the career through motivation to develop those who start business as a result of economic necessity (Olomi, 2003).

The Performance of MFIs such as Bank in Tanzania

In Tanzania analysis shows that a large majority started and are developing their business from their owning savings indeed, reliance on own savings has increased from 2 up to 3% when they started to almost 4 to 5% of women at present when they started The rest of startup capital has been provided mainly from own savings, credit from MFIs credit from friend and family, credit from bank for fewer women due to many guidelines provided by banks, from private money lenders and assistance from spouse. A high proportion of women entrepreneurs in Dar es salaam (32.8) and Arusha (26.7) used their own funds and benefited from credit from MFIs, friends and family members and they were also more likely to benefit from assistance from their spouse. It observed that larger portion of women entrepreneur in Dar es Salaam received assistance from their spouse others they forced to take loans with creditors which may put them in conflict and sometimes selling of properties if they failed to return money and interest. In region of Arusha they use of credit from banks has increased, especially among women entrepreneurs also the utilization of credit from MFIs has increased significantly (8.6 per cent at start up to current 25 percent). Except for Zanzibar where the number of women entrepreneurs utilizing MFIs remaining the same. This includes women relative lack of mobility, capacity and technical skills in relation to men (World Bank, FAO and IFAD, 2009).

MATERIALS AND METHODS

The study used research design, area of the study, Study population, sample size and sampling procedure, methods and techniques and tools for data collection, data analysis and presentation.

Research design

The research conducted was being in qualitative and quantitative data, which were collected at the same time. The design it is practical in sense that facilitated a researcher to be free to use all methods possible to find information concerning with the study. The data which was collected used both qualitative and quantitative for purpose of obtaining different information from respondents.

Study population

According to census which conducted 2012 there is total population of 36,701 in Meru district where by male was 15,262 and female 15,234 which involves different people with permanent residential and others, such as workers, fisheries, small entrepreneur and industries.

Sampling and Sample size

The process of selecting respondent from the entire population, researcher used the ward executive officer, community development officer, member of the community and women on entrepreneurs. The researcher used sample of 30 respondents which are municipal community development officer 1, ward executive officer 1, women entrepreneur 20 and community member 8.

RESULTS AND DISCUSSION

Description of the study population

The study involved 30 respondents, it involved 20 women entrepreneurs, 1 Meru Municipal in community development officer (MCDO), 1 Ward executive officer (WEO) and 8 Community members. During session of collecting information focus group discussion and interview method were used by asking questions community members and leaders such as community development officer and ward executive officer. And listen what they respond through answers. And divide women micro entrepreneurs into groups and asking question so that they can share and discussed by coming up with answers.

Table 1: Distribution showing population of respondents

S/N	Respondents	Number of respondents	Percentages
1	Municipal community development officer	1	3
2	Ward Executive officer	1	3
3	Women on entrepreneur	20	67

4	Community members (household)	8	27
	Total	30	100

Source: Research findings 2022

From the table1 it can be seen the distribution of respondents, where by Municipal community development officer were percentage are the same, ward executive officer 3.33 percentage are the same, Women entrepreneurs were 67 percentages. Women entrepreneurs lead by having the highest percent because they were the main targeted of the study and community member were 27 percentages.

Socio-demographic characteristics of respondent

Age of respondents

Table 2: Socio-demographic characteristics of respondents

S/N	Age	Frequency	Percentage (%)
1	18-27	9	30
2	28-37	17	57
3	38-47	3	10
4	48-57	1	3
	TOTAL	30	100

Table 2 above shows the respondents of the study were at the age of 18 up to 57, whereby the majority of respondents were in the age group of (28-37) which constituted 57% of all respondents because most of them are responsible for everything in level of family to carry out their duties by providing support of well-being. According to the nature of the study, this was the most active age group who involve themselves in entrepreneurship that leads to become aware of the businesses which were taking place in the community. The age group (48-57) had the lowest percentage 3%, this clearly stipulates that most of women engage in entrepreneurship but their age is most of women engage in micro entrepreneurship but their age is most important factor in conducting business because older women are not cable.

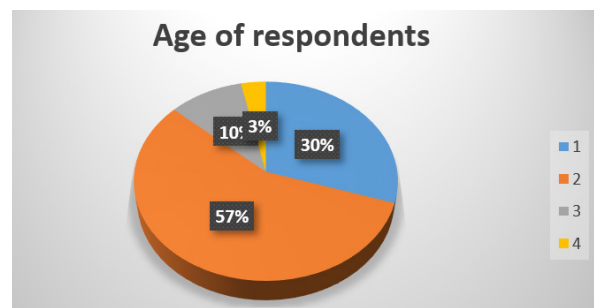


Figure 1: Age of respondents

Sex of respondents

The research involved both men and women in the community. The number of female respondents was higher because most of them are engaging in micro

entrepreneurs such as food vendors, tailoring, handcrafts made and kiosk compared to male respondents. This is due male feel shy to engaging in group for taking loans they have wrong perception by seeing them as lower people they believe women only allowed to have access loans compared with male.

Table 3: Showing sex of respondents

S/N	Sex	Frequency	Percentage (%)
1	Females	25	83
2	Males	5	17
	Total	30	100

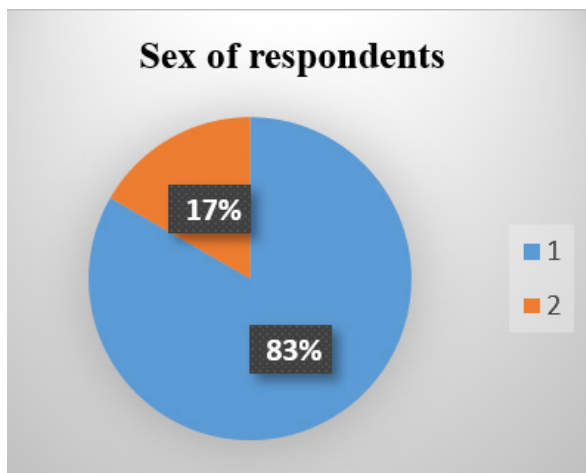


Figure 2: Sex of respondents

Activities done by women entrepreneurs in Akheri ward

This study intended to identify the activities done by the women entrepreneurs. The activities of women entrepreneurs that could lead them to generate their own income were such as provision of loans food vendors, shopkeepers, charcoal sellers, vegetables sellers, tailoring and money receiving and transferring like M-Pesa, Tigo Pesa, and Airtel Money.

Table 4: Activities done by Women Entrepreneurs

S/N	Activities	Frequency	Percentage (%)
1	Food vendors	7	23
2	Tailoring	10	33
3	Charcoal sellers	8	27
4	Vegetables, fruits sellers	5	17
	Total	30	100

Source Research findings 2022

The study found that different activities performed by women entrepreneur to generate their support their families especially on reducing poverty situation. This is because among that activities some are simple to manage and control and also it does not use high amount of capital such as food vendors.

Contribution of women entrepreneurs in reducing household poverty

Table 5: Contribution of women entrepreneurs in reducing household poverty

Responsibility	Females	Percentages (%)	Males	Percentages (%)
Pay school fees children	25	32	15	19
Basic need to the family	30	37	10	12

Source: Research findings 2022

Pay school fees children and Basic needs to the family

The study found that the highest frequency (32%-37%) Generally, women ability to provide for basic household needs is according to respondents in sample as a major benefit and attributed first and foremost to the ability to run an enterprise. Access to micro credit accomplished through access to control their business this may help them to get money for the returns of that credit which are taken. It may give them opportunity to the capital and start business with confidence. Whereby the lowest frequency (19%-12%) are male participate their wives' responsibilities of the family such as pay school fees children, to done development activities and to accomplish the different needs in the family.

Regardless of access to enterprises support status indicated a change in living standards as a result of the running of micro enterprises. Entrepreneurs reported the use of earned from their enterprises to meet basic

needs survival such as food, good health, clothes and other basic daily needs household needs. (Coleman, 2002).

Effects of women entrepreneurship on reduction of poverty within households in Akheri Ward

Table 6: Effects poverty within households

S/N	Effects	Frequency	Percentages (%)
1	Increase economic income	11	37
2	Self-employment	16	53
3	They become independent	3	10
	Total	30	100

Source: Research findings 2022

Increase economic income

The finding reveals that highest number of respondents 11 (37%) express that increase of economic is one of the results from women entrepreneurs, this is due to conducting their business. It helps them to increase they're through the profit they make even though sometime they get loss by having low capacity of understanding skills concerning with their business and challenges which they face.

Self-employment

Self-employment is defined as a state where a person has capacity of operating individual enterprises perhaps employing others or not 17 of all respondents (53%)

said self-employment indicated that women they become independent because they don't depend on any one if they want to do any. As well as they move forward to employ themselves and do not waiting for employment from other employers.

According to Blackburn and Ram (2006) Entrepreneurship is known to come with employment and economic autonomy. In many parts of the world, self-employment and business ownership have been employed as an effective response to economic and social exclusion.

Challenges facing women entrepreneurs in Akheri ward

Table 7: Challenges facing women entrepreneurs

S/N	Effects	Frequency	Percentages (%)
1	Lack of confidence	6	20
2	Absence of money for paying training	14	47
3	Poor physical and business support infrastructure	6	20
4	Low support from Government	4	13
	Total	30	100

Source: Research Findings 2022

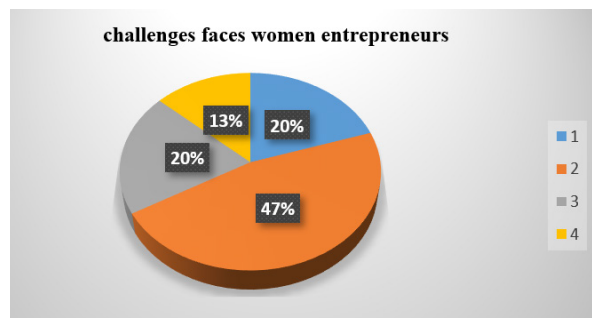


Figure 3: Challenges faces women entrepreneurs

Lack of confidence

The study finds that the respondent 6 (20%) women entrepreneurs facing challenges during performing their duties such as lack of confidence this create them to fail by seen in lower position. This is because other people discourage women assertiveness, communication skills, motivation but in this season some of women get motivation this inspire others to have confidence.

Also, women entrepreneurs have facing challenges of not having money to pay different training which announces by institutions due to this they don't have access to new knowledge and skills concerning their business.

Lack of Government Support

The study finds out that respondent 14 (47%) said that there are problem of poor government support within the community because there is no enough space which prepared for entrepreneurs. According to Chijoriga and Cassimon 1999, explained about negative attitudes towards the business owned by women particularly by

men and inadequate and affordable business premises. Although the government support women group through municipal level but still there is challenges of obtaining low amount of money and also others failed to get that support.

CONCLUSION

Generally, the objective of the study was to assess the contribution of women entrepreneurs in reducing poverty at the household level in Tanzania at Meru Municipal in Akheri ward. From researcher findings of this study it has been clear that women entrepreneurs it's a big help in reducing poverty at household level, due to these women are involved in entrepreneurs and other respondents from different wards have taken a sample size of the study and they responded on different contribution which help to reduce poverty in household level. Some of the contribution found by the study was they contribute on paying the school fees of their children to provide basic needs to their family. Also, the study aimed to identify the activities which performed by women entrepreneurs, high number of respondents explain about challenges which facing women entrepreneurs such as people bought commodities on credit they didn't pay at particular or specific time. it leads them to get loss and fail to order many commodities because of lower capital.

Recommendations

Recommendations to women entrepreneurs

Women entrepreneurs should be willing to engaging to the business and understanding the entrepreneurs is risk takers because sometimes they can get profit or

this will help them to acquire different knowledge and skills concerning their business entrepreneurs it helps to reduce poverty at family level through the contribution provided by these women entrepreneurs by support to cover different needs in family. Also, it can create business opportunities by reduce the level of dependent for men only.

More credit should provide to support women entrepreneurs and reduce the interest ratio for credit which is provided. More vocational skills, training and technical inputs should be provided for women entrepreneurs and also training about the uses of technology to help them in marketing opportunities should provide.

Issues to be done by the Government and Private sector The Government should motivate women entrepreneurs to register their business and reduce the cost of attaining business identity, also to give access of acquiring loans or credit with lower interest by giving them chance of put bond business and not money to get credit.

Also, the Government and private institution should make sure they encourage women entrepreneurs by giving knowledge and skills which enable them to improve to perform effectively in their business.

The Government should prepare and design different exhibitions which help women entrepreneur to participate in that event by showing their product. By doing this it creates a sense of knowing what others they doing also to create good relationship among women entrepreneur Also, the Government should prepare awards for women entrepreneur who's performed well and give employment other people. This can help to inspire other people to enter in entrepreneurship and giving them different training in order to have knowledge and skills about business to understand this it helps for women entrepreneur reducing poverty at household level by proving important support and also to pay taxes which give a government financial capacity.

Recommendations to the community members

Women entrepreneurs should be able to accept the chances and opportunities which are offered to them in order to get more support to their family. Also, to make sure they improve quality of their product this is to make competition with others.

REFERENCES

Asian Development Bank. (1999a). *Women in Nepal*.

- Country briefing paper, December, Programs Department West Division I, Manila: asian Development Bank.
- Asian Development Bank. (2001b). *Women in Bangladesh*. Manila: Asian Development.
- Chijoriga, M., & Cassimon, D. (1999). *Microentpries Financing: Is there a Best Model?* (pp. 283-307). Dar es Salaam: University of Dar-es-Salaam, Tanzania.
- Chuks, K. (2007). *Microfinance and poverty eradication: A case study of rural communities in Africa*.
- Coleman, S. (2002). Constraints faced by Women Small Business Owners, Evidence from the Data. *Journal of Development Entrepreneurship*, 7(2), 151-174.
- Glyfason, T., & Zoega, G. (2001). *Education, social equity and economic growth; A review of the landscape*. Paper presented at the Conference on Globalisation, Inequality and wellbeing Munich.
- Harper, M., & Soon, T. (1997). *Small enterprises in developing country*. United states of America.
- Holt, H. D. (1992). *Entrepreneur New Venture Creation*. Hill India.
- Khanka, S. S. (2005). *Entrepreneurial development*. S,CHAD and Company LTD.
- Kothari, C. D. (2004). *Research Methodology: Methods and Techniques*. New Age international publishers limited, New Delhi, India.
- Lwihula. (1999). *R.D Olomi. Entrepreneurship and small business, a Tanzanian*.
- Mbilinyi, M. (Ed). (2000). *Gender patterns in Micro Entreprises of Tanzania*. Rome; AIDOS Viader Giubouare, Italy.
- Nchimbi. (1999). *Entrepreneurship and small business, a Tanzanian Pespective*. University of Dar es Salaam entrepreneurship Centre (UDEC).
- Nchimbi, M. I. (2002). *Gender and Entrepreneurship in Tanzania: A Comparative Analysis of Male- Female*.
- Nchimbi, M. I. (2002). *Gender and Entrepreneurship in Tanzania; A Comparative analysis of Male-Females Start-up Motivation, individual characteristic and Perceptions of Business Success*. PHD Thesis, University of Dar es Salaam.
- Olomi, D. R. (Ed). (1996). *African entrepreneurs and small business development*. Dar es Salaam, DUP ltd.
- Suzanne, M. B., & Lynne, M. C. (2002). Jason Fields, children Living Arrangements and characteristics. *American families, Population Bulletin*, 55(4), 3-6.