

WJEMSD



World Journal of ENTREPRENEURSHIP, MANAGEMENT AND SUSTAINABLE DEVELOPMENT

VOLUME 18 • NUMBER 2 • 2022

WJEMSD is published by the World Association for Sustainable Development (WASD) in the United Kingdom (4 Issues per year)
WJEMSD is abstracted and indexed by: Scopus; Thomson Reuters Emerging Sources Citation Index; INSPEC; ReadCube Discover; ABI/Inform (ProQuest); Cabell's Directory of Publishing Opportunities; British Library; and Crossref and is ranked by the Australian Business Deans Council (ABDC) and the Norwegian Centre for Research Data (NSD).



www.wasd.org.uk

**Impediments of Realising
Sustainable
Youth and Women's
Entrepreneurship
from a Developing Country
Perspective**

RESEARCH PAPER

Impediments of Realising Sustainable Youth and Women's Entrepreneurship from a Developing Country Perspective

Bob Ssekiziyivu

Department of Business Administration
Makerere University Business School
(Corresponding author)
Email: bssekiziyivu@mubs.ac.ug

Dr Mwesigwa Rogers

Department of Business Administration
Makerere University Business School
Email: rmwesigwa@musbs.ac.ug

Prof. Laura Orobia, PhD

Department of Accounting and Finance
Makerere University Business School
Email: lorobia@mubs.ac.ug

Immaculate Tusiime

Department of Business Administration
Makerere University Business School
Email: itusiime@mubs.ac.ug

ABSTRACT

PURPOSE: This study seeks to examine the impediments of realising sustainable youth and women's entrepreneurship in a developing country perspective.

DESIGN/METHODOLOGY/APPROACH: The study used a cross-sectional, quantitative research design based on a sample of 571 selected youth- and women-owned businesses registered with Mbarara district. Given the nature of the study, the analyses performed were largely descriptive. Exploratory factor analysis was performed to test convergent validity.

CITATION: Ssekiziyivu, B., Mwesigwa, R., Orobia, L. and Tusiime, I. (2022): Impediments of Realizing Sustainable Youth and Women's Entrepreneurship from a Developing Country Perspective. *World Journal of Entrepreneurship, Management and Sustainable Development*, Vol. 18, No. 2, pp. 253–274.

RECEIVED: 23 May 2020 / **REVISED:** 22 August 2020 / **ACCEPTED:** 8 September 2020 / **PUBLISHED:** 15 December 2021

COPYRIGHT: © 2022 by all the authors of the article above. The article is published as an open access article by WASD under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

FINDINGS: Key impediments to sustainable entrepreneurship among youth and women relate to government, education, finance, market and infrastructural factors.

IMPLICATIONS: Policy-makers need to improve the education system to encourage creativity, self-sufficiency and personal initiative, create continuous mentorship programmes, subsidies and tax exemptions to favour youth and women's entrepreneurship. Also, entrepreneurs need to be persistent and proactive when handling issues, actively attack challenges when they happen to the business, as well as prioritise their stakeholders to achieve sustainability.

LIMITATIONS: The study used a self-administered questionnaire for data collection and it is possible that the views held by individuals may change over the years. This study was limited to the women- and youth-owned entrepreneurial firms registered and operating in Mbarara, Uganda, and it is possible that the results are only applicable to this area in Uganda.

ORIGINALITY: While there have been a number of studies on youth and women's entrepreneurship, this study generates empirical evidence on the impediments to sustainable youth and women's entrepreneurship in Uganda.

KEYWORDS: *Impediments; Entrepreneurship; Youth; Women; Uganda*

INTRODUCTION

The role that youth and women's entrepreneurship plays in the socio-economic development of a country has been well acknowledged by different researchers and practitioners. Youth and women's entrepreneurship has attracted increasing attention in recent years in light of concrete evidence of the importance of new business creation for economic growth and development (Ama *et al.*, 2014). Youth- and women-owned enterprises greatly contribute to the economic development of a country (Eddleston and Powell, 2008; Halkias *et al.*, 2011) and their contribution is gauged in terms of job creation, income generation and poverty reduction (Agyei-Mensah, 2011; Halkias, *et al.*, 2011). Indeed, previous research shows that in addition to job creation, entrepreneurship has the potential to improve the livelihoods and economic independence of young people (Schoof, 2006; Orobia *et al.*, 2020).

In an effort to promote youth and women's entrepreneurship in most developing countries, various measures have been implemented. Entrepreneurship financing, business skilling, business advisory services, etc., are increasingly considered as viable options by African countries. For instance, the Government of Uganda has initiated programmes to support youth and women's entrepreneurship; these include the youth livelihood programme established to provide skills development, livelihood support and institutional support; the youth venture capital fund in partnership with DFCU Bank, Stanbic Bank and Centenary Bank, to finance viable youth projects at a subsidised interest rate of 15% and offer mentorship and skill development training; the skilling Uganda programme; and the Uganda youth and women entrepreneurship programme to improve women's access to financial services and equip them with skills for enterprise growth, value addition and marketing of their products and services. Organisations such as the Uganda Women Entrepreneurs Association Limited (UWEAL), the Council for Economic Empowerment for Women of Africa-Uganda Chapter (CEEW Uganda), the National Association of Women's Organizations in Uganda (NAWOU), and the Women of Uganda Network (WOUGNET) collectively play a

role in youth and women's economic empowerment (Orobia *et al.*, 2020). Despite all this, youth and women's entrepreneurship has not grown as expected and it is frequently reported that such businesses do not survive beyond their first birthday (Kelley *et al.*, 2016). Several scholars have noted that a number of factors, such as government policy, financing, education levels, and social networks, among others, have been known to influence women and youth entrepreneurs (Marlow and Patton, 2005; Halkias *et al.* 2011; Borg, 2013).

Although different studies have highlighted the challenges faced by youth and women's entrepreneurship and a number of factors have been known to influence youth and women entrepreneurship (Marlow and Patton, 2005; Halkias *et al.* 2011; Borg, 2013), this study has classified the impediments as government policies, marketing and sales, education, cultural and social norms, finance and infrastructure factors. While the existing literature on women and youth entrepreneurship has traditionally focused on the micro-level, including an exploration of the distinctive characteristics of female and male entrepreneurs in terms of motivation, personality traits, or experience, more systematic attention has been accorded in recent years to the influence of macro-level factors on entrepreneurship generally, and female entrepreneurship specifically (Verheul *et al.*, 2006).

We believe that both sets of factors are important to provide a comprehensive understanding of the challenges of women's and youth entrepreneurship in a particular context, consistent with the integrative multi-level research design advocated by Davidsson and Wiklund (2001) and De Bruin *et al.* (2007). This study therefore examines both micro and macro factors that influence women's and youth entrepreneurship in Uganda. Therefore, understanding and addressing the challenges women and youth face in running their businesses could boost their business performance, improve their welfare and that of their families, and strengthen their bargaining power in society.

The rest of the paper is organised as follows. The next section is the literature review and theoretical review, followed by sections on methodology, results, discussion of results, and conclusions and implications.

LITERATURE REVIEW

Theoretical Review

This study is underpinned by the institutional theory (North, 1990) that is increasingly important to entrepreneurship research in terms of how societies accept entrepreneurs, inculcate values, and even create a cultural environment (Bosma *et al.*, 2009). The major reason for the increasing importance of the institutional view in entrepreneurship studies lies with the dissatisfaction with other theories that respect efficiency but downplay social forces as motives of organisational action (Barley and Tolbert, 1997). The institutional angle directs attention to the rules, norms, and beliefs that influence organisations and their members, which can vary across countries and cultures (Fang, 2010).

The theory explains that entrepreneurs are both constrained and enabled by the institutions in their environment (Scott, 2007). The institutional environment defines and limits entrepreneurial

opportunities, and therefore affects the rate and size of new venture creation and performance (Hwang and Powell, 2005). Inadequate institutional development can complicate new venture development (Baumol *et al.*, 2009) while a more developed institutional environment with overly restrictive regulation can hamper a firm's founding (De Soto, 2000). The institutional factors impacting entrepreneurial efforts include the direct action of governments in constructing and maintaining a favourable environment supportive of entrepreneurship (Baumol *et al.*, 2009).

Governments can ensure markets function efficiently by removing conditions that create entry barriers, market imperfections, and unnecessarily stifling regulations. For example, a hostile external environment may impede the level of capital investment, place fiscal and regulatory barriers, and dissuade the rise of the entrepreneurial spirit that is characteristic of certain cultures. Broadman *et al.* (2004) found that economic growth in the emerging economies of Eastern Europe was impeded by the absence of effective market-based institutions to protect property rights and to ensure fair competition. Frustrated by the ineffective legal enforcement of contracts and property rights, private entrepreneurs in such environments depend profoundly on informal norms for security (Ahlstrom *et al.*, 2008) and actively seek to design alternative governance structures and contractual arrangements (Peng, 2006). Informal ties and relational governance fill in the "institutional voids" resulting from an inadequate formal institutional infrastructure (Khanna and Palepu, 1997). Although these informal institutions, such as building networks with key government officials and organisational managers, can be very helpful, they can be costly to youth and women and may, therefore, hinder new venture development (Huang, 2008). Entrepreneurs may be discouraged from starting ventures if there are no formal institutional structures and if they are forced to comply with too many rules and procedural requirements (De Soto, 2000). A more business-favourable institutional environment, however, will ease such barriers and encourage entrepreneurial potential (Baumol *et al.*, 2009).

Therefore, the institutional environment exerts a powerful influence, not only on entrepreneurial entry rates but also on the resulting trajectories of entrepreneurial initiatives.

Impediments to Realising Sustainable Youth and Women Entrepreneurship

Different studies have highlighted the challenges faced by youth and women's entrepreneurship. This study has classified them as government policy and programmes, financial access, education and training, marketing and sales, and cultural norms.

Government Policy and Programme

Kelley *et al.* (2016) indicated that 89% of young entrepreneurs in Uganda had not received support from any government agencies, and of those that had used the programmes, a third were unhappy with their experience citing the many bureaucratic procedures involved. Research carried out by Dessalegne (2013) in Swaziland also indicated that close to half the respondents were of the view that government does not really support entrepreneurship as a career opportunity for youths and women.

Bharthvajan (2014) argues that if the legal and regulatory requirements become too strict for small businesses, they can stifle the success of women entrepreneurs.

Financial Access

Raising funds to initiate or run a business continues to be a challenge for women entrepreneurs because most lending institutions require collateral (Rudhumbu *et al.*, 2020; Okafor and Amalu, 2010; Anwar and Rashid, 2012; Ali and Ali, 2013, Guma, 2015). According to Staas and Ojok (2016), youth and women entrepreneurs do not have the organisational set-up to pump in a lot of money. Phillips *et al.* (2014) assert that women entrepreneurs have been particularly disadvantaged in the past as they do not own any property that can be used as collateral on loans, and need their husbands' permission to enter into financial arrangements. They are not able to acquire external financial assistance due to the absence of tangible security and credit in the market (Phillips *et al.*, 2014). Lack of access to credit promotes market exclusion and restricts youth and women from entering entrepreneurship. Even when they get collateral, Kumbhar (2013) argued that banks and financial institutions are not ready to provide credit to women entrepreneurs because of their traditional mindset against women.

Jamali (2009) identified lack of access to capital and financial support, or under-capitalisation, to be among the key barriers reported by most women entrepreneurs. Akudugu *et al.* (2009) found that factors such as education, application procedures, access to land, income level, farm size, membership to economic associations, savings, type of crop grown, interest rates and distance to rural banks can restrict youth and women farmers' access to credit from rural banks. Sandhu *et al.* (2012) reveal that women farmers in India find it harder to get finance compared to males, with a rejection rate much higher than their male counterparts. The need for collateral/referral letters was also higher for female owner/managers.

Education and Training

Studies show that the majority of women have inferior education, making it difficult for them to have knowledge of sources of funding available and how to access such funding through sound business plans (Bullough and Abdelzaher, 2013; Halkias *et al.*, 2011; Garba *et al.*, 2013; Bosma and Kelley, 2019; International Center for Research on Women, 2019; Brush, 1997). Culturally, and especially in rural settings, girls are not given equal opportunities to study like the boys; they therefore have had limited education and training that tends to affect effective performance. Okafor and Amalu (2010) and Magesa *et al.* (2013) note that many women entrepreneurs lack entrepreneurial knowledge and technical skills due to the fact that they have limited opportunities for vocational and technical education and training in entrepreneurship for a sector that has always been believed to be for men. This has resulted in a void for women with regards to hands-on knowledge and skills to be able to run their businesses effectively. According to Kumbhar (2013),

most women entrepreneurs argued that a semi-educated or uneducated class of workers could not visualise a “female boss” in their field of work.

Market and Sales

According to Goyal and Parkash (2011), women entrepreneurs face stiff competition with male entrepreneurs who are easily involved in promotion and development, and carry out easy marketing of their products with both the organised sector and their male counterparts. Such competition ultimately results in the liquidation of women entrepreneurs’ businesses. Schoof (2006) argues that the women and youth lack business and administrative assistance. Most of the youth tend to operate only among clients they know. Products are sold to their friends and relatives, and suppliers tend to be the people they know through family, friends or other close connections. Lack of knowledge on strategic marketing has become an issue. There are very few organisations where they can learn about new ideas and trends in the market, as well as share problems and generate ideas with others.

Culture and Norms

According to Makena *et al.* (2014), African culture still places a woman in the kitchen together with taking care of the children. Okafor and Amalu (2010) also argue that women entrepreneurs continue to be marginalised and not taken seriously in most sectors of the economy, from customers to suppliers. This challenge is exacerbated by the fact that due to cultural issues, many women do not have personal assets they can use as collateral to access funding (Zororo, 2011). Studies show that traditional belief systems, such as women being subordinate to men, rob women of opportunities for leadership roles, self-confidence and self-expression, all of which have negative ramifications for women when they want to stand on their own in business (Kapinga and Montero, 2017; Mwobobia, 2012; Zororo, 2011; Mordi *et al.*, 2010; Guma, 2015). As cultural boundaries force women to take up decision-making roles in the families, they grow up with low self-esteem and with high levels of fear of failure (Mandipaka, 2014; Rao *et al.*, 2012; Mwobobia, 2012; Gichuki *et al.*, 2014).

Physical Infrastructure

Lack of access to information communication technology (ICT) to ensure smooth business communication with stakeholders and quicken business transactions (including computers, Internet, video conferencing and others), as well as enabling ease of access, storage and retrieval of critical business data, continues to be a challenge for women entrepreneurs (Ewere *et al.*, 2015; Dutta and Bibao-Osorio, 2012). A study by Goyal and Parkash (2011) indicated that women-controlled businesses are often small and it is not always easy for women to access the information they need regarding technology, training, innovative schemes, concessions, alternative markets, etc. Just a small percentage of women entrepreneurs use technology, usually limited to word processing software on computers. They hardly make use of the advanced software available, such as statistical

software SAP, accounting packages such as TALLY, animation software 3D MAX, Internet, etc. Lack of access to, as well as knowledge of how to use, these gadgets and software leave women entrepreneurs with the challenges of keeping pace with fast-changing business information, therefore affecting the viability of their ventures (Motilewa *et al.*, 2015; Kelley *et al.*, 2016).

METHODOLOGY

Design, Population, and Sample

We used a cross-sectional survey design based on a sample of 571 selected youth- and women-owned businesses registered in Mbarara district (Mbarara Municipal Council, 2016). To differentiate between the youth and women, we used the age categorisation, whereby the youth were considered to be those between 18 and 28 years of age, while the women category in this study were those above 28 years of age. There were 817 complete and usable copies of the questionnaire (a response rate of 67%). The respondents' profile (Table A1) shows that the majority of the participants were women (51%, 199), followed by youths (49%, 191). About 33% (128) of the respondents had a bachelor's degree, implying that the respondents were able to understand the contents of the questionnaire. Furthermore, 94% (366) of the respondents were between 18 and 39 years of age. In terms of business type, the majority of the respondents were in general trade business (57%, 224). Such businesses are easy to start in Uganda.

Sampling Procedure, Data Collection

A stratified random sampling was used since it ensures proportionate representation. Stratification also took into account the differences in population across the youth and women in Mbarara (Hoxha and Capelleras, 2010). Primary data were collected using a questionnaire (Churchill, 1979). The questionnaire was anchored on a four-point Likert scale to avoid the tendency of African respondents answering the not sure/middle point. The questionnaire items adopted were modified to suit the Ugandan situation. The questionnaires were administered to youth and women in businesses in Mbarara city with the assistance of two research assistants. We were able to get the lists of youth and women businesses from the divisions with the help of commercial officers.

Validity and Reliability of Instruments

A content validity test was performed by administering ten draft questionnaires to experts for validation, and later computing the Content Validity Index (CVI). The responses from experts indicated that the instrument was valid given that a CVI greater than the recommended threshold of 0.70 was obtained (see Table 1). Also, reliability of the instruments was ascertained using the Cronbach's coefficient alpha to test for the internal consistence of the scales used to measure the variables (Cronbach, 1951). Alpha coefficient of above 0.7 for individual test variables was accepted, meaning the instrument was reliable (Nunnally, 1978).

Table 1: CVI and Cronbach's Alpha Coefficient

Variable	Dimension	CVI	Cronbach's Alpha Coefficient
Impediments	Finance	0.8	0.691
	Gov't policies	0.857	0.75
	Gov't programmes	0.833	0.705
	Education & training	0.670	0.683
	Physical infrastructure	0.801	0.576
	Commercial infrastructure	0.605	0.672
	Cultural norms	0.900	0.604
	Market openness	0.800	0.917
Overall		0.783	0.710

Source: Constructed by authors from research data

Different dimensions of the impediments of women and youth entrepreneurship were operationalised differently, as shown in Table 2.

Table 2: Operationalisation and Measurement of the Impediments

Global Variable	Dimensions	Issues to Examine	Measurement	Sample Questionnaire Items
Impediments of entrepreneurship (GEM, Entrepreneurial Framework Conditions)	Finance	The availability, accessibility and quality of financial resources for new and growing firms, including grants, subsidies, equity, seed and debt capital.	Respondents' mean score of the 6 items included in the questionnaire on a 4-point scale	"There is sufficient debt funding available for new and growing firms."
	Government policies	The extent to which regional and national government policies in terms of taxes, government regulations and administration discourage or encourage new and growing firms.	Respondents' mean score of the 7 items included in the questionnaire on a 4-point scale	"The support for new and growing firms is a high priority for policy at the national government level."
	Government programme	The presence, accessibility and quality of direct programmes to assist new and growing firms at all levels of government – national, regional and municipal.	Respondents' mean score of the 6 items included in the questionnaire on a 4-point scale	"Almost anyone who needs help from a government programme for a new or growing business can find what they need."

(continued)

Table 2: Operationalisation and Measurement of the Impediments (continued)

Global Variable	Dimensions	Issues to Examine	Measurement	Sample Questionnaire Items
	Education and training	The extent and quality of training in starting or managing small, new or growing businesses through the educational system at all levels – from primary school to postgraduate courses.	Respondents' mean score of the 6 items included in the questionnaire on a 4-point scale	"Teaching in primary and secondary education provides adequate instruction in market economic principles."
	Physical infrastructure	The accessibility and quality of physical resources such as communication, transportation, space and natural resources for new and growing businesses.	Respondents' mean score of the 5 items included in the questionnaire on a 4-point scale	"A new or growing firm can get good access to communications (telephone, internet, etc.) in about a week."
	Commercial & professional infrastructure	The availability, accessibility, quality and cost of commercial, accounting and other legal services, institutions and general sources of information that allow or promote new, small or growing businesses.	Respondents' mean score of the 5 items included in the questionnaire on a 4-point scale	"It is easy for new and growing firms to get good, professional legal and accounting services."
	Culture & social norms	The extent to which existing social and cultural norms encourage individuals to try new ways of conducting business or economic activities.	Respondents' mean score of the 5 items included in the questionnaire on a 4-point scale	"The national culture is highly supportive of individual success achieved through own personal efforts."
	Market openness	The extent to which commercial trading arrangements are stable and difficult to change, thus preventing new and growing businesses from commenting with replacing existing suppliers, subcontractors, and consultants.	Respondents' Mean score of the 6 items included in the questionnaire on a 4-point scale	"New and growing firms can enter markets without being unfairly blocked by established firms."

Source: Constructed by authors from research data

Common Methods Bias

Common methods bias was addressed in order to reduce measurement errors (random and systematic errors) that normally threaten the validity and conclusions about the relationships between measures (Podsakoff *et al.*, 2012). To overcome common methods bias, the elimination of questionnaire ambiguity in the information inductance scale and the use of different scale anchors were undertaken (Podsakoff *et al.*, 2012). We avoided vague, ambiguous, double-barrelled questions. Finally, we also incorporated negatively worded or reversed-coded items in the questionnaires (Hinkin, 1998) to act as cognitive “speed bumps” that require respondents to engage in a more controlled, as opposed to automatically cognitive, processing.

Data Analysis

Data were checked for completeness, cleaned and analysed using the statistical package for social scientists (SPSS) version 21. Given the nature of the research questions, a principal factor analysis (PCA) was conducted to single out the particular impediments to realising sustainable youth and women entrepreneurship. This was followed by computing descriptive statistics to summarise the factors.

RESULTS

Explanatory Factor Analysis on Impediments of Sustainable Entrepreneurship

A principal component analysis (PCA) was utilised to reduce the number of variables under investigation and highlight groups of interrelated variables. All the assumptions of the PCA model were satisfied (Field, 2009). Table 3 shows that five factors with Eigen values greater than one were identified, accounting for 64.4% of the total variance explained in impediments of sustainable entrepreneurship. Items for each factor extracted had its highest loadings (above 0.5) on the component to which it conceptually belongs, indicating convergent validity is adequate. Reliability tests relating to each component scale were satisfactory, with a reported Cronbach’s alpha coefficient of 0.07 or higher. Five items were extracted as opposed to the eight conceptualised factors. The five factors were labelled as government policy and programmes, education and training, finance, market openness and infrastructure, respectively. Further, it was established that government policy and programmes explained more of the variance in the impediments of sustainable entrepreneurship (30.66%), followed by education and training (10.28%), finance (9.5%), market openness (7.5%), and infrastructure (6.5%) respectively.

Table 3: EFA Results on Impediments

Code	Items	Govt	Educ	Finance	Mkt	Infrastructure
cg2	The support for new and growing firms is a high priority for policy at the national government level	0.684				
cg3	The support for new and growing firms is a high priority for policy at the local government level	0.672				
cp3	There are an adequate number of government programmes for new and growing businesses	0.574				
cg1	Government policies (e.g., public procurement) consistently favour new firms	0.555				
ce2	Teaching in primary and secondary education provides adequate instruction in market economic principles		0.773			
ce3	Teaching in primary and secondary education provides adequate attention to entrepreneurship and new firm creation		0.758			
ce1	Teaching in primary and secondary education encourages creativity, self-sufficiency, and personal initiative		0.679			
ce4	Colleges and universities provide good and adequate preparation for starting up and growing new firms		0.646			
cf1	There is sufficient equity funding available for new and growing firms			0.786		
cf3	There are sufficient government subsidies available for new and growing firms			0.603		
cf5	There is sufficient venture capitalist funding available for new and growing firms			0.515		
cm4	The new and growing firms can afford the cost of market entry				0.735	
cm3	New and growing firms can easily enter new markets				0.706	
ci3	A new or growing firm can get good access to communications (telephone, internet, etc.) in about a week					0.732

(continued)

Table 3: EFA Results on Impediments (continued)

Code	Items	Govt	Educ	Finance	Mkt	Infrastructure
ci2	It is not too expensive for a new or growing firm to get good access to communications (phone, Internet, etc.).					0.709
ci5	New or growing firms can get good access to utilities (gas, water, electricity, sewer) in about a month					0.5
<i>Total variance explained</i>						
Percentage		30.66	10.28	9.5	7.5	6.5
Cum. percentage		30.66	40.94	50.4	57.9	64.4
Eigen value		4.9	1.6	1.5	1.2	1
<i>Scale reliability analysis</i>						
Cronbach's alpha		0.768	0.785	0.714	0.700	0.600
Kaiser Meyer Olkin measure of sampling adequacy = .838						
Bartlett test for sphericity = 1934.08, significance level = .000						

Source: Constructed by authors from research data

Further analyses were conducted to assess the means and standard deviations of the impediments of sustainable entrepreneurship among youth- and women-owned businesses; the results are presented in Table 4.

Table 4: Descriptive Results on Impediments of Sustainable Entrepreneurship

Code	Items	Min	Max	Mean	Std. Dev
Government					
cg1	Government policies (e.g., public procurement) consistently favour new firms.	1.00	4.00	2.764	0.792
cg2	The support for new and growing firms is a high priority for policy at the national government level.	1.00	4.00	2.821	0.804
cg3	The support for new and growing firms is a high priority for policy at the local government level.	1.00	4.00	2.724	0.783
cp3	A wide range of government assistance for new and growing firms can be obtained through contact with a single agency.	1.00	4.00	2.879	0.778
Education					
ce1	Teaching in primary and secondary education encourages creativity, self-sufficiency, and personal initiative.	1.00	4.00	2.792	0.836
ce2	Teaching in primary and secondary education provides adequate instruction in market economic principles.	1.00	4.00	2.874	0.767

(continued)

Table 4: Descriptive Results on Impediments of Sustainable Entrepreneurship (continued)

Code	Items	Min	Max	Mean	Std. Dev
ce3	Teaching in primary and secondary education provides adequate attention to entrepreneurship and new firm creation.	1.00	4.00	2.933	0.802
ce4	Colleges and universities provide good and adequate preparation for starting up and growing new firms.	1.00	4.00	3.085	0.727
Finance					
cf1	There is sufficient equity funding available for new and growing firms.	1.00	4.00	2.662	0.754
cf3	There are sufficient government subsidies available for new and growing firms.	1.00	4.00	2.749	0.768
cf5	There is sufficient venture capitalist funding available for new and growing firms.	1.00	4.00	2.683	0.774
Market and sales					
cm3	New and growing firms can easily enter new markets	1.00	4.00	2.917	0.821
cm4	The new and growing firms can afford the cost of market entry	1.00	4.00	2.885	0.820
Infrastructure					
ci2	It is not too expensive for a new or growing firm to get good access to communications (phone, Internet, etc.).	1.00	4.00	2.908	0.750
ci3	A new or growing firm can get good access to communications (telephone, internet, etc.) in about a week.	1.00	4.00	2.886	0.737
ci5	New or growing firms can get good access to utilities (gas, water, electricity, sewers) in about a month.	1.00	4.00	2.753	0.756

Source: Constructed by authors from research data

Results in Table 4 reveal the impediments of sustainable entrepreneurship categorised as government factors, education, finance, market and sales, and commercial infrastructure. Our results indicate that the means of the variables were above 2.0, indicating that the results fit the data (Field, 2009).

DISCUSSIONS OF RESULTS

According to the present results, the current government policies available do not prioritise the growth of new and growing firms/entrepreneurs at national and policy level. For instance, bigger contracts in Uganda are awarded to international firms because they have connections with top government officials, unlike the youth and women who are not yet known anywhere in government. This finding concurs with Brindley and Ritchie (2001) who argued that women have fewer business contacts, less knowledge of how to deal with governmental bureaucracy and less bargaining power, all of which further limit their growth.

The education system in Uganda has not equipped students with enough entrepreneurial skills and values to enable them to sustain their business. The system shapes students to be job seekers rather than job creators; therefore, when they start businesses, they generally fold within the first year. Our findings were in agreement with Brush (1997), who pointed out that a lack of sufficient education and training for women limits entrepreneurs to compete well in the business world and survive for a longer period.

Many youth and women do not have funds to run their business. Even when the Ugandan government tried to assist them through the Youth Livelihood Project and Women Fund, these funds were not enough; in addition, they attract interest and this again brings a greater burden to the entrepreneurs. According to Phillips *et al.* (2014), such results disadvantage youth and women because they do not own any property that could be used as collateral on loans. Lack of access to credit promotes market exclusion and restricts youth and women from entering entrepreneurship (Jamali, 2009). Results also indicated that the cost of market entry is high and new firms find it harder to penetrate through the market. This is because they lack funds to afford aggressive sales promotional activities that would divert competitors' loyal customers to switch to buying their products. It is also evident that youth and women entrepreneurs find it difficult to access infrastructures such as the Internet, telephone, water, electricity, etc., and this leads to high costs of doing business in Uganda.

CONCLUSIONS

The purpose of this study was to analyse the impediments in realising sustainable entrepreneurship among youth and women entrepreneurs in Uganda. It is evident that Uganda still has plentiful impediments in realising sustainable entrepreneurship among youth and women entrepreneurs. The notable ones identified by this research related to poor government policies, the education system at the primary and secondary level where entrepreneurship education is not emphasised in the teaching process, poor marketing and sales strategies, and limited infrastructures. People are not given enough skills that can help them start jobs and manage their already existing enterprises. This explains why many businesses in Uganda fold within the first year. The youth and women entrepreneurs also lack equity financing, yet they find it difficult to get loans from financial institutions because they lack collateral, and the cultural system still prevents some women from owning property leading to a lot of financial burdens on established enterprises. The government needs to develop programmes (for instance, youth and women entrepreneurship funding that is interest free, and skills training) to support the youth and women, especially those in the villages because most of them are creative but lack financial assistance.

Implications and Areas of Further Research

The study identifies that women and youth find it difficult to enter new markets and the cost of market entry is very high. This implies that their sales are low and the cost of doing business is still

high for these entrepreneurs, leading to low returns. Youth and women entrepreneurs need to be proactive when doing business. When they are proactive, new ideas will be generated and these will facilitate sustainable entrepreneurship. Women and youth should engage in policy-making to lobby for favourable policies on entrepreneurship, such as ensuring coherent entrepreneurship policies are in place, fighting high corruption and misallocation of government resources (especially those meant for their entrepreneurial activities), reduction of bureaucracy and excessive red tape, as well as costs when starting a business, putting in place mentorship programmes to support entrepreneurship and their protection through tax exemptions. It is also important for them to belong to social entrepreneurial networks and to interact frequently, therefore reducing risks and transaction costs. This will also enable them to improve access to business ideas, knowledge and capital. Training in business management and entrepreneurship education are necessary, not only to increase output and the finance resources required to achieve their goals but also to cultivate the entrepreneurship spirit among them to start a business and sustain it. Lastly, collective efforts from the government, public and private institutions and NGOs are needed to eliminate the challenges, especially gender and youth related problems.

Like any other study, this study is not without limitations. Given that this study was cross-sectional, monitoring changes in behaviour over time was not possible. However, the results are useful and can be generalised to all youth and women entrepreneurs in developing countries. The study also used a self-administered questionnaire with closed-ended questions and this limited the amount of data that could be collected because it does not give room for the respondents to supplement any information, and misinterpretation of a question can go unnoticed. Further research could investigate other impediments to sustainable entrepreneurship using a qualitative approach.

ACKNOWLEDGEMENTS

This paper is extracted from a larger project funded by NORHED; project number 1300679-32QZA-0486 UGA-130017; where one paper has already been published. The published paper is entitled “Entrepreneurial Framework Conditions and Business Sustainability among the youth and women entrepreneurs” in *Asia Pacific Journal of Innovation and Entrepreneurship*.

The authors thank the Editor and the two anonymous reviewers for the insightful comments. The authors also thank colleagues at the Makerere University Business School such as Juma Bananuka (among others) for their constructive comments during faculty research seminars.

REFERENCES

- Agyei-Mensah, B.K. (2011): Financial management practices of small firms in Ghana: An empirical study. *African Journal of Business Management*, Vol. 5, No. 10, pp.3781-3793.
- Ahlstrom, D., Bruton, G.D. and Yeh, K.S. (2008): Private firms in China: Building legitimacy in an emerging economy. *Journal of World Business*, Vol. 43, No. 4, pp.385-399.

- Akudugu, M.A., Egyir, I.S. and Mensah-Bonsu, A. (2009): Women farmers' access to credit from rural banks in Ghana. *Agricultural Finance Review*, Vol. 69, No. 3, pp.284-299.
- Ali, A.H. and Ali, A.Y. (2013): Challenges and constraints faced by Somali women entrepreneurs in Benadir region. *Interdisciplinary Journal of Contemporary Research in Business*, Vol. 5, No. 2, pp.436-411.
- Ama, N.O., Mangadi, K.T. and Ama, H.A. (2014): Exploring the challenges facing women entrepreneurs in informal cross-border trade in Botswana, *Gender in Management: An International Journal*, Vol. 29, No. 8, pp.505-522.
- Anwar, M.U. and Rashid, A.G. (2012): Female entrepreneurs – a review of the literature and proposed conceptual framework. In *Proceedings of 2nd International Conference on Business Management*.
- Barley, S.R. and Tolbert, P. (1997): Institutionalization and structuration: Studying the links between action and institution. *Organization Studies*, Vol. 18, No. 1, pp.93-117.
- Baumol, W.J., Litan, R.E. and Schramm, C.J. (2009): *Good capitalism, bad capitalism, and the economics of growth and prosperity*. New Haven, CT: Yale University Press.
- Bharthvajan, R. (2014): Women entrepreneurs and problems of women entrepreneurs. *International Journal of Innovative Research in Science, Engineering and Technology*, Vol. 3, No. 9, pp.16105-16110.
- Borg, A. (2013): *Challenges facing women entrepreneurs*. European Working Conditions Observatory. Available at: <https://www.eurofound.europa.eu/publications/article/2013/challenges-facing-women-entrepreneurs>.
- Bosma, N. and Kelley, D. (2019): *Global Entrepreneurship Monitor: 2018-2019 Global Report*. Available at: <https://gemconsortium.org/report/50213>. Accessed 13 August 2020.
- Bosma, N., Acs, Z.J., Autio, E., Coduras, A. and Levie, J. (2009): *Global entrepreneurship monitor: 2008 executive report*. Babson Park, MA: Global Entrepreneurship Research Consortium.
- Brindley, C. and Ritchie, B. (2001): Female entrepreneurship: risk perceptiveness, opportunities and challenges. *22nd ISBA National Small Firms Policy & Research Conference*, Leeds, November.
- Broadman, H.G., Anderson, J., Claessens, C.A., Ryterman, R., Slavova, S., Vagliasindi, M. and Vincelette, G.A. (2004): *Building market institutions in South Eastern Europe: Comparative prospects for investment and private sector development*. Washington, DC: World Bank Publications.
- Brush, C.G. (1997): Women-owned businesses: Obstacles and opportunities, *Journal of Developmental Entrepreneurship*, Vol. 2, No. 1, pp.1-24.
- Bullough, A. and Abdelzaher, D. (2013): Global research on women's entrepreneurship: an overview of available data sources and limitations. *Business and Management Research*, Vol. 2, No. 3, pp.42-59.
- Churchill Jr., G.A. (1979): A paradigm for developing better measures of marketing constructs. *Journal of Marketing Research*, Vol. 11, No. 1, pp.64-73.
- Cronbach, L.J. (1951): Coefficient alpha and the internal structure of tests, *Psychometrika*, Vol. 16, No. 3, pp.297-334.
- Davidsson, P. and Wiklund, J. (2001): Levels of Analysis in Entrepreneurship Research: Current Research Practice and Suggestions for the Future. *Entrepreneurship Theory and Practice*, Vol. 25, No. 4, pp.81-100.
- De Bruin, A., Brush, C. and Welter, F. (2007): Advancing a framework for coherent research on women's entrepreneurship. *Entrepreneurship Theory & Practice*, Vol. 31, No. 3, pp.323-339.

- De Soto, H. (2000): *The mystery of capital: Why capitalism triumphs in the West and fails everywhere else*. New York: Basic Books.
- Dessalegne, I. (2013): *Opportunities and constraints to youth entrepreneurship: Perspectives of Young Entrepreneurs in Swaziland*, United Nations Study, Swaziland.
- Dutta, S. and Bibao-Osorio, B. (2012): *The global information technology report 2012: living in a hyper connected world*. Geneva: World economic forum. Available at: www3.weforum.org/docs/Global_IT_Report_2012.pdf. Accessed 13 August 2020.
- Eddleston, K.A. and Powell, G.N. (2008): The role of gender identity in explaining sex differences in business owners' career satisfier preferences. *Journal of Business Venturing*, Vol. 23, No. 2, pp.244-256.
- Ewere, A.D., Adu, E.O. and Ibrahim, S.I. (2015): Strategies adopted by women entrepreneurs to ensure small business success in the Nkonkobe municipality, Eastern Cape. *Journal of Economics*, Vol. 6, No. 1, pp.1-7.
- Fang, T. (2010): Asian management research needs more self-confidence: Reflection on Hofstede (2007) and beyond. *Asia Pacific Journal of Management*, Vol. 27, No. 1, pp.155-170.
- Field, A. (2009): *Discovering statistics using SPSS* (3rd ed.). London: Sage Publications.
- Garba, B.A., Mansor, S.A. and Djafar, F. (2013): An Exploratory Study on the Constraints for Entrepreneurial Activity: A Case of Micro and Small Enterprises in Kano, Nigeria. *The Journal of Applied Management and Entrepreneurship*, Vol. 18, No. 4, pp.79-112.
- Gichuki, C.N., Mulu-Mutuki, M. and Kinuthia, L.N. (2014): Performance of women owned enterprises accessing credit from village credit and savings associations in Kenya. *Journal of Global Entrepreneurship Research*, Vol. 4, No. 1, pp.1-13.
- Goyal, M. and Parkash, J. (2011): Women entrepreneurship in India. Problems and prospects. *International Journal of Multidisciplinary Research*, Vol. 1, No. 5, pp.195-207. Available at: http://zenithresearch.org/in/images/stories/pdf/2011/Sep/14.Vol_01_Issue_05%20MEENU%20GOYAL%20women%20paper.pdf.
- Guma, Prince K. (2015): Business in the urban informal economy: barriers to women's entrepreneurship in Uganda. *Journal of African Business*, Vol. 16, No. 3, pp.305-321, DOI: [10.1080/15228916.2015.1081025](https://doi.org/10.1080/15228916.2015.1081025).
- Halkias, D., Nwajiuba, C., Harkiolakis, N. and Caracatsanis, S.M. (2011): Challenges facing women entrepreneurs in Nigeria. *Management Research Review*, Vol. 34, No. 2, pp.221-235.
- Hinkin, T.R. (1998): A brief tutorial on the development of measures for use in survey questionnaires. *Organizational Research Methods*, Vol. 1, No. 1, pp.104-121.
- Hoxha, D. and Capelleras, J. (2010): Fast growing firms in a transitional and extreme environment: are they different? *Journal of Small Business and Enterprise Development*, Vol. 17, No. 3, pp.350-370.
- Huang, Y. (2008): *Capitalism with Chinese characteristics: Entrepreneurship and the state*. New York: Cambridge University Press.
- Hwang, H. and Powell, W.W. (2005): Institutions and entrepreneurship. In Alvarez, S.A., Agarwal, R. and Sorenson, O. (Eds), *Handbook of entrepreneurship research: Disciplinary perspectives* (pp.201-232). New York: Springer.

- International Center for Research on Women (2019): *Women entrepreneurs need more than capital: What do women's businesses really need to grow and thrive?* Available at: https://www.icrw.org/wp-content/uploads/2019/10/Women-Entrepreneurship-Beyond-Capital_final.pdf. Accessed 13 August 2020.
- Jamali, D. (2009): Constraints and opportunities facing women entrepreneurs in developing countries: A relational perspective. *Gender in Management*, Vol. 24, No. 4, pp.232-251.
- Kapinga, A.F. and Montero, C.S. (2017): Exploring the socio-cultural challenges of food processing women entrepreneurs in IRINGA, TANZANIA and strategies used to tackle them. *Journal of Global Entrepreneurship Research*, Vol. 7, No. 1, pp.1-10.
- Kelley, D., Singer, S. and Herrington, M. (2016): GEM 2015-2016 Global Report. Available at <https://www.gemconsortium.org/report>. Accessed 19 March 2020.
- Khanna, T. and Palepu, K. (1997): Why focused strategies may be wrong for emerging markets. *Harvard Business Review*, Vol. 75, No. 4, pp.41-51.
- Kumbhar, V. (2013): Some critical issues of women entrepreneurship in rural India. *European Academic Research*, Vol. 1, No. 2, pp.185-192.
- Magesa, C., Shimba, C. and Magombola, D. (2013): Investigating impediments towards access to financial services by women entrepreneurs: a case of Arumeru district. *Development Country Studies*, Vol. 3, No. 11, pp.105-115.
- Makena, P., Kubaison, S.T. and Njati, C.I. (2014): Challenges facing women entrepreneurs in accessing business finance in Kenya: Case of Ruiru Township, Kiambu County. *Journal of Business and Management*, Vol. 16, No. 4, pp.83-91.
- Mandipaka, F. (2014): An Investigation of the Challenges Faced by Women Entrepreneurs in Developing Countries: A Case of King Williams' Town, South Africa. *Mediterranean Journal of Social Sciences*, Vol. 5, No. 27, P3, p.1187.
- Marlow, S. and Patton, D. (2005): All credit to men? Entrepreneurship, finance, and gender. *Entrepreneurship Theory & Practice*, Vol. 29, No. 6, pp.717-35.
- Mbarara Municipal Council (Municipal report) (2016): Mbarara Municipal Annual Performance Report. Available at: <https://www.mbarara.go.ug/publication/mbarara-district-annual-performance-report-20162017>.
- Mordi, C., Simpson, R., Singh, S. and Okafor, C. (2010): The role of cultural values in understanding the challenges faced by female entrepreneurs in Nigeria. *Gender in Management: An International Journal*, Vol. 25, No. 1, pp.5-21.
- Motilewa, B.D., Onakoya, O.A. and Oke, A.O. (2015): ICT and gender specific challenges faced by female entrepreneurs in Nigeria. *International Journal of Business and Social Science*, Vol. 6, No. 3, pp.97-105.
- Mwobobia, F.M. (2012): The challenges facing small-scale women entrepreneurs: A case of Kenya. *International Journal of Business Administration*, Vol. 3, No. 2, pp.112-121.
- North, D.C. (1990): *Institutions, institutional change and economic performance*. New York: Cambridge University Press.
- Nunnally, J.C. (1978): *Psychometric Theory* (2), New York: McGraw-Hill Book Company.

- Okafor, C. and Amalu, R. (2010): Entrepreneurial motivations as determinants of women entrepreneurship challenges. *Economic Sciences Series*, Vol. 62, No. 2, pp.67-77.
- Orobia, L.A., Tusiime, I., Mwesigwa, R. and Ssekiziyivu, B. (2020): Entrepreneurial framework conditions and business sustainability among the youth and women entrepreneurs. *Asia Pacific Journal of Innovation and Entrepreneurship*, Vol. 14, No. 1, pp.60-75.
- Peng, M.W. (2006): How entrepreneurs create wealth in transition economies. In Li, H. (Ed.), *Growth of new technology ventures in China's emerging market* (pp.87-111). Cheltenham, UK: Edward Elgar.
- Phillips, M., Moos, M. and Nieman, G. (2014): The Impact of Government Support Initiatives on the Growth of female businesses in Tshwane South Africa. *Mediterranean Journal of Social Sciences*, Vol. 5, No. 15, p.85.
- Podsakoff, P.M., MacKenzie, S.B. and Podsakoff, N.P. (2012): Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, Vol. 63, pp.539-569.
- Rao, V., Venkatachalm, A. and Joshi, H.G. (2012): Challenges Faced by Women Entrepreneurs Running Micro, Small and Medium Scale Fashion and Apparel Business: A Study on Fashion and Apparel Enterprises in Coastal Karnataka. In: *International Conference on Trade, Tourism and Management (ICTTM'2012)*, 21-22 December 2012, Bangkok (Thailand).
- Rudhumbu, N., du Plessis, E. and Maphosa, C. (2020): Challenges and opportunities for women entrepreneurs in Botswana: revisiting the role of entrepreneurship education. *Journal of International Education in Business*, Vol. 13, No. 2, pp.183-201.
- Sandhu, N., Hussain, J. and Matlay, H. (2012): Barriers to finance experienced by female owner/managers of marginal farms in India. *Journal of Small Business and Enterprise Development*, Vol. 19, No. 4, pp.640-655.
- Schnurr, J. and Grant, M. (1999): *A Conceptual and Analytical Research Framework for Youth Enterprise and Entrepreneurship Development: Social Innovation towards Sustainable Livelihoods for Youth*. IDRC: Research Programs: Sustainable Livelihoods for Youth Exploration.
- Schoof, U. (2006): *Stimulating Youth Entrepreneurship: Barriers and incentives to enterprise start-ups by young people*, International Labour Organization.
- Scott, W.R. (2007): *Institutions and organizations: Ideas and interests*. Thousand Oaks, CA: Sage Publications.
- Staas, L. and Ojok, D. (2016): *Uganda's Female Entrepreneurs: Challenges and Opportunities for Economic Development*. Country report. Konrad-Adenauer Foundation, Germany.
- Verheul, I., Van Stel, A. and Thurik, R. (2006): Explaining female and male entrepreneurship at the country level. *Entrepreneurship & Regional Development*, Vol. 18, No. 2, pp.151-83.
- Zororo, M. (2011): Characteristics and motivation in female entrepreneurship. Case of Botswana. *University of Botswana Journal*, Vol. 26, No. 3, pp.91-100.

BIOGRAPHY



Mr Bob Ssekiziyivu is a Lecturer in the Department of Business Administration, Makerere University Business School and is currently undertaking his PhD studies from Makerere University. His research interests are in the areas of corporate governance, strategic management, microfinance management and entrepreneurship. He has also won several research grants and has participated in several projects.



Dr Rogers Mwesigwa holds a PhD in Project Management. He holds an MBA and BBA from Makerere University. Rogers is a certified public accountant. He is a senior lecturer in the Department of Business Administration, Makerere University Business School. He has research published widely in project management, more especially stakeholder management, entrepreneurship, business management, organisational commitment, business performance and internet banking adoption. He has also won several research grants and has participated in several projects.



Laura Orobia is a Professor in the Department of Accounting and Finance at the Makerere University Business School, Mbarara Campus, Uganda. Her research focuses on financial management issues among small businesses, sustainability entrepreneurship, tax and integrated reporting.



Ms Immaculate Tusiime is a senior Lecturer in the Department of Business Administration at Makerere University Business School. She is currently a PhD candidate at the University of Newcastle in Australia. Her research interest areas are in leadership, management, entrepreneurship, CSR and corporate governance.

APPENDIX

Table A1: Respondents' Profile

Category	Population	Sample	Usable	% Usable
Youth	1,751	317	191	49
Women	750	254	199	51
Total	2,501	571	390	100
Respondents characteristics				
Age bracket	Frequency		(%)	
18-28 years	191		49	
29-39 years	175		45	
40-50 years	18		5	
Above 50 years	6		2	
Total	390		100	
Gender				
Men	114		29	
Women	276		71	
Total	390		100	
Youth (Men)	114		29	
Youth (Women)	77		20	
Women 199 51	199		51	
Total	390		100	
Highest education				
Primary or less	12		3	
O level	25		6	
A level	33		8	
Vocational	79		20	
Diploma	81		21	
Bachelors	128		33	
Masters	29		7	
Above masters	3		1	
Total	390		100	
Business characteristics				
Business age				
0-2 years	75		19	
2-3 years	110		28	
3-5 years	109		28	

(continued)

Table A1: Respondents' Profile (continued)

	Frequency	(%)
5-7 years	52	13
above 7 years	44	11
Total	390	100
No. of full time workers		
1-5	205	53
6-10	104	27
11-15	44	11
16-20	23	6
Above 20	12	3
Total	390	100
Business type		
Trade	224	57
Hotels and restaurants	80	21
Manufacturing	86	22
Total	390	100
Capital		
Under shs 250,000	13	3
Shs 250,000 to less than shs 1,550,000	96	25
Shs 1,550,000 to less than shs 2,850,000	107	27
Shs 2,850,000 to less than shs 4,150,000	78	20
Shs 4,150,000 or more	94	24
Total	390	100
Largest source of capital		
Personal savings	161	41
Friends and family	40	10
SACCO	70	18
Cash rounds	42	11
Bank loan	77	20
Total	390	100

Source: Constructed by authors from research data

