

Impact of Women Entrepreneurship on Household Income in Lushoto District of Tanga Region, Tanzania

Romulus E. Msunga

The Institute of Judicial Administration (IJA) Lushoto, P.O. Box 20, Lushoto, Tanga, Tanzania

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ABSTRACT

This study aimed to promote a positive transformation of the mindset and perception of women to be entrepreneurs in income generation at household level by creating, inventing and initiating their own services or products for income generations. The study discussed the types of entrepreneurship, role of women entrepreneurs, challenges and the availability of opportunities. The finding from the study revealed that the most of women fail to change their mindset and perception in creating, inventing and initiating their own services or products for income generations. The study used the qualitative and quantitative approach. The cross-sectional research design was used. The research tools/technique use were the questionnaire, checklist (include Interview Guide and Documentary Review). The study used the sample size of 100 respondents and employed the simple random sampling, stratified sampling and purposive sampling during the data collection. The qualitative and quantitative research was used. The study adopted the Cross-Sectional Research Design. Statistical Package for Social Science (SPSS Version 20) was used to analyze the data. The study concludes that there were poor mindset and perception of women to be entrepreneurs. The study recommends that the women should transform the mindset and perception to be innovative, creative and curious of creating their own income generation from their business projects.

Keywords: Women Entrepreneurship, Mindset and Perception, Household Income and Financial Skills.

INTRODUCTION

Women entrepreneurship plays a vital role in household income generation especially in rural areas as recognized and insisted by World Bank (WB, 2020). The household income is often directly linked to the economic activities of women, as they contribute significantly to both market and non-market production. (Wangm, 2023). In Tanzania, women are involved in agriculture, which accounts for a large portion of rural household income, and other entrepreneurial ventures such as retail trade and micro-enterprises (URT, 2021). Jasim (2023) highlights that women's participation in entrepreneurship can lead to improved family income, better health outcomes, and increased educational opportunities for children.

This study aimed to enhance the women entrepreneurship household income generations. Specifically, study focuses on promoting mindset and perceptions transformation on financial intelligence skills that will create business opportunities for their income generation (WB,2020). Women development and demonstration effect, funding leverage/unlocked, analysis of development outcomes, implementation arrangements and monitoring and evaluation(Zhou, 2023).The most of women are limited financially for instance in Africa, about 30 percent of women depend on men and cannot survive without the support from men(URT,2021). Outcomes of their funds earned cannot help to survive and the majority of them live below 1 dollar per day (WB, 2020).

The entrepreneurship for women will be succeeded if they will access to finance: Evaluate the availability of financial resources for women entrepreneurs, including loans and grants. Training and capacity building: Assess the effectiveness of training programs aimed at enhancing business skills and knowledge. Networking and mentorship: Investigate the role of networking opportunities and mentorship programs in supporting women entrepreneurs. Government policies and support: Analyze existing policies and initiatives aimed at promoting women entrepreneurship (WB, 2020).

Women are facing numerous challenges on their-owned enterprises by mention some include: lack of access to key networks, lack of support from government and stakeholders, poor financial policies, dominance from men, lack of awareness of financial intelligence skills and poor perceptions of being cared and kept by men. (URT,2018). The strategies to initiate and promote transformation of mindset and perception of women to be innovative, creative and curious of creating their own enterprises and improve the access to finance from financial institutions and other stakeholders (Dhasarathy & Khan, 2020).

The transformation of the mindset and perception of women to be innovative, creative and curious of creating their own enterprises through improving access to finance (Zhou & Wangm. 2023). The strategic approaches of being innovative were done as follows: initiation and promotion of the voice of women to be heard and trusted in different financial institutions for additional assistance to be created and innovated with little success (Chiemo,2020). The connection and network needed with different institutions and other stakeholders that they can do and show their potentialities for the entrepreneurial growth (Rhazzi & Dhiba 2022).

The promotion of women to be entrepreneurs by creating, inventing and initiating their own services or products for income generations (Chiemo,2020). The ability and capacity of expertising knowledges, skills and professionalism in enhancing women to be entrepreneurs little done by several institutions in Tanzania (EIB,2022). The innovative approaches to build a supportive ecosystem for women's entrepreneurship aimed at improving access to finance is achieved (Jasim, 2023).

The development of innovative ways to disseminate advisory services addressing capacity constraints, skills enhancement and digital presences for household income obtained and enhance visibility and access to mentorship and role models for income applied and obtained (Zhou, 2023). The Women entrepreneurship has contributions in the development of individuals and all groups of women in the world. It has effects in incomes, social services, economic on GNP and NGP, political and social effects (Chiemo,2020).

Several studies which conducted by different scholars did on women household income some include: WB (2020) focused on improving the women entrepreneurship, ((Zhou, 2023) on financial constraints, Zhou (2023) on the entrepreneurship accessibility and Chiemo (2020). on the women entrepreneurship through Age and jobs. From the previous studies, positive change of the mindset and perception for women entrepreneurship is unknown and not clearly stated as a filling gap. Therefore, the study aimed to promote of positive change of mindset and perception for women entrepreneurship on household income at study area.

MATERIAL AND METHODS

Lushoto District

Lushoto District is located in the North-East of Tanzania's in Tanga Region is renowned for its rich biodiversity, varied topography, and significant ecological value. Lushoto District is located at Latitude 4.6840° S and Longitude 38.3965° E. Key Geographical Features: Usambara Mountains: Lushoto is part of the Eastern Usambara Mountain Range, which is characterized by steep hills, valleys, and diverse ecosystems. The district is known for its rich biodiversity, with both tropical and temperate zones found within its boundaries. These mountains are crucial to the local climate, agriculture, and natural resources. Proximity to Major Cities: Lushoto is approximately 200 kilometers north of Tanga City, the regional capital. It is about 450 kilometers northeast of Dar es Salaam, the largest city and commercial hub of Tanzania. Borders: To the west, Lushoto borders Korogwe District. To the south, it borders Handeni District.

Rural and Natural Features: Lushoto is predominantly rural, with a landscape of lush forests, rivers, and agricultural terraces. The district's highland areas are essential for agriculture, including the cultivation of crops such as tea, bananas, and maize.

Lushoto District, located in the North-East of Tanzania's in Tanga Region is renowned for its rich biodiversity, varied topography, and significant ecological value. The study was conducted at. lushoto ward which comprises of six streets such as Dochi, Chakechake, Kitivo, Yoghou and Maguzoni. Lushoto district is known for its agricultural activities, particularly in the cultivation of tea, maize, and horticultural products. Small-scale businesses and trade, especially in local markets, also play a critical role in the district's economy a total of

58,199 of people (URT, 2022).

Collection of Data

The data collection covered by selecting Lushoto Ward. The data collection methods help the researcher to get information from the field through different approaches of data collection by using primary and secondary data. From the primary data, the researcher gets the actual and real information by taking physically from the field. Some methods of data collection include: the documentary reviews which is secondary data, Household Survey Questionnaire and Key Informant Interview to get primary data and documentary review to get secondary data.

Data collection in this research were be done in two phases; the first phase was pre-testing which aimed in testing the validity of data collection tools through questionnaire, guide and checklist and The pre -testing phase was done to modify tools for actual data collection during questionnaire, checklists and observation guide during the data collection.

Sample Size

A sample size is the representation of certain population to provide reliable information of the population (Yamane, 1967). A 95% confidence level and $p=0.05$ will be guided by the study. The formula for calculating the sample size by using the Precision level Error which is: $e = 0.05$ and where N is total population and n is the number of sample size.

The formula $n = N / 1 + N (e^2)$

$$= 58,199 / 1 + 58,199 (0.05)^2 = 98.8 \approx 100 .$$

$n=100$ number of the respondents.

Therefore, the sample size was 100 respondents.

Therefore the sample size used was 100 respondents from Lushoto ward.

RESULTS AND DISCUSSION

The Type of Entrepreneurial Activities at Lushoto Ward

The data from findings observed that there were types of entrepreneurship activities which were done by most of women in Lushoto District. The findings represented by frequency and percent in getting the informations. The respondents who replied that agriculture activities were done most of residents were 33(37.5 %). the respondents who replied that there were small kiosks 24 (27.3%). who replied that there was wood selling 13 (14.8%). the respondents who replied that there were selling foods 7(8.8%), selling clothes were 4 (4.4%), the respondents who replied that selling fruits and vegetables were 3 (3.4%) as shown in Table 1.

Table 1: The Type of Entrepreneurial Activities at Lushoto Ward

Types of Entrepreneurship	Frequency	Percent
Agriculture Activities	33	37.5
Small kiosks	24	27.3
Wood selling	13	14.8
Selling foods	7	8
Selling Clothes	4	4.4

Selling Fruits and Vegetables	3	3.4
Total	88	100

Source: Field Data, 2024.

The study identified a range of entrepreneurial activities that women in Lushoto engage in: Agriculture: Women are primarily involved in the cultivation of food crops (maize, beans, and vegetables), cash crops (tea, coffee), and small-scale livestock farming (goats and poultry). Retail Trade: Most of women operate small kiosks, selling food items, clothing, and household goods in local markets. Handicrafts: Some women are involved in making and selling traditional crafts, woven baskets, beadwork, and pottery (Msunga, 2023).

The Effects of Women Entrepreneurial on Household Income at Lushoto Ward

The data from findings observed that effects of women entrepreneurship at household level at study area such as: the respondents who replied that women incur on food costs were 40(45.4 %), the respondents who replied that school fees 15 (17.4%). who replied that house building were 10 (11.4%), the respondents who replied that there were health costs were 11(12.5%), clothes costs were 5(5.7%) and lastly, the respondents who replied that effects of women entrepreneurship at household level through bill payments were 3 (3.4%) as shown in Table 2.

Table 2: The Effects of Women Entrepreneurship at Lushoto Ward

Effects of Entrepreneurship	Frequency	Percent
Food Costs	40	45.4
School Fees	15	17.4
Housing Building	10	11.4
Health Costs	11	12.5
Clothes Cost	5	5.7
Bill Payments	7	7.9
Total	88	100.0

Source: Field Data, 2024.

The survey found that 60% of women entrepreneurs reported a direct improvement in household income as a result of their businesses. Many women indicated that their businesses allowed them to cover basic family needs such as food, school fees, and healthcare costs. Households with women entrepreneurs were generally better off than those without, with income levels 20-30% higher on average (URT, 2021).

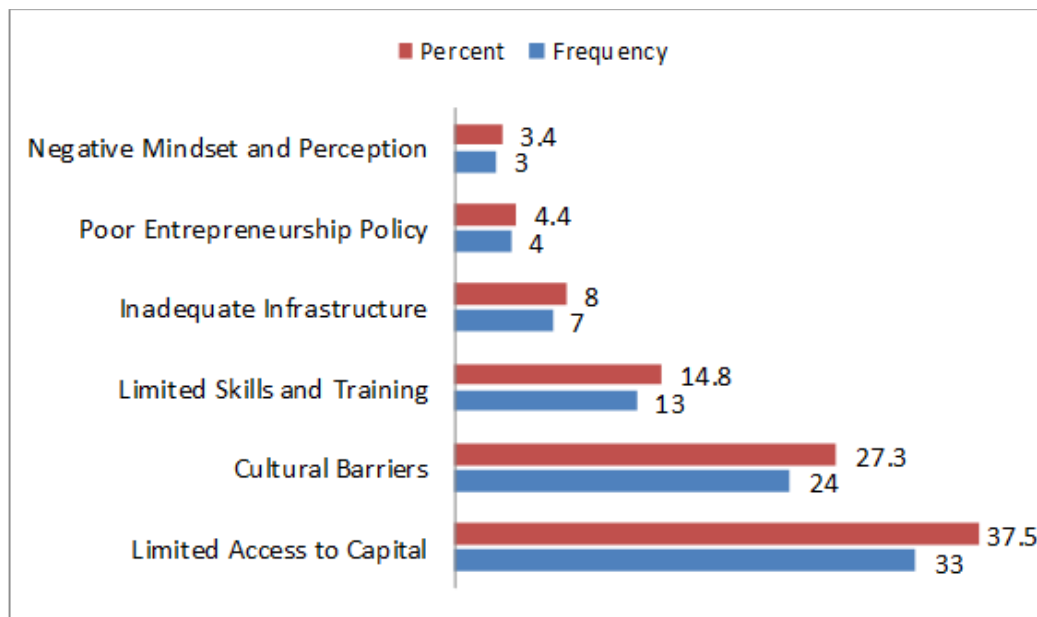
The Challenges Faced by Women Entrepreneurs at Lushoto Ward

The Challenges Faced by Women Entrepreneurs at Study Area

The data from findings observed that the women were faced by several challenges in creating and innovating their projects some include: the respondents who replied that there was limited access to capital from women banks and financial institutions were 33(37.5 %). the respondents who replied that there were the cultural barriers were 24 (27.3%). who replied that there were limited skills and knowledge and training were 13 (14.8%). the respondents who replied that there were inadequate infrastructure to the women conducted at their areas

concerning the entrepreneurship skills and knowledge by 7(8.8%),poor women financial policy were 4 (4.4%).the respondents who replied that there was negative mindset and perception were 3 (3.4%) as shown in Figure 1.

Figure 1: The Challenges Faced by Women Entrepreneurs at Study Area



Source: Field Data, 2024.

Women are facing numerous challenges on their-owned enterprises. Some of these challenges include lack of access to key networks, lack of support, lack of women entrepreneurship policies, dominance from men, lack of awareness of financial intelligence skills and perceptions of being cared , laziness and kept by men (Zhou, 2023).

Several challenges were identified that hinder women from fully realizing their entrepreneurial potential: Limited Access to Capital from women banks and financial institutions: 80% of the women surveyed cited difficulty in accessing loans and credit as a significant barrier. Most women rely on personal savings or informal lending groups, which limits their ability to scale up their businesses (Mkumbo (2019).

Several challenges limit women's success in entrepreneurship, including access to finance, social norms which limits the women on income generation, and lack of technical skills. In rural Tanzania, the gender disparity in access to resources such as credit, land, and technology remains a major obstacle. Mkumbo (2019) argues that improving women’s access to these resources can significantly enhance their productivity and household income (OECD, 2018).

From the interview, one of respondents commented that:

“Women are facing numerous challenges on their-owned enterprises. Some of these challenges include lack of access to key networks, lack of support, poor policies, dominance from men, lack of awareness of financial intelligence skills and perceptions of being cared and kept by men. The study should initiate and promote transformation of mindset and perception of women to be innovative, creative and curious of creating their own enterprises and improve the access to finances from financial institutions and other stakeholders” (Interviewee, November, 2024).

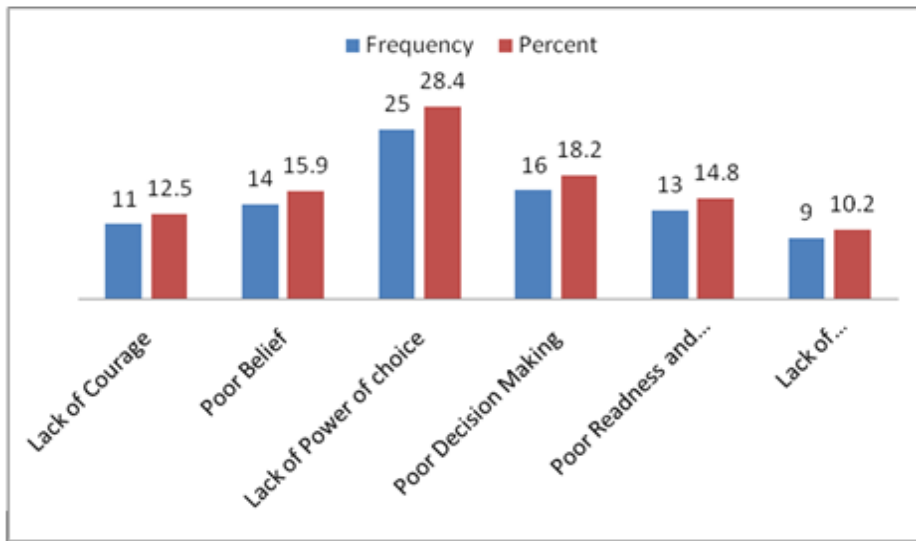
The financial stakeholders should reduce limitations concerning women on having access to finances. It will corporate with the government institutions and private organization to make sure those women entrepreneurs have access to finances for their own enterprises. It is known that numbers of women compared to men are low by 35% in developing countries like African countries. For example, in Africa, most of women live below one dollar per day and 40 percent are employed in public institutions and 30 percent at private institutions (WB, 2020).

Challenges of Changing the Mindset and Perception for Women on Income Generations

From the field, it was found that number of respondents who replied that the m majority of women lack of courage by 11(12.5%). The respondents who replied that the women have poor belief concerning entrepreneurship were 14(15.9%). Who replied that they lack power of choice were 25(28.4%). The respondents who replied that there was poor decision making were 16(18.8%). Lack of readiness and access to financial opportunities was 13(14.8%) and the respondents who replied that there was a lack of innovative or creativity of women in entrepreneurship were 9(10.2%).

From the findings observed that the lack of power of choice by 25(28.4%) was more compared to other due to the following reasons: the majority of women depend on men, poor responsibility and lack of confidence as shown in Figure 2.

Figure 2: Challenges of Changing the Mindset and Perception for Women on Income Generation



Source: Field Data, 2024.

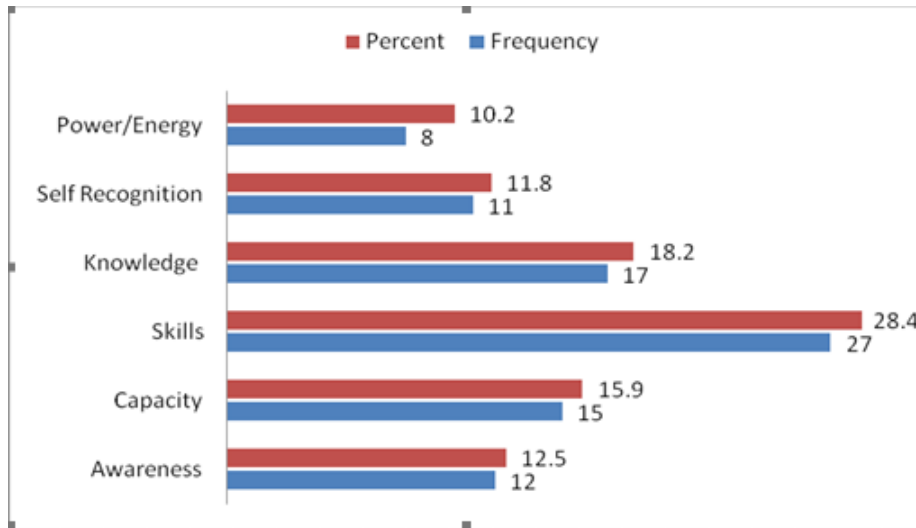
The findings from the study observed that the women have potentialities and capabilities if could have awareness by 11(12.5%). The respondents who replied that the women have ability or capacity to initiate their projects by 15(15.9%). Who replied that they have skills in creating their projects by 25(28.4%). The respondents who replied that women have knowledge by 17(18.8%). The women were ready to access the financial opportunities by 11(11.8%). The respondents who replied that women were self-recognized by 10 (10.2%) and the respondents who replied that the women have power or energy in creating and innovating their projects by 8(9.2%).

For most of the time, where there is a success of man, there is women behind and where there is a success of women there is man behind. Both man and women have contributions of development especially the economic development (Chiemo,2020).

Women Opportunities on Entrepreneurship

Despite the challenges, the study identified several opportunities for improving women’s entrepreneurship: access to finance: expanding access to microfinance and women-focused lending programs can provide women entrepreneurs with the capital needed to expand their businesses. Training and capacity building: there is a need for more entrepreneurship training programs that cover financial management, marketing, and leadership skills. Tanga Region Government and NGOs support: Lushoto District, ward and street government initiatives and partnerships with NGOs can help address infrastructure challenges and provide business support services. Promotion of women in non-traditional sectors: encouraging women to diversify into non-traditional sectors, such as technology and manufacturing, could open up new opportunities for income generation as shown in Figure 3.

Figure3: Women Potentialities and Capabilities on Entrepreneurship



Source: Field Data, 2024.

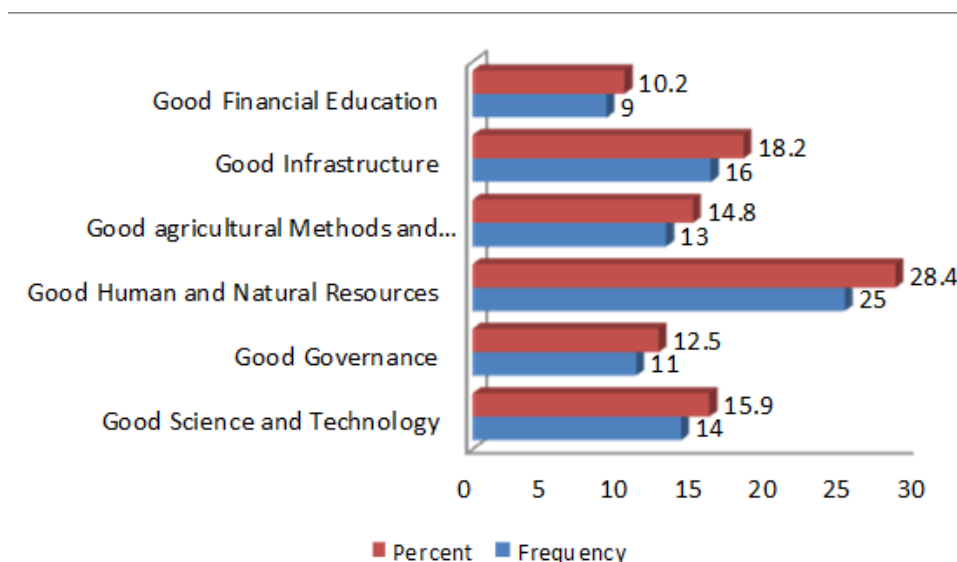
From the findings observed that the availability of skills by 25(28.4%) appeared more compared to other due to the following reasons: few of women were illiterate and believed that the women not required to have more skills due to the perception since past generations.

The district government and development stakeholders should make sure that the gender is considered in all sectors and remove limitations of genders from all jobs and opportunities from public and private institutions .The presence of women has biggest and greatest success from all angles of development (Zhou, 2023).

The factors which Promote Women Entrepreneurship at Study Area

From the field, there were general factors which promote women entrepreneurship it was found that number of respondents who replied that good science and technology help to promote women entrepreneurship were 14(15.9%). The respondents who replied that good governance by 11(12.5%). Who replied that good human and natural utilization of resources were 25(28.4%). The respondents who replied that good agricultural methods and techniques were 13(14.8%) and respondents who replies that the good infrastructure help to promote women entrepreneurship were 16(18.2%) as shown in Figure 4.

Figure4: The factors which Promote Women Entrepreneurship at Study Area



Source: Field Data, 2024.

During the interview, one of respondents replied that:

“The government should promote the women entrepreneurship in order to raise the incomes of women at their areas and the women entrepreneur should change their mindset and perception on income generation in order to raise the family financial status” (Interviewee, November. 2024).

From the review, the women entrepreneurship needs a personal choice, commitment and personal identity in doing a business project for income generations (Okafor, 2021).

CONCLUSION AND RECOMMENDATIONS

Conclusion

Most of women were confronted by several challenges in entrepreneurship some include lack of access to key networks, lack of support, poor policies, dominance from men, lack of awareness of financial intelligence skills and negative perceptions of being cared and kept by men.

Recommendations

The Ministry of Industry and Trade should promote of women entrepreneurs create linkages, networks, exposures and connections between women and various institutions for financial assistance. It will make sure that various groups of women and individuals are registered, known and seen for what they want to invent and create by being given loans and financial assistances.

The Ministry of Education and Social Development, Gender and Disabled should make sure the measures taken to make sure every woman realizes and identifies her potentiality by knowing how to start, monitor and implement her own business project. Women should build of what they have in their mind, power and time to create and invent services or products.

The private and other development partners should empower the women entrepreneurs should get expertise from different examples of women who have succeeded financially and convince and persuade to think, plan and enter into entrepreneurship. It will make sure that there are collaborations and partnership with various public and private organizations which have willing to support women to be innovative, creative and curious for their own business projects.

The stakeholders should make sure the women of whatever they do have values and increase incomes for their daily activities. It will initiate and promote the unity and collaborations among enablers to have one goal and target in fulfilling their duties and responsibilities of enhancing women to create their own business projects.

The central government, ministries and other development stakeholders should promote women to be entrepreneurs by creating, inventing and initiating their own services or products for income generations. It has the ability and capacity of expertizing knowledge and professionalism in enhancing women to be entrepreneurs.

The central government, regional and district should make sure that innovative approaches to build a supportive ecosystem for women’s entrepreneurship aimed at improving access to finance to be achieved. The development stakeholders should develop a proper innovative ways to disseminate advisory services addressing capacity constraints, skills enhancement and digital presences for household income obtained and enhance visibility and access to mentorship and role models for household incomes applied and obtained.

The women entrepreneurs should transform their mindset and perception on income generations through household income in order to raise their financial status.

The study will enhance the Policy reformation: Suggest improvements to policies that support women entrepreneurship, such as access to finance and training. It will help to strengthen the Strategies for Stakeholders: Provide actionable strategies for district government, NGOs, and the private sector to promote women entrepreneurship. The study will help for future research directions: Identify areas for further research to continue

exploring women's entrepreneurship.

The potential outcomes of study such as an increased awareness: Greater understanding of the barriers and facilitators of women entrepreneurship, enhanced support systems: Development of more targeted programs to support women economic empowerment: Insights that can contribute to the economic empowerment of women in Lushoto Ward. This research can significantly impact the promotion of women entrepreneurship, helping to create a more inclusive and supportive environment for women on household income.

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