

**ROLE OF GROWTH SUPPORT PROGRAMS ON PERFORMANCE AMONG
MICRO AND SMALL ENTERPRISES: CASE OF ANZA ENTREPRENEURS
LIMITED**

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DECLARATION

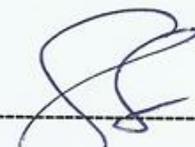
I declare that this applied research project is my original work and that it has not been presented in any other University for academic credit

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Supervisor's Declaration

This applied research project is submitted for examination with my approval as the University Supervisor

Signature:  Date: 9.9.2020

Name of supervisor: Dr. Grace Kiiru

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DEDICATION

I dedicate this work to my loving wife and children whose support, endurance and affection gave me strength to complete this work.

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ABSTRACT

The study was to determine roles of growth support programs on performance of micro and small enterprises with a focus of Anza Entrepreneurs Limited (Anza) in Tanzania. The research objectives were to find out the role of financial sector deepening program in enabling enterprises access financing and meet their financial needs to enable their performance; to establish the role of business development services program performance; and to determine the role of business sector program support on performance of micro and small enterprises. The study used descriptive design. Data collection was through use of questionnaire and interview guides. The target population involved the entrepreneurs (n=210) accessing services from Anza. The study used stratified probability sampling in the selection of respondents (Anza clients) who have obtained or have been accessing growth supporting programs. Descriptive statistics presented by frequency tables were used to analyze and present the data from questionnaires. In particular, the researcher used SPSS software package version 25.0 to generate frequency tables as means of presenting data. The findings of the study were that financial sector deepening program provided ability to access formal financial services, has enabled business access financing through grants or crowd funding, has enabled business be ready for financing in commercial way like through bank facility, it has provided low cost financing through lower interest rates and It has enabled the business roll out its strategic plan and meeting milestones with sufficient working capital. Also, on the business development services program it was found that the program it creates awareness on and experiences on how to grow and expand business strategically, it has enabled business identify target market and strategically position my business, business has expanded to new markets or customer base has increasing, business has received trainings and services which were relevant for strategy roll-out and Presence of donors distorts the market by providing free services. Finally, on business development program support, it was found that employees received trainings which were relevant to my enterprise and strategy roll-out. The program enabled participating entrepreneurs better improve management structures and an effective governance, enabled proper record keeping and documentation for good tracking of trends to monitor milestone realization, enabled generation of financial statements necessary for due diligence purposes. Therefore, the key research recommendation includes the need to expand these programs to include many others who may not access current Anza program because Anza is based in Moshi and may not be able to support more than the 200 MSMEs at a time. Additionally, government and development agencies need to be involved in providing these programs.

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No one ever accomplishes a research project single-handedly, and in my case this is particularly true. This project has come to be, not through my ideas alone but because of many other people who their time, talent and contributed ideas. I wish to acknowledge my supervisor Dr. Grace Kiiru for her guidance and directions, Kruppa Patel, Anza CEO, Goodluck Gamaliel, Senior Client Strategist, Anza and all Anza staff for their contribution in one way or another.

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LIST OF ABBREVIATIONS

ANDFI	Association of Nigerian Development Finance Institutions
COMET	Commercializing Emerging Technologies
CONICYT	Comision Nacional de Investigacion Cientifica y Tecnologica
CORFO	Corporacion de Fomento de la Produccion
DEP	Development of Enterprises' Projects
DFIs	Development Finance Institutions
FARE	Funds for Aiding and Rehabilitation of the Economy
NIPC	Nigerian Investment Promotion Commission
NYDA	National Youth Development Agency
OECD	Economic Co-operation and Development
SEDA	Small Enterprise Development Agency
SENCE	Servicio Nacional de Capacitacion y Empleo
SMEs	Small and Medium Enterprises
SMFP	Society for Management in Financing and Promoting
SMMEs	Small Medium and Micro Enterprises
STEP	Support and Training Entrepreneurship Programme
UK	United Kingdom
US	United States

DEFINITION OF TERMS

Enterprises -	Are commercial entrepreneurs other than Consultancy services and technological (Government of Tanzania, 2008)
Entrepreneurs	Are people engaging in enterprise/business activities (Financial Sector Deepening Trust, 2014) In this case those participating in Anza program
Medium Enterprises	Are enterprises/business employing between 50 to 99 paid or unpaid employees/staff which include the owner (Government of Tanzania, 2008)
Small and Medium Enterprises	Are categorized or classified using employees/workforce and capital investment of machinery or assets (in million Tsh) Micro enterprises has workforce of 1 to 4 staff and assets 5Tsh Small enterprises with 5 to 49 and assets base of Tsh200 Million, Medium enterprises with 50 to 99 staff and asset base between Tsh200 and 800Million (Financial Sector Deepening Trust, 2014).
Small Enterprises	Are business/entrepreneurs engaging in commercial activities with capital exceeding Tsh 20,000 and but not exceeding Tsh50, 000 other than Consultancy services entities and high Technological (Government of Tanzania, 2008).

CHAPTER ONE: INTRODUCTION AND BACKGROUND OF THE STUDY

1.1 Introduction

The chapter introduces the topic on the role of growth support programs in strategy roll out among micro and small enterprises (MSEs) and provides the background. Additionally, the problem is stated and the research objectives are listed. The chapter finalizes by listing the hypothesis, limitations, delimitations, scope and the conceptual framework.

1.2 Background to the Study

In Australia, Commercializing Emerging Technologies (COMET) is a growth supporting program started in 1990 by the Australian department of tourism, industry and resources (Autio, Kronlund, & Kovalainen, 2007). The program entails the commercialization of new innovations by subsidizing business development services for technology-based businesses. The program gives subsidies of 80 percent for business development activities like commercialization, marketing and management services to entrepreneur owners and small companies in their early stages who invest in new technologies.

The World Bank Group set up an agribusiness program in Tanzania with the aim of supporting MSMEs in the agribusiness right from establishment of the farm to the marketing stage. They are working on the entire supply chain in the agribusiness sector. They brought in experienced farmers from South Africa to help mentor and coach the Tanzanian farmers in the program (World Bank, 2016). This program under the Agribusiness Entrepreneurship Center (AEC) aim is to provide local companies with technical assistance in production and farming activities, market connections and

marketing and access to financing and financial management. The entrepreneurs first go through workshop assessment and are a diverse portfolio which include women led business, established firms, start-ups and co-operatives movements and societies.

Acevedo and Tan (2010) noted that Chile invests USD 400 to 600 million per year in industry support programs which range from loans, credit guarantees and matching grants for enterprise support services to tax rebates for the in-services of training workers (World Bank 2004). These various programs are involved in all sectors of the economy, organization sizes and regions. In late 2001, credit and loan programs amounted to USD 643 million which accounted for the largest share of over 60% of Production Promotion Corporation (Corporacion de Fomento de la Produccion CORFO), a one-time debt restructuring program being implemented through the economic development agency of Chile responding to the economic downturns.

Papiashvili and Ciloglu (2017) noted that Georgian government started the vital role of creating a strong private sector entity by specializing with MSE sectors as indicated in several documents of socio-economic development strategies of Georgia vision 2020. Pietrasieński and Ślusarczyk (2015) alluded that the members of Organization for Economic Co-operation and Development (OECD) authorities offer different kinds of support programs that aim at helping the native SMEs in overcoming entry barriers to foreign markets. These growth support programs concentrate on helping firms to access foreign markets. Within these categories a given help can be connected with general information about target markets.

In United Kingdom (UK) one of the growths supporting programs in MSMEs is known as “Gateway2Investment” (g2i) program which was started in 2005 at London. The program helps innovative firms to become investment-ready. The program contains three stages where after each stage some enterprises are chosen for more comprehensive support in the next stage. It begins with entrepreneurs making self-evaluation of their company’s investment readiness. These self-evaluations are aided through diagnostic software package Gauntlet. At later-step support is provided by individuals, group sessions and by mentoring sessions where for example investment propositions and business plans are developed (Autio, Kronlund, & Kovalainen, 2007). Another key growth supporting program is High-Growth Start-up founded in 2001 through Business Link organization in South Yorkshire. The program is partly financed by EU and Yorkshire Forward Development Agency. The program coaches and mentor entrepreneurs to growth concerns or oriented start-ups in the region.

In Spain, growth supporting programs consists of Embryo Project which is for University Entrepreneurs started in 2000 through the University Miguel Hernandez. The program encourages students in becoming entrepreneurs through mentoring, courses, and seed funds. The program is partly financed by the European Commission. It offers advice, training and provide access to entrepreneur networks for potential technologies entrepreneurs in the University Miguel Hernandez. The university offers both the infrastructural needs to developing and coordinating the Embryo firm and offers courses and counsel in company skills for researchers (Autio et al., 2007). Further, Prestecs Participatius del (CIDEM) is participative loans growth support program in public entrepreneurs’ capital funds for young companies and spin-offs in Catalonia. The funds

are collaborative efforts between six universities. This is funded by the Catalonia Investment Promotion Agency. The funds provide seed stage loans and start-up equities investments. First, companies are granted concept capital of up to 100 kEUR which are subsidized participative loan. Secondly, entrepreneurs get seed capital of up to 300 kEUR to accelerate growth during the early growth stage of company. The programs also refer companies to entrepreneur capitalists for additional funding.

In South Africa, World Bank (2010), Themba (2012) and Peyper (2012) noted that government priorities are to change the business environment that MSMEs operate in. Thus, a small business policy was started to support small businesses and entrepreneurships. The Khula Property Portfolio initiatives aim in providing business premises to businesses start-up or those expanding to medium sized business (Moos, 2014). In addition, the rental charges are highly subsidized to encourage small businesses' operators in moving into formal operating space (Department of Trade and Industry, DTI, 2010). The main program is in form of incentive schemes that pay out matching grants to businesses' owners with either large percentage of the projects' costs that are being funded through applicants themselves. The main national supporting programmes identified through DTI in the National Directory are the National Youth Development Agency (NYDA), Khula Enterprise Development Fund (Khula), the Tshumisano Trust and the Small Enterprise Development Agency (Seda) (DTI, 2010).

In Mozambique, Osano and Languitone (2016) indicated that growth supporting programs including Development of Enterprises' Projects (DEP) which is a non-banking institution provides long-term finance for period ranging 2 and 7 years. Other programs are Small Industries Funding Program (SIFP), Society for Management in Financing and

Promoting the SMEs (SMFP) that provide funds for small entrepreneurs, and Funds for Aiding and Rehabilitation of the Economy (FARE) supports the growth of MSMEs. Also, in Nigeria numerous Non-Governmental Organisations (NGOs) like Fate Foundation, Support and Training Entrepreneurship Programme (STEP), the Association of Nigerian Development Finance Institutions (ANDFI), the Nigerian Investment Promotion Commission (NIPC) and individual Development Finance Institutions (DFIs) promote the growth of MSMEs in Nigeria through advocating and capacity building support, and continues to canvass for better structures for operators in the MSME subsector (Onugu, 2005).

1.2.1 MSMEs in Tanzania

There are approximately 3 million MSMEs that employ over 5.2 million people in Tanzania where 45 percent are located in urban areas and the other rural areas, the sector contains 25,000 entrepreneurs, 97 percent of these entrepreneurs having less than 10 employees as compared to 40 large entrepreneur in manufacturing firms with 500 plus employees which cover about one third of employment in sector. A large percentage of businesses are considered to be informal, the approximated size of the informal economy percentage of Gross Domestic Product (GDP) has reduced over time from 62.5 percent to 43.6% from 1991 to 2005 and in 2010 to 39.7 percent. In addition, there is a prevalence of women of which 64 percent of informal sectors' activities being run by women, covering for example, small-scale manufacturing and food services (United Republic of Tanzania, 2012). Olomi and Mori (2015) noted that in 2000 about 35 percent of households engaged in some type of small business entrepreneurs.

The key economic activities of wholesale and retail trades are in the informal sector accounting for 55 percent, followed by manufacturing at 22 percent. In the period 1996/1997 to 2011/2012 there was a steady increase on number of registered entrepreneurs increasing from 2000 to 7000 annually and in the registration of business names increasing from 2500 to 15000 annually. Most small businesses are sole proprietors where a majority of which are not registered with about 4 percent of small businesses being registered with Business Registration and Licensing Agency (BRELA) and few businesses having a tax identification number (TIN). More than 70 percent have not received training before starting business.

1.2.2 Overview of Anza Entrepreneurs

Anza Entrepreneurs Limited collaborates with African Entrepreneur Collective (AEC) of Rwanda in providing high impact social firms with twelve months of comprehensive business growth and development services that include business plan developing, advices on account, designing websites and logos and consulting on strategy issues (Anza, 2020). First on designing the websites the firms support the MSMEs in creating, exposing, marketing and advertising their products or services to increase the market share of the business. Also, the organization support MSMEs in providing accounting and finance system through strengthening the internal processes and training owners/managers on the essence of book-keeping and proper documentation for posterity purposes and to help them analyze the business trends to assess whether they are meeting their milestones (Anza, 2020).

In addition, after developing the business plan the organization identifies unique strategic opportunities and challenges facing the MSMEs and creates strategic consulting package

suited to solve the specific business problems. The organization also partners with other stakeholders to enable participating MSMEs build new network (Anza, 2020). Anza creates a conducive business environment that allows strategy roll-out among micro, small and medium enterprises. This is achieved through providing business owners/managers with loans that will support in their strategy roll-out or achieving business objectives. In addition, the owners of MSMEs are provided with the consulting package suited to solve the business problems that allow the business to roll-out strategies thus achieve growth and realization of their milestones (Anza, 2020).

It is also important to note that Anza charges a fee of about USD 600 for the entire one-year program. The rest is highly subsidized by different development agencies and partners (Anza, 2020). It is therefore apparent that entrepreneurs many times there is a missing link between what they aspire to achieve and what they end up achieving due to lack of proper technical support either in management and leadership, strategic planning and strategy roll-out and how to access financing available in the market (Anza, 2020).

1.3 Statement of the Problem

Research done by Autio et al. (2007) in UK on growth supporting programs in MSMEs focused mostly on programs helping innovative firms to become investment-ready. Where entrepreneurs make self-evaluation on company's investment readiness and were mentored. The study stimulates a research gap on firms dealing with services and goods as the current study was geared to later. Moreover, the study of Moos (2014) in South Africa examined whether government priorities were geared toward changing the business environment that MSMEs operated in, and small business policies were started to support small businesses and entrepreneurships. However, study focused on

regulations rather than growth support programs. Further, areas that the current study was filling were identified in Mozambique from the research of Osano and Languitone (2016), where factors that influenced finance access by MSMEs were identified. Several growth support programs offering funds were identified. However, the study concentrated on finance aspects and whereby this study is focused on the growth support programs in various aspects of not only finance but also, other supports that enhance MSMEs in terms of growth and performance.

The growth support programs have been rolled out in many developing economies to help MSMEs grow much faster and be able to fully roll-out their strategic plans. The challenges were identified from studies or empirical evidence. For instance, Kisaka, Adhiambo, Ndege and Muio (2015) in focusing on financial deepening and small entrepreneurs' productivities not focusing on follow up on sustainability of the MSMEs growth. In Sub-Sahara MSMEs contribute more than 90% to the employment sector (Mayanja et al, 2019) which has led to the sector receiving a lot of attention from governments and other players for their success. MSMEs also dominate the business sector in Sub-Saharan Africa accounting for over 60% of the total number of enterprises, according to Mayanja. In Uganda for instance, MSMEs contributed 28% to Uganda GDP and its growth at 37% (World Bank, 2017). Mayanja noted that MSMEs in developing economies have challenges in establishing structures hence not meeting their milestones. This gap is filled by the growth support programs like the one developed by Anza. Johannisson (2017) as quoted by Mayanja also brought in the aspect of employee training. He noted that training employees help in supporting creativity and innovation. Large businesses can afford to train its employees but MSMEs cannot. Growth support

programs thus bridge this gap by providing tailored training to managers/owners and their employees in the course of the one year they are in Anza growth support program. Agyei (2018) in his article on MSMEs in Ghana noted that financial literacy of MSME owners remain one of the key untapped organizational resources that could enhance MSME growth. Financial literacy, Agyei argued, if enhanced could help MSMEs in identifying growth funding options that in the long run can help in their strategy roll-out. In Saudi Arabia, Business Incubators (BIs) is a business support process that accelerates successful development of start-ups. The main aim of Saudi Arabia BIs is to produce successful firms that are economical and self-sustainable in the shortest time possible (Khorsheed, Al-Fawzan & Al-Hargan, 2014). Therefore, there was a need to know whether such programs are effective both in the short and long term in ensuring the businesses performance accordingly.

1.4 Objectives of the Study

The purpose of the study was to determine role of growth support programs on performance among MSMEs with a focus of Anza Entrepreneurs.

1.5 Objectives of the Study

The study was based on both the general and specific objectives.

1.5.1 General Objective

The overall objective of the study was to determine role of growth support programs on performance among MSMEs with a focus of Anza Entrepreneurs.

1.5.2 Specific Objectives

The specific objectives included:

- i) To find out the role of financial sector deepening programs on performance of MSMEs.
- ii) To determine the role of business development services programs on performance of MSMEs.
- iii) To establish the role of business development program supports on performance of MSMEs.

1.6 Research Hypotheses

The null hypotheses H_0 evaluated were:

- i) H_{01} –Financial sector deepening program have no significant role on performance of MSMEs.
- ii) H_{02} –Business development services program have no significant role on performance of MSMEs.
- iii) H_{03} –Business development program support have no significant role on performance of MSMEs.

1.7 Significance of the Study

The study was significant to the owners of MSMEs in that they gained insights on the growth supporting programs that foster performance. They benefited from the recommendation of the findings of the study. In addition, the study was important to the government who are major stakeholder promoting the growth of the MSMEs by introducing and formulating growth support programs. Moreover, the study was of great importance to the NGOs that facilitated the growth support programs for MSMEs they

gained insights on the areas that are required to be improved so that they can assist the MSMEs in performance. Finally, the study provided basis for reference in further studies. By identifying research gaps academicians and researchers interested on growth support programs and performance of MSMEs can further their studies.

1.8 Scope of the Study

In content scope study focused on role of growth support programs on performance of MSMEs. In addition, the study target population was entrepreneurs and was confined to stratified sampling. Finally, the geographical scope was Moshi District.

1.9 Limitations of the Study

In the course of conducting research, various limitations were encountered. The main limitation experienced by the researcher included refusal by some respondents to complete the questionnaire. Some were not willing to cooperate for that their information will be shared to rivals. This was overcome by explaining why the study is being done and also how the information are kept and the information they provided is to be kept confidential.

The process of questionnaire re-collection may proved to be challenging because some respondents failed to complete the questionnaires in time and the researcher spent extra time to call, send mail and used Anza business development team to help follow-up. It worked Despite this, an adequate number of questionnaires was returned which made the study valid.

1.10 Delimitations of the Study

The researcher used the data gathered from the questionnaire. Given the big number of MSMEs in the region, this study only covered Anza Entrepreneurs participating MSMEs in Tanzania. To overcome the challenge of participants refusing to respond, the research was designed in mind to involve business development advisors (BDA) based in Anza to help in collecting data when they are with the entrepreneur for their weekly face to face sessions in Moshi. To ensure they complete the research on time, the questionnaires were administered in Anza with the help of respective business development advisor. The BDA work directly with entrepreneurs in supporting their business and they meet weekly either in Anza or entrepreneur's offices.

1.11 Assumptions of the Study

One major assumption is that the sample size selected was representative thus, the findings were generalized. Secondly, the study assumed that all respondents provided relevant information needed for the research candidly and honestly. Finally, the research assumed that descriptive design was the most suitable procedure since the approach helped in investigating the variables without the researcher manipulating the findings.

1.12 Theoretical Framework

The expectancy theory, passive learning model and contingency theory were discussed as below.

1.12.1 Expectancy Theory

The expectancy theory by Vroom (1964) was based on a perspective that people will choose from available alternatives in optimizing personalized results (Penk & Stefan,

2015). In MSME the owner is motivated to the degree that they believe that efforts lead to acceptable performance that turn to high rewarded. The expected high reward in any business venture is increased profitability of the business, business growth and the ability to replicate the success in other ventures. The entrepreneur thus expects to see growth and success. This theory suggests that the propensities in acting on a certain way is based upon the expectation that the act is followed by a certain result and the relationships between that outcomes and the goals of the MSMEs for example to achieving growth from the supporting programs to achieve performance. Mbura and Merezia (2014) indicated that the demands for business development services programs are affected by the benefits being expected to be derived from business support providers and eventually affecting the performance. The duty of the Financial Sector Deepening Programme (FSDP) providers is to creating awareness on participants' potential benefits and demonstrating their capabilities in addition to assisting them to ensure they get the services they require. The participants therefore have expectations when enrolling in such a program (Mori, 2016).

The theory supports the study in that the MSMEs owners will always select or choose from available alternatives to maximize personalized results, for instance with the business development services program which are structured to providing the aspects of financial literacy and the avenues to which the MSMEs owners can access the financing so that they can increase performance hence achieve growth. Since most MSMEs have not been able to enjoy the economies of scale in their production and sale, any form of financing that reduces the burden of financial charges is more than welcome for them and will expect more of low interest financing, grants or even financing from banks.

1.12.2 Passive Learning Model

The model was proposed by Jovanovic (1982) and theory hypothesis that management abilities differ between entrepreneurs. This information is not known to the entrepreneur when starting the enterprise. Further, it is assumed that organizations have varying efficiencies that cannot be observed directly. Liedholm and Mead (1999) noted that MSME's true efficiency can be determined progressively as the entrepreneur starts operating. After learning on their abilities, the entrepreneur adjusts accordingly. Entrepreneurs select outcome levels to optimize expected revenue basing on imperfect information at each period (You, 1995; Storey, 1994).

Under the Passive Learning Model (PLM) entrepreneur enter a market without knowing its own potential growth (Anthony & Thomas, 2012). Mbura and Merezia (2014) noted that only after entering the market do they begin to learn more about the distribution of its own profitability based on information from profits realized. By continually updating such learning, the entrepreneur chooses in expanding, contracting, exiting or consult the growth supporting programs. In addition, the learning frameworks states that MSMEs and owners of MSMEs will learn about the enterprise efficiency after it has started its operations. The business therefore has to remain dynamic and make changes based on market trends or the entire industry trends (Anthony & Thomas, 2012). The theory indicates that MSMEs should understand its potential growth. In this regard, the theory expounds the contribution of Financial Sector Deepening Programme (FSDP) to creating awareness among entrepreneurs and their owners on the need to learning and establishing how BDS facilitates the learning and growth process (Liedholm & Mead, 1999).

Anthony and Thomas (2012) alluded that it is only when BDSPPs detect the market needs of MSMEs growth and delivering competent services impacting of their business translating into MSME growth. The programs then need to be designed to take care of market dynamics of each unique business venture since generic programs tend to ignore the underlying trends in each sector uniquely (Anthony & Thomas, 2012). The theory supports the study by providing a learning framework for the MSMEs owners on how to make their enterprises effective so that they can achieve milestones within the planned timeframe. The role of business development services program is to train and impart knowledge and skills to MSMEs so that they can meet the business challenges in the dynamic business environment.

1.12.3 Contingency Theory

Contingency theory expounds on the effects of situational factors on attributes on decision-making and performance in entrepreneurs. The contingency framework by Fielder (1964) indicates that leaders' abilities are based on situational factors or characteristics like the leaders desired style, the motivation and the followers' abilities (Neilsen, 1974). The theory underscores the necessity to mobilizing the situational factors in a bid to having a positive effect on business performance. MSMEs can therefore realize their objectives faster if the growth support programs are designed to factor in the situations unique to every entrepreneur and the industry in particular where they operate. There is a distinct difference on how to approach those of the provision of goods and trade as opposed to those providing services like setting up a school or training institution. Each market needs are different and competition is also different. The contingency theory therefore is important in this research. Also, dynamic business

environment management capacities tend to vary based on different types and levels of support being received from different BDSPs (Mori, 2016).

The study can be anchored on this theory on the Business Development Program Support which assist the MSME owners to obtain resources and manage their finances. This makes them to use situational factors for instance, they are trained on the marketing avenues available for their products and services hence they can implement the strategy roll-out and achieve the organizational growth.

1.13 Conceptual Framework

The conceptual framework consisted of the growth supporting programs as independent variables that is financial sector deepening program (access to financing, receiving grants or donation and increased working capital), business development services program (involving reaching new markets, introducing new products and developing strategic plans). Business development support program was another independent variable which covered received relevant training, proper governance in place and working record keeping system in place. The dependent variable on performance covered increases in revenue, market share and profit as depicted in figure 1.1.

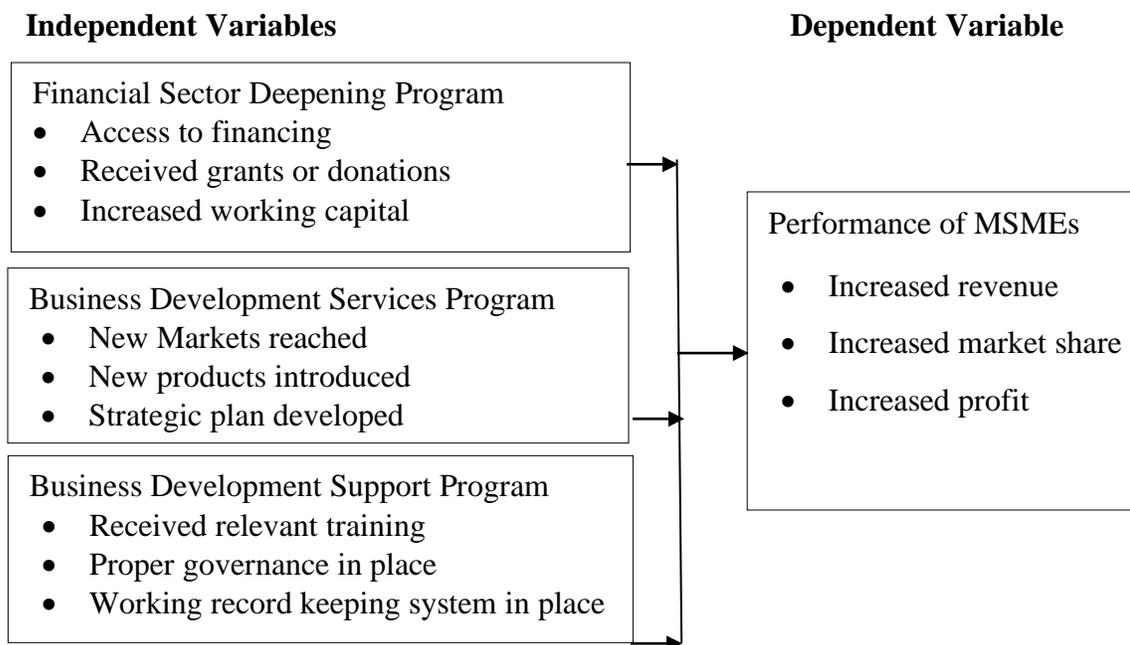


Figure 1.1 Conceptual Framework

(Source: Research, 2020)

Financial Sector Deepening Trust (2014) defines financial sector deepening programs provide support to MSMEs access to finance from different sources, accessing grants and donations from available sources. Therefore, financial sector deepening program is to equip MSME owners and managers on the various sources of financing available, enabling them to prepare for such financing and providing them with opportunity to meet potential financiers through Anza networking forums. The biggest challenge facing the MSMEs is accessing financing sufficient to meet their working capital requirements (Mori, 2016).

Huttmanova and Kiselakova (2010) indicates that business development program support as designed by Anza is to enable MSMEs to clearly understand their markets, strategies to reach their markets, market segmentation, what their products intend to do and clearly

articulating their unique value proposition in their product and service offering. This research therefore focuses on what Anza is offering to the participating MSMEs.

Lastly business development support program as designed and developed by Anza and which is what this research is studying, means providing training to owners/managers, their employees, providing support in their organizational structure, governance and leadership and ensuring that proper documentation and record keeping are in place and employee capabilities are enhanced. According to Cicea et al. (2019), MSMEs' performance is measured through market share, productivity, profitability, revenues, liquidity and costs.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter covers detailed literature review of the main concepts of this research work namely the three variables: financial sector deepening program, business development services program, business development support program and performance of MSMEs. In addition, the theories to be discussed were expectancy theory, passive learning model and contingency theory. It finalized with summaries and the research gaps.

2.2 Empirical Review

The empirical review was of the three growth support programs in the strategy roll out of MSMEs that is financial sector deepening program, business development services program, business development program support and performance as presented below.

2.2.1 Financial Sector Deepening Program

Mori (2016) referred to financial sector deepening programs as those programs providing support to MSMEs access financing from different sources, accessing grants and donations from available sources. Kisaka, Adhiambo, Ndege and Muio (2015) did a study on financial deepening and small farms' productivities. Their study showed that uninsured risk depresses MSMEs productivities and the development of rural financial markets. This study indicates that financial sector deepening program influence the strategy rolling out among farmers. They demonstrated that neither credits nor insurances' markets are likely to fully develop in isolation. However, connecting markets and contracts are more likely to succeed. How interlinking works depends on collateral environment and Insurance subsidies available.

Ahmad and Alam (2015) study in Pakistan found that sharing of MSME financing in total industry/sector credit were estimated 6 percent while the sharing of MSME borrowers in total industry borrowers amounted to 5 percent (SBP, 2015), much lesser than the mean MSME loans in Asia, which accounted for 25 percent of total bank financing (ADB, 2014), thus, giving credence to the fact that credit for MSMEs is constrained in Pakistan. The study found a positive relation between financial sector deepening and the growth of MSMEs.

A study conducted in Tanzania by Financial Sector Deepening Trust (2014) on small and female entrepreneurs MSMEs found that lack of proper documentation, information, credit history of entrepreneurs, and collateral, hinder their ability in accessing formal financial services. Second, financial literacy among female entrepreneurs is less than that of men. The study found that the percentage of the adult population who utilized formal financial sector services is heightened from 9 percent to 18 percent, volume of credit provided or supplied by a cross section of microfinances' providers to MSMEs and poor people rose by four times the baseline and deposit volumes mobilized. In addition, that the part of investment financed through formal financial sector rose from 2 percent to 4 percent in the case of micro enterprises and from 5 percent to 10 percent in the case of small enterprises. Moreover, female micro entrepreneurs constituted 30 percent of all micro entrepreneurs with investments at Tsh 5 million supported by microfinance providers.

Atterton (2015) study in Zambia reported that entrepreneurs face different limitations. From a financing perspective, MSMEs struggling to secure financial service in particular, the vital working capital required in supporting their growth. Although they constituted

over 90 percent of entrepreneurs in Zambia, majority were unable to access financial products with only 10 percent using banking facilities and about 10 percent qualifying for accessing other credit products. Bank of Zambia data shows that credit to MSMEs by the banking sector amounted to 10 percent of total credit. In Zambia, the relationships between commercial banks and MSMEs were difficult one, which arises mainly from the conflicting perceptions that each holds of the other.

ACE (2014) study in Yemen indicated that many MSMEs have inadequate capacities or willingness in providing business plans and proper financial statements required for a successful credit approval. Moreover, MSMEs often have challenges to meet the high collateral needed by banks, specifically real estate, linked with the lack of properly functioning collateral registries. Banks require very high collateral for compensating the weak creditor rights and the risk that the borrowers have already pledged their assets. MSMEs consider bank collateral needed to be the primal obstacles in accessing bank credit. On mean, in Yemen, banks require a collateral of up to 250 percent of the loan provided (ACE, 2014) while in the European Union (EU) countries averages 110 percent of the loan required. Moreover, administrative process and documentations to be provided by MSMEs are also hindrance in the growth of the enterprises. Another key challenge is the high costs of credit contributed by the high-interest lending rate thus affecting their profitability and hence growth and performance.

With all the above challenges growth support program as designed by Anza seeks to find other means available for MSMEs to access financing which will factor in the collateral requirements, financing charges, documentation and period of financing. The MSME is then informed on the other options available and how to take advantage of them. This

program also facilitates the MSME in ensuring that proper documentation is in place and informs them on whether the type of financing given will support their strategy roll-out.

2.2.2 Business Development Services Program

Mori (2016) defined business development support programs as programs designed and developed to provide training to owners/managers, their employees, providing support in their organizational structure, governance and leadership and ensuring that proper documentation and record keeping are in place and employee capabilities are enhanced. Abagissa (2013) conducted a survey on growing small businesses in Africa, taking insights from female entrepreneurs. This survey done in Ethiopia, Tanzania and Zambia showed that there was little awareness on and experiences of business support services among MSMEs, especially for female entrepreneurs in Africa. The outcomes were that business development services program influences the growth and the performances of MSMEs. Otieno, Olomi and Kiraka (2013) on using grounded theory assessed situational analyses of BDS markets in Kenya. The study identified five (5) situational forces affecting BDS providers, which are the client types, regulatory frameworks, nature of BDS products and services, nature of competition and donor agencies presence. The responses from BDSPs suggests that numerous MSME entrepreneurs were basically unaware of and or were ignorant of the merits of BDS because most of them had not experienced these services and products. In regard to attitudes, it was determined that numerous MSMEs were unwilling to pay for the BDSP services since they had been used to donor support to meet training costs for them. Generally, the regulatory frameworks in the BDS markets were principally described by BDSPs as weak. In addition, major BDSPs indicated that the existence of donors who were providing free services were

distorting the markets, thus making it hard for their enterprise to be sustainable. In the case of Anza programs more than half of the cost of enrolling in the one-year program is subsidized by donor agencies. The main reason for asking the MSME participants to pay is to take the program seriously and not given for granted. It also tries to address issues of donor presence distorting the growth support programs.

A survey by the Botswana Institute of Development Policy Analysis (BIDPA, 2011) on promoting entrepreneurship in Botswana determined on the challenges of Micro Business Development revealed that microenterprises were very much an integral part of the intended beneficiary of the existing financial and BDS programmes. Nevertheless, not many financial products and services have been customized to the requirements of microenterprises. To the contrary, a common attribute of the existing and past MSME providing programmes have been based on a down-top, one-size-fits-all approach. The approach to one where products and services offering match with the diversity of requirement and demands on intended beneficiaries is a required next step.

To take care of this challenge of one size-fits all, Anza programs have one on one client visits where Business Development Advisor (BDA) work with the MSMEs to develop unique strategy roll-out programs for individuals based on their unique industry and market requirements. In 2003, a research was done on Tanzania women entrepreneurs by ILO (ILO, 2003) in three regions namely Dar es Salaam, Zanzibar and Arusha with the objectives of identifying factors which suppress the growth of women operation in MSMEs. In respect to accessing Business Support Services, the outcomes depicted that, majority of the women entrepreneurs did not receive any business management and technical training. The study also indicated that a portion of women entrepreneurs were

unskilled and information needed to enable them to take the market opportunities were not available to them. The few who participated in trade fairs recorded a significant improvement on their business's outcomes. Also, lack of tailored services and technical skills were indicated as challenges for those operating in the cosmetics industries.

Riedijk (2010) published the outcomes of a research conducted in five regions of Tanzania with regard to supporting energy entrepreneurship to boosting rural energy access in the country. The outcome of the research indicated that to achieve a sustainable and commercially viable BDS markets in Tanzania is a limitation since many of the social business in Tanzania have relied on free to highly subsidized services. They tend to only consider paying if prices are low which in this case makes BDS not to be sustainable without donor support. BDS in Tanzania traditionally are non-profits as they provide free or at highly subsidized services.

A study assessing the Institutional Framework for Promoting the Growth of MSMEs in Tanzania done by Mnenwa and Maliti (2009) at Dar es Salaam discovered that majority of the respondents in the study area believe that they require governmental support. The type of support they require was mainly tax incentives, low cost loans, grants, better regulatory environment conditions and market information. BDS programs as designed by Anza also seeks to provide services like development of business plans, market identification, growth strategies, identification of clear milestones and strategy roll-out among the participating MSMEs.

2.2.3 Business Development Program Support

Mori (2016) defined Business Development Program Support (BDPS) as programs or institutions that offer training to entrepreneurs to foster developing of business plans,

managing businesses, managing finances that is to budget, managing time, marketing goods or services and selling goods and services. A study done by Mori (2016) investigated a sample of 3,098 randomly selected youth owned enterprises (YOE) in Tanzania to determine their access to business development support (BDS) services. The study found that access to business management and entrepreneurship training positively impact financial record keeping and enterprises' perceived performances hence, foster MSMEs to achieve growth. Also, the resources young entrepreneurs get from accessing BSPS services were crucial for their enterprises. Accessing education and business development program support services, like entrepreneurship training, is vital if younger adults are to successful run their enterprises and succeed in strategy roll-out (Shelley, 2014). Stevenson and St-Onge (2013) research found that MSMEs require access to BSPS which should help them, among other things, know how to developing business plans, managing their businesses, managing their finances including budgeting, managing their employees, marketing their goods or services and effectively sell their products or services. All these attributes are necessary to enhance the performance of their enterprises and growth in strategy roll-out. Despite the fact that access to BSPS is vital, there were little knowledge of how the services enhanced the performances of businesses.

Wanjiru (2013) investigated the factors that influence the performance of SMEs, in specific to examine the impact of education, socio-cultural factors, training and skills and access to financing. Performance was measured using net sales, number of employees and net revenue. The research sampled 122 SMEs in Kenya. The outcomes indicated that socio-cultural factors especially religion and family sizes affect the performance of SMEs. The research also established that training and skills affected the performance of

entrepreneurs in growth and strategy roll-out. The outcomes were mostly of the young entrepreneurs in the sample. It showed that 73 percent have not received any business support services, while the rest who received the support reported a positive influence to enterprise performance from such services.

These outcomes are the same as those of Green (2013) who found that young entrepreneurs are facing imperfect information both before and after starting a business. The Green's report further found that young people are unaware of the potentials of entrepreneurship, their entrepreneurial aptitudes or the skills required to improve performance of the enterprise. Not being aware and not accessing information on BPS hindera the growth and strategy roll-out. Finally, Berry, Sweeting and Goto (2006) examined the effects of enterprises advising on the performance of SMEs in general. They focused at the relationship between entrepreneurs' performance, nature, degree of a wide ranges of enterprises advice using a sample of 140 SMEs in the UK. The outcomes indicated that SME's used a range of external advices which positively affected their growth rate. The entrepreneur and financial advice the SMEs was perceived to influence performance and growth in strategy roll-out. The outcomes also indicated advice given by external accountants, researchers and other BPS service providers are necessary to enhancing SMEs' performance and growth in strategy roll-out.

2.2.4 Growth Support Programs and Performance of MSMEs

Cicea et al. (2019) noted that MSMEs' performance is determined quantitatively by market share, productivity, profitability, revenues, liquidity and costs (Gupta & Batra, 2016). In addition, MSMEs performance is determined qualitatively through achieving goals, styles of leadership, behavior of employees, satisfaction of customers and

innovation of products (Anggadwita & Mustafid, 2014). Finally, performance of MSMEs can measure several indicators not mentioned above such as: reputation, employee satisfaction, prompt order delivery, sales, enough working capital, effective production process, products' quality, clients' number and effective supervision (Gopang, Nebhwani, Khatri, & Marri, 2017).

A meta-analysis study by Cravo and Piza (2016) on influence of business support services for small and medium enterprises on firm performance. The study indicated that business support interventions in low- and middle-income countries (LMICs) were linked to formalization and business environments, exports, value chains and clusters, training and technical assistance, and access to credit and innovation. The findings revealed that overall business-support interventions help improve SMEs performances.

A study conducted by Pimenova and Vorst (2004) study in developed and transition economies focused on the "role of support programmes and policies in improving SMEs environmental performance." The research drew a pilot survey in London's SMEs by examining environmental concerns and constraints to environmental performance. The study found that there were main incentives in caring for the environment, and they supported initiatives and bodies in promoting best environmental practices in SMEs.

Dladla and Mutambara (2018) research in Pretoria expanded public works programme on influence of training and support interventions for SMEs was quantitative in nature. The study used a questionnaire to sample 20 SMEs supported by the programme. The research found that training intervention programme provided had a positive influence and achieved intended objectives of enhancing the SMEs management skills.

Nguyen et al. (2018) investigated influence of government support on SMEs performance. The study was conducted using a period of 2007 to 2015 from a sample of private manufacturing small- and medium-sized enterprises. The research examined the effect of government support programs on SMEs' financial performance in Vietnam. The study found that government support programs affects SMEs' financial performance. In addition, the research revealed that assistance measures like soft loans, tax exemptions, and investment incentives promoted financial performance of SMEs.

2.3 Summary of the Reviewed Literature

This chapter reviewed various sources of literature behind role of growth support programs on performance of MSMEs. The study was supported by three theories that were expectancy theory, passive learning model and contingency theory. Further, the empirical literature focused on one financial sector deepening programs where evidence from the studies of Ahmad and Alam (2015), Financial Sector Deepening Trust (2014), Atterton (2015) and ACE (2014) were presented. Secondly, the empirical studies in relation to business development services programs consisted of research of Abagissa (2013), Otieno, Olomi and Kiraka (2013), Institute of Development Policy Analysis (BIDPA, 2011) and Riedijk (2010). Thirdly, the variable of business development program supports was represented by various studies from Mori (2016), Shelley (2014), Stevenson and St-Onge (2013), Wanjiru (2013) and Green (2013). The last variable was that of MSMEs performance represented by empirical studies from Cravo and Piza (2016), Pimenova and Vorst (2004), Dladla and Mutambara (2018) and Nguyen et al. (2018).

2.4 Knowledge Gap

The first knowledge gap is from the research done by Autio et al. (2007) in UK on growth supporting programs in MSMEs focused mostly on programs helping innovative firms to become investment-ready. Where entrepreneurs make self-evaluation on company's investment readiness and were mentored. The study stimulates a research gap on firms dealing with services and goods as the current study was geared to later. Secondly, the study of Moos (2014) in South Africa examined whether government priorities were geared toward changing the business environment that MSMEs operated in, and small business policies were started to support small businesses and entrepreneurships. However, study focused on regulations rather than growth support programs. Thirdly, areas that the current study was filling were identified in Mozambique from the research of Osano and Languitone (2016), where factors that influenced finance access by MSMEs were identified. Several growth support programs offering funds were identified. However, the study concentrated on finance aspects and whereby this study is focused on the growth support programs in various aspects of not only finance but also, other supports that enhance MSMEs in terms of growth and performance.

Fourthly, the knowledge gap created identified from study done by Kisaka, Adhiambo, Ndege and Muio (2015) on 'Financial Deepening and Small Farm Productivity concentrated on agribusiness. While the study of Ahmad and Alam (2015) in Pakistan focused on the finance programs in supporting MSME. Finally, the study of Otieno et al. (2013) focused on situational analyses of BDS markets in Kenya that five situational forces affecting BDS providers that is the client types, regulatory frameworks, nature of BDS products/services, nature of competition and donor agencies presence. Hence, the

study focused on the financial sector deepening program, business development services program, and business sector program support in strategy roll-out among micro, small and medium enterprises in Tanzania. It also sought to identify whether these programs had positive impact on participating MSMEs on strategy roll-out or not. For MSMEs to be sustainable and grow, there was need for them to identify their milestones and work toward meeting them at every stage of their growth.

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter focuses on the methodology used in this study to address research objectives. It explains the research design, research site of study, target population, sample size and sampling techniques, data collection methods and data analysis. Moreover, this section discusses reliability and validity of data and finally the ethical considerations.

3.2 Research Design

Research designs are the conceptual structures within which research or studies are conducted. It comprises the blueprint for collecting and analysis of data (Kothari, 2008). There are three classifications of research designs: explanatory, exploratory, and descriptive (Easwaran & Singh, 2010). In this research descriptive research was adopted since the research describes the characteristics of the problem with narrations of the facts and characteristics of individuals or group or situation that the research is examining (Kothari 2008). Additionally, this study adopted a descriptive research design that is in accordance to Cooper and Schindler (2003) who alluded that it involves surveying people and recording their responses for analysis. The justification for the adoption or using of descriptive research design is based on its ability to generate the required data from the sampled respondents for analysis.

3.3 Research Site and Rationale

The study was conducted at Moshi, Kilimanjaro region in Tanzania. The researcher chose Moshi for the study of this research because of ease of getting required data from

entrepreneurs accessing growth supporting programs from Anza. Anza is based in Moshi District.

3.4 Target Population

Cooper and Schindler (2003) noted that a population contains sets of cases/individuals/objects with common attributes or characteristics which are observable. The target population contained the entrepreneurs (n=210) accessing services from the Anza Entrepreneurs (Anza, 2019). They are the entrepreneurs who are participating in the Anza growth support program. The participants comprised of 105 MSMEs in service sector and 105 MSMSEs in goods as shown in table 3.1 below.

Table 3.1 Target Population

Categories	Target Population
Services	105
Goods	105
Total	210

Source: Anza 2020

3.5 Sampling Procedure

Kombo and Tromp (2006) noted that sampling is a systematic procedure for choosing the number of respondents to providing information necessary for the study or research. Thus, sampling is necessary in research due to the challenges in studying the whole population and reducing costs and time needed since a small number of respondents are examined (Easwaran and Singh, 2010). This research used stratified sampling that is two strata MSMEs. One strata concerning in goods and the other strata dealing in services.

3.6 Sample Size

A sample size contains portion of the study population that was used to represent the whole population of the study (Kothari, 2008). Information gathered from the sample can be generalized to depict population of the study when the samples are carefully chosen to reflecting the population characteristics or attributes. There are numerous methods to determine sample size sand which include using mathematical formula and statistical tables (Bartlett, Kotrlik, & Higgins, 2001). Hence, the mathematical formula used was from Kothari (2004) as shown below.

$$n = \frac{Z^2 pqN}{e^2(N-1) + Z^2 pq}$$

Where: n equals to sample size for countable population, N is equal size of population households, p equal to population reliabilities, in developing countries p is equal to 0.5 thus, p + q= 1, e is equal margin of error at 5% and Z α /2 is equal to the level of significance z is 1.96 and as indicated in table 3.1.

$$n = \frac{1.96^2 \times 0.5 \times 0.5 \times 210}{0.05^2(210 - 1) + 1.96^2 \times 0.5 \times 0.5} = \frac{201.684}{0.5225 + 0.9604} = \frac{201.684}{1.4829} = 136$$

Table 3.2 Sample Size

Categories	Sample size
Services	68
Goods	68
Total	136

3.7 Data Collection Procedure

Krishnaswani (2003) noted that data are facts and other needed materials from past and present that serve as basis for analysis. In social research data required is categorized as primary and secondary data. Kothari (2008) stated primary data as data collected for the first time. In this study, only research instruments was used to collect primary data. The primary data was based on the research questions of the study. The advantages of using questionnaire is that they are fast in administering especially when first hand information is needed to provide relevant and sufficient information, they are flexible and while at the same time they provide indepth analysis (Krishnaswani, 2003).

3.8 Research Instruments

The primary data collection method adopted in this research was use of questionnaires. The researcher designed questionnaires for entrepreneurs. It included closed ended questions with pre-determined answers and a few open ended questions. The questionnaire also used a 5-point rating scale to secure the degree of the presence of the variables of interest in the study population. On open ended questions the respondents were encouraged to express themselves more freely as well as provide any other information as they see fit (Kothari, 2008).

3.8.1 Piloting of Research Instruments

The questionnaire was first pre-tested with two selected participating MSMEs in Arusha, in one micro enterprise and one medium enterprise for clarity and completeness and their comments were incorporated in the final version.

3.8.2 Validity of Findings

Validity is the degree to which a study accurately reflects or assess the specific concept that the researcher attempt to measure (Taherdoost, 2016). The researcher is concerned with both external and internal validity. External validity relates to the generalizing of study findings from survey research to entire population. Since this research was a statistical research and aimed to sample widely, external validity was attained by comparing research evidence with outcomes in existing literature. Internal validity addressed the extent to which the variances that have been found for the dependant variable directly related to the independent variable (Krishnaswani, 2003).

3.8.3 Reliability of Research Instruments

Reliability is the consistency with by which repeated measures can produce the same outcomes across time and across observers (Kothari, 2008). In ensuring reliability of the data, all the questionnaires used in the research were subjected to a Cronbach Alpha Coefficient and the acceptable one was set at 0.7.

3.9 Data Analysis and Presentation

Descriptive statistics such as frequency tables have beenadoptedin analyzing and presenting the data from questionnaires. In particular, the researcher used SPSS software package version 25.0 in generating frequency tables as means and percentages of presenting data. The data was summarized, analyzed and interpreted per each research objective. Hypotheses tests that was carried out through correlation analysis, and regression analysis using the following equation.

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e$$

Where; y = Performance of MSMEs, x_1 = Financial Sector Deepening Program, x_2 = Business Development Services Program, x_3 = Business Sector Program Support and e = error term

3.10 Ethical Considerations

Ethical issues are the major considerations in any research study. Caution was checked against source, errors in methodologies, interpreting outcomes and applying to real world scenario (Kombo & Tromp, 2006). Ethical aspects in data collection was adhered to particularly, confidentiality which was maintained through out. Only particular people involved in the study knew the identity of the participants (Kombo & Tromp, 2006). The researcher was fully responsible for conducting the research and the consequences of that research. Thus the researcher accepted individual responsibility of the entire process. Informed consent was obtained from subjects who participated in the study and that all subjects are participated voluntarily. The researcher explained in advance and promised to de-brief participants afterwards (Kombo & Tromp, 2006). The explanation was key to gain informed consent from the participants. Informing the participants about the results of the study built trust and justified the study to the participants. The results of the study and the recommendations that are proposed have impact on the participants' future actions and perceptions. Additionally authorisation letter from Africa Nazarene University to conduct research was also received in addition to approval from NACOSTI.

CHAPTER FOUR: DATA ANALYSIS AND PRESENTATION OF FINDINGS

4.1 Introduction

The chapter analyzed the information that was gathered from the questionnaires in determining role of growth support programs in strategy roll-out among micro, small and medium enterprises with a focus of Anza Entrepreneurs in Tanzania. The chapter begins with the identification of the response rate, analysis of the general information, the descriptive analysis and determining the relationships on the variables.

4.2 Response Rate

The response rate involved a total of 152 questionnaires which were administered to micro, small and medium enterprises which were dealing with goods and services and 108 questionnaires were returned. The response was determined and depicted in the table 4.1.

Table 4.1 Response Rate

	Frequency	Percentages
Returned	108	79.4
Unreturned	28	20.6
Total	136	100

Table 4.1 indicates that those questionnaires that were duly filled and received for analysis accounted for 79.4%. This response rate was considered to be adequate for the study and this indicated that the analysis could be done using the above questionnaires. Mayanja et al (2019) in study on business owners/managers in Uganda considered the response rate at 58% as adequate for the study since it captured all the characteristics of the MSMEs under

the survey. In their study, majority of respondents (44%) were trade while the rest were service (37%). This is reflected in the current study.

4.3 Reliability Analysis

The reliability analysis for the (20) twenty constructs of the questionnaire were determined for the four variables. The results were indicated in the table 4.2

Table 4.2 Reliability Statistics

Variable	Cronbach's Alpha	Number of Items
Financial Sector Deepening Programs	0.682	5
Business Development Services Programs	0.842	5
Business Development Program Support	0.862	5
Strategy Roll out	0.767	5

From table 4.2, it can be noted that the reliability test of the four variables indicated that the Cronbach Alpha Coefficient of financial sector deepening program was 68.2%, business development services program with 84.2%, business development program support with 86.2% and strategy roll out with 76.7%. The above reliability test shows that the questionnaire can be relied upon for further statistical manipulation.

4.4 Demographic Characteristics

The demographic characteristics for the study involved the analysis of gender, age, level of education, number of years the business has been in operation, monthly income in TSH, the sector of MSMEs and the form of business. The analyses were presented in the section that follows.

4.4.1 Gender of the Respondents

The study sought to determine role of growth support programs on performance among micro, small and medium enterprises. The results were presented on the table 4.3.

Table 4.3 Response Rate

	Frequency	Percentages
Male	75	69.4
Female	33	30.6
Total	108	100

The table 4.3 indicates that the respondents were male at 69.4% and female were represented by 30.6%. Majority of the participants were male. From table 4.3 it can be noted that there was major difference between the genders on those respondents who participated on the study about role of growth of support programs on performance of MSMEs.

4.4.2 Age of the Respondents

The study sought to determine whether there was significance of age among respondents on the role of growth of support programs on performance of MSMEs. The ages of the respondents were categorized from the range of 18 years to above 55 years. The results were presented on the table 4.4.

Table 4.4 Age of the Respondents

	Frequency	Percent
18-25 years	5	4.4
26-35 years	5	4.4
36-45 years	31	28.9
46-55 years	55	51.2
Over 55 years	12	11.1
Total	108	100.0

Table 4.4 shows that respondents who were between 18 years to 25 years and those between 26 years and 35 years were presented by the same results of 4.4%. Also, those respondents who indicated that they were between 36 years and 45 years accounted for 28.9%. In addition, those who indicated that they were between 46 years and 55 years accounting for 51.1%. Further, those who indicated that they above 55 years accounted for 11.1%. It can be noted that those respondents who participated on the role of growth of support programs on performance of MSMEs majority accounting for 51.1%.

4.4.3 Level of Education of the Respondents

The study sought to determine whether there was significance of education level in respondents on the role of growth of support programs on performance of MSMEs. The education level was from primary to doctorate level. The results were presented on the table 4.5

Table 4.5 Level of Education of the Respondents

	Frequency	Percent
Primary	16	15.6
Secondary	72	66.7
Tertiary	5	4.4
Degree	12	11.1
PhD	3	2.2
Total	108	100

From the table 4.5 it can be deduced that respondents who had primary level of education accounted for 15.6%. In addition, those who indicate that they had diploma level of education accounted for 66.7%. Further, those respondents who participated on this study about role of growth of support programs on performance of MSMEs and had tertiary

level of education accounted for 4.4%. Also, those respondents who had degree level of education accounted for 11.1%. Finally, those respondents who had doctoral level of education were represented by 2.2%. It can be noted that majority of the respondents had secondary level of education with 66.7%

4.4.4 Number of Years the Business has been in Operation

The study also sought to determine whether there was significance of number of years the business was in operation from the respondents on the role of growth of support programs on performance of MSMEs. The results were presented on the table 4.6.

Table 4.6 Number of Years the Business has been in Operation

Years	Frequency	Percent
1-2 years	19	17.8
3-5 years	50	46.7
6-10 years	29	26.7
Over 10 years	10	8.9
Total	108	100

Table 4.6 indicate that respondents who participated on the study on role of growth of support programs on performance of MSMEs and the business were in operation for 1 years to 2 years with 17.4%. In addition, those who indicate that the businesses were in operation ranging from 3 years to 5 years with 46.7%. Also, those respondents whose businesses were in operation ranging between 6 years and 10 years accounted for 26.7%. While those who indicated that the businesses were in operation for 10 years and above accounted for 8.9%. It can be noted that majority of the respondents had businesses in operation between 3 years and 5 years accounting for 46.7%.

4.4.5 Monthly Income of MSMEs

The study sought to determine whether there was significance on the monthly income of MSMEs among the respondents on the role of growth of support programs on performance of MSMEs. The monthly income of the MSMEs were categorized from less than 1,000,000 to 10,000,000 Tanzanian shillings per month. The results were presented on the table 4.7.

Table 4.7 Monthly Income of MSMEs

	Frequency	Percent
Less than 1000,000	5	4.4
1000,001-3000,000	16	15.6
3000,001-5000,000	38	35.6
5000,001-10,000,000	48	44.4
Total	108	100

From table 4.7 it indicates that those respondents whose business has a monthly income less than 1,000,000 Tsh accounting for 4.4%. In addition, those who businesses were earning monthly income of 1,000,001 to 3,000,000 Tsh accounting for 15.6%. Those respondents who indicate that the monthly income ranged from 3,000,001 to 5,000,000 Tsh with 35.6%. Finally, those who indicated that they business earns an income of 5,000,001 and 10,000,000 Tsh 44.4%. It can be deduced that majority of the respondents earned an income of 5,000,001 to 10,000,000 with 44.4%.

4.4.6 The Sector of MSMEs

The study also sought to determine the sector in which the business of the respondents on the role of growth of support programs on performance of MSMEs. Two sectors were identified that is those MSMEs dealing with goods and those businesses which were in the service sector. The results were indicated in the table 4.8.

Table 4.8 The Sector of MSMEs

Sector	Frequency	Percent
Goods	79.2	73.3
Services	28.8	26.7
Total	108	100

From the table 4.8 it can be noted those businesses that were in services on the study on the role of growth of support programs on performance of MSMEs with 46.3%. In addition, those MSMEs dealing with goods accounted for 53.7%. Majority are involved in buying and selling or producing goods.

4.4.7 The Form of MSMEs

The study also sought to determine the form of business from the participants on the role of growth of support programs on performance of MSMEs. The form of business was identified as Company, partnership or sole proprietor. The results were indicated in the table 4.9.

Table 4.9 The Form of MSMEs

	Frequency	Percent
Sole proprietorship	36	33.3
Partnership	24	22.2
Company	48	44.4
Total	108	100

Table 4.9 indicates those MSMEs which were formed through partnership accounting for 22.2%. In addition, those MSMEs that were companies with 44.4% while those who indicated they were in sole proprietorship with 33.3%. The majority of the respondents were those operating as private limited liability company of simply company at 44.4%

4.5 Role of Growth of Support Programs on Performance of MSMEs

The study sought to determine the role of growth support programs on performance of MSMEs. The section presented the role of financial sector deepening program, business development services program, business development program support and on performance of MSMEs.

4.5.1 Role of Financial Sector Deepening Program on Performance

The study sought to determine the role of financial sector deepening program (FSDP) on performance of MSMEs. The questionnaires were used to collect the response from participating MSMEs and responses analyzed. The analyses were computed and presented in the table 4.10.

Table 4.10 Role of Financial Sector Deepening Program on Performance

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Provide ability to access formal financial services	0.0%	2.8%	13.9%	72.2%	11.1%
Has enabled my business access financing through grants or crowd funding	13.9%	23.1%	36.1%	13.9%	13.0%
Has enabled my business be ready for financing in commercial way like through bank facility	1.9%	32.4%	36.1%	18.5%	11.1%
It has provided low cost financing through lower interest rates	6.5%	15.7%	45.4%	18.5%	13.9%
It has enabled the business roll out its strategic plan and meeting milestones with sufficient working capital	6.5%	19.4%	19.4%	37.0%	17.6%

Table 4.10 indicates that those respondents who strongly disagreed that FSDP that it provides ability to access formal financial services thus, enhancing on performance of MSMEs with 0.0%. There was none who strongly disagreed that it provided an opportunity to access financing. This clearly means that the growth support program is geared toward supporting the MSMEs access formal financial services which is good for economic growth. In addition, those respondents who disagreed that FSDP provide ability to access formal financial services which influence the MSMEs performance represented by 2.8%. Moreover, those respondents who were neutral that FSDP provide ability to access formal financial services with 13.9%. Further, those respondents who agree that FSDP provided ability to access formal financial services accounting for 72.2%. This bulk of respondents were significant in that they appreciated the role played by FSDP. They saw it as an avenue to access financing which provided the crucial working capital for strategy roll-out and the ability to meet their milestones. With sufficient finance or access to finance, MSMEs can grow and become sustainable, profitable business. Whether all those who said it provided avenue for accessing finance were themselves able to receive finance is a different issue. Those respondents who strongly agreed that FSDP provide ability to access formal financial services hence on performance of MSMEs resulting 11.1%.

Also, those respondents who indicated that they strongly disagreed that FSDP enabled them access business financing through grants or crowd funding, ensuring performance of MSMEs were represented by 13.9%. While, those respondents who indicated that they

disagreed that FSDP enabled them access business financing through grants or crowd funding, ensuring performance of MSMEs with 23.1%. In general, those who disagreed that FSDP provided them an opportunity to access funding stood at 37%. This is significant and it can be stated that those type of participants were unable to get financing like crowd funding or grants yet their aim was to get such financing. Further, those respondents who rated neutral and agreed that FSDP enabled them access business financing through grants or crowd funding, ensuring performance of MSMEs accounting for the same results of 36.1%. Moreover, those respondents who indicated agreed and strongly agreed that financial sector deepening program enabled them access business financing through grants or crowd funding, ensuring performance of MSMEs with 13.9% and 13.0% respectively. In summary those who agreed that FSDP enabled them access grants or crowd funding accounted for 27% meaning not all who participate were able to access such cheap financing.

Those respondents who rated that they strongly disagree and disagreed that FSDP enabled their business to be ready for financing in commercial ways like through banks accounting for the same results of 1.9%. In addition, those respondents who were neutral that FSDP enabled their business to be ready for financing in commercial ways like through banks facilities represented by 32.4%. Further, respondents who were neutral and agreed that FSDP enabled their business to be ready for financing in commercial ways like through banks facilities with 36.1% and 18.5% respectively. Those respondents who indicated that they strongly agree that FSDP enabled their business to be ready for financing in commercial ways like through banks facilities were at 11.1%. In one way it

can be said that a minority felt that they were ready to access commercial form of financing because in total they accounted for 29.6% of all the respondents.

Similarly, those respondents who indicated that they strongly disagree that FSDP program provided low cost financing through lower interest rates accounted for 6.5%. In addition, those respondents who indicated that they disagreed that FSDP provided low cost financing through lower interest rates accounted for 15.7%. Moreover, those respondents who indicated neutral that FSDP provided low cost financing accounted for 45.4%. Also, those respondents who indicated that they agreed that FSDP provided low cost financing through lower interest rates accounting for 13.9%. Finally, those respondents who indicated that they strongly agree that FSDP provided low cost financing through lower interest rates accounting for 13.9%. In total those who agreed or strongly agreed that they could get low interest rate financing accounted for 27.8% of all the respondents. That there are those who still feel they can access cheap financing is clearly demonstrated by the responses in this category.

Respondents who rated that FSDP enabled the business roll out its strategic plan and meeting milestones with sufficient working capital with those who strongly disagreed with 6.5%, disagreed and neutral accounting for same results of 19.4%, those who agreed with 37.0% and strongly agreed with 17.6%. The strong agreement among the respondents is the ability of this program in helping them roll out their strategic plans and meet their milestones. Those in agreement cumulatively accounted for 54.6% which is significant. Since this majority feel that the program is supportive of MSMEs and the program has enabled them meet their milestones and thus the program is supportive.

4.5.2 Role of Business Development Services Program on Performance

The research sought to determine role of business development services program (BDSP) provided by Anza on performance of MSMEs. The responses were analyzed, computed and presented in the table 4.11.

Table 4.11 Role of Business Development Services Program on Performance

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Creates awareness on and experiences on how to grow and expand business strategically	0.0%	2.8%	10.2%	67.6%	19.4%
It has enabled my business identify my target market and strategically position my business	3.7%	10.2%	13.9%	53.7%	17.6%
My business has expanded to new markets or customer base has increased since I participated in the Anza program	15.7%	19.4%	12.0%	34.3%	15.7%
I received trainings and services which were relevant for my performance	0.0%	1.9%	2.8%	70.4%	25.0%
Presence of donors distorts the market by providing free services	50.9%	34.3%	10.2%	4.6%	0.0%

Table 4.11 indicates that those respondents who rated that BDSP that it created awareness and experiences on how to grow and expand business strategically in order to achieve performance of MSMEs with those who strongly disagreed at 0.0%, those who disagreed accounting for 2.8%, those who were neutral represented by 10.2%, agreed with at 67.6% and those who strongly agreed with at 19.4%. This means that those who agreed or

strongly agreed accounted for a significant part of respondents cumulatively at 87%. An indication that for businesses to grow and expand strategically, BDSPP played an important role hence MSMEs performance can be realized further through BDSPP. Further, those respondents who indicated that BDSPP enabled their business to identify target market and strategically position their business through strategy roll-out with those business owners who strongly disagree with 3.7%, disagreed with at 10.2%, while those who were undecided were 13.9%, those who agreed accounting for 53.7% and those who strongly agreed rated 17.6%.

Additionally, BDSPP enabled business to expand to new markets or new customer base increased since when the owners of MSMEs participated in the Anza program. Those respondents who strongly disagreed, disagreed, neutral, agreed and strongly agree were represented by 15.7%, 19.4%, 12.0%, 34.3% and 15.7% respectively. It is important to note that a total of 35.3% disagreed in one way or another that they expanded to new markets or customer base increased. This is significant since there are other inherent factors in every business segment and not all businesses have the potential to expand to new markets. Those affected will therefore need to study and look for other options available for them to expand. Further, business development services program that the owners of MSMEs received trainings and services which were relevant for the business performance with those who strongly disagreed (0.0%), disagreed (1.9%), neutral (2.8%), agreed (70.4%) and those who strongly agreed with 25.0%. Finally, that the presence of donors distorts the market by providing free services with majority of the respondents strongly disagreed with 50.9%, those who disagreed with (34.3%), neutral (10.2%), agreed (4.6%) and those who strongly agreed with 0.0%. The presence of donors therefore

does not distort the market in a significant way. How they tailor their service provision is important in the overall health of MSMEs performance.

4.5.3 Business Sector Program Support on Performance

The study sought to determine the role of business sector program support (BSPS) on performance of MSMEs. The extent of relevancy, improvement of structures, proper book keeping, generating financial statements and training of employees was determined.

The responses were analyzed, computed and presented in the table 4.12.

Table 4.12 Role of Business Sector Program Support on Performance

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I received trainings which were relevant to my enterprise	0.0%	1.9%	2.8%	70.4%	25.0%
The program enabled me better improve management structures and an effective governance	1.9%	4.6%	12.0%	65.7%	15.7%
Enabled proper record keeping and documentation for good tracking of trends to monitor milestone realization	0.0%	1.9%	8.3%	66.7%	23.1%
Enabled me generate financial statements which is necessary for due diligence purposes	13.9%	15.7%	20.4%	38.0%	12.0%
Employees were trained to better understand their roles and its effect on strategy implementation	4.6%	10.2%	13.0%	56.5%	15.7%

Table 4.12 indicate that the owners of MSMEs received trainings which were relevant to enterprise from BSPS with those who strongly disagreed with 0.0%, those who disagreed accounting for 1.9%, respondents who were neutral represented by 2.8%, those who

agreed with 70.4% and those who strongly disagreed with 25.0%. The trainings provided by Anza were therefore relevant among the participants in supporting performance. Further, the BSPS enabled the owners of MSMEs in better improving management structures and an effective governance with those respondents who indicated strongly disagreed with 17.8%, those who disagreed with 1.9%, those who were neutral accounting for 12.0%, respondents who agreed accounting for 65.7%, and those who strongly disagreed with 15.7%. Since improved organizational structures reduces inefficiencies, improve communications and also allow management to better manage their growth, this training therefore adds value to participating MSMEs as indicated by the respondents who agreed or strongly agreed.

In addition, the respondents were asked to indicate whether BSPS has enabled proper record keeping and documentation for good tracking of trends to monitor milestone realization with those indicated strongly disagreed, disagreed, neutral, agreed and strongly agreed with 0.0%, 1.9%, 8.3%, 66.7% and 23.1% respectively. Further, the respondents who indicated that BSPS enabled the MSMEs generate financial statements which were necessary for due diligence purposes, those who strongly disagreed (13.9%), disagreed (15.7%), neutral (20.4%), agreed (38.0%) and strongly agreed (12.0%).

Finally, BSPS trained employees to better understand their roles and its effect on strategy implementation with those who strongly disagreed with 13.3%, disagreed with 4.6%, those who were neutral with 10.2%, those who agreed and strongly agreed with 56.5% and 15.7% respectively. It is therefore important to tailor the trainings based on specific training needs of each participating MSMEs to reduce the number of those who disagreed. This is an area Anza can do better.

4.5.4 Growth Support Programs and Performance of MSMEs

The study sought to determine the role of growth support programs on the performance of MSMEs. The analyses were computed and presented in table 4.13.

Table 4.13 Growth Support Programs and Performance of MSMEs

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Performance increase revenue in MSMEs	0.0%	0.0%	15.7%	63.0%	21.3%
Performance increase market share in MSMEs	0.0%	0.0%	13.9%	63.9%	22.2%
Performance increase profit in MSMEs	0.0%	0.0%	19.4%	58.3%	22.2%
Growth propels performance of MSMEs	0.0%	0.0%	15.7%	62.0%	22.2%
Performance of MSMEs enhances competitive advantages	0.0%	0.0%	19.4%	63.0%	17.6%

Table 4.13 indicates that respondents who rated that they strongly disagreed and disagreed performance increase revenue in MSMEs with 0.0% results. Those respondents those who were neutral, agreed and disagreed accounting for 15.7%, 63.0% and 21.3% respectively. A majority of the respondents at 63.0% agreed that performance increased revenue. This is an engine for healthy, sustainable and growth oriented MSMEs. Good revenue means more profits which can be retained for expansion based on the business strategic objectives. Further, those respondents who indicated that performance increase market share in MSMEs with those who rated strongly disagreed and disagreed with 0.0%, those who were neutral with 13.9%, those who agreed with 63.9% and those who

strongly agreed with 22.2%. Market share expansion is also an important aspect in business undertaking and any form of support that can help MSME increase their market share is very important. Under this research Anza participants have shown that the program has enabled them increase their market share.

In addition, respondents indicated that performance increased profit in MSMEs with those who strongly disagreed and disagreed with zero percent, those who were neutral with 19.4%, those who agreed with 58.3% and those who strongly agreed with 22.2%. Further, respondents indicated that performance propels MSMEs in growth with those who strongly disagreed and disagreed with 0.0%, those who were neutral, agreed and disagreed represented by 15.7%, 62.0% and 22.2% respectively. Profit is very attractive for any potential investor and those who wish to provide loan of any form to MSME and therefore a program that has enabled them improve in their profitability is a good one. Anza has demonstrated through response from participating MSMEs that their program supports in profit improvements. Finally, respondents indicated that performance enables MSMEs to gain competitive advantages with those who strongly disagreed and disagreed with 0.0%, those who were neutral with 19.4%, those who agreed with 63.0% and those who strongly agreed with 17.6%.

4.6 Descriptive Statistics of the Variables

The study sought to determine the descriptive statistics of the variables on the role of growth support programs on performance of MSMEs. The mean and standard deviations were generated from SPSS from the average of the constructs of each variable and are as illustrated in table 4.14.

Table 4.14 Descriptive Statistics of the Variables

	Min	Max	Mean	Std. Deviation
Financial Sector Deepening Program	2.20	4.80	3.74	.65
Business Development Services Program	1.20	4.60	3.31	.90
Business Development Program Support	1.40	5.00	3.49	.91
Performance of MSMEs	1.80	4.40	3.65	.69

Table 4.14 depicts that financial sector deepening program has the greatest role on performance of MSMEs with a mean score of 3.74 and the standard deviation of 0.65 indicates that the constructs were close to the mean. Performance of MSME is key to the growth and survival, and increasing of shareholders' wealth with a mean of 3.65 and a standard deviation of 0.65. Further, business development program support plays a role on performance of MSMEs with a mean of 3.49 with a standard deviation of 0.91 which indicates that they were very close to the mean. Finally, business development services program had the least role on performance of MSMEs with a mean of 3.31. However, the standard deviation of 0.90 indicates that the constructs were very close to the mean. The study indicates that the program developed and managed by Anza is important to the growth of MSMEs and should be adopted and expanded to support as many MSMEs as possible. It is working as has been demonstrated by this project. Long term benefits need to be studied because this study is for a limited time only; between January 2016 and June 2019.

4.7 Correlation Analysis of the Variables

The study sought to determine the correlation analysis of role of growth support programs on performance. The four variables Financial Sector Deepening Program (FSDP), Business Development Services Program (BDSP), Business Development Program Support (BDPS) and performance (PMSME). The aim of the analyses was to establish the relationship among the variables. The Pearson correlation was determined for the four variables. The analyses were computed and presented in the table 4.15.

Table 4.15 Correlation Analysis of the Variables

		SRO	FSDP	BDSP	BDPS
PMSME	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	108			
FSDP	Pearson Correlation	.694**	1		
	Sig. (2-tailed)	.000			
	N	108	108		
BDSP	Pearson Correlation	.751**	.836**	1	
	Sig. (2-tailed)	.000	.000		
	N	108	108	108	
BDPS	Pearson Correlation	.639**	.717**	.759**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	108	108	108	108

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4.15 depicted that all the four variables had positive relationship with the performance. First, the Pearson correlation of Financial Sector Deepening Program was 0.694 which indicates that it was significant as the p – value was less than 0.01 that is 0.00 and thus plays a role on performance of MSMEs. The second variable of Business

Development Services Program had also a positive Pearson correlation of 0.751 which was significant at the 0.01; hence it influences MSMEs performance. Finally, Business Development Program Support had a positive Pearson correlation of 0.639 which significant at the 0.01 that shows that it plays a major role on performance of MSMEs.

4.8 Regression Analysis of Role of Growth Support Programs on Performance

The study also sought to determine the linear relationship of the variables through regression analysis of role of growth support programs on performance. The four variables Financial Sector Deepening Program (FSDP), Business Development Services Program (BDSP), Business Development Program Support (BDPS) and performance (PMSME). Table 4.16 presents the summary of the regression analysis.

Table 4.16 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.765 ^a	.585	.555	.46350
a. Predictors: (Constant), FSDP, BDSP, BDPS				

From the table 4.16, the study found out the multiple correlation coefficient R was 0.765 indicating a relatively strong relationship between growth support programs variables and performance of MSMEs. The R Square was 0.585 indicating of variation. From the analysis of variance (ANOVA) statistics in table 4.11, the processed data indicated the population parameters had statistical significance at level of 0.000 ($p < 0.05$) which showed the data was ideal for making conclusions on the population parameters as the value of significance (p-value) was less than five percent. The F-statistic of 19.227

showed the overall significance of the plane; its p-value ($p < 0.05$) showed that the model was statistical significance to explain the growth supporting programs and on performance of MSMEs.

Table 4.17 Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.424	3	4.141	19.277	.000 ^b
	Residual	8.808	41	.215		
	Total	21.232	44			

a. Dependent Variable: Performance of MSMEs
b. Predictors: (Constant), FSDP, BDSP, BDPS

Table 4.17 shows the coefficients of all independent variables. It revealed when the three variables Financial Sector Deepening Program (FSDP), Business Development Services Program (BDSP), Business Development Program Support (BDPS) were at a constant zero that x -intercept at zero, on performance of MSMEs would stand at 6.018. The finding suggested growth support programs had statistical significance since all the (p-values) were less than five percent.

Table 4.18 Regression Equation Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.289	.435		2.962	.005
FSDP	.201	.202	.187	.994	.000
BDSP	.386	.156	.499	2.477	.000
BDPS	.096	.122	.126	.793	.000

a. Dependent Variable: Strategy Roll-Out

$$Y = 1.289 + 0.201X_1 + 0.386X_2 + 0.096X_3$$

The regression equation as tested above has shown that the three variables FSDP, BDSP, and BDPS as developed by Anza to support MSMEs have positive impact on performance among participating MSMEs. This therefore is an indication that it should be replicated elsewhere.

Hypothesis 1

From table 4.18, the first null hypothesis that financial sector deepening program had no significant role on performance of MSMEs is reject and the alternative hypothesis accepted since financial sector deepening program had significant role on performance of MSMEs. This is because the (p-value = 0.000) was less than alpha of 0.005. The research findings concur with the outcomes of Financial Sector Deepening Trust (2014) conducted on small entrepreneurs MSMEs owned by female that found that lack of proper documentation, information, credit history of entrepreneurs, and collateral, hinder their ability in accessing formal financial services which influence performance of MSMEs. In the same way the study findings concurred with that of ACE (2014) found that many MSMEs had inadequate capacities or willingness in providing business plans and proper financial statements required for a successful credit approval. Moreover, MSMEs they had challenges to meet the high collateral needed by banks, Since, banks required very high collateral for compensating the weak creditor rights and the risk that the borrowers have already pledged their assets.

Hypothesis 2

In addition, the second null hypothesis that business development services program had no significant role on performance of MSMEs is reject and the alternative hypothesis

accepted since business development services program had significant role on performance of MSMEs. This is because the also (p -value = 0.000) was less than alpha of 0.005. The research findings are in unison with the study of Riedijk (2010) whose outcomes indicated that BDS in Tanzania helped the MSMEs in growth and performance through supporting programs. Similarly, the findings agreed with the research of Mnenwa and Maliti (2009) that assessed the institutional framework for promoting the growth of MSMEs in Tanzania, Dar es Salaam discovered that majority of the respondents in the study area believe that they require governmental support. The type of support they require was mainly tax incentives, low cost loans, grants, better regulatory environment conditions and market information.

Hypothesis 3

Finally, the third null hypothesis that business development program support had no significant role on performance of MSMEs is reject and the alternative hypothesis accepted since business development program support had significant role on performance of MSMEs. This is because the also (p -value = 0.000) was less than alpha of 0.005. The study outcomes agreed with the research of Mori (2016) that found that access to business management and entrepreneurship training positively impact financial record keeping and enterprises' perceived performances hence, foster MSMEs to achieve performance. Likewise, the study analysis concurs with the findings of Stevenson and St-Onge (2013) which found that MSMEs required access to BSPS which should helped them, among other things, know how to developing business plans, managing their businesses, managing their finances including budgeting, managing their employees, marketing their goods or services and effectively sell their products or services.

CHAPTER FIVE: SUMMARY OF FINDINGS, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings as per the research objectives. It also discusses the findings of the study incorporating the empirical literature. Finally, conclusions and recommendations are presented.

5.2 Summary of Major Findings

5.2.1 Financial Sector Deepening Program

On FSDP, it can be summarized the program benefited the participants in accessing or how to access formal financing. In addition, FSDP enabled business to access finance through grants or crowd funding. Moreover, the program enabled business in readiness for financing in commercial way like through bank facility. In addition, the program provided low cost financing through lower interest rates. Finally, the program enabled the business to roll out its strategic plan and meeting milestones with sufficient working capital which influenced the performance of MSMEs. These clearly indicated that the program ran by Anza on performance of MSMEs is significant and should be replicated elsewhere for the development and growth of MSMEs across the region.

5.2.2 Business Development Service Program

On BDSP, the program created awareness on and experiences on how to grow and expand business strategically. In addition, the program enabled business identify target market and strategically position the business. Moreover, the program enhanced

expansion to new markets or customer base increased due to participation. Further, the program provided trainings and services relevant to performance of MSMEs.

5.2.3 Business Development Program Support

Under BSPS training helped entrepreneurs built the internal capabilities and hence be prepared to meet the challenges in their businesses. In addition, the program enabled them better improve management structures and an effective governance. Also, the program enabled proper record keeping and documentation for good tracking of trends to monitor milestone realization. Further, the program trained entrepreneurs to generate financial statements which is necessary for due diligence purposes. Finally, the program trained employees better to understand their roles and its effect on strategy implementation.

5.3 Discussions

The study concurs with the research of Kisaka, Adhiambo, Ndege and Muio (2015) on financial deepening and small farms' productivities on which their indicated that MSMEs productivities is influenced by development of rural financial markets. Further, the study agrees with the study of Ahmad and Alam (2015) that found that sharing of MSME financing in total industry/sector credit influence the performance. In addition, the findings of the research are in tandem with a study conducted in Tanzania by Financial Sector Deepening Trust (2014) which indicated that lack of proper documentation, information, credit history of entrepreneurs, and collateral, hinder their ability in accessing formal financial services.

On Business Development Services Program, the findings agree with the study of Abagissa (2013) that indicated that little awareness on and experiences of business support services in MSMEs influences the growth and the performances of MSMEs negatively. Further, the findings agree with those of Otieno, Olomi and Kiraka (2013) indicated that the existence of donors who were providing free services were distorting the markets, thus making it hard for their enterprise to be sustainable.

On business support Business Sector Program Support the study agrees with the study of Mori (2016) that access to business management training and entrepreneurship training positively impact financial record keeping and enterprises' perceived performances hence, foster MSMEs to achieve performance. Also, that the program provided entrepreneurship training that was vital in successful running of enterprises and hence ensure performance. Further, the study concurs with the findings of Stevenson and St-Onge (2013) that MSMEs require access BPS and so that they can know how to develop business plans, manage businesses, manage finances, and manage employees and market services or goods. Finally, the study agrees with the findings of Wanjiru (2013) that established that education, training and skills affected the performance of entrepreneurs.

5.4 Conclusions

From the study it can be concluded that on Financial Sector Deepening Program provided ability to access formal financial services, has enabled many business access financing through grants or crowd funding, has enabled many business be ready for financing in commercial way like through bank facility, It has provided low cost financing through lower interest rates and It has enabled the business roll out its strategic plan and meeting milestones with improved working capital.

Further, on the Business Development Services Program it can be concluded that the program creates awareness and experiences on how to grow and expand business strategically, It has enabled business identify target market and strategically position the business, business has expanded to new markets or customer base growth, business has received trainings and services which were relevant for strategy roll-out.

On Business Development Program Support it can be concluded that business owners/managers and their employees received trainings which were relevant to enterprise and strategy roll-out, the program enabled entrepreneurs better improve management structures and an effective governance for strategy roll-out. It has also improved in proper documentation for better historical reviews and trends to better plan and forecast for the future growth, monitor and control progress. It has also enabled generation of financial statements for use with potential donors and investors and with financial institutions and facilitated general discipline in financial management. However, there is still weakness in ability of the MSMEs to generate their financial statements which is crucial in their ability to share with potential financiers, investors and financial institutions. There is need for growth support programs to put in more effort in this weak area.

5.5 Recommendations

Financial sector deepening program it is recommended that this program is very helpful for the health, growth and performance of MSMEs. Therefore, there is need to support the entrepreneurs through such programs. They will be able to identify available financing in their specific economies, cost of each financing and their advantages and

disadvantages. Cost effective financing options reduces the business costs hence, they need to expose their business to as many MSMEs as possible programs.

Business development support program has enabled MSMEs expand their market coverage, new products development and improved marketing strategies. It is therefore recommended that these programs be expanded to meet a majority number of MSMEs. This cannot be realised through private sector participation only but requires concerted efforts by different stakeholders like the governments, donor organizations, NGOs and private sector. It will help performance of the MSMEs and in the long run increase the sectors' contribution to employment and country GDP.

Business development program support on the other hand has improved the capabilities of MSMEs through training of its employees and overall organizational structure. It is recommended that these programs be subsidised or marketed as low-cost trainings for MSMEs and their participating employees. Tax incentives can also be used so that MSMEs sent their employees to such trainings for improved skills in management and leadership.

5.6 Areas for Further Research

The study was about determining role of growth support programs on performance of MSMEs with a focus of Anza entrepreneurs in Tanzania. What the research have not been able to establish is how long can the MSMEs who have gone through this program will be able to be sustainable. Additionally, what we were able to get is only during the period they have been on program and still under the guidance of Anza business advisor and have not started working on their own. Cohort study should be followed up for a

number of years or for the entire period stated in their strategic plans to determine whether both immediate short-term milestones and long-term milestones are realized with or without Anza support. Short term strategy roll-out might be easier than the long-term roll-out. Similar, study can be done to determine whether there are these supporting programs.

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APPENDICES

APPENDICES I: QUESTIONNAIRE

I am a Master of Business Administration student conducting a research on “role of growth support programs in strategy roll-out among micro, small and medium enterprises: case of Anza entrepreneurs in Tanzania”. I will be glad if you take your time to provide the information required.

Section A: Background Information

1. Gender

a) Male Female

2. Indicate your age

a) 18-25 b) 26-35 c) 36-45
 d) 46-55 e) Over 55

3. What is your level of education?

a) Primary school b) Secondary c) Tertiary
 d) University e) PhD

4. How many years have you been in business?

a) 1-2 b) 3-5 c) 6-10 d) Over 10

5. What is Your Monthly Income in Tsh?

a) Less than 1000,000 b) 1000,001-3000,000
 c) 3000,001-5000,000
 d) 5000,001-10,000,000 e) Above 10,000,000

6. Indicate your sector

a) Services b) Goods

7. What is your business form?

a) Sole proprietorship c) Partnership d) Company

Section B: Financial Sector Deepening Program

8. What is the role of Financial Sector Deepening Program in strategy roll-out among micro, small and medium enterprises? where; strongly disagree =1, disagree=2, neutral=3, agree=4 and strongly agree=5.

	1	2	3	4	5
i) Provide ability to access formal financial services					
ii) Has enabled my business access financing through grants or crowd funding					
iii) Has enabled my business be ready for financing in commercial way like through bank facility					
iv) It has provided low cost financing through lower interest rates					
v) It has enabled the business roll out its strategic plan and meeting milestones with sufficient working capital					

Other comments on Financial support from Anza or its affiliates? (specify)

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Section C: Business Development Services Program

9. What is the role of Business Development Services Program provided by Anza in strategy roll-out in your business? Where; strongly disagree =1, disagree=2, neutral=3, agree=4 and strongly agree=5.

	1	2	3	4	5
i) Creates awareness on and experiences on how to grow and expand business strategically					
ii) It has enabled my business identify my target market and strategically position my business					
iii) My business has expanded to new markets or customer base has increased since I participated in the Anza program					
iv) I received trainings and services which were relevant for my strategy roll-out					
v) Presence of donors distorts the market by providing free services					

Other comments on Business Development Services Program(specify)

Section D: Business Development Program Support

10. What is the role of Business Sector Program Support in strategy roll-out among micro, small and medium enterprises? where; strongly disagree =1, disagree=2, neutral=3, agree=4 and strongly agree=5.

	1	2	3	4	5
i) I received trainings which were relevant to my enterprise and strategy roll-out					
ii) The program enabled me better improve management structures and an effective governance for our strategy roll-out					
iii) Enabled proper record keeping and documentation for good tracking of trends to monitor milestone realization					
iv) Enabled me generate financial statements which is necessary for due diligence purposes					
v) Employees were trained to better understand their roles and its effect on strategy implementation					

Other comments on Business Sector Program Support as provided by Anza (specify)

Section F: Strategy Roll out in MSMEs

11. How do you rate strategy roll-out among micro, small and medium enterprise? where; strongly disagree =1, disagree=2, neutral=3, agree=4 and strongly agree=5.

	1	2	3	4	5
i) Performance increase revenue in MSMEs					
ii) Performance increase market share in MSMEs					
iii) Performance increase profit in MSMEs					
iv) Growth propels performance of MSMEs					
v) Performance of MSMEs enhances competitive advantages					

Other comments on Strategy Roll out (specify)

APPENDICES II: RESEARCH AUTHORIZATION LETTER



AFRICA NAZARENE
UNIVERSITY

25th, April 2019

E-mail: researchwriting.mba.anu@gmail.com

Tel. 0202711213

Our Ref: 16S03DMBA013

The Director,
National Commission for Science,
Technology and Innovation (NACOSTI),
P. O. Box 30623, 00100
Nairobi. Kenya

Dear Sir/Madam:

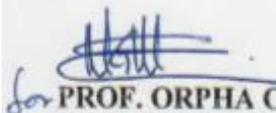
RE: RESEARCH AUTHORIZATION FOR: MR. LISTON KIPYEGON KOSKEI

Mr. Koskei is a postgraduate student of Africa Nazarene University in the Master of Business Administration (MBA) program.

In order to complete his program, Mr. Koskei is conducting a research entitled: **“Role of Growth Support Program in Strategy Rollout among Micro, Small and Medium Enterprises: A Case of Anza Entrepreneurs”**

Any assistance offered to him will be highly appreciated.

Yours Faithfully,


for **PROF. ORPHA ONG'ITI,**
PRINCIPAL: NAIROBI CBD CAMPUS.

APPENDICES III: NACOSTI LETTER



**NATIONAL COMMISSION FOR SCIENCE,
TECHNOLOGY AND INNOVATION**

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2241349,3310571,2219420
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When replying please quote

NACOSTI, Upper Kabete
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P.O. Box 30623-00100
NAIROBI-KENYA

Ref. No. **NACOSTI/P/19/63561/30160**

Date: **23rd May 2019**

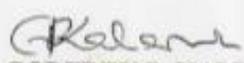
Liston Kipyegon Koskei
Africa Nazarene University
P.O. Box 53067-00200
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *“Role of growth support programs in strategy roll-out among Micro, Small and Medium Enterprises: Case of Anza Entrepreneurs.”* I am pleased to inform you that you have been authorized to undertake research in **all Counties** for the period ending **23rd May, 2020.**

You are advised to report to **the County Commissioners, and the County Directors of Education, all Counties** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit **a copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.



**GODFREY P. KALERWA MSc., MBA, MKIM
FOR: DIRECTOR-GENERAL/CEO**

Copy to:

The County Commissioners
All Counties,

The County Directors of Education
All Counties.

APPENDICES IV: MAP OF MOSHI URBAN

