UGANDA MANAGEMENT INSTITUTE

THE RELATIONSHIP BETWEEN THE SMALL BUSINESS OWNER'S PERSONAL ATTRIBUTES AND SMALL BUSINESS SUCCESS IN UGANDA: THE CASE OF NAKAWA MARKET

By

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DECLARATION

I, Agnes Alobo, declare that this dissertation is my original work and has to the best of my knowledge never been submitted for any other academic award in a University or other institutions of higher learning before.

Signature:_____

Date:_____

APPROVAL

This study was conducted under our supervision and the dissertation has been submitted for examination with our approval as supervisors.

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Dr. Stella Kyohairwe

Supervisor

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ABSTRACT

This study was an examination of the influence of the small business owner's personal attributes on small business success. Specifically, the study reviewed the relationship between the small business owner's demographic characteristics, individual specific traits and religious beliefs on the success of their small business. Previous work done in this area did not specifically consider the individual personal attributes of the small business owner and most used only the survey method in their studies.Our study used a mixed methods design on a sample of 331 respondents and 5 interviewees. Data was collected using structured questionnaires and an interview guide and it was analyzed both qualitatively using the content analysis approach and quantitatively using descriptive statistics of frequencies, and inferential statistics of Pearson chi-square and Pearson's correlation coefficient analysis.The study established that the demographic characteristics and the religious beliefs of the small business owner had a significant positive relationship with the success of their small business while the individual specific traits of the small business owner had a weak positive relationship with the success of their small business. It was therefore, concluded that the personal attributes of the small business owner affect the success of their small business. Following these findings and the conclusions, the study thus recommended that government and policy makers aggressively encourage self-development and business education targeted at children in primary schools to inculcate the business culture at an early age. Formal social structures, programs and clubs be instituted in schools and in the work places to promote strong cultural and religious values. An educational curriculum that focuses on creativity, interpersonal and social skills should be incorporated in the school curriculum from primary level in order to encourage individual personal attributes that bring about small business success.

CHAPTER ONE

INTRODUCTION

1.1   Introduction

This study set out to examine the influence of the personal attributes of small business owners on the success of their businesses. This chapter presents the background to the study, statement of the problem, the general objective, the specific objectives, the research questions, hypothesis, scope, significance, justification and the operational definitions of terms and concepts.

1.2   Background to the Study

1.2.1   Historical Background

Governments and policy makers all over the world are focusing on the growth of small businesses in their respective countries because small businesses have been credited with driving economic development (Hove &Tarisai, 2013). In Uganda, the era of small businesses begun in the early 1990's when Government privatized state enterprises leading to the retrenchment of thousands of government employees, who then started small businesses as a means of livelihood (Tushabomwe-Kazooba, 2006). Small businesses in Uganda tend to be sole-proprietorships, mostly funded by personal savings and whose main source of labour is family members. The Federation of Ugandan Employers (FUE) Small and Medium Enterprises (SME) Study report (2013), conceptualizes small businesses in Uganda as those that are generally owned by one or two persons, are family based, employ up to 4 persons and have a sales turnover and/or total assets of maximum Ugx 12,000,000.

While small businesses have been in operation since the 1990's, the inability of many small businesses in Uganda to attain sustained competitiveness has become a great concern for both Government and other stakeholders (Ahaibwe, Kasirye&Barungi, 2014; Rwakakamba, Lukwago&Walugembe, 2014). The Global Entrepreneurship Monitor (GEM, 2015) found that entrepreneurship in Uganda was neither innovative nor ambitious leading to the stagnation of most small businesses. It has been argued that because small businesses were birthed as a means of putting food on the table, most small business owners in Uganda were risk-averse. They would rather have a small comfortable business, than take risks of expansion or growth, only to lose their means of livelihood (Rwakakamba et al., 2014).

Studies on small business success in Uganda (Nangoli, Turinawe, Kituyi, Kusemererwa&Jaaza, 2013; Sebikari, 2014; Turyahebwa, 2014) showed that small business success was affected by entrepreneurial behavior, business environment, government policies, and access to finance. Much as these studies suggested that small business success may be influenced by the small business owner, few studies had specifically considered the personal attributes of the small business owner that influence small business success. This was therefore the motivation for this study.

1.2.2   Theoretical Background

This study usedMcClelland's Achievement Need theory, which suggests that people with high levels of achievement motivation will aggressively pursue success and succeed in their endeavours.The theory was developed by McClelland in the 1950s. It has been used to study such topics as the relationship of motivation to entrepreneurial behavior, psychological approaches to entrepreneurial success and entrepreneurial behavior studied through the critical incident

technique (Collins, Hanges, & Locke, 2004; Nandram&Samsom, 2007; Rauch &Frese, 2000).Some of the hypotheses tested in these studies included small business owners' intrinsic values and the success of their business ventures, the relationship between entrepreneurs, need for achievement and small business success.Findings of the above studies generally suggested that small business owners who had a high need for achievement were guided by their inner self, motivating them towards success in business.While this theory had been used to study motivational factors and entrepreneurship in the developed world, there had been limited study on how the personal attributes of a small business owner affect small business successin developing countries (Rauch &Frese, 2000). In this study therefore, McClelland's Achievement Need theorywas used to explain the relationship between thepersonal attributes of the small business owner and the success of their small business.

1.2.3 Conceptual Background

The personal attributes of the small business ownerwere conceptualized as demographic characteristics, individual specific traits and religious beliefs. Hove and Tarisai (2013) define personal attributes as the skills and competencies of a small business owner which are crucial to influencing how well a business faces up to the inevitable crises that arise. They also found that the demographic characteristics of a small business owner such as age, gender and educationwere good predictors of small business success. For example, empirical studies done by Cant and Wiid (2013) in South Africa found that the age of a small business owner may determine the resilience and hindsight with which they manage their business, gender roles also determinedhow much time one devoted to their business and education gave the small business owner the benefit of managerial competence to make sound business decisions.

Adisa, Abdulraheemand Mordi (2014) found that the individual specific traits of the small business owners were a major determinant of small business success because small businesses revolve around their owners. It was found that successful small business owners worked long hours, were good communicators, innovators and personally vested in their business (Oroko, 2010). That is why studies are now beginning to pay attention to the individual attributes of the small business owner in small business success(Rauch &Frese, 2000). It was observed by Akhter and Sumi (2014) that one's religious beliefs determined their values and personality in business.

In the same regard, Miller and West (2010) also found that religions whose core beliefs promoted achievement, hard work and material success, were more likely to promote small business success than those that did not. According to Rwakakamba et al., (2014), religious beliefs, as part of Uganda's culture are deeply entrenched in most people's daily lives and as a result, it was considered an important aspect in the study. In this study also, small business success was conceptualized as profitability, expansion and number of years in business (Tushabomwe-Kazooba, 2006). Esuh, Adebayo and Bakar, (2012) define small business success as the ability of the business to achieve its stated objectives whether financial or non-financial. Therefore, small business success was measured in terms ofprofitability, expansion and the number of years in business.

1.2.4   Contextual Background

Uganda's private sector is largely informal and is dominated by small businesses, especially retail trade. Nakawa market is one of the most popular and is the second largest urban centre market in

Kampala (Kampala City Council Authority (KCCA), 2012). The political context in Kampala has contributed to the limited success of small businesses. Politicians directly intervene in market issues by allowing traders to circumvent the law and even give "free" money to the traders. These actions discourage entrepreneurial values and attitudes resulting into mediocrity among the traders, who begin to focus on political games instead of their businesses (Goodfellow&Titeca, 2012).

It was observed by Rwakakamba et al. (2014) that most small business owners in Uganda started businesses because they failed to get formal employment. People joined the business sector hoping to eventually get a "real" job in offices, which prevents them from developing their entrepreneurial capacity and personal attributes in order to succeed in business (International Labour Organization (ILO), 2005). Moreover, the overall economic situation in Uganda has made it difficult for small business owners to succeed in their businesses because of the biting poverty and large numbers of dependents. Low revenues and profits limitthe ability of the small business owners to aggressively pursue growth and development in their business (SEATINI-Uganda, 2010).Given this context, it is no wonder that even though Government has pursuedthe implementation of its National Micro, Small & Medium Enterprises policy to encourage small business growth and created funds to support small business success, small businesses were still not thriving.

1.3   Statement of the Problem

Governments and policy makers all over the world have pursued a number of microfinance and economic initiatives to promote small business success in their countries (Rauch &Frese, 2000). In Uganda, despite increased political and financial support from Government, small businesses are not thriving as they should (Global Entrepreneurship Monitor, 2015). According to

Rwakakamba et al. (2014), 90% of small businesses in Uganda die within the first five years of establishment. Ahaibwe et al. (2014)found that only 4% of Ugandan business had existed for over 25 years. A number of studies have been done on small business success in Uganda (Ahaibwe 2014; GEM, 2015; Nangoli et al., 2013). However, while most of these studies suggest that small business success may be influenced by the small business owner to a large extent, none has specifically considered the personal attributes of the small business owner in influencing small business success. It is against this background that the study sought to study the personal attributes of the small business owner and the success of their business in Uganda.

1.4 General Objective

To establish the relationship between the small business owner's personal attributes and the success of their small businessin Uganda.

1.5 Specific Objectives

i. To establish the relationship between the demographic characteristics of the small business owner and the success of their small business.

ii. To establish the relationship between the small business owner's individual specific traits and the success of their small business.

iii. To establish the relationship between the small business owner's religious beliefsand the success of theirsmallbusiness.

1.6 Research Questions

i.   What is the relationship between the small business owner's demographic characteristics and the success of their small business?

ii.   What is the relationship between the small business owner's individual specific traits and the success of their small business?

iii.   What is the relationship between thesmall business owner's religious beliefsand the success of their small business?

1.7   Hypotheses of the Study

i.   The demographic characteristics of the small business owner significantly affect the success of their small business.

ii.   The individual specific traits of the small business owner significantly affect the success of their small business.

iii.   The religious beliefs of the small business ownersignificantly affect the success of their business.

1.8   Conceptual Framework

Independent Variable   **Dependent Variable**

| Personal attributes |

| Success of small |

Demographic characteristics:
- Age
- Gender
- Education/skills

Individual specific traits:
- Personal initiative

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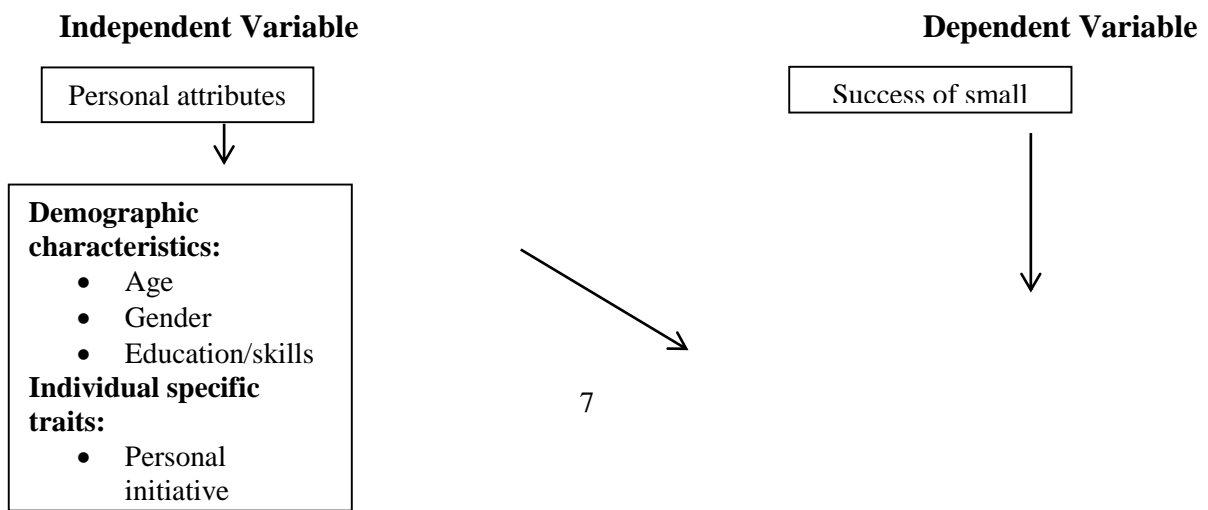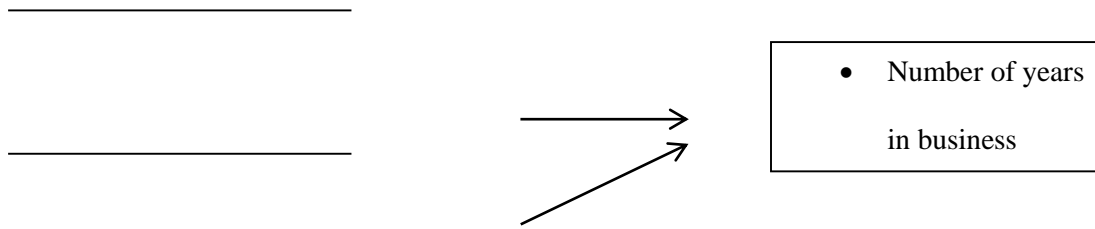
Figure 1.1: Conceptual Framework

Source:Developed by the researcher, with ideas from Rauch andFrese (2000)

1.9   Significance of the Study

The findings of this study may benefit the small business owners by providing information and recommendations on how to realize small business success by focusing on their individual personal attributes.

The findings of this study may also assist the Government and other stakeholdersin identifying policy and programme actions that would encourage small business success and economic growth in the country.

Furthermore, the academia may benefit from the findings of this study considering that it seeks to bridge gaps in the literature review about the individual personal attributes of the small business owner that affect small business success in developing countries like Uganda.

1.10   Justification of the Study

Literature reviewed on small business successsuggests that environmental, political, economic and social factors greatly affect small business success(Adisa et al., 2014; Ishengoma&Kappel, 2008;

Sebikari, 2014; Turyahebwa, 2013). However, small businesses in Africa, as observed by Cant and Wiid (2013), tend to be one-person establishments that revolve around the owner. The studies reviewed had not specifically considered the personal attributes of the small business owner in influencing small business success. This is the gap that this study aimed to close. This research also aimed to study the small business owner in Uganda, making the findings relatable to small business owners in developing countries because most literature on small business success thus far has been written by authors and scholars in America, Europe and Asia.

1.11   Scope of the Study

1.11.1 Content scope

The study focused on the influence of the small business owner's personal attributes on small business success in Uganda. The independent variable of the study was conceptualized as the demographic characteristics, individual specific traits and religious beliefs of the small business owner, while the dependent variable was conceptualized as profitability, expansion and number of years in business.

1.11.2 Time scope

Government focus on small business success has intensified over the last five years (Sebikari, 2014). So the study focused on the timeframe between 2010 -2015because it was deemed sufficient to allow for extensive and in-depth study of the subject.

1.11.3 Geographical scope

The study was carried out in Nakawa market. The market is located inNakawa division, east of Kampala. It is 4km on the Jinja highway from the city center. Nakawa market was chosen for its

proximity and also because it is one of the largest markets in Kampala and would therefore provide an accurate depiction of retail trade in an urban market centre.

1.12   Operation Definitions

Personal attributes:traits, skills and competencies of a small business owner which are crucial tohow well a business faces up to the inevitable crises that arise.

Age: length of time that one has existed.

Religion:belief in supernatural beings and their power to assist or harm mankind**.**

Gender:social difference between men and women that changes over time.

Education:learning experience one attains through particular study.

Employment: total number of people directly working in the business, full time

Sales: the number of items sold by an enterprise in a given period of time.

Personal initiative: Open to new experiences, is imaginative, innovative and reflective.

Resilience: Associated with dependability, flexibility and perseverance.

Social skills: Associated with good communication and people skills

Small business success: Profitability and longevity in business

CHAPTER TWO

LITERATURE REVIEW

2.1   Introduction

This chapter was organized under four main sections; the introduction, theoretical review, conceptual framework review and finally, summary of the literature review. The sources of literature review for this study consisted of scholarly articles, journals, newspaper articles, dissertations, publications and books.

2.2   Theoretical Review

The theoretical framework for this study was based on McClelland's Achievement Need theory. The theory explains and predicts behavior and performance based on a person's need for achievement, power and affiliation (Moore, Grabsch& Rotter, 2010).Moore etal., (2010) observe that McClelland's theory suggests that people are motivated in varying degrees by their need for achievement, power and affiliation. These needs are acquired or learned during an individual's

lifetime.The principles of McClelland's theory have been applied widely in business studies to investigate individual behavior and characteristics such as competitiveness, aggressiveness, gender roles, personality and culture.Rogerson (2000)found that entrepreneurship ventures and businesses based on pull factors like the need for achievement, internal locus of control, practical purpose of the individual's actions and their capacity to do a task, are more likely to succeed than those based on push factors such as job loss or job dissatisfaction.

According to Moore et al. (2010),the need for achievement has been defined as the unconscious concern for excellence in accomplishments through individual efforts.The need for power is the unconscious concern for influencing others and seeking positions of authority.The need for affiliation is the unconscious need for developing, maintaining and restoring close personal relationships. Successful entrepreneurs have been shown to score highest on the need for achievement (Ahmad, 2010). The underlying logic for designing and conducting this study was thatthe motivations, aspirations, and attitudes manifested by small business owners were the driving force behind small business success. Therefore in this study, we expected the demographic characteristics, individual specific traits and the religious beliefs of a small business owner to influence their level of business success.

2.3   Personal attributes and small business success

2.3.1   Demographic characteristics of the business owner

2.3.1.1 Age of the small business owner and the success of their business

Regarding the age of a small business owner, it appears that many scholars perceive the age of a small business owner to be an important influence on small business success.Oroko (2010) defines

age as the length of time that one has existed.Gorgievski, Ascalon and Stephan (2011) conducted a study in Netherlands to investigate small business owners' definitions of success. The study found that small business success definition was heavily influenced by the small business owner's age. The younger entrepreneurs defined success in terms of profitability, while the older entrepreneurs defined their success in terms of survival of their businesses and work-life balance. This determined how much effort they put into their small businesses to succeed or how much they tried to live a balanced life. Thus, the age of the small business owner was found to have a significant correlation with small business success.

Along the same lines, Nangoli etal., (2013) examined the drivers of business failure among small businesses in Uganda and found that age was an important determinant. They found that while the younger small business owners possess the energy and zeal to run their businesses, they lack the resources and while the older small business owners possess the resources, they lack the energy and zeal that the younger ones have. As a result, the highest percentage of successful small businesses in Uganda was owned by adults between 26 and 35 years of age.

While several studies (Fadahunsi, 2012; Islam, Khan, Obaidullah&Alam, 2011) have found a significant positive correlation between the age of the small business owner and the success of one's small business, some scholars offer a contrasting position.Saleem (2012) argues that the age of the small business owner can only affect the success of one's small business if it is defined in terms of sequential and entrepreneurial age instead of only sequential age. He found that a small business owner who only grows older without maturing in business experience will not

automatically experience business success. Thus, Saleem (2012) demonstrated that the age of the small business owner per se, is not a significant factor in small business success.

Taken as a whole, it appears that the age of the small business owner affects the success of one's small business one way or the other, in terms of what the small business owner will focus their energies and resources on, in terms of experience and smart business decisions and also goals in life. However, caution must be taken in the application of these findings because most of the studies applied cross sectional survey method in the collection and analysis of their data. Moreover, the studies were conducted in developed countries where the definition and circumstances of small business success does not encompass the reality of small businesses in developing countries. These gaps in literature attracted the attention of this study.

2.3.1.2 Gender of the small business owner and the success of their business

Oroko (2010) defines gender as the social differences between men and women that change with time. Gender mainstreaming has been infused in all spheres of life todayincluding small businesses, with varying degrees of success.

Rapidere and Dhliwayo (2014) examined the role of gender and education on small business performance in the South African small enterprise sector using the survey method. Their study found that 64% of the small businesses were owned by men, 35% by women and 1% was jointly owned. The controversial explanation for this disparity was that women's personality was not compatible with competitive, challenging and risk-work environments. Moreover, according to Cant and Wiid (2013), the social norms that have women business owners divide their time

between domestic responsibilities and management of their businesses affects the success of women-owned businesses. Thus, according to Rapidere and Dhliwayo (2014), women-owned small businesses tend to be smaller than men-owned businesses, whether in terms of size, gross revenues, number of employees or profit levels.

Conservative traditional cultures that suppress women's rights have also been shown to affect the success of women-owned small businesses. In their study of socio-cultural factors affecting entrepreneurial activities in Bangladesh, Akhter andSumi (2014) found that women were forbidden from engaging in any serious economic activity, without the oversight of their male family members. As a result, women could not have successful businesses in their own right. Therefore, even though most small businesses are family-based in the Arab world, rarely is the success attributed to the women in the family. Thus, it was established that the gender of the small business owner does influence the success of their small businesses.

In contrast, Nangoli et al., (2013) found that most small businesses in Uganda were owned by women and not men. It was found however, that the most successful small businesses belonged to women with less social responsibilities. The findings of this study are in agreement with Cant and Wiid (2013) who observed that social norms dictated by gender differences affected the success of women-owned businesses resulting into lower success levels for women in business. Similar studies conducted in Kenya and South Africa produced similar results (Oroko, 2010; Rogerson, 2000). However, these studies were conducted in manufacturing industries. Thus, the motivation to conduct this study in a different sector and business environment in order to establish if the results would remain the same or not.

2.3.1.3 Education level of the small business owner and the success of their business

Mbugua, Mbugua, Wangoi, Ogada and Kariuki (2013) in their study to investigate the factors affecting the growth of micro and medium enterprises in Eldoret, Kenya found that most entrepreneurs agree that formal education has become essential for small business success. They found that high education levels were associated with greater verbal communication and comprehension skills, all of which are important in business decision making and management, thereby ensuring small business success. Thus, they established a positive correlation between the level of education of the small business owner and the success of their small business.

A study by Kamunge, Njeru and Tirimba (2014) on small business success in Limuru town market in Kenya also emphasized the importance of formal education to small business success. It was found that the small business owners in Limuru town market who had little or no formal education lacked expertise and managerial ability, which made them ill-prepared to face changes in the business environment and to plan appropriate changes to technology. This supports Nangoli et.al., (2013), who foundthat without education and the appropriate business skills, the small business owner is not equipped to respond to the ever changing business environment, which will in the long run affect the success of their small business. It was thus established that formal education enhances exploratory skills, communication skills, foresight and presentation skills, which are important for small business success.However, although there is no empirical data, it is widely acknowledged that a big percentage of the Muslim community in Uganda in the past, did not embrace formal education yet they run some of the most successful small businesses in the country.

This was part of the motivation for studying demographic attributes of the small business owner in relation to small business success.

2.3.2   Individual specific traits of the small business owner and small business success

Studies have shown that there is a positive relationship between the individual specific traits of the small business owner and the success of his small business. Sarwoko, Surachman and Hadiwidjojo (2013) conducted a study on entrepreneurial characteristics, competencies and businesses performance in Malang, Indonesia using a survey and interviews.   They used structured questionnaires to collect data from 147 small business owners. The data was analyzed using structural equation modeling which is a combination of two statistical methods of factor analysis and path analysis. Their study found that individuals with a need for achievement and motivation were more likely to have successful businesses because they continuously leverage opportunities and embrace risks in order to attain the level of success they want than those who do not.

Several studies have shown that successful small business owners hold specific values that are unique to them but transcend cultural patterns. For example, Gorgievski et al., (2011) found that small business owners who valued self-enhancement (power and achievement) also put emphasis on profitability and business growth than those that did not. Collins et al., (2004), found that personal traits and motivations may be used to identify individuals who may be suited to undertake and succeed in entrepreneurial ventures. Hard work, resilience and good social skills have been shown to enable the small business owner succeed in their business. Islam et al., (2011)also found that lead entrepreneurs in successful businesses worked long hours, had a personal investment in the business and were good communicators.

Kozan, Oksoy andOzsoy (2012) found that in Turkey, personal sacrifice of the business owner evidenced by hard work and financial discipline were a consistent predictor of the continuous success of their small businesses. Thus, according to studies cited above, the individual specific traits of the small business owner do influence the success of their small businesses. However, caution must be taken because the studies cited above were based on surveys and interviews. Future research should replicate these studies in more natural settings with different populations and methodologies in order to accurately establish the small business owners' traits that influence small business success.

2.3.3   Religious beliefsof the small business owner and the success of their small business

2.3.3.1   Christianity and small business success

The study on the interconnection of religion and the market place began with Max Weber's seminal thesis on the Protestant Work Ethic and the Spirit of Capitalism in the 1920s and 1930s (Miller &Ewest, 2010). Weber's observation was that regions and countries that practiced the Protestant Work Ethic consistently achieved more economic success in their business ventures than those that did not. Danes, Lee, Stafford and Heck (2008) on the other hand, examined the effects of ethnicity and culture on entrepreneurial experience in relation to sustainable family businesses and found that religious beliefs, whose orientation was towards the future, change and progress encouraged small business success. They observed that small business owners who were more spiritual as expressed by religiosity faced more constraints ontheir business performance. However, this is in contrast with Hoogendoorn, Ritveld andStel (2014) who found that individual

religious beliefs and not religious institutions or affiliations were responsible for small business success.

2.3.3.2   Islam and small business success

Faizal, Ridhwan and Kalsom (2013), in their study of entrepreneurial characteristics from al-Quran and al-Hadis found that Islamic small businesses were based on the brotherhood and sense of unity according to the Quran, which encouraged Muslims to pursue material success and profitability in line with the Quran teachings.   They found that Shari'ah law and Islamic practices prohibit Muslims from engaging in activities that involve excessive risk, speculation and uncertainty.Hassan and Hippler (2014) also found in their study that Islam stresses the importance of engaging in economic activities that advance the goals of society as a whole and the limitations placed on Muslim small business owners are for the good of the society like prohibiting gambling and sale of alcohol.

According to Hassan and Hippler (2014), the success of Western small business owners is defined by one's ability to maximize profits and any additional benefits that aid society or religious goals are secondary while in Islam, there is no separation between economic activities and religion. To this end, they argue that success in small business is defined by the goals set by the business. Thus, it was established that the religious beliefs of a small business owner affect the success of his small business.

2.3.3.3   African Traditional Religion and small business success

Forkuoh, AppientiandOsei (2012) in their study on small business success among the Ashanti of Ghana found that religion significantly affects small business success. They observed that in the African tradition religion, it is believed thatthere is a supreme God who cannot be accessed directly by mortals, but onlythrough smaller gods. Moreover, the belief that all occurrences to man area reaction of the gods produces a fatalistic mindset where all failure and success is attributed to the gods. When small business owners attribute their business success to supernatural beings, it absolves them from personal responsibility for the success or failure of their businesses.

The above studies collectively found that the religious beliefs of the small business owner affect the success of their small business. However, since religious beliefs and small business success are highly contextual, this study undertook to investigate this phenomenon in the context of small business success in Uganda. It must also be noted that religion and religious views were understood in separate contexts. It was discovered in the literature that people's religious affiliation did not necessary dictate their adherence to the religious beliefs and the views of their religion. That is why religious beliefs were studied separately from the religion of the person.

2.4   Summary of Literature Review

Literature reviewed shows contrasting arguments and conclusions regarding the influence of personal attributes of the small business owner on small business success.Nangoli et al., (2013) and Fadahunsi (2012) for example argue that the age of the small business owner significantly affects small business success while Saleem (2012) argues that age of the small business owner per se has no effect on small business success unless it is coupled with maturity. Ishengoma and Kappel (2008) found that gender affected small business success by giving men the advantage

over women. Nangoli et al., (2013) on the other hand found that small businesses ran by women with less social responsibilities were very competitive. The influence of individual specific attributes on small business success has also been an on-going debate with no unifying conclusion. This study therefore, sought to contribute to this body of literature by establishing the influence of the personal traits of the small business owner to the success of their small business.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter will cover the research design, study population, sample size, sampling techniques, data collection methods, data collection instruments, data collection procedures, data analysis and measurement of variables.

3.2   Research Design

The study used a case study design. According to Bassey (1999), "case study" is a generic term for the investigation of an individual, group or phenomenon. It especially involves the investigation of a phenomenon within its real-life context. The case study design was therefore considered most appropriate for this study because it enabled the researcher to study the small business owner in the context of their business life. The study also used both quantitative and qualitative techniques because their combined use provides an expanded understanding of a research problem (Creswell, 2014). As noted by MarusterandGijsenberg (2013), this concurrent strategy enables the researcher to collect two types of data simultaneously during a single data collection phase and provides the study with the advantages of both quantitative and qualitative data.

3.3   Study Population

The population of the study consisted of produce traders, grocery traders and second-hand clothes traders. Statistics by Development Initiatives International (2015) show that 5,000 vendors operate in Nakawa market and about 3,000 of them are formally registered. The study population comprised of the registered traders. They are believed to have the relevant information for this study and have more stability in the market than the unregistered traders.

3.4   Determination of the Sample Size

The sample size for the study was 341 respondents. The size was determined through stratified random sampling. According to Kothari (2004), if a population from which a sample is to be drawn does not constitute a homogeneous group, the stratified sampling technique is generally applied in order to obtain a representative sample. In this study, the traders were divided into different groups according to their category of trade as shown in Table 1 below to ensure that all categories were represented. Using the Krejcie& Morgantable (See Appendix III), the overall sample size was determined and then distributed proportionately according to the number of the population in each stratum in order to give a fair representation of the nature and distribution of small businesses in Nakawa market.

Table 1: Sample size determination

Category/Stratum	Population	% of sample size	Sample size	Sampling techniques
Produce traders	150	5	17	Simple random sampling
Grocery traders	850	28	97	Simple random sampling
Second-hand clothes traders	2,000	67	227	Simple random sampling
Total	3,000	100	341	

3.5   Sampling Techniques and procedure

3.5.1   Simple random sampling

The choice of individual respondents was based upon simple random sampling because it gives each person an equal chance of being included in the sample (Creswell, 2009). In this study, the lottery method was used to select the respondents. Bernard (2000) recommends using opportunistic sampling in cases where selected respondents are not able or are unwilling to participate in the study. Therefore, the selected respondents who were unable or not willing to participate were replaced by those who were willing in order to get an adequate number of respondents for the study.

3.5.2 Snowballing technique

The snowballing technique was used to identify 5 key participants from the sample to be interviewed for this study. Kothari (2004) defines the snowballing technique as a non-probability sampling technique where an existing respondent assists the researcher by identifying or recommending others to assist in the study. This technique is particularly useful in cases where it is difficult to locate respondents with the relevant knowledge needed for the study (Maruster&Gijsenberg, 2013).While the study intended to interview 10 traders, it was only able to interview 5 informants due to the absence of some interviewees or their busy schedules.

3.6 Data collection methods

3.6.1 QuestionnaireSurvey Method

The questionnairesurvey method was used to collect data for this study because it is the most efficient data collection method for a large sample size. As Creswell (2014) observed, this method is the most convenient way of reaching a large group of respondents in a short period of time.Some of the setbacks of this method have been low rates of return and the assumption that all respondents are cooperative and literate (Robson, 2002). To counter this, a pilot study was done to ensure that the questionnaire is easy to understand by the respondents. 320 traders participated in the survey.

3.6.2 Interview Method

The study also used the interview method to supplement data collected using the questionnaires. In the study, semi-structured interviews were used to collect data because they offer the possibility of modifying one's line of questioning, following up on interesting or ambiguous responses and investigating underlying motives in a way that other data collections methods cannot (Bassey, 1999; Maruster&Gijsenberg, 2013). However, because of its time-consuming nature, interviews were limited to a few key participants.

3.7 Data Collection Instruments

3.7.1 Questionnaires

Structured questionnaires were used to collect data from the respondents because findings from the pilot study showed that traders were short on time and preferred straightforward questionnaires that were easy and quick to answer. The questionnaire was developed based on the study's variables, research questions, literature reviewed and expert judgment (Kothari, 2004). Items in

the questionnaire were classified into four main sections namely; the demographic characteristics of the small business owner, statements to determine the individual specific traits of the small business owner, statements to determine the religious beliefs of the small business owner and statements to determine the level of their business success. Out of the 331 questionnaires distributed, 320 were duly completed and collected.

3.7.2 Interview Guide

A semi-structured interview guide was used to collect data from 5 key informants. As Creswell (2009) observes, the interview guide enables the researcher to get clarification and more in-depth information on issues noted from the questionnaire responses. Bernard (2000) also suggests that in a situation where you may not get a chance to interview someone more than once, a semi-structured interview is best because it allows for flexibility during the interview and efficient use of time. The interview guide therefore, allowed both the researcher and respondents to explore the variables of the study for a deeper understanding and analysis and to also stay within the parameters of the study while giving them the flexibility to determine the direction and flow of the interview.

3.8   Validity & Reliability

3.8.1 Validity

According to Creswell (2014), Validity is the extent to which an instrument measures what it is supposed to measure. Content validity therefore, may be understood to mean the extent to which an instrument fully covers the variables of the study.Kothari (2004) observes that the determination of content validity is primarily judgmental and intuitive. In this study, we used literature reviewed,

supervisors' guidance and a pilot test in order to determine the content validity index of the instruments. Content Validity Index (C.V.I) = Items rated relevant by the judges divided by the total number of items on the questionnaire as shown below. The instrument passed the validity test at CVI of 0.90, which is higher than the recommended 0.7 by Bernard (2000).

CVI = <u>No. of items rated relevant</u>   = 36/40 = 0.90

Total no. of items

3.8.2   Reliability

Creswell (2014) observes that a test is reliable to the extent that it measures something consistently. To ensure reliability of the instrument, a pretest was carried out in Ggaba market using 10 respondents. Creswell (2009) encourages the use of Cronbach's Alpha to determine the reliability of an instrument. Cronbach's Alpha is a statistical test of how well the items in a scale are correlated with one another. A good set of scale items should have a Cronbach's alpha of 0.7. The Cronbach's Alpha Reliability Coefficient test was performed and the instrument was found to be reliable because it generated a Cronbach's Alpha of 0.744.

3.9   Procedure for Data Collection

After the proposal was approved, an introduction letter from the Uganda Management Institute (UMI) that introduces the researcher to the respondents was obtained. Three research assistants were identified and briefed on the objectives of the study, how to collect data and ethics in data collection. They were then be given copies of the introduction letter from UMI, along with copies of the questionnaires to distribute. Each research assistant was assigned a specific stratum to encourage rapport with the respondents and to ensure organized and timely collection of data.

While most of the questionnaires wereself-administered, those respondents who could not read or writewere assisted by the research assistants. Interviews were done concurrently during the administration of the questionnaires to allow for timely collection of data.

3.10   Data Analysis

3.10.1 Quantitative Data Analysis

During data collection, the returned questionnaires were examined for correctness and completeness. After collection, data was cleaned, edited, coded and entered into a database, Statistical Package for Social Sciences (SPSS) for analysis. Data was analyzed using both descriptive and inferential statistics in SPSS(Creswell 2014; Kothari 2004; Robson 2002). Thereafter, a bivariate correlational analysis using Pearson's correlation coefficient was conducted in order to determine the strength of direction of the relationship between the personal attributes of the small business owners and small business success.

3.10.2 Qualitative Data Analysis

This study usedcontent analysis approach to analyzethe qualitative data. According to Maruster andGijsenberg (2013), content analysis requires that both the content and context of the documents are analyzed. The data was transcribed, sorted, and reorganized into meaningful shorter sentences while looking out for general themes and the tone of the information. The data was then coded to allow for easy classification and deeper analysis of the information gathered into themes (Creswell, 2014; Kothari, 2004). Beyond identifying the themes, the researcher provided a detailed discussion on the themes and an interpretation of the findings to compliment the quantitative findings of the study.

3.11 Measurement of Variables

The study variables were measured using the five-point Likert scale, ranging from strongly agree to strongly disagree because the Likert scale is able to measure perceptions, attitudes, values and the behavior of individuals towards a given phenomenon (Creswell, 2009).In this study, the nominal scale was used to collect data on the demographic characteristics and religious affiliation of the small business owner. The ordinal scale was used to measure the personal attributes of the small business owner and the success of their small businesses. Thereafter, a correlational analysis was done to measure the association between a small business owner's personal attributes and the success of their business.

3.12 Ethical Considerations

According to Creswell (2014), ethical issues and considerations apply to all types of research designs and to all stages of research. In this study, issues of personal disclosure, authenticity and credibility of the research, protection of the participants and respect for privacy of the participants were considered and addressed at all stages of the research. At every stage of the research process, there are unique ethical issues to be considered and these were addressed when they happened.

During data collection and analysis for example, the identity of the respondents was protected by not identifying the individual by name on the questionnaires or interview guide, paraphrasing interviews excerpts where someone could easily be identified and respecting their privacy. Respondents were informed of the purpose of the study and participation in the study was

voluntary. The ethical considerations for this study were guided by recommendations cited by Maruster and Gijsenberg (2013).

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTEPRETATION OF RESULTS

4.1 Introduction

The main purpose of the study was to establish the influence of the small business owner's personal attributes on small business success. This chapter presents, analyses, and interprets the responses of the participants of the study based on the objectives of the study. The chapter therefore presents the response rate of the participants, the demographic characteristics of the participants and results on each objective.

4.2   Response Rate

Out of the 331 questionnaires distributed, 320 were completed and returned. Although 10key informants were intended for interviews, only 5 traders were interviewed. Therefore, the response rate for the questionnaires was 96.7%, while the response rate for the interviews was 50% giving an overall response rate of 95.3% as shown in the table below.

Table 2: Showing the response rate

	Sample size	Response Rate	Percentage (%)
Interview	10	5	50%
Questionnaire	331	320	96.7%
Total	341	325	95.3%

Source: Primary field data

The high response rate for this study was made possible by a number of factors. The questionnaire was structured, which made it more user friendly for the respondents, for whom time is a major concern. Also, the concentration of the respondents in one locale made it possible to easily collect data. With the help of research assistants, it was possible to effectively administer the questionnaires, provide translation assistance to respondents who needed help and to also encourage on-spot collection of the questionnaires. Furthermore, the traders who were not able or were not willing to participate in the survey were replaced with the next available and willing participant. The response rate for the interviews, on the other hand was average. The interviewees were identified by the snowballing sampling technique. Some were unable to participate because of prior commitments while others declined because of the personal reasons.

4.3   Objective one:To examine the relationship between the demographic characteristics of the small business owner and the success of their small business

This study's first objective was to examine the relationship between the demographic characteristics of the small business owner and the success of their small business.   The demographic characteristics of the small business owner were found to be very influential in small business success because small businesses revolve around the small business owner. In order to understand the views of the respondents on the demographic characteristics of the small business owner, the researcher used a total of eight demographic characteristics on the questionnaire to which the respondents were required to indicate their appropriate choice from the nominal scale provided. The quantitative findings from the questionnaires are presented in the tables below.

Table 3: Distribution of respondents by age

Age	Frequency	Percentage (%)	Cumulative percentage
Below 30 years	55	17.2	17.2
30 - 39 years	117	36.6	53.8
40 - 49 years	75	23.4	77.2
50 - 59 years	43	13.4	90.6
Above 60 years	30	9.4	100.0
Total	320	100.0	

Source: Primary field data

Table 3 shows that the highest numbers of respondents, 36.6% were aged 30 - 39 years, followed by 23.4% aged 40 - 49 years, 17.2% were below 30 years, compared to 13.4% aged 50 - 59 years

and 9.4% above 60 years. The distribution of ages shows that the majority of the respondents, 77.2% were below 50 years, while 22.8% were 50 years and above.

Results from the findings indicate that a considerable number of youth (below 30 years) are already starting small businesses. This could be as a result of the high unemployment rate (67%) in the country, which is forcing youth to look for alternative means of survival. Between 30-39 years of age are the most active in operating small businesses. This age group is characterized by energy, experience and more maturity. It is also the age group where respondents indicated that most of them would be starting up families and therefore felt the need to supplement their income or try out business in order to make more money for the family. Between 40-49 years, a number of respondents indicated that this age group was still energetic, was more mature in age and had life experience. That is why this age group also has a high percentage of small business owners in Nakawa market. After 60 years, the percentage of small business owners decreases drastically. This could be attributed to age-associated challenges like less energy to compete with the younger traders, health issues and life expectancy. Some respondents in the older age bracket indicated that this is the time when their children should take care of them.

The findings here concur with the interview results where all of the interviewees indicated that the age of the small business owner indeed affected the success of their small businesses. Most of the traders interviewed expressed that age defines one's role and goals in life. For example, the younger traders who were not yet married were thought to have less social responsibilities and were more likely to have successful small businesses because they have the time and resources to

devote to the business, while the older small business owners had so many social responsibilities that could interfere in the running of the business and even consume the profits of the business.

Table 4: Distribution of respondents by gender

Gender	Frequency	Percentage
Male	135	42.2
Female	185	57.8
Total	320	100.0

Source: Primary field data

Table 4 shows that the majority of the respondents, 57.8% were females compared to 42.2% males. Many of the female respondents indicated that they joined the small business sector to supplement the income by their husbands. Others indicated that managing their own small businesses allowed them to have flexible schedules in order to manage their domestic responsibilities. The fact that women are active in small businesses in this era could also be attributed to the increased support of gender/women empowerment policies in place especially economic empowerment. There are laws to protect women from gender-based violence and the introduction of micro-finance initiatives has gone a long way in encouraging women to join small businesses.

This position is shared by a number of the interviewees, who observed that in the past, women used to stay home to look after families, but with the current economic situation, many women join business in order to supplement income at home. That is why the number of women in small businesses is quite substantial. This was attested to by one of the interviewees who said that "*Times*

are hard, so women with families cannot sit back and let their husbands break with the financial

burden especially in order to give their children a brighter future."

Table 5: Distribution of respondents by education level

Education level	Frequency	Percentage
Primary	28	8.1
O Level	105	32.8
A Level	81	25.3
Diploma	58	18.1
Bachelors	46	14.4
Others	4	1.3
Total	320	100.0

Source: Primary field data

Table 5 shows that respondents with O level were the highest, 32.8%, followed by A level, 25.3%,

diploma level, 18.1%, Bachelors' level, 14.4%, while Primary level, constituted only 8.1% and

other qualifications constituted only 1.3%. The results have three implications. The highest

percentage of small business owners constituted O and A Level qualifications. This shows that

where people do not have the qualifications to get "white collar" jobs, their next best alternative is

to join the small business sector. This is supported by the decreasing percentage of small business

owners as people's education levels increase. Respondents at diploma and bachelor level also

indicated that after years of looking for formal employment without success, they decided to start

their own businesses.

The above views were also expressed by the interviewees, who observed that in times past, jobs

were guaranteed for those who went to school but these days, there are too many people competing

for very few jobs on the market. This leads people to look for other means of survival. These

sentiments were captured by one of the interviewees who expressed that *"In today's Uganda, if*

you don't have relatives in "high" places, you can never get a job. Jobs are taken by foreigners.

Where does that leave us? At least here, all I need is capital to start the business..."

Table 6: Distribution of respondents by marital status

Marital status	Frequency	Percentage
Single	21	6.6
Married	202	63.1
Widowed	46	14.4
Separated	51	15.9
Total	320	100.0

Source: Primary field data

Table 6 shows that the majority of the respondents, 63.1% were married, 15.9% were separated,

14.4% were widowed and only 6.6% were single. The results here are supported by the results on

the gender statistics. Most women indicated that they started small businesses to supplement

family income. It is therefore not surprising that most small business owners are married. Widows/widowers and separated couples were represented by substantive percentages. Respondents indicated the need to provide for families as the most compelling reason to start a business. This could also explain why the lowest percentage is found among the single people.

Table 7: Distribution of respondents by nature of business

Nature of business	Frequency	Percentage
Produce traders	51	15.9
Second-hand clothes	78	24.4
Grocery traders	175	54.7
Others	16	5.0
Total	320	100.0

Source: Primary field data

Table 7 shows that the majority of the respondents, 54.7% were grocery traders, 24.4% were second-hand clothes traders and the produce traders were 15.9%. The categories of produce traders and second-hand clothes dealers requires a lot of innovation and marketing skills because the produce easily goes bad. In the case of second-hand clothes, traders have to aggressively market their products because customers do not need to buy clothes every day. This could explain why the majority of small business owners fall into the category of grocery traders. It is relatively less cumbersome to start and manage, in comparison to produce and second-hand clothes.

These findings are in line with GEM (2015) which found that most Ugandan entrepreneurs are neither innovative nor ambitious. The traders in Nakawa market seemed to gravitate towards businesses with lower risks and those requiring less strenuous input. This affects the success of their small businesses because successful entrepreneurs have been shown to be risk-takers and possess a high propensity for innovativeness (Isaga, 2015).

Table 8: Distribution of respondents by religion

Religion	Frequency	Percentage
Catholic	120	37.5
Protestant	110	34.4
Muslim	77	24.0
Others	13	4.1
Total	320	100.0

Source: Primary field data

Table 8 shows that the highest numbers of respondents, 37.5% were Catholics, followed by 34.4% who were Protestants, while 24.1% constituted of Muslims and 4.1% only belonged to other religions. The results of the findings imply that even though Catholics were found to have the highest percentage of small business owners in Nakawa market, when put into perspective, Muslims were the most active in small businesses. The Muslim population in Uganda stands at 12%. Given the overall population of Muslims in the country, the above statistics show that Muslims are very active in small business compared to other faiths. When compared to the qualitative findings from the interviews, many interviewees expressed that they did not pay

attention to religion when joining business. However, many of them observed that Muslim traders were more concentrated on wholesale trade than retail trade and that explained why there were fewer Muslim traders in Nakawa market.Other interviewees suggested that Muslims started business and trade at an early age, giving them the advantage over other faiths because they come from a business background.

Table 9: Distribution of respondents by family size

Family size	Frequency	Percentage
Less than 3 people	52	16.3
4-7 people	174	54.4
8-10 people	81	25.3
Over 10 people	13	4.1
Total	320	100.0

Source: Primary field data

Table 9 shows that the majority of the respondents, 54.4% had family sizes of between 4 – 7 people, followed by 25.3% with family sizes between 8 – 10 people, while 16.3% had family sizes of less than 3 people and 4.1% had family sizes of over 10 people. The findings are line with the just-concluded 2014 census results of Uganda show that the average household size is 4.7 persons (Ugandan Bureau of Statistics (UBOS), 2014). The census results also indicated that over 56% of Uganda's population is below 18 years old. The implication of the Uganda census results on our findings in table 9 is that most small businesses are supporting a large number of dependents. This

cycle leaves small business owners with little or no discretionary income to inject into the growth and success of their small businesses.

Table 10: Distribution of respondents by number of years in business

Number of years of business	Frequency	Percentage
Less than 5 years	83	25.9
5 - 10 years	164	51.3
Over 10 years	73	22.8
Total	320	100.0

Source: Primary field data

Table 10 shows that the majority of the respondents, 51.3% had been in business for between 5 – 10 years, while 25.9% had been in business for less than 5 years and 22.8% had been in business for over 10 years. The definition of small business success is largely determined by the small business owner. As Tushabomwe-Kazooba (2006) observed, most small business owners in Uganda start their small businesses as a means of supplementing their income or putting food on the table. Most of the respondents indicated that they were satisfied with their level of success in business because it met their expectations.

4.4.1 Testing Hypothesis Number 1

In order to test the first hypothesis, the study set out to statistically examine whether there was a relationship between the demographic characteristics of the small business owner and the success of their small business. The hypothesis was tested at a 95% level of significance (two-tailed) using

Pearson's Chi-Square coefficient, which measured the relationship or association between each of the demographic characteristics of the small business owner and their small business success. The results are presented in the table below.

Table 11: Pearson Chi-Square matrix for demographic characteristics of the small business owner and the success of their small business

Independent Variable	Pearson Chi-Square	df	Asymp. Sig (2 sided)
Age	75.128	16	0.000
Gender	48.313	4	0.000
Education	82.580	20	0.000
Marital Status	81.283	12	0.000
Religion	48.163	12	0.001
Family size	33.828	12	0.001
Number of years of business	29.443	8	0.000

Source: Generated by SPSS from primary data

In order to confirm if there is a relationship or association between two variables when using the Pearson Chi-Square, the decision rule is that the calculated p-value (Sig.) must be less than 0.025. Table 11 shows that each of the p-values for the independent variables; Age (0.000), Gender (0.000), Education (0.000), Marital status (0.000), Nature of business (0.000), Religion (0.001), Family size (0.001), and Number of years in business (0.000) is less than 0.025. Since the calculated p-values of all the independent variables is less than 0.025, it implies that they all have a relationship of association with the dependent variable, small business success.

Regression analysis was further used to establish the extent (if any) to which demographic characteristics affects small business success. The coefficient of determination was used and the results are presented in the table below.

Table 122: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.271[a]	.074	.050	.77244

a. Predictors: (Constant), Duration, Education, Marital Status, Business, Gender, Religion, Age, Family size

Source: Generated by SPSS from primary data

Table 12 shows that the coefficient of determination (Adjusted R Square) is 0.050. This implies that this model accounts for 5.0% of the variance in small business success. The other percentage (95.0%) can be explained by other factors. To assess the overall significance of the model, analysis of variables (ANOVA) was done and the result presented in table 13.

Table 13: Analysis of Variables (ANOVA)

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	14.748	8	1.843	3.090	.002[b]
1	Residual	185.565	311	.597		
	Total	200.312	319			

a. Dependent Variable: Small Business Success

b. Predictors: (Constant), Duration, Education, Marital Status, Business, Gender, Religion, Age, Family size

In determining whether a model is significant, the decision rule is that the calculated p-value (level of significance) must be less than or equal to 0.05. Since the calculated p-value of 0.002 is less than 0.05, the model was statistically significant (df=8, F=3.090, $p<0.05(=0.002)$). A statistically significant model means that at least one of the predictor variables is significant.To determine

which of the predictor variables were significant; the researcher examined the standardized beta coefficients (which measure the contribution of each variable to the model), the t values and significance values which give rough indication of the impact of each predictor variable. These are presented in table 14 below.

Table 14: Regression coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.473	.303		8.154	.000
	Age	-.018	.046	-.027	-.391	.696
	Gender	.010	.092	.007	.114	.909
	Education	-.027	.039	-.043	-.711	.478
	Marital Status	.147	.050	.165	2.910	.004
	Business	-.113	.056	-.117	-2.028	.043
	Religion	-.054	.053	-.058	-1.010	.313
	Family size	-.022	.074	-.020	-.295	.768
	Duration	-.161	.072	-.142	-2.246	.025

a. Dependent Variable: Small Business Success

The decision rule is that the t value must not be close to 0 and the p-value must be less than or equal to 0.05. Table 14 shows that p-values for Marital Status, Business Type, Duration of Business to be less than 0.05 (=0.004, 0.043, 0.025). Their respective t-values are not close to 0 (=2.910, -2.028, -2.246). This means that Marital Status, Business Type and Duration of Businessare statistically significant predictors of small business success.They therefore have significant effect on small business success. Table 14 further shows that the p-values for Age, Gender, Education, Religion and Family size are greater than 0.05(=0.696, 0.909, 0.478, 0.312, 0.768). Their respective t-values are close to 0 (=-0.391, 0.114, -0.711, -1.010, -0.295). This means

that Age, Gender, Education, Religion and Family size are not statistically significant predictors of small business success. They therefore, don't have significant effect on small business success.

Conclusion

Research findings found that the demographic characteristics of the small business owner have a statistically significant relationship with the owners' small business success.Regression analysis findings however, established that it is only marital status, business type and duration of business that have a significant effect on small business success. The rest of the demographic characteristics (age, gender, education, religion and family size) do not a significant effect on small business success. *Therefore, the hypothesis that stated thatthe demographic characteristics of the small business owner have a relationship with the success of their small business was accepted.*

4.4   Objective two:To examine the relationship between the small business owner's individual specific traits and the success of their small business

The second objective of this study was to examine the relationship between the small business owner's individual specific traits and the success of their small business. The study used a total of 15 statements on the questionnaire to determine the views of the respondents on the small business owner's individual specific traits and small business success. The respondents were required to show their level of agreement or disagreement to the statements as shown in the table below. The quantitative findings are presented below.

Table 15: Views of respondents on the small business owner's individual specific traits

Statements measuring individual specific traits	SA	A	NS	D	SD
My business survival depends on how much effort I put into it	67.8%	27.2%	0.9%	0.9%	3.1%
I always look for new ways to attract new customers to my business	42.5%	54.7%	0.0%	2.8%	0.0%
I keep my business open to target both early shoppers and late shoppers	37.2%	58.1%	1.6%	3.1%	0.0%

My drive keeps me going in the challenging business environment	37.6%	58.1%	1.4%	2.9%	0.0%
I have the courage to do what is right even in tough business situations	41.3%	53.1%	5.6%	0.0%	0.0%
I give credit to my loyal customers	33.1%	40.9%	12.2%	12.2%	1.6%
Disappointment in business make me work harder	27.2%	31.9%	1.9%	29.1%	10.0%
In business, the customer is always right	47.5%	47.5%	2.2%	1.9%	0.9%
I always want to be ahead of my competitors in business	69.4%	25.0%	0.0%	5.6%	0.0%
Proper time management is very important to me in business	37.2%	60.6%	1.3%	0.9%	0.0%
I am dependable to both my customers and business friends	33.4%	63.1%	0.9%	2.5%	0.0%
I am fair in all my business actions	39.7%	56.9%	2.5%	0.9%	0.0%
I do not use business money for personal responsibilities	27.8%	34.7%	5.3%	30.6%	1.6%
I always keep records of my business transactions	46.3%	38.4%	0.9%	12.8%	1.6%
I have plans to expand my business in the next five years	71.9%	18.4%	3.1%	5.6%	0.9%

Source: Primary field data

Table 15 shows that the majority of the respondents were in agreement on all the fifteen statements used to measure the small business owner's individual specific traits in relation to small business success. The majority of the respondents, 95.0% were in agreement that their small business

success depends on how much effort they put into the business, while only 4.0% were in disagreement and only 0.9% were not sure. Also the majority of the respondents, 97.2% agreed that they always look for new ways to attract new customers to their business and only 2.8% disagreed.

Asked whether they kept their businesses open to target both early shoppers and late shoppers, the majority, 95.3% were in agreement, while only 3.1% were in disagreement and only 1.6% were not sure. And on whether their personal drive kept them going in the challenging business environment, the majority 95.7% was in agreement, while only 2.9% were in disagreement and only 1.4% were not sure.On whether they have the courage to do what is right even in tough business situations, the majority 94.4% were in agreement, while only 5.6% were not sure. And on whether disappointment in business makes them work harder, the majority, 74.4% were in agreement, while 13.8% were in disagreement and 12.2% were not sure. Asked whether in business, the customer is always right, the majority, 59.1% were in agreement, however a substantial number, 39.1% were in disagreement and 1.9% only were not sure.The majority of the respondents, 95.0% were in agreement on whether they always want to be ahead of their competitors in business, while only 2.8% were in disagreement and only 2.2% were not sure.

Regarding whether proper time management is important to them in business, the majority, 97.8% were in agreement, while only 0.9% was in disagreement and only 1.3% were not sure. And on whether they are dependable to their customers and business friends, the majority, 96.5% were in agreement, while only 2.5% were in disagreement and 0.9% only was not sure.On the issue of whether they are fair in all their business actions, the majority, 96.6% were in agreement, while

0.9% only was in disagreement and 2.5% only were not sure. And on whether they do not use business money for personal responsibilities, the majority 62.5% were in agreement, however a substantial number 32.2% were in disagreement and 5.3% only were not sure.On whether they always keep records of their business transactions, the majority, 84.7% were in agreement, while 14.4% were in disagreement and 0.9% only was not sure. On whether they have plans to expand their business in the next five years, the majority 90.3% were in agreement, while 6.5% only were in disagreement and 3.1% only were not sure.The quantitative findings above indicate that the respondents agree that individual specific attributes like personal initiative, hard work and social skills are important if one is to succeed in small business.

The above findings are supported by qualitative results from the interviews that indicated that the interviewees were well aware of what type of behavior and characteristics were crucial in attracting and retaining customers. The qualitative results indicated that the traders felt that communication style in business is very important. They observed that communication style differences across cultures can create misunderstanding and even loss of customers for traders who are lacking in communication and social skills. Direct or indirect communication styles for example, can attract or repel customers, depending on thepreference and culture of the customer. Results indicated that many of the small business owners learnt how to deal efficiently with customers and business operations with more years of experience in business.

4.4.1   Testing Hypothesis Number 2

In order to test the second hypothesis, the study set out to statistically examine whether there was a relationship between the individual specific traits of the small business owner and the success of their small business. The researcher was guided by the following hypothesis:

Hypothesis: The small business owner's individual specific traits significantly affect the success of their small business. The hypothesis was tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured the degree and direction of relationship between the small business owner's individual specific traits and the success of their small business. The results are presented in the table below.

Table 16: Correlation matrix for the business owner's individual specific traits and the success of their small business

Study variables		Individual Specific Traits	Small Business Success
Individual Specific Traits	Pearson Correlation	1	.342[*]
	Sig. (2-tailed)		.000

		320	320
	Pearson Correlation	.342*	1
Small Business Success	Sig. (2-tailed)	.000	
	N	320	320

*. Correlation is significant at the 0.05 level (2-tailed).

Table 16 shows that there is a weak positive relationship between the small business owner's individual specific traits and small business success, (r=0.342, p=0.000, N=320). The relationship is statistically significant at 95% confidence level since p-value<0.050(=0.000). This implies that improvement in the small business owner's individual specific traits shall translate into improvement insmall business success. Similarly, decline in the small business owner's individual specific traits shall translate into decline in small business success.

Regression analysis was further used to establish the extent (if any) to which individual specific traitsaffectsmall business success. The coefficient of determination was used and the results are presented in the table below.

Table 137: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.342a	.117	.114	.74571

a. Predictors: (Constant), Personal Traits
Source: Generated by SPSS from primary data

Table 17 shows that the coefficient of determination (Adjusted R Square) is 0.114. This implies that this model accounts for 11.4% of the variance in small business success. This could be attributed to the fact that there may be other factors affecting small business success.To assess the

overall significance of the model, analysis of variables (ANOVA) was done and the result presented in table 18.

Table 148: Analysis of Variables (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.476	1	23.476	42.216	.000[b]
	Residual	176.837	318	.556		
	Total	200.312	319			

a. Dependent Variable: Small Business Success
b. Predictors: (Constant), Personal Traits
Source: generated by SPSS from primary data

In determining whether a model is significant, the decision rule is that the calculated p-value (level of significance) must be less than or equal to 0.05.   Since the calculated p-value of 0.000 is less than 0.05, the model wasfound to be statistically significant (F=42.216,df = 1, p<0.05 (=0.000)). This means that personal initiative has a significant influence or effect on small business success.

Conclusion

Research findings from correlation coefficient established that the small business owner's individual specific traits have a weak positive statistically significant relationship with their small business success.Further findings from regression analysis established that personal initiative has a significant influence or effect on small business success.*Therefore, the hypothesis that stated thatthe small business owner's individual specific traits have a significant relationship with the success of their small business was accepted.*

4.5   Objective three: To establish the relationship between the business owner's religious beliefs and the success of their small business

In order to understand the views of the respondents on the small business owner's religious beliefs, so as to establish whether religious beliefs have a relationship with the success of their small business, the researcher used a total of eight statements on the questionnaire to which the respondents were required to show their level of agreement or disagreement. The quantitative findings are presented in the tables below.

Table 19: Views of respondents on the small business owner's religious beliefs

Statements measuring business owner's religious beliefs	SA	A	NS	D	SD
I do not open my business on religious public holidays	46.9%	10.6%	0.0%	31.9%	10.6%
I only sell goods that are allowable in my religion	33.4%	63.1%	0.9%	2.5%	0.0%
I use some of my profits to support religious causes	44.4%	51.9%	0.9%	1.9%	0.9%
I employ staff who have the same religious values as me in the business	41.3%	53.1%	5.6%	0.0%	0.0%
I only want enough money to survive from my business	27.8%	34.7%	5.3%	30.6%	1.6%
I do not believe in charging excess prices to get more profit	48.8%	50.3%	0.0%	0.9%	0.0%
I prefer to operate a family oriented business	33.4%	63.1%	0.9%	2.5%	0.0%
By operating a successful business, I fulfill my calling from God.	41.3%	53.1%	5.6%	0.0%	0.0%

Source: Primary data

Table 14 shows that the majority of the respondents were in agreement on all the eight statements used to measure the small business owner's religious beliefs. Majority of the respondents (57.5%) were in agreement that they do not open their business on religious public holidays, while a

substantial number, 42.5% were in disagreement. Similarly, majority (96.5%) were in agreement that they only sell goods that are allowable in their religion and 0.9% only was not sure. Asked whether they use some of their profits to support religious causes, majority (96.3%) agreed, while only 2.8% disagreed and 0.9% was not sure. And on whether they employ staff who have the same religious values as them in the business, majority (94.4%) agreed and only 5.6% were not sure.

On whether they only want enough money to survive from my business, the majority, 62.5% agreed, while a substantial number 32.2% disagreed and 5.3% only were not sure. And regarding whether they do not believe in charging excess prices to get more profit, the majority, 99.1% agreed and only 0.9% disagreed. On the issue of whether they prefer to operate a family oriented business, the majority, 96.5% agreed, while 2.5% only disagreed and 0.9% only was not sure. On whether by operating a successful business, they fulfill their calling from God, the majority, 94.4% agreed and 5.6% only were not sure.

These findings have the following implications on small business success. Most of the religious values and indicators that the respondents agreed with have been shown to contrast entrepreneurial attitudes and therefore, could negatively affect small business success. For example, where the respondents indicated that they only want to make enough money to survive, directly contradicts the entrepreneurial spirit of being driven by profit-making. Also, the fact that most small business owners adhere to religious holidays means that they will miss out on business hours, which may eventually affect their profits. However, it must be noted that small business success is defined differently by each individual small business owner. For some, it may be profits, for others, continuity of the business and work-life balance, among other parameters.

The quantitative findings were largely in agreement with the results from the interviews in which most of the interviewees indicated that their religious beliefs were very important to them. They valued their spirituality more than material things, including money. As one of the interviewees stated, *"For me, God is number one. There is no blessing without God. My business comes from God and he is the one that blessed me with customers."* These sentiments were echoed by all interviewees, who claimed that money is not everything. They evaluated their business success using a number of parameters, and profits were seen as just one aspect of the business success. In fact, most of those interviewed were convinced that if is God who blessed them with profits. When asked if their strong religious views were not interfering with their business success, all interviewees indicated that if they had to choose between their spirituality and business success, they would choose their religious beliefs. This goes to show that for traders in Nakawa market, there was no separation between their religious beliefs and business.

4.2.3.1 Testing Hypothesis Number 3

The researcher proceeded to statistically establish whether there was a significant relationship between the small business owner's religious beliefs and the success of their small business. The researcher was guided by the following hypothesis:

Hypothesis: The small business owner's religious beliefs have a significant relationship with the success of their small business. The hypothesis was tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured the degree and

direction of relationship between the small business owner's religious beliefs and the success of

their small business. The results are presented in the table below.

Table 20: Correlation matrix for the small business owner's religious beliefs and the success of

their small business

Study Variables		Religious Beliefs	Small Business Success
	Pearson Correlation	1	.506*
Religious Beliefs	Sig. (2-tailed)		.000
	N	320	320
	Pearson Correlation	.506*	1
Small Business Success	Sig. (2-tailed)	.000	
	N	320	320

*. Correlation is significant at the 0.05 level (2-tailed).

Table 20 shows that there is a moderate positive relationship between the small business owner's

religious beliefs and small business success, (r=0.506, p=0.000, N=320). The relationship is

statistically significant at 95% confidence level since p-value<0.050(=0.000). This implies that

increased adherence to the small business owner's religious beliefs shall translate into

improvements in their small business success. Similarly, decreased adherence to the small

business owner's religious beliefs traits shall translate into decline in small business success.

Regression analysis was further used to establish the extent (if any) to which religious beliefsaffectsmall business success. The coefficient of determination was used and the results are presented in the table below.

Table 21: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.506ᵃ	.256	.254	.68461

 a. Predictors: (Constant), Religious Beliefs
Source: Generated by SPSS from primary data

Table 21 shows that the coefficient of determination (Adjusted R Square) is 0.254. This implies that this model accounts for 25.4% of the variance in small business success. This could be attributed to the fact that there may be other factors affecting small business success.To assess the overall significance of the model, analysis of variables (ANOVA) was done and the result presented in table 22.

Table 22: Analysis of Variables (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.267	1	51.267	109.382	.000ᵇ
	Residual	149.046	318	.469		
	Total	200.312	319			

 a. Dependent Variable: Small Business Success
 b. Predictors: (Constant), Religious Beliefs
Source: generated by SPSS from primary data

In determining whether a model is significant, the decision rule is that the calculated p-value (level of significance) must be less than or equal to 0.05.   Since the calculated p-value of 0.000 is less than 0.05, the model wasfound to be statistically significant (F=109.382,df = 1, p<0.05 (=0.000)). This means that religious beliefs have a significant influence or effect on small business success.

Conclusion

Research findings established that the small business owner's religious beliefs have a moderate positive statistically significant relationship with small business success.Further findings from regression analysis established that religious beliefs have a significant influence or effect on small business success. *Therefore, the hypothesis that stated that the small business owner's religious beliefs have a relationship with the success of their small business was accepted.*

4.6   Findings on small business success in Uganda

Small business success was measured on the questionnaire using ten statements. The quantitative findings are presented in the table below.

Table 23: Views of respondents on small business success

Statement measuring small business success	SA	A	NS	D	SD
I am restocking more times than I used to	57.2%	28.1%	2.5%	12.2%	0.0%
I am selling more goods than I used to	40.3%	46.6%	1.9%	9.4%	1.9%
My customers are happy with my service to them	44.4%	51.9%	0.9%	1.9%	0.9%
The number of customers for my business has continued to grow in the past five years	46.2%	41.0%	3.8%	8.1%	1.0%
I have moved my business from a smaller space to a bigger space in the last five years	45.6%	41.6%	4.1%	7.8%	0.9%
My profits from the business have been slowly growing every year	35.9%	45.3%	11.6%	5.3%	1.9%

I am happy with the way my business is growing	32.8%	54.1%	0.9%	10.3%	1.8%
My employees have exhibited higher levels of satisfaction as the business grows	38.1%	44.1%	5.0%	11.9%	0.9%
I have employed more people to help me with the business in the last five years	46.9%	31.9%	1.6%	17.8%	1.9%
I have opened up another business in the last five years	46.9%	10.6%	0.0%	31.9%	10.6%

Source: Primary field data

Table 23 shows that the majority of the respondents were in agreement on all the ten statements used to measure small business success as elaborated below. On whether the traders were restocking more times than they used to, the majority of the respondents, 85.3% were in agreement, while 12.2% were in disagreement and only 2.5% were not sure. And on whether they are selling more goods than they used to, the majority, 86.9% were in agreement, while 11.3% were in disagreement and only 1.9% were not sure. The majority of the respondents, 96.3% revealed that their customers were happy with the service, while only 2.8% were in disagreement and only 0.9% was not sure. And the majority, 87.2% agreed that the number of customers for their business has continued to grow in the past five years, while only 9.1% disagree and only 3.8% were not sure.

The majority, 87.2% further agreed that they have moved their business from a smaller space to a bigger space in the last five years, while 8.7% disagreed and 4.1% only were not sure. Similarly the majority of the respondents, 81.2% agreed that their profits from the business have been slowly growing every year, while 7.2% disagreed and 11.6% were not sure. Furthermore the majority, 86.9% agreed that they are happy with the way their business is growing, while 12.1% disagreed

and only 0.9% were not sure. On whether employees have exhibited higher levels of satisfaction as the business grows, the majority of the respondents, 82.2% were in agreement, while only 12.8% were in disagreement and 5.0% were not sure. And on whether they have employed more people to help them with the business in the last five years, the majority, 78.8% were in agreement, while 19.7% were in disagreement and only 1.6% was not sure. The majority of the respondents, 57.5% agreed that they have opened up another business in the last five years, while 42.5% disagreed.

The quantitative findings here are in agreement with results from the interviews where respondents indicated that small businesses in Nakawa market were generally improving and making profits. This was evidenced by the fact that traders were more willing and were able to pay the market dues in time, there were fewer conflicts on credit and payment issues among traders and suppliers being solved by the management office of the market. Furthermore, a considerable number of traders had been able to expand their line of business within the market.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSION, CONCLUSION AND

RECOMMENDATIONS

5.1   Introduction

This chapter presents summary of findings of the study, discussion, conclusions, recommendation, limitations of the study, areas for further research and contribution of the study to the body of knowledge of small business success in Uganda.

5.2   Summary of the findings of the study based on the research objectives

The main purpose of the study was to examine the relationship between the small business owner's personal attributes and their small business success. Data was analyzed using descriptive statistics of frequencies and inferential statistics of Pearson chi-square and Pearson's correlation coefficient analysis and findings from the study are summarized below.

5.2.1   The demographic characteristics of the small business owner and the success of their small business

The findings of the study indicated that there was a relationship or association between the demographic characteristics of the small business owner and the success of their small business in Nakawa market. The p-value (Sig.) for all the independent variables; Age (0.000), Gender (0.000), Education (0.000), Marital status (0.000), Nature of business (0.000), Religion (0.001), Family size (0.024), and Number of years in business (0.014) was less than 0.025. This implies that small

business success is related to particular age groups, gender, education levels, marital statuses, nature of business, religions, family sizes and number of years in business.

5.2.2 The small business owner's individual specific traits and the success of their small business

The study found out that there was a weak positive relationship between the small business owner's individual specific traitsand the success of their small business in Nakawa market. The p-value for the small business owner's individual specific traitsand the success of their small business in Nakawa marketwas less than 0.050 (=0.000), given r=0.351, the researcher therefore accepted the relationship as statistically significant. This implies that improvement in the small business owner's individual specific traits is related to improved success of their small businesses. Similarly, decline in the small business owner's individual specific traits is related to decline in success of their small businesses.

5.2.3 The small business owner's religious beliefs and the success of their small business

There was a moderate positive relationship between the small business owner's religious beliefsand the success of their small business in Nakawa market. The p-value for business owner's religious beliefsand success of their small business in Nakawa marketwas less than 0.050 (=0.000), given r=0.506, the researcher therefore accepted the relationship as statistically significant. This implies that increased adherence of the small business owner's religious beliefs is related to improved success of their small businesses. Similarly, decline in adherence of the small business owner's religious beliefs is related to decline in success of their small businesses.

5.3   Discussion of the findings

5.3.1   The small business owner's demographic characteristics and the success of their small business

The findings show that the demographic characteristics of the small business owners in Nakawa Market have a significant relationship with the success of their small businesses. According to Radipere and Dhliwayo (2014), in their study on the role of gender and education on small business performance in South Africa found that the demographic characteristics of the small business owner were the most prominent factor in small business success because they are likely to influence the direction of the business and the organization of the business resources. Their argument is supported by Isaga's (2015) study in Tanzania, who found that demographic characteristics like age, gender and education of the small business owner improves the chances of a small business to survive and succeed, unlike the large corporations, which can thrive without the direct intervention of their owners. This view is also supported by Cant and Wiid (2013), who found that most small businesses in Africa tend to be one-person establishments, revolving around the owner and their family members, thereby making the demographic characteristics of the small business owner worth paying attention to.

Sajilan, Hadi and Tehseen' study (2015), found that in Arab countries, the age of the business owner will determine the flexibility and agility with which one handles their business. This view is supported by Oroko (2010) who found that most entrepreneurs and owners of small businesses in Kenya tend to be between the ages of 25 and 44. This is in line with the findings of this study

where the highest percentage of small business owners in Nakawa market was found to be between 30 and 49 years of age.

The findings of this study on gender found that most small businesses in Nakawa were owned by women and the highest percentage of small business owners in the market were married. This supports Radipere and Dhliwayo (2014), who found that women do not enter business for financial gain but rather to pursue intrinsic goals (independence, flexibility to interface family and work commitments). Therefore, men were more likely to perform better in small business because their motivation for business is for survival and livelihood.

Concerning education as a demographic characteristic, Saleem and Sheikh (2011) argued that the education level of the small business owner was especially important in assisting the business owner to make sound business decisions in order to make profit. The results generated in Chapter four seem to be in agreement with the studies cited above on the demographic characteristics of small business owners and small business success. In Nakawa market, it was generally found that the more youthful small business owners were quick to serve customers, look for alternative products for customers as well as adjust to the customer trends and demands. It was also suggested that the female small business owners tended to attract more customers because they were perceived to be more honest and friendly. Education evidenced by the level of one's English proficiency was thought to enable customers to communicate with a diverse group of customers, thereby enlarging their market base.

5.3.2 The small business owner's individual specific traits and the success of their small businesses

The findings show that there was a weak positive relationship between the small business owner's individual specific traitsand the success of their small business in Nakawa market. The results generated on this attribute confirm the findings of the Global Entrepreneurship Monitor, (2015), who found that most small business owners in Uganda are not entrepreneurial. The results indicated that a weak positive relationship between the small business owner's individual specific traits and the success of their small business. These findings were somewhat surprising considering that several studies have found a significant relationship between a small business owner's individual specific traits and the success of their small business. Glaub, Frese, Fischer and Hoppe (2014) for example found that individual specific traits like hard work, social skills and personal initiative was required for small business success. They argued that because small business owners had no supervisors or organizational routines to tell them what to do that and that is why individual specific traits characterised by being a self-starter, being proactive and a persistent approach to work was instrumental in small business success. This is in line with Mirani and Shah (2012), who argued that entrepreneurs and small business owners need to focus on innovative business approaches, relationships and persistence as virtues that will enable them to achieve success in their businesses.

One of the studies that focused prominently on the individual specific traits of the entrepreneur or small business owner was that of Rauch and Frese (2000) in their study on the psychology of the entrepreneur in Namibia. They pointed out that in times past, scholars gave little attention to the personal attributes of the small business owner because it was increasingly difficult to define the

successful entrepreneur profile. They found that entrepreneurial attributes like risk-taking, innovativeness and creativity cut across all lines of success small business owners.

5.3.3 The small business owner's religious beliefs and the success of their small business

The findings show that there was a moderate positive relationship between the small business owner's religious beliefsand the success of their small business in Nakawa market. This is an interesting observation from two view points; entrepreneurship from the western perspective and entrepreneurship from the other perspectives. These findings are in line with studies done by Faizal, et al. (2013), Hassan and Hippler (2014) and Omar, Jusoh, Tajudin, Tajuddin and Hadi (2013) in Islamic countries in Asia. Their studies found that cultures that are deeply religious tend not to separate religion from business life and consequently, their religious values and beliefs are engrained in their business lifestyle.

According to Awolalu (1976), religion is a fundamental and perhaps, the most important influence in the life of most Africans so it is not surprising to find that most traders in Nakawa market indicated that their religious beliefs guided the way they did business. The values and entrepreneurship traits thus exhibited are in contrast with what drives small business success in western countries. Eroglu and Picak (2011) in their study on small business success in Turkey, found that the small business owners who were successful in Turkey exhibited high western tendencies of individualism and secularism, characterised by high profit maximization, high risk-taking, high independent and competitive spirit. However, as Hassan and Hippler (2014) observe, small businesses that are successful in other spheres of the world, driven mostly by collectivist cultures, tend to be more community-oriented, motivated by the needs of society and the desire to

satisfy religious obligations. The small business owners will therefore be guided by their religious beliefs in transacting business. As shown in the results in Chapter four, the traders in Nakawa market were driven by both religious values and societal obligations. For example choosing not to charge excessive profits, using part of their profit for religious causes and observing religious holidays were perceived as the right way of doing business.

As Eroglu and Picak (2011) observe, these trends would be interpreted as obstacles or hindrances to small business success in the western world but in the African, Arab and some Asian cultures, where there is lack of separation between business and religious lifestyle, small business success is measured over and above profit maximization (Faizal, et al., 2013).

5.4   Conclusions

5.4.1   The demographic characteristics of the small business owner and the success of their small business

Considering that the research findings indicated that there was a statistically significant relationship between the demographic characteristics of the small business owner and the success of their small business in Nakawa market. This, also being informed by literature on the importance of demographic characteristics of the small business owner because the owner is the lifeline of the business, it is therefore logical to conclude that the demographic characteristics of the small business owner are critical to small business success.

5.4.2 The small business owner's individual specific traits and the success of their small business

Following the findings of the study which indicated that there was a weak positive statistically significant relationship between the small business owner's individual specific traitsand the success of their small businesses in Nakawa market, and putting into consideration various literature reviewed on this aspect which show that the profile of the entrepreneur is still a work in progress. Different cultures value different traits. It is therefore logical to conclude that the individual specific traits of the small business owner to some extent affect the success of their small business.

5.4.3 The small business owner's religious beliefs and the success of their small business

The research findings indicated that there was a moderate positive statistically significant relationship between the small business owner's religious beliefsand the success of their small business in Nakawa market. This implies that increased adherence of the small business owner's religious beliefs is related to improved success of their small businesses. Literature reviewed on this aspect indicates that in societies that are deeply religious, religious and societal values and core beliefs guide their actions in business and therefore dictate the level and perception of small business. Given this context, it is logical to conclude that the small business owner's religious beliefs will affect the success of their small business.

5.5   **Recommendations**

5.5.1   **The demographic characteristics of the business owner and the success of their small business**

The findings indicated that the demographic characteristics of the small business owner are crucial to ensuring small business success and literature reviewed supports this notion. Age, gender and education were found to significantly affect the success of small businesses. The 2014 census demographic statistics indicate that 56% percent of Uganda's population is under the age of 18, about 4% of the population is over 60. This means 40% of the population falls between the ages of 18 and 60 years. Coupled with the low literacy levels and the high unemployment rate, it is highly recommended that government and policy makers aggressively encourage self-development and business education targeted at children in primary schools to inculcate the business culture at an early age. This will help deal with the spiraling high unemployment and high dependency ratios in the country as well as promote small business success.

5.5.2   **The small business owner's individual specific traits and the success of their small business**

The findings also indicated that there was a relationship between the small business owner's individual specific traits and the success of their small business. While literature reviewed had varying conclusion on the importance of one's individual specific traits and small business success, it is fair to assume that since small businesses revolve around the small business owner, their individual specific traits will inherently affect the success of their small business. It was also noted

that with the advancement of globalization, there is a fusion of cultures and also an opening of business markets. It is therefore highly recommended that attention be paid to personality attributes especially during the formative years in school. An educational curriculum that teaches creativity, interpersonal and social skills should be incorporated in school so as to encourage a population that is able to harness productive character traits in order to succeed in the global small business world.

5.5.3 The small business owner's religious beliefs and the success of their small business

Findings indicated that the religious beliefs of the small business owner have a significant relationship with small business success. This also was supported by the literature reviewed. It is therefore highly recommended that social structures, programs and clubs be instituted in schools and in the work places to promote strong cultural and religious values. This will enable small businesses to succeed in the context of their societies and cultures.

5.6 Contributions of the study

Up until the time of writing this report, the researcher did not come across any literature available or studies conducted in Uganda on the influence of the small business owner's personal attributes on small business success. Part of the justification for this study was to fill this gap by contributing to the body of knowledge on the influence of personal attributes on small business success in Uganda. By carrying out this study and writing this report, this study's contribution can be summarized as follows:

5.6.1   The study has laid a foundation for further research on the influence of personal attributes on small business success in Uganda

5.6.2   The study has established that the demographic characteristics of the small business owner influence small business success.

5.6.3   It has also been established that the individual specific traits of the small business owner affect the success of their small businesses

5.6.4   The study also established that the religious beliefs of the small business owner affect the success of their small business.

5.7   Limitations of the study

5.7.1   Scope of the study

The scope of the research was limited to five years, between 2010 and 2015. Furthermore, the study also limited the attributes of the variables to age, gender, education, personal initiative, resilience, social skills, profitability, sustainability and number of years in business. However, the variables of personal attributes and small business success can be expanded to make this study even broader. Because of the time, geographical and content scope, the results of this study should be generalized cautiously to other markets in Uganda because every market is unique in nature, operation and administration.

5.7.2   Methodology for the study

The methodology used for this study was also limited to the case study design. While case study design allows for in-depth study of a subject, the findings may not necessarily apply to other cases of similar nature. Therefore, conducting this study using other methodologies would be recommended.

5.8   Areas for further research

Further research is recommended in the following areas:

Future research may be conducted over a cross section of markets in order to come up with a more generalized conclusion on the relationship between the small business owner's personal attributes and the success of small businesses in Uganda.

Considering that this study focused on only the personal attributes of the small business owner on the success of small businesses in Uganda, further research on a combination of factors affecting small business success in Uganda is recommended.

Also, because this research was cross-sectional in nature, further research using a longitudinal approach would be helpful in contributing to the body of knowledge on small business success in Uganda.

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APPENDIX I: QUESTIONNAIRE

Dear Respondent:

My Name is Agnes Alobo, a student at the Uganda Management Institute (UMI). I am carrying out a study for the purpose of writing a dissertation as a requirement for the award of Master of Management Studies (Business Administration) at UMI. You have been selected to participate in this study because of the expertise and in-depth knowledge you possess concerning the topic under study. The information you provide will only be used for the purpose of this study and will be treated with utmost confidentiality. Kindly answer the questions below to the best of your ability.

Thank you for your time and participation!

Topic: The Influence of Personal Attributes On Small Business Success in Uganda

Section A: Demographic characteristics of the business owner

1. **Age:**

   ☐ Below 30   ☐ 30-39 40-49 50-59 Above 60 ☐   ☐

2. **Gender:**

   ☐ Male   Female ☐

3. **Education level:**

☐ Primary   ☐ O Level A Level ☐ DiplomaBachelors   Other (specify)   ☐

4. **Marital status:**

Single Married Widowed   ☐   Separated   ☐

5. **Nature of business:**

Food vendorsSecond-hand items   Shopkeepers (groceries) Other (specify)

6. **Religion:**

Catholic   Protestant   Muslim   Other (specify)

7. **Family size/dependents**

☐ Less than 3   ☐ 4 - 7   ☐ 7- 10   ☐ Over 10

8. **Number of years business has been in operation in the market**

☐ Less than 1   ☐ 1 - 5   ☐ 5- 10   ☐ Over 10

Section B: **Personal traits of the business owner**

Statements measuring personal traits of business owner	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
My business survival depends on how much effort I put into it.					
I always look for new ways to attract new customers to my business					
I keep my business open to target both early shoppers and late shoppers					
My drive keeps me going in the challenging business environment					
I have the courage to do what is right even in tough business situations					
Disappointment in business makes me work harder					
In business, the customer is always right					
I always want to be ahead of my competitors in business					
I give credit to my loyal customers					
Proper time management is very important to me in the business					

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
I am dependable to both my customers and business friends					
I am fair in all my business actions					
I do not use business money for personal responsibilities					
I always keep records of my business transactions					
I have plans to expand my business in the next five years					

Section C: Religious beliefs of the business owner

Statements measuring religious beliefsof business owner	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
I do not open my business on religious public holidays.					
I only sell goods that are allowable in my religion					
I use some of my profits to support religious causes					
I employ staff who have the same religious values as me in the business					
I only want enough money to survive from my business					
I do not believe in charging excess prices to get more profit					
I prefer to operate a family oriented business					
By operating a successful business, I fulfil my calling from God					

Section D: Small business success

Statement measuring small business success	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
I am restocking more often that I used to					
The sales volumes of my products have continued to grow over time					
There has been increased customer satisfaction over time					
The number of customers for my business has continued to increase					
My staff have exhibited higher levels of satisfaction as the business grows					
The level of profitability of my business has continued to improve over time					
I am happy with the trend my business is taking					
I have employed more staff to help with business in the last two years					

Thank you again for accepting to be a part of this study!

APPENDIX II: **INTERVIEW GUIDE**

Name of Business:_____ Date:_____

	Interview Question	Response
1.	How do you think the age of a business man affects the success of his business?	
2.	How do you think the education level of a businessman affects the success of his business?	
3.	What are your views on the success level of women-owned and men-owned small businesses?	
4.	How do you think the personality of a business man affects the success of his business?	
5.	How do the religious beliefs of the business man affect the success of his small business?	
6.	What factors do you think are important to promote small business success in Uganda?	

APPENDIX III: **Krejcie& Morgan table (1970)**

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—N is population size.   S is sample size.

Source: Krejcie & Morgan, 1970