
INVESTIGATING THE ROLE OF ENTREPRENEURSHIP SKILLS STUDIES ON SOCIO-ECONOMIC DEVELOPMENT OF SOCIETIES, A CASE STUDY OF MAKERERE KIKONI, KAMPALA DISTRICT

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ABSTRACT

The study aimed at investigating the role of entrepreneurship skills studies on socio-economic development of societies and it was guided by the following objectives; To examine the contribution of entrepreneurship to the economic development of Uganda, to determine the relationship between entrepreneurship and socio-economic development of societies and to identify the threats that entrepreneurs face while setting up small business enterprises. This study used non-probability sampling procedure particularly haphazard sampling technique that is the most appropriate to obtain for the sample, the sample selection process is considered until your selected sample size has been fulfilled.

23.3% of respondents strongly agreed with the assertion that inadequate infrastructure hurts business startups and SMEs in Uganda, while 46.7% agreed. 6.7 percent of participants strongly disapproved, while 23.3 percent were unsure. The majority of those surveyed (80%) who responded to the surveys that were sent agreed that businesses in Uganda, like the majority of business owners in other countries, suffer significant obstacles when trying to acquire financing. Regardless of the significant advantages entrepreneurship can bring to the Ugandan economy. The major contribution of entrepreneurship to economic growth can be hindered by government policies and other important elements of the business climate. As a result, findings from this study suggest that in order to attain policy stability, the government should evaluate and guarantee proper economic policy synchronization throughout each fiscal year.

Key words: entrepreneurship skills and socio-economic development

Background of the study

Since India's independence, several entrepreneurial eras have come and gone. In the late 1950s and early 1960s, when the entire economy transitioned from an agro-based economy to an industrialized one, a slow rate of progress was evident. The government soon after began to assist the aspiring business owners. SSIs proliferated throughout the late 1960s and early

1970s. Here, a vigorous push was launched to further encourage entrepreneurship (Ronald et al., 2023).

India was able to liberalize imports in 1980, starting with small and medium-sized business owners. The economic reforms were also implemented in 1990. It was a form of demoralization for the aspiring Indian businesspeople, but by the year 2000, the business environment had significantly changed.

When the amount of produce on the African continent surpassed levels of use, a barter system or "double coincidence of wants" developed in Nigeria. Producers learned from this that if they have surplus, customers won't have to wait for two simultaneous wants. The Nigerian market now allowed for the unrestricted exchange of goods and services. Recently, the act's complete industrialization was carried out (Lydia et al., 2023).

Today, enterprise is a well-known and well researched observable reality from an academic perspective. Total Competitiveness Activity (TEA), a proxy for competitiveness produced by the Worldwide Entrepreneurship Monitor (GEM), is used to measure it. Every year, GEM conducts a research program to calculate the TEA index by evaluating the level of national entrepreneurial endeavor in each country that takes part in the survey. In the Somalia perspective, where this study will take place, entrepreneurship history is recent. It began in 1994, following the civil war, when several communications and money-transfer businesses that were privately held by Somali entrepreneurs seemed to function in Somalia without restriction. According to (Ali, 2018), "during this time, the nation has succeeded in becoming one of the finest in Africa in the sectors of private enterprises such as telecommunication, banking, insurance, and imports and exports. The political system, government legislation, customers, employees and competition are some of the environmental factors that may have an impact on survival of new venture or the success of the entrepreneur."

In conclusion, the main goal of this paper was to analyze the relationship between entrepreneurship skills studies and socio-economic development of societies.

Problem statement

Even though there have been numerous studies and investigations on the relationship between entrepreneurial and economic expansion, the Ugandan economy still needs to be evaluated.

Not all economists concur that the role that entrepreneurship plays in driving economic growth

is the only contributing factor. In a sense, Holcombe contends that creativity is what spurs economic expansion (Holcombe, 2015). However, some economists, particularly those from neoclassical groupings, view entrepreneurs negatively. The effects of entrepreneurial activity have been the subject of many empirical research, but few studies have attempted to reconcile the theoretical underpinnings and the empirical findings. Studying entrepreneurial skills is important for the expansion of an economy since it makes students knowledgeable about launching and operating businesses. It is vital for the researcher to undertake a study to look at the relationship between entrepreneurial skills studies and socio-economic advancement in societies because without entrepreneurship studies, the nation's economy would come to a complete standstill.

Objectives of the study

- 1. To examine the contribution of entrepreneurship to the economic development of Uganda.*
- 2. To determine the relationship between entrepreneurship and socio-economic development of societies.*
- 3. To identify the threats that entrepreneurs face while setting up small business enterprises?*

Research questions

- 1. What is the contribution of entrepreneurship to the economic development of Uganda?*
- 2. What is the relationship between entrepreneurship and economic development?*
- 3. What threats do entrepreneurs face while starting up a business enterprise?*

Methodology

Research design:

The framework and plan of an inquiry used to find answers to a goal-oriented issue is known as the study's design. Additionally, this study combined both qualitative and quantitative methodologies by basing its analysis on characteristics with numerical values and used descriptive statistics (Creswell, 2003). In order to gather data stated in non-numerical terms, it also adopted a qualitative methodology (Amin, 2005). It was a cross-sectional design, in particular, because data would be collected from a sample of the population at a specific time (Amin, 2005).

Target population

Although some specific businesses in Makerere Kikoni were the subject of this study's investigation into the impact of entrepreneurial ability studies on the socioeconomic growth of societies, the restaurant owners, internet service providers (ISPs), whole sale shop owners, and kiosk owners were the study's intended target audience. The target demographic will also contain a reachable sample of fifty participants, including the employees, managers, and administrations of recently established businesses.

Table 1: The target population of the study

No	Company	No. population
1	Restaurant owners	18
2	Internet service providers	12
3	Whole sales	10
4	Kiosk owners	10
5	Total	50

Sample size

The process of deciding how many observations or replicates to include in a statistical sample is known as sample size determination (Kombo & Tromp, 2006). Any empirical study with the aim of drawing conclusions about an audience from a sample must take into account the sample size as a crucial component.

In accordance with Mugenda & Mugenda (2003), a sample size of 10-50% is suitable for descriptive studies. 30% of the workforce will be utilized as the sample size, and all managers will be chosen. Therefore, 15 responses will make up the sample size.

Sampling procedure

This study used non-probability sampling procedure particularly haphazard sampling technique that is the most appropriate to obtain for the sample, the sample selection process is considered until your selected sample size has been fulfilled (Saunders et al, 2009). This technique shall be used because the researcher selects to get individuals that have comprehensive knowledge and experience towards this area.

Research instrument

The data collection instruments for this study were questionnaires for the employees and interviews for the sectional managers.

Questionnaires

Using a Likert scale, surveys containing both closed- and open-ended questions must be utilized to gather additional information from participants. While the open-ended questions will provide more information that the closed-ended inquiries were unable to collect, the closed-ended inquiries offered more structured answers that made it easier to make recommendations that were practical.

Data analysis

Quantitative data was analyzed descriptively using measures of central tendency; that is frequencies and percentages (Nelson et al., 2022). For ease of analysis, the researcher analyzed the data collected in terms of objectives so as to answer the three-study questions.

RESULTS

The contribution of entrepreneurship to the economic development of Uganda.

The first objective of the study sought to establish the impact of entrepreneurship on economic development of Uganda.

The findings from the field are tabulated as here under in table 1.

Response	Strongly	Agree	Un decided
Reduce un employment	6 (30%)	14 (70%)	-
Creates room for innovation	7 (35%)	13 (65%)	-
Key to self-reliance	4 (20%)	4 (20%)	12 (60%)
Facilitate economic growth	10 (50%)	6 (30%)	4 (20%)

Source: field research 2022

According to Table 1 above, 30% of the participants strongly agreed that manufacturing lowers poverty. Thus, the remaining 70% were concurring voters. All of the participants agreed that entrepreneurial activity lowers joblessness, and 35% strongly agreed that it creates space for creativity, while 65% agreed. As a result, the percentage of participants who agree that entrepreneurial activity has a significant impact on innovation creation is significantly higher than the percentage of participants who disagree. Only 20% of those surveyed firmly thought that manufacturing was the way to independence. A significant portion of 60% could not decide. 50% of the respondents strongly agreed that entrepreneurship facilitates economic growth while 30% agreed and 20% undecided.

Table 2: Do you agree finance is a major challenge for business Start-ups / SMEs in Uganda?

		Frequency	Percent
Valid	strongly agree	13	43.4
	Agree	12	40
	Undecided	4	13.3
	strongly disagree	1	3.3
	Total	30	100.0

Source: primary Data 2022

The table 2 above shows that 43.4 percent of the respondent strongly agreed on the statement on finance as a significant challenge for business Start-ups / SMEs in Uganda, large percent 40 of responses agreed while 13.3 percent of the respondents were undecided and 3.3 percent strongly disagreed. Hereunder addressed issues of infrastructure requirement for SMEs, the question was considered such that it explores what people feel about it. Therefore, there could be a way to review its inadequacy.

Table 3: Does inadequate infrastructure affects business Start-ups / SMEs in Uganda?

		Frequency	Percent
Valid	strongly agree	7	23.3
	Agree	14	46.7
	Undecided	7	23.3
	strongly disagree	2	6.7
	Total	30	100.0

Source: primary Data 2022

According to Table 3, 23.3% of respondents strongly agreed with the assertion that inadequate infrastructure hurts business startups and SMEs in Uganda, while 46.7% agreed. 6.7 percent of participants strongly disapproved, while 23.3 percent were unsure.

The following question dealt with the difficulties of government initiatives. It was decided that the question should investigate how people feel about it. Consequently, there might be a mechanism to evaluate such policies.

Table 4: Do government policies and process make it difficult to start a business in Uganda?

		Frequency	Percent
Valid	strongly agree	8	26.7
research.miu.ac.ug/publications	Agree	15	50.0
	Undecided	4	13.3
	strongly disagree	3	10
	Total	30	100.0

Source: primary Data 2022

Table 4 shows that the statement on government policies and process make it difficult to start a business in Uganda was strongly agreed by 26.7 percent of the respondent, 50 percent agreed while 13.3 percent of the respondents were undecided, and 10 percent strongly disagreed with the statement.

This question hereunder related to security as a challenge facing SMEs in Uganda.

Table 5: Is insecurity one of the challenges faced by SMEs in Uganda?

		Frequency	Percent
Valid	strongly agree	5	16.6
	Agree	9	30
	Undecided	8	26.7
	strongly disagree	8	26.7
	Total	30	100.0

Table 5 shows that 16.7 percent of the respondent strongly agreed on the statement on insecurity one of the challenges faced by SMEs in Uganda, 30 percent agreed, while 26.7 percent of the respondents were undecided, and 26.7 percent strongly disagreed.

Conclusions

The majority of those surveyed (80%) who responded to the surveys that were sent agreed that businesses in Uganda, like the majority of business owners in other countries, suffer significant obstacles when trying to acquire financing.

Finally, in addition to financing, the study's findings indicate that location, external variables, company organization and administration, behavioral and personal trait insecurities, and government regulations are additional elements that have an impact on the growth of small business companies.

Recommendations

Regardless of the significant advantages entrepreneurship can bring to the Ugandan economy. The major contribution of entrepreneurship to economic growth can be hindered by government policies and other important elements of the business climate. As a result, findings from this study suggest that in order to attain policy stability, the government should evaluate and guarantee proper economic policy synchronization throughout each fiscal year.

To promote independence and vocational skills, institutional reforms are also required, such as curriculum changes in the educational system. The country's power industry, for example, has to be revitalized due to its tremendous impact on primary operations and resulting growth. In

order to attract the interest of large-scale industrial investors, it is more vital than ever to significantly lower taxes and financing interest rates for SMEs.

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