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An Examination of the Determinants of Business Growth Among Small Scale Hardware Enterprises:A Case Study of the Central Business District of Lusaka

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Abstract
The purpose of this study was to examine the determinants of business growth among small-scale hardware enterprises on the growth of the economy of Zambia. The study was conducted in the first half of 2024 in Lusaka through a randomly selected probability sample from the population of all hardware suppliers in the central business district of Lusaka. The population of the study was 50 respondents across the area of study. Data was generated through structured questionnaires and analysis was done through Microsoft Excel SPSS and Stata. Most responses elicited, presented as categorical, therefore the findings were mostly presented in either tables or figures. From the research, the general result finding was that small scale hardware entrepreneurs remain relevant and significant to the growth of the Zambian economy. The findings show that small-scale hardware enterprises are dominated by males (79.2%) and young adults aged 25–34 (50%), rely mainly on marketing innovation (75%), and face major financial constraints such as high interest rates (50%) and collateral requirements (30%). They also experience moderate adoption of e-commerce (mainly 26–50% of sales) but are hindered by high costs (53%) and lack of technical skills (28%).The study recommends promoting gender inclusion, supporting youth participation, and encouraging diversified innovation beyond marketing.

Keywords: Marketing, Technology, Innovation, E-commerce

INTRODUCTION

Small-scale hardware enterprises play a vital role in Zambia's economic development through job creation, entrepreneurship, and support to the construction sector, particularly in urban areas such as Lusaka (Chiumya, 2006). Ideally, their growth should be reflected through indicators such as sales, employment, and profitability, which demonstrate business expansion over time. However, SMEs remain constrained by limited access to finance, weak managerial capacity, and low levels of business formalization, which restrict access to credit and government support. In addition, external challenges such as high inflation, taxation, and infrastructure gaps continue to increase operational costs and limit competitiveness. Despite their importance in driving innovation and economic growth, many small

hardware enterprises struggle to survive and expand under these conditions (Chomba, 2018). Therefore, understanding these internal and external determinants is essential to explain the growth challenges facing SMEs in the hardware sector in Lusaka.

Statement of the problem

Small and medium hardware enterprises play an important role in economic growth, employment creation, and tax revenue generation in Zambia (Ministry of Commerce, Trade and Industry, 2007). Ideally, these enterprises are expected to grow through innovation, competition, and government support initiatives. However, the Covid-19 pandemic and global economic downturn disrupted the supply of hardware materials from China and Europe, negatively affecting business operations. Many SMEs now face stiff competition from large corporations, inadequate finance, poor infrastructure, and weak managerial capacity. As a result, many small-scale hardware enterprises have experienced slow growth, business closures, and job losses, leading to reduced government tax revenue. Similar challenges affecting SME growth have also been observed in Nigeria due to poor economic conditions and infrastructural inadequacy (Ihua, 2009). Therefore, this study seeks to assess the effectiveness of growth among small and medium hardware enterprises in Zambia.

Research Objectives

The general objective is to examine empirically the dependents of growth on small-scall hardware enterprises on the Zambian economy, the research set out the following objectives. The general objective of the study is to examine the dependents of growth on hardware enterprises. A case study of the central business district of Lusaka. The main objective is to be achieved through the following specific objectives;

To assess the effectiveness of business innovation on business growth among small-scale Hardware enterprises.

To establish the ease with which dependents of business growth access finance among small-scale hardware enterprises.

To ascertain the effectiveness of technology application and usage in business growth among small-scale hardware enterprises.

To examine the effectiveness of marketing strategies in business growth among small-scale hardware enterprises.

Literature review

Global Context: Scarborough et al. (2009) in SME Survival in Competitive Markets found that SMEs globally face increasing competition due to changing markets, technology, and consumer demands, and recommended continuous innovation and strategic adaptation for survival; this is similar to Gunasekaran, Rai and Griffin (2011) who emphasized resilience and technology adoption, although Walley (1998) focused more narrowly on opportunity evaluation rather than long-term adaptability.

Regional Context: Harvie (2005) in Access to Finance and SME Growth in Developing Economies found that limited access to finance is a major barrier to SME growth due to strict lending conditions and inadequate capital, and recommended improved financial systems and easier credit access; this aligns with Martin and Staines (2008), who identified poor financial literacy as a key constraint, although some studies place more emphasis on internal managerial weaknesses than financial systems alone.

Local Context: Arinaitwe (2006) in Technological Challenges Facing SMEs in Developing Countries found that SMEs in countries like Zambia struggle with low technological adoption, which limits competitiveness and innovation, and recommended increased investment in technology and training; this supports Lumpkin and Dess (1996), who emphasized external environmental constraints, although Hisrich and Drnovsek (2002) argued that managerial competency is an even more critical determinant of SME performance than technology.

Materials and Methods

Study Design

This study adopted a descriptive case study research design with a mixed-methods approach, integrating both qualitative and quantitative techniques. The case study design was considered appropriate because it enabled an in-depth investigation of small-scale hardware enterprises within their real-life business context in Lusaka's central business district. According to Kothari (2004), a research design refers to the arrangement of conditions for the collection and analysis of data in a way that combines relevance to the research purpose with efficiency in procedure. The mixed-methods approach was employed to provide a comprehensive understanding of the research problem by combining statistical analysis of quantitative data with contextual insights from qualitative information. Creswell and Clark (2007) emphasized that mixed methods are suitable when both measurement and interpretation of social phenomena are required, as they provide a more complete understanding than a single approach.

Methodology

The research methodology was structured to systematically collect, process, and analyze data in order to address the study objectives. By combining qualitative and quantitative approaches, the study captured both measurable outcomes such as sales performance and employment levels, as well as experiential perspectives of respondents regarding the growth of small-scale hardware enterprises. A well-defined methodology ensured consistency, reliability, and validity of findings, while allowing triangulation of results from multiple data sources to strengthen the credibility of conclusions (Borg and Gall, 1989; Creswell and Clark, 2007).

Data Collection

Data were collected using both primary and secondary sources to ensure a comprehensive understanding of the research problem. Primary data were obtained directly from respondents using structured questionnaires containing closed-ended questions. The questionnaires were administered to owners and operators of small-scale hardware enterprises in Lusaka's central business district. This approach enabled the collection of quantifiable data on business growth indicators such as sales, employment, and access to finance (Waters, 2010).

Secondary data were obtained from textbooks, academic journals, newspapers, internet sources, and other published literature. These sources provided background information on SME development, financial constraints, and economic conditions affecting small-scale enterprises, and were used to support, compare, and validate primary findings.

Data Analysis

The collected data were analyzed using both qualitative and quantitative methods. Quantitative data fro

m questionnaires were coded, cleaned, and entered into Microsoft Excel before being exported to SPSS version 25 for statistical analysis. Descriptive statistics such as frequencies and percentages were used to summarize the data and present key findings in tables and charts.

Qualitative data from open-ended responses were analyzed thematically by identifying patterns and recurring ideas related to SME growth challenges and opportunities. The use of both descriptive statistics and thematic interpretation allowed the study to provide a balanced and comprehensive understanding of the effects of small-scale hardware enterprises on economic growth in Zambia.

RESULTS/FINDINGS

Background information for small scale hardware enterprises

Gender status of respondents. Figure 4.1.1 Percentage distribution of the respondent by gender and their frequency of attempting the hardware business.

Gender	Frequency	Percentage
Male	High	79.20%
Female	Low	20.80%
Total	48 Respondents	100%

According to figure 4.1.1, the findings from the distribution showed that the majority of the respondents 79.20% were male, while 20.80% were female. The figure above also illustrates the frequency by gender in attempting the hardware business. This data translates to show a significant gender disparity, with male respondents constituting a higher percentage ratio of the sampled respondents who have attempted the Hardware business. This data may suggest that Hardware related industries are mostly predominantly male-oriented, possibly due to historical trends, gender stereotypes or perceived physical or possibly technical demands. The Female representation of low frequency could reflect barriers such as lack of access to resources, fewer role models or societal perceptions of the hardware sector being male dominated. The presence of Female respondents though small, indicates an opportunity for increasing diversity. Encouraging inclusivity may create a more dynamic business ecosystem. According to International Trade Center (2023), “According to the 2021 World Bank Report, Zambian women entrepreneurs own more than one-third of the country’s small businesses and more than 40% of its microenterprises. Despite their pivotal role in the Zambian economy, women encounter a disproportionate number of obstacles in accessing financial services, hampering their economic potential and the progression of gender equity.

Figure 4.1.2 The figure below represents a percentage distribution of the age of respondent by %

Age range (years)	Frequency	Percentage (%)
18 – 24	0	0.00%
25 – 34	24	50.00%
35 – 44	11	22.91%
45 – 54	11	22.91%
55 – 64	2	4.16%

The table above provides an age based demographic breakdown of respondents in small-scale hardware enterprises showing their percentage distribution and frequency. Figure 4.1.2 presents the age of

respondents, were at the time of the survey, no respondents were between the ages of 18-24 years old representing a % distribution of 0%. This turnout might suggest limited interest or opportunity for younger individuals in this sector possibly due to lack of experience, financial barriers to entry or a preference for other industries. 24 respondents were captured between the ages of 25-34 years old giving a percentage distribution of 50%. Respondents in this age range were the most active and dominant demographic in this sector. This could be due to their higher energy levels, entrepreneurial drive or ability to adapt to technical and market demands. 22.91% of the respondents was between the age of 35 - 44, and another 22.91% for respondents between the ages 45-54 years old sharing 11 respondents for each category. Both these age groups likely represent experience and possibly established positions within these enterprises. They may also represent a transitional phase where skills and leadership are critical for business operations.4.16% percentage distribution was for respondents between the ages 55-64 years old with only 02 respondents in the category. This could indicate that older individuals are less involved in the sector probably due to retirement, reduced physical involvement in hardware related work or shifting to advisory roles.

Presentation of results based on the effectiveness of innovation on business growth among small-scale Hardware enterprises.

Figure 4.2.1 The figure below illustrates the percentage distribution of the sources of Innovation utilized by small-scale hardware enterprises.

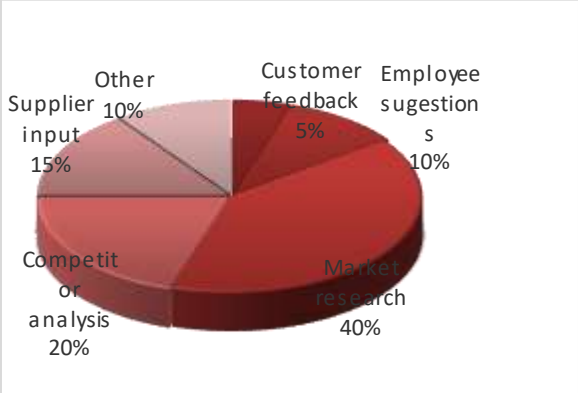
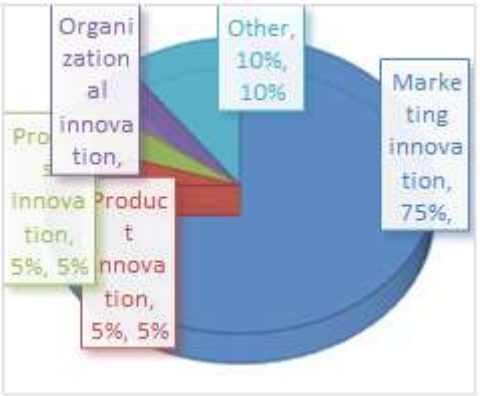


Figure 4.2.1 highlights the diverse sources of innovation ideas utilized by small-scale hardware enterprises, emphasizing the importance of both internal and external inputs in driving innovation. The majority percentage of innovation ideas vary with options available to small-scale hardware enterprises from the 40% share from market research, this is a significant portion of innovation ideas which stems from market research. This demonstrates the enterprises' focus on understanding market trends, customer preferences, and emerging opportunities. It also underscores the importance of proactive strategies to identify and capitalize on unmet needs. Competitor analysis accounts for 20% of innovation sources, reflecting businesses' efforts to stay competitive by benchmarking their offerings against rivals. This strategy helps in identifying gaps and leveraging them to improve their products or services. Suppliers contribute 15% to innovation, highlighting the collaborative relationships between businesses and their supply chain. Suppliers often provide insights into new materials, technologies, or processes that businesses can adopt to stay ahead. Employee suggestions account for 10% of innovation ideas, showcasing the value of tapping into the creativity and knowledge of staff who are directly involved in daily operations. This approach can lead to practical and feasible improvements. Another 10% comes

from unspecified sources, indicating that businesses maintain a flexible approach to innovation. These could include collaboration with external consultants, academic partnerships, or community-driven insights. Customer feedback contributes the smallest share (5%). This suggests that businesses may not be fully leveraging direct customer insights, which could provide valuable information about user experiences and expectations. The dominance of market research highlights a strong reliance on formal, structured methods to drive innovation. The relatively lower contribution of customer feedback indicates a potential area for improvement, as incorporating customer perspectives can enhance product relevance and satisfaction. The balanced contributions from competitor analysis, supplier input, and employee suggestions reflect a diverse approach to idea generation, reducing reliance on a single source. By diversifying sources of innovation, small-scale hardware enterprises can build resilience and adapt to dynamic market conditions.

Figure 4.2.2 Percentage distribution illustrating the kinds of Innovation activities small-scale hardware enterprises are engage in.



The data from Figure 4.2.2 highlights the dominant focus on marketing innovation among small-scale hardware enterprises in Zambia, while other types of innovation are notably less prioritized. According to the results presented, it shows that Marketing innovation takes up 75% suggesting that these businesses heavily focus on strategies to promote their products and services, build brand awareness, and attract customers. This emphasis could be driven by the need to stay competitive in a market where visibility and customer engagement are critical for survival, where 10% is for other options of innovation. 5% answered organizational innovation, 5% process innovation and 5% product innovation. This minimal representation indicates that these areas may not be receiving sufficient attention, possibly due to resource constraints or a limited understanding of their potential benefits. These innovation activities can offer numerous advantages such as enhanced competitiveness which allows innovative businesses develop unique products and services that may set them apart from the various competitors. Improved operational efficiency as well as enhanced customer experience. By fostering innovation, small-scale enterprises in Zambia can thrive in a competitive environment while contributing to the broader socio-economic development of Zambia. Businesses that adopt innovative practices can differentiate themselves by offering unique products or services, making them more attractive to customers. Marketing innovation, in particular, allows enterprises to establish a strong market presence.
Process and organizational innovations, though underutilized, can streamline operations, reduce costs, and improve productivity. Their adoption could significantly enhance long-term business sustainability.

By leveraging marketing and product innovations, enterprises can create tailored solutions that meet customer needs effectively, leading to greater satisfaction and loyalty. Innovation drives growth not only at the enterprise level but also contributes to the broader socio-economic development of Zambia. Thriving businesses create employment opportunities, generate revenue, and stimulate local economies. While marketing innovation is critical, more attention should be given to process, organizational, and product innovations. These can complement marketing strategies and lead to more holistic business growth.

Presentation of results based on effectiveness of Finance among small scale Hardware enterprises.

Figure 4.3.1 Percentage distribution showing challenges faced when seeking financial aid from lending institutions by small-scale hardware enterprises.

Barrier	Percentage %
High interest rate	50%
Lengthy application process	8%
Collateral requirements	30%
Limited credit history	2%
Lack of understanding of financial products	10%

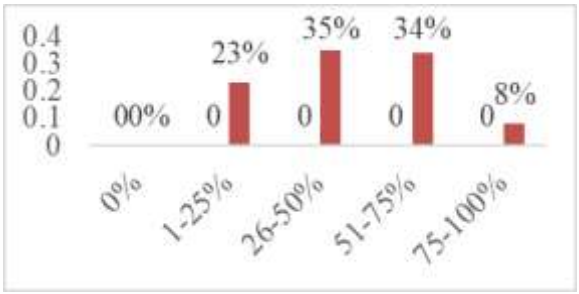
Figure 4.3.1 shows the challenges face by small-scale business owners when seeking financial aid from lending institutions such as banks. The data highlights several key challenges faced by small-scale business owners when seeking financial aid from lending institutions, From the table above, it illustrates that 50% of respondents answered high interest rates, High Interest Rates. The majority of respondents identified high interest rates as the primary challenge. This indicates that borrowing costs are a significant deterrent for small business owners, potentially affecting their ability to sustain or expand their operations. 30% said collateral requirements, A significant portion of respondents struggled with the requirement to provide collateral. Many small businesses may not have sufficient assets to meet these demands, making it difficult for them to secure loans.10% said lack of understanding financial products, A smaller yet notable

	Frequency	Percentage
High interest rates	24	50%
Lengthy application process	4	8%
Collateral requirements	14	30%
Limited credit history	1	2%
Lack of understanding financial products	5	10%

percentage of respondents pointed to a lack of knowledge about financial products. This suggests a need for better financial education or advisory services tailored to small business owners. 8% lengthy application process the time-consuming nature of loan applications was a challenge for some respondents, as it can delay access to critical funds and hinder operations and 2% answered limited credit history. While a smaller concern compared to others, limited credit history still poses a barrier for a few small business owners, particularly startups or those without a formal credit record.

Presentation of results based on the effectiveness of technology application and usage in business growth among small-scale Hardware enterprises.

Figure 4.4.2 Shows Percentage distribution of sales due to e-commerce and technology application.



What percentage of sales come from Online channels? According to figure 4.4.2, the figure above illustrates the percentage distribution of e-sales made by respondents. 11 respondents agreed to attributing e-commerce and modern-day technology to having a significant amount of influence to the growth of their business which translates to a percentage distribution of 23% saying only between 1%-25% of their sales made was due to technological integration into the business. 17 respondents agreed that only between 26%-50% of their sales is an attribute of technology and the use of e-commerce platforms available, thereby giving a percentage distribution of 35%. 16 respondents agreed that their use of e-commerce platforms as well as the use of technological tools has enhanced more than 50%-75% of their business grow through e-advertising purchasing and distribution of goods. Only 4 respondents agreed that between 75% -100% of their sales were as a result of social media platform and other e-commerce platforms have to be credited for growing customer base.

Figure 4.4.3 Illustrates challenges associated with adopting new technologies among dependents of business growth in small-scale hardware enterprises.

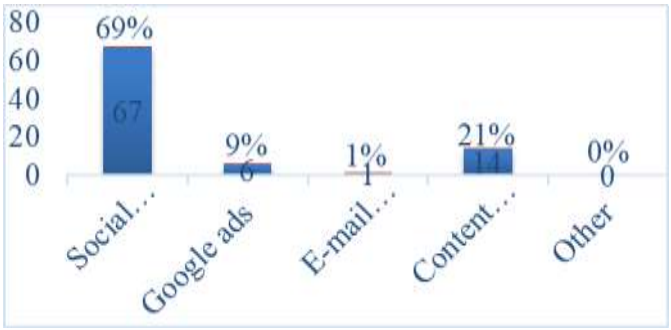
Challenges	Number of respondents	Percentage%
Cost	38	53%
Lack of technical skills	20	28%
Implementation time	3	4%
Resistance to change	11	15%
Other	0	0%

Addressing some of these challenges illustrated in the figure 4.4.3 above may require a combination of policy intervention, private sector support and targeted education and training programs to ensure that these businesses are able to embrace new technology effectively.

Cost 53%, Frequency: 38. The most significant barrier, highlighting financial constraints as the predominant challenge for businesses. Lack of Technical Skills 28%, Frequency: 20, A major obstacle, emphasizing the need for training and education to build capacity. Resistance to Change 15%, Frequency: 11. Reflects hesitation or reluctance among businesses to transition from traditional methods to modern practices. Implementation Time 4%, Frequency: 3, A minor challenge, indicating that the time required to adopt new technologies is not a primary concern. Other 0%. No additional barriers were identified outside these categories.

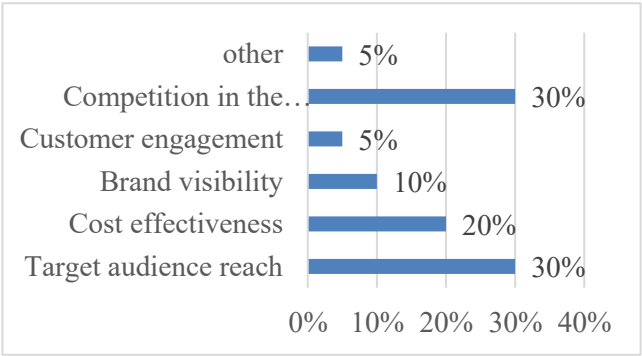
4.5 Presentation of results based on the effectiveness of marketing strategies in business growth among small-scale hardware enterprises.

Figure 4.5.1 Percentage distribution of some digital marketing platforms preferred by respondents.



Digital marketing platforms are essential tools that allow businesses to promote their products and services through online channels, engage with their target audience, and achieve measurable results. Businesses that use digital marketing platforms effectively can outperform competitors who rely solely on traditional methods. The chart illustrates the preferences for different digital marketing channels among businesses. Social Media Platforms dominate, being used by 69% of businesses, with 67 respondents indicating its usage. Content Marketing follows, utilized by 21% (14 respondents). Google Ads is used by 9% (6 respondents). Email Newsletters are the least popular, with just 1% (1 respondent) adopting it. Other Channels show no usage (0%). Social media platforms clearly stand out as the most popular choice for digital marketing, likely due to their broad reach and cost-effectiveness.

Figure 4.5.2 Percentage distribution of factors that impact the effectiveness of Marketing in small-scale hardware enterprises.



According to figure 4.5.2 above, the effectiveness of small-scale hardware businesses is influenced by multiple factors, as outlined: The factors that impact the effectiveness of small-scale hardware enterprises is 30% competition market, the highly competitive nature of the hardware market is a major challenge. Many small-scale enterprises struggle to differentiate themselves due to the presence of larger, well-established competitors or the saturation of similar businesses in the market. 30%target audience reach. Reaching the right customer demographic is equally critical. Limited marketing budgets, geographic constraints, or an unclear understanding of customer needs can hinder their ability to connect with and expand their target audience effective. Operating costs, pricing strategies, and affordability are crucial factors. Small businesses must ensure that their operational expenses are sustainable while offering competitive pricing to attract customers 20% cost effectiveness, 10% brand visibility Building

and maintaining brand visibility is another factor that influences effectiveness. Businesses with weak brand recognition may struggle to gain customer trust or retain long-term loyalty, 5% customer engagement and 5% other options. Other factors, such as access to technology, supply chain issues, and regulatory requirements, play a smaller yet notable role in business effectiveness.

Figure 4.5.4 Below will show the various e- Marketing platforms that are currently available to SMEs and in particular, Small-Scale Hardware Enterprises in Lusaka.

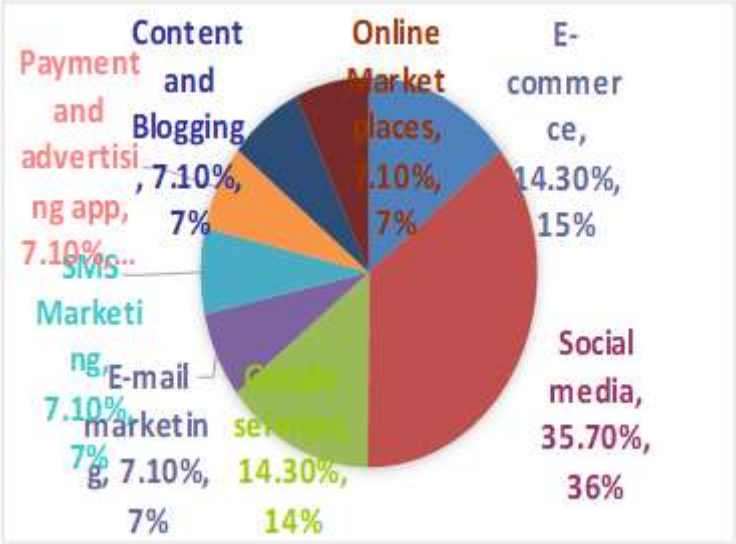


Figure 4.5.4 shows percentage distribution of e-marketing platforms commonly used by SMEs in Lusaka. Each segment represents the proportion of a specific platform type. Small and medium enterprises in Zambia use various e-marketing platforms to promote their businesses and reach customers. These platforms are often chosen based on affordability, accessibility, and effectiveness in the local market some of which are Social Media Platforms. The more popular social media platforms for e-Marketing which may include Facebook which is widely popular in Zambia, Facebook is used for business pages, sponsored ads, and direct customer engagement. TikTok: Increasingly popular for creative video marketing and brand awareness among younger audiences. E-Commerce Platforms: Zambia-specific platforms: Sites like ZamFind and Zoona Shops offer local SMEs a platform to sell and market their products. Global platforms: Some SMEs use platforms like Jumia Zambia for e-commerce, particularly in retail and electronics.

Email Marketing; Platforms like Mailchimp and Sendinblue are used by SMEs to run email campaigns targeting existing and potential customers.

Google Ads: For targeted advertising based on search terms relevant to their industry.

SMS Marketing: With a high mobile phone penetration rate, SMS campaigns are effective for promotions and reminders. Payment and Advertising Apps: Platforms like mobile money services often collaborate with SMEs for discounts, promotions, and customer engagement.

Some challenges faced by SMEs in E-Marketing in Zambia such as limited digital literacy among business owners, high cost of data and inconsistent internet connectivity, difficulty accessing advanced digital tools due to financial constraints, adopting these platforms effectively can significantly improve the visibility and competitiveness of SMEs in Zambia.

Discussion of Results

The findings of this study are consistent with Scarborough et al. (2009) and Gunasekaran, Rai and Griffin (2011), who argue that SMEs' growth is strongly influenced by innovation and adaptability in competitive markets. In this study, the dominance of marketing innovation (75%) confirms that SMEs rely heavily on visibility and customer attraction strategies, although the low levels of product, process, and organizational innovation contradict Schneider and Bauer (2023), who emphasize balanced innovation (economic, social, and environmental) for sustainable SME development. This suggests that hardware SMEs in Lusaka are innovation-limited and survival-oriented rather than growth-driven.

On financial constraints, the findings strongly align with Harvie (2005) and Chongo (2021), who identified limited access to finance, high interest rates, and strict collateral requirements as major barriers to SME expansion in developing economies. However, they contrast with Baumol (2002), who assumes that market-driven innovation systems can offset financial barriers through competition and creativity. The current study shows that in practice, financial constraints remain a dominant structural limitation, weakening SME survival and expansion.

Regarding technology adoption, the results support Arinaitwe (2006), who found that SMEs in developing countries struggle with low technological capacity, limiting competitiveness and efficiency. The study also aligns with Carree and Thurik (2003), who emphasize entrepreneurship and innovation as drivers of economic growth. However, the limited use of advanced digital tools contradicts their assumption that SMEs naturally evolve through market exposure, showing instead that structural barriers such as cost (53%) and low technical skills (28%) slow digital transformation.

Implications (Critical Perspective)

The findings imply that SME growth in Zambia's hardware sector is constrained by a combination of weak innovation depth, financial exclusion, and low technological readiness, which collectively reduce competitiveness and sustainability. Critically, this suggests that policy support focusing only on access to finance is insufficient unless combined with targeted innovation development and digital skills training. Furthermore, the overreliance on marketing innovation indicates short-term survival strategies rather than long-term industrial growth, implying that without structural intervention, many SMEs may remain stagnant or exit the market despite their economic importance.

CONCLUSION

The study brought out significant issues that highlighted how important small scale businesses are to the Zambian economy positively influence economic growth and opportunities to alleviate poverty through job creation by their mere existence. The viability of the business presented a challenge in that it critically looked at how profitable the business would be in the period under the study. Its ability to withstand environmental factors hindering its growth and success such as the lack of education for the business entrepreneur and the lack of marketing skills saw the study yielding a different perspective in the traders as they critically thought of the factors affecting their growth. The need to acquire further education in order to traverse and ensure continued growth and success of the business was discovered to be one of the key issues to be looked at in future. The level of education needs to be consistent with the technological advancement on the market so as to ensure easy understanding of certain criteria of the business and ensured growth of the small scale hardware business. The further understanding of

exchange rates and what they entail encompassed with what actions to take in the advent of fluctuations needs to be understood through business education of individual entrepreneurs.

The study possess as an eye opener for policy makers who hope to develop this country to look into these matters with the urgency it deserves as Zambia is not getting the highest possible return from its human capital investments. There must be a deliberate policy to be put in place to this effect as small scale hardware entrepreneurs are indeed contributing positively against poverty reduction, the creation of employment and government revenue collection through the taxes they pay.

Recommendations

The study has tried to fulfill stated objectives based on a detailed analysis of the questionnaire survey and archival database. The interpretations of the results have yielded the following recommendations and direction of future research:

Small scale business owners should design training programs to enhance creativity so as to help shape the behavior needed to be a successful small scale industry owner. Government should reduce as well as providing tax incentives to small scale industry owners so as to motivate them start up more advanced industries in Zambia. This would help the industrial sector to develop. Government should involve draft policy frameworks for small scale businesses that focus on the legal and regulatory conditions, capacity building in support of improving the business environment to increase competition and promote the private sector. Emphasis should be on enabling accessibility through the development of better infrastructure in form of roads for transportation, administrations buildings as well as communication systems.

The study further recommends that small scale business enterprise owners to always perform internal audit in their business operations process periodically. The internal audit will help them to clearly identify the mistakes usually made while reducing on their business operations. The economy should design developmental projects which encourage youth participation and the government should focus on regional balance youth support scheme to enable young to acquire employable skills which facilitates their transition from school to work and smooth integration into the labor market, private sectors to support workers build up and improve competences, and develop their career in a process of lifelong learning and lastly the government of Uganda to design policies that help disadvantaged population groups to have access to education, training and the labor market.

Government should introduce motivation incentives in support of the small-scale business operations for examples increased salaries, wage tax holidays and other non-monetary rewards. This would improve on the performance of businesses towards development and employment provision. The decision makers of the small-scale businesses should adopt the best form of organization that can address the following issues with help of updated technology; The life and continuity of the business, The operating flexibility of the employees, The ease and expense of making the business recognized, the ease with which capital can be acquired to support business operations, The ability to control the business without jeopardizing other activities in which they are involved Finally, government should be sensitive to the variables in the tax environment to enable the SMEs cope with the ever-changing dynamics of the SMEs environment.

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