

# **Determinants of Growth of Petty Trade in Jimma Town**



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## ***Abstract***

*This study was investigated the determinant factors those affect the growth of petty trade in Jimma town four kebele's. The main objective of the study was to determine the main factors of petty trader's growth. To achieve the objective of this study the data was conducted by using stratified random sampling that a total of 173 respondents were included. To conduct the data mainly questionnaire and interview were used. For around 173 respondents questionnaire was administered on the sample women and men petty traders in the city administration and interview was included for Jimma trade office and municipality house. The data collected has been analyzed by using qualitative and quantitative methods through SPSS version 21. Based on the findings of the study the major determinant factors those affect the petty trade were financial, technological, marketing, management and training, motivation, working place, level of education and infrastructural factors. These factors affect the growth positively. As the research identified more external factors affect the petty traders of the town.*

### **Key words:**

- ✓ Growth:- performance
- ✓ Petty trade:- informal market
- ✓ Ikub:- traditional money saving method
- ✓ Idir:- traditional cooperation to help each other
- ✓ Collateral:- mortgage
- ✓ street vendors:- traders near to road
- ✓ Jimma:- name of the town the research conducted

## **Acronyms and Abbreviation**

EO	Entrepreneurial orientation
FGD	Focus group discussion
FI	Financial institutions
GDP	Gross domestic product
GNP	Gross national product
ILO	International labor organization
MFI	Micro finance institutions
SSA	Sub Saharan Africa

# CHAPTER ONE

## INTRODUCTION

This chapter presents:backgroundof the study, statement of the problem, the research question, objective of the study, hypotesis of the study, significance of the study, scope of the study, limitation of the study and finally organization of the study.

### 1.1 Background of the study

Petty trading is one of the informal market sectors which play a great role in the community of low income and poor communities. As indicated in Winnie V. (2003) Petty trade in Africa is viewed as an economic activity for those with a low level of education. Especially for women, it is considered an extension of their reproductive and domestic role. The level of education attained has an influence on their occupational placement. Since women are comparatively less educated than men, they cannot effectively compete in the formal job market.

Petty trading is also a part of informal sector type of trade activities.As Lawanson, (2011) describes that the informal sector is generally viewed as another sector outside the normal organized formal sector that provides employment and sustenance through engaging variety of activities, such as street trading, hawking, vulcanizing, local manufacturing and cobbling to mention but a few. The sector is characterized by small scale operations, labor intensive techniques, low-income families, private and indigenious ownership of enterprises that are largely unprotected by government, because as the name indicates petty trade is a part of informal sector.

Previous studies such that [W. Arthur Lewis whichindicated in Christina, 2004] stated that the development of informal trade sector begins in the mid-1950s.As the author developed a theoretical model of economic development based on the assumptions that there was an unlimited source of labor in most developing countries and that this vast pool of surplus labor would be absorbed as the modern industrial sector in these countries grew. It was therefore assumed that the traditional sector comprised of petty traders, small producers and a range of casual jobs would eventually be engaged into the formal economy and disappear.



However, [this sector is seen as less visible and even invisible type of work in every parts of the society according to written in different petty trading journals and thesis. As Solomon (2006), Winnie 2013] indicated that the informal sector includes activities and works that are less visible and even invisible. Less visible informal workers work in small shops and workshops. On the street corners of most cities, towns, or villages, even in residential areas, are countless small Kiosks or stalls that sell goods of every conceivable kind. In addition all the cities covered, street trade is widespread and a source of employment and income for many urban inhabitants. However, in most of the countries, it is unaccounted and unrecognised in national economic statistics. Street trade has in the past, been viewed as an underground activity that undermines the healthy function of the formal economy. This perception has resulted in conflicts with urban authorities over licensing, taxation, site of operation, sanitation and working conditions. The negligence of the street vending activities has resulted in the lack of accurate estimates of the numbers of street traders.

Challenges facing informal traders, undermining their activities and have to do with operating and not give a space to trade. Most of the spaces trader's uses are regarded as illegal since they have not been set aside for trade (Anis 2015). Although barriers encountered by smaller enterprises have attracted the attention of a handful of researchers from all over the world, little is still known about the barriers faced by small African informal trades. Recent efforts have been made to better understand this subject in the African especially Ethiopian context. Because implementing informality or making it grow into the mainstream economy requires, among other things, understanding causes of informality, the functioning of informal sector, understanding factors that influence success in the sector and the dynamics of both the formal and informal sector, which all require understanding of specific country context.

Fikremariam (2019) indicated that the major hindering causes those studies analyzed was, shortage of finance, poor management, technical and marketing skills. Although Fikremariam in his study concluded that the major factors that affect Jimma town petty traders to get finance means for their market is lack of collateral, license requirement and bureaucratic process of financial institutions. On the other hand Zinashbizu (2017) analyzed that the major challenges of small markets in Jimma town. She presented that the major challenges are, lack of financial access, business training opportunity, access to technology, access to market information, access

to infrastructure, access to raw material, and access to market. And also She included that the entering of the owners without the knowing of the trade office as additional factor.

However, the problems encountered the petty trades in Jimma town is not solved yet as the researcher analyze from different researches and gathered informal data from the petty traders and trade office of the town. Because of the previous studies more focused on how factors that affect to get finance and lack of their skills of managing their business. Though this study more emphasis on those factors and other factors those affect the growth that mainly faced the petty traders' was investigated. And also the previous studies only recommend the government offices and other financial institutions to support the petty traders, but they don't show how practically these organizations help them is not mentioned.

Additionally, this study tried to collect possible information and [the perception petty traders] have towards the problems and solutions also from themselves and produced better opportunity by combining their possible ideas with scientific method of how these factors solve from different practical sources. Finally, the study was responded the final solutions that searched for the problems for concerned body to change the research from theory into practice and solve the informal sector problems happened in Jimma town petty trade sector.

## **1.2. Statement of the problem**

As mentioned in the background above, petty trade is the main sector for job opportunity in informal market sector and also it has a large part in poverty reduction. However, there are different difficulties that hinder utilization of petty traders' growth in effective and efficient ways. This point is supported by different empirical evidences. Some of the Studies conducted were, (Fikremariam 2017, Tamrat& Associates, 2015; Zinashbizu, 2017; ILO, 2005; Solomon, 2006; Lalitha 2016 and Daniel 2010) were identified the major challenges which faced petty traders ,specially women business owners. Those challenges identified by the researchers were: lack of finance means, lack of Information access, Lack of marketing and management skills, Low levels of education, access to land for business premises, lack of infrastructural facilities and raw material problems mainly.

These hinder the contribution petty traders and/or specially women in poverty reduction or force them less contributes to the poverty decrease of the town, region even as a whole in the country

also. Regardless of this fact, even though, different studies (which are cited above and others) were conducted in the world, Africa and Ethiopia on petty trade in the country. However, these studies were not reflecting the context in Ethiopia, in their data type, technology they used, budget, and living style of the petty traders and respondents background. There were also serious shortage of studies conducted with a specific objective of determining the factors those affect petty traders growth specially in Jimma town rather selected major town in Ethiopia from all over the country.

The main standing to focus on this issue is that there are petty traders who engage in petty trade sector those who are not show life style change in their activity. The researcher intends to fill the gap and solve the current problems also to keep its consistency in the study. These possible solutions will be, Conduct from the petty traders themselves what they think and combine with the fact gained by researches analyses, because it needs to develop common guidelines, and Finally provide the final evidence gained by the finding of the study to the town trade office how petty trading is most important for the purpose of avoiding an employment and as to the office give attention for the sector.

Finally the researcher made analysis about the current main factors that affect the growth of petty traders in Jimma town is not only the above presented but also there are some additional and main factors in the sectors which are estimated as factors. Therefore, this study is differ from those previous researches discussed above by focus area, because this study specifically emphasized on investigating those factors and challenges affect the growth of petty trade either in positive or negative way and it was conducted particularly in Jimma town not in Jimma zone. In addition to this most of the previous studies indicated above was focused on women petty traders but this study was included both men and women on the sector and the previous studies focused on some factors but this study was accessed majority of the factors those affect as much as possible to gone real output.

### **1.3. Research Questions**

- ✓ What are the factors those affect the growth with related to getting financial means and infrastructural access?
- ✓ What are the determinants those affect inconnection with lack of working place and technological access?

- ✓ How the petty traders' motivation and managements and training factors affect the growth?
- ✓ What are the points those make marketing and level of education factors affect the petty traders' growth?
- ✓ How previous experience, socio-cultural, political and demographic factors affect the growth of petty traders?

## **1.4. Objective of the study**

### **1.4.1. General objective**

The main objective of this study was to determine the external and internal factors those affect the growth of petty traders in Jima town.

### **1.4.2. Specific objectives**

- ❖ To examine the factors those affect the growth with related to getting financial means and infrastructural access,
- ❖ To investigate the determinants those affect inconnection with lack of working place and technological access,
- ❖ To check weather motivation of the traders and managements and training factors affect the growth,
- ❖ To investigate how marketing and level of education factors affect the petty traders growth,
- ❖ To examine how previous experience, socio-cultural, political and demographic factors affect the growth.

## **1.5. Research Hypothesis**

By using real, appropriate and sufficient empirical data on the determinants those affect the growth of the petty traders; the study will try to test the following hypothesis.

**H1.**High level of petty trader's education affect the growth their business performancepositively.

**H2** Having business management skill and enough training skill affect positively the petty trader's business growth (performance).

**H3.**Enough financial access from different business institutions has positive effect on the growth of petty trader's business performance.

**H4.**The Town's political-legal conditions affect the growth of petty traders negatively.

**H5.**Location of the business (working place to be near to road) has a positive affect on the growth of petty trades.

**H6.** Enough modern technology access affects the growth of petty traders' business performance positively.

**H7.**Petty traders' intrinsic motivation towards work has positive effecton the growth of their business.

**H8.**Lack of previous related market experience has a negative effect on the growth of petty traders' business performance.

**H9.**Having marketing skill has positive effect on the growth of petty traders' business performance.

**H10.**Socio-cultural factors affect negatively the growth of petty traders' performance.

**H11.**Demographic factors affect the growth of petty traders negatively.

**H12.**Gating the access of enough infrastructures has positive effecton the growth of petty traders' business performance.

## **1.6. Significance of the study**

Petty trade is one of the incomes generating activity in Ethiopia for those of unemployed in every organization. To make this sector significant the findings energy from this study will help to understand and solve the numbers of factors impending the success of small informal business sector (petty trade). It may maintain that the petty trade sector provides petty trader opportunity for employment to those people who may fail to obtain employment in the formal sector, merely help in the decreasing of poverty in these called low class communities. The study could help the town and governmental offices to refine their policies. In order to accommodate the petty trading sector and to generate solutions which will make its growth? The research will also beneficial to other researchers and to donors those who are willing to promote entrepreneurial activities in

Jimma town as well as all the over the country. It also supports the lack of sufficient statistical data on informal petty traders' business sector which hinders the effort of researchers and policy markets.

### **1.7. Scope of the study**

The study aim is to access the determinants those affect the growth of petty traders and on how to deal with the factors limiting petty trade business in Jimma Town. This research was confined in Jimma town four kebeles market centers, Bishisheand Merkato, (Awetumenderakebele) Ajib (Ginjokebele), Kochi (Mendera Kochikebele), Bosadis (Bosakitokebele) became the research points out it focus on these market area. The reason why that the researcher is well knows the places and always familiar with the activity. Additionally the central market is the target research site since it exists most of the petty traders in the areas. The study was plastered to access the determinants of the growth of petty traders and their possible solution to solve the limitations. It used interview, questionnaire, observation and document analysis for data gathering process. The study population was petty traders of the town, workers of trade office of the town and Jimma manucipality house. The type of the study was followed descriptive approach and the data analysis methods were qualitative and quantitative. From qualitative tabulation (mean and standard deviation) and from quantitative multiple regression analysis was used. The study was covered only Jimma town not included Jimma zone woreda's, because it is expensive and time consuming to the researcher.

### **1.8. Limitation of the study**

The study was faced some limitations while conducting time. From these the major one was corona virus (covid 19), which affect the work with regard to data collection process. Especially the two data collection methods (questionnaire and interview) were difficult at the moment, because for questionnaire material touching and for interview coming face to face were difficult. The other limitations were lack of internet access, getting kebele officials for permission, the two office principals, because always they have meeting. Finally some of the respondents were think that the information may be used for tax purpose, even if the objective of the questionnaire were clearly defined. However the researcher defetted all these difficulties systemathically and completed the study.

## **1.9. Organization of the study**

The purpose of this paper therefore was to access the determinant factors that affect the growth of petty traders in Jimma town. The central argument of the paper is that, to access the factors describe as they occurred, and show possible solutions for their future market directions. It also note some strategic options to bring the constraining problems to rest and also suggest Policy oriented action to make the small informal business sector to prosper. The paper has ben divide in five main parts. The chapters are as follows: The first chapter includes introduction, background of the study, statement of the problem, objectives of the study, hypothesis of the study, the research questions, and significance of the study, scope of the study and organization of the study. Chapter two presents the theoretical and empirical related literature to the study. Chapter three provides the research design and methodology. Chapter four outlines data presentation, analysis and interpretation and finally chapter five will conclude and suggests some recommendations.

## **Chapter Two**

### **2. Literature Review**

#### **2.1. Theoretical frameworks**

As Daniel M. (2011) stated that “petty trading is a prevailing socio economic activity serving a multitude of the low income population in rapidly urban developing countries”. One sees on both sides of the road, different items, so well and artistically arranged for catering to the basic requirements of common people at outlets convenient to the consumers at right times, at right places, at right prices and in right quantities. The people behind these activities are none other than the petty traders. Thus petty trading activity has become an important sphere of informal sector, which plays a significant role in urban economic life.

Obed A. (2015) indicated in his discussion, petty trading is a venture for people of low income earning power. Thus it is a business activity for people with little money to take up bigger business (Federal 2010). The word petty comes from a French word “petit” which means that in significant amount of capital required for bigger business ventures and the practitioners of petty trading are called petty traders. Thus the study adopts this definition as of petty trading, the work and petty trader’s workers. Generally petty trading is as stated above forward a benefit for those of poor and lower class as well as it is the way to build bigger business.

#### **2.1.2. Role of petty traders**

The most important role of petty traders is that the economic aspect of retailing in the distribution system of cities. Mintz (1959:21) has distinguished two types of exchange of goods and services, the horizontal exchange “which ends in their consumption by class equals” and the vertical exchange of goods “which ends in their consumption by members of a class different from that of their procedures”. Petty traders have a wide role in the society especially in the distribution of goods and services. Also they play a role that there is a general view of a trader as someone who occupies the lower strategy of the society, social and economic ladder. Petty trading constituted nearly 70% of the total work force in the informal sector Daniel (2011).



On the other hand as indicated in Mramba N. (2015), millions of people in developing countries are currently engaging in informal business activities. The informal economy refers to activities and income that are partially or fully outside government regulation, taxation, and observation. It is estimated that the informal economy sector provided roughly 50%-75% of employment, 72% of non-agricultural employment, and 30%-60% of gross national products (GNP) in sub-Saharan Africa in the 2000s. In general, informal employment is more common than formal employment in developing countries. The most common form of informal retail business activity in developing countries is street vending.

### **2.1.3. Challenges of Street vendors (petty traders)**

The challenges specific to street vendors or petty traders face many problems as they are vulnerable population, who are neither protected by government, non-government organizations, labor union nor by any labor law. They are disadvantaged by laws made by government in respect of labor union. The street vendors always suffer competition with other street vendors because of fluctuation in market prices, insecure and irregular employment. Their incomes are often minimal and their sales fluctuate. Another reason for decrease in income of street vendors is that they are forced to pay 15 to 20 percent of their daily income as bribes to local police in different African countries.

Street vendors are usually associated with encroachment of public spaces, causes traffic congestion, inadequate hygiene, and poor waste disposal. Safety of goods has been increasingly become a concern in regard to street vendors. No Government agency is authorized to verify the content of goods as they are not regulated by any government agency. The government does not recognize the contribution of street hawkers towards economic and social well-being of urban population. They survive without government support. But lately, government has passed street vendors, which protects the rights of street vendors (Bill 2013).

As stated in the above paragraphs the challenges of petty traders are lack of government support, attention, management, motivation, structure the source of income and market opportunities are the few from the rest. In connection with petty traders growth the above challenges and so many other determinants may face. As a result the study was accessed the major challenges those faces the petty traders in details. Generally, petty traders have, therefore, an important role in the

society that cannot be ignored if sustainable urban development and management system to be achieved as the market needs. Based on the above points this study was tried to identify the challenges face the petty traders of Jimma town and indicated possible solutions for the occurred challenges.

#### **2.1.4. The concept of growth determinant**

Hilka (2016) discussed that growth is the result of a good administration of resources and capacities which the companies use to promote change. They comprise capacities, acquired information, financial counseling and resources. The establishment of growth depends on the identification of the origin of resources, capacities and learning on accumulation methods and the generation of sustainable profits, coupled to the examination of how and when the resources of industry and financing are accessed and how the external investors may be informed on the subject. Enhance that, from the strategic perspective, it is important to trust people with cognitive capacities for growth since the holders are not the sole protagonists of growth.

Further more; the entrepreneurs' competence to get involved in networks is highly important (Davidson et al., 2010). Growth is affected at several levels. For example, Wiklund et al. (2009) employed an integrative model and explained growth by associating the variables of the agent (human capital and attitudes), firm (resources, enterprising features and growth) and setting (industry). Depend on the above points this study was tried to determine the determinant factors of the growth of petty traders and indicates possible solutions.

#### **2.1.5. The economic growth concept**

Individual dimensions, Personality traits, Growth motivation, Socioeconomic background Competence, Business dimension, Firm attributes Formality/informality/, Supply and demand factors, Entrepreneurial Orientation, (EO) Environmental dimension Enabling business environment, Social networks, Success, Employment growth, Profit growth, Turnover/sales growth, all these may include in economic growth. In the next paragraph the perspective of economic growth will be discussed in detail.

### **2.1.5.1. Determinants of Economic Growth as a whole**

The overall reason of every trade is getting the better economic growth in the activity. But this activity is challenged with different factors that determine its growing mechanism in the trade sector. Since the determinants of economic growth are inter-related factors influencing the growth rate of an economy. There are six major factors affecting that determine growth with four of them began grouped under supply determinants and the other two are efficiency and demand. The four are natural resource, capital goods, human resource and technology and they have a direct effect on the values of goods and service supplied.

Economic growth by GDP means the increase of the growth rate of GDP but what determine the increase of each component is very different. Public expenditure, capital formation, private or public investment, employment rates, exchange rate etc. have different impact on economic growth and we should into account that these determinants have different implications if the states are developed or not.

There are also socio-political factors and events that have a major influence on the economic advancement of a country. Additionally differences between economic and non-economic determinants. “Proximate” or economic determinants refers to factors like capital accumulation, technological progress, labor and “ultimate” or non-economic sources refers to factors like government efficiency, institutions, political and administrative systems, cultural and social factors, geography and demography (Acemoglu, 2009). As indicated above there are different factors that affects the growth of economy as a whole. The next paragraph had discussed the factors more affects the growth of economy in developing sub-Saharan African countries as follows with the result of different studies.

### **2.1.5.2. Determinants of Economic Growth in Developing Countries**

Determinant factors that affect the growth of economy in sub-Saharan developing countries are different like the other the world economic growth factor as different researcher’s point out. In this section, there are different evidences examined empirical growth studies that focused their analysis on identifying the key macroeconomic determinants of economic growth in developing countries. Fischer (1992) investigated macroeconomic stability and economic growth in Sub-

Saharan Africa (SSA) and Latin America and the Caribbean (LAC) countries during the period 1970-1985. Using a cross-section during the period 1970-1985. Using a cross-section regression, the study results revealed that human capital, investment, and budget surplus were positively and significantly associated with economic growth, while initial real GDP, inflation and dummy variables for SSA and LAC were negatively and significantly associated with economic growth.

The study therefore concluded that a reasonable level of macroeconomic stability is necessary for sustained economic growth. Romer and Weil (1992) model by examining the relationship between investment, human capital, public investment and outward-oriented trade policies on economic growth in 98 countries. Using a panel regression method and two sub-samples of 81 countries and 59 developing countries, their study showed a strong and positive correlation between physical capital, human capital and economic growth in both sub-samples.

The results also show public investment to be positively and significantly associated with economic growth in developing countries. The weighted tariffs as a measure of trade openness and population growth were both negatively and significantly associated with economic growth in both sub-samples. The study concluded that physical capital, human capital, public investment, openness to trade, and population growth were all important determinants of economic growth. Based on the result of different studies discussed in the above paragraphs this study will try to access how and which economic factor is mostly affect the growth of petty traders in Jimma town.

### **2.1.5.3. Determinants of informal market Economic growth**

According to Eghosa Igudia and others (2016), there are different determinants of the informal trade as different researcher describes. From the major one they begin with government (over)regulation, which the Legalist/Neo-liberalist theory views as responsible for informality. Regulations such as (excessive) labor market regulation, social security legislation, and other legislation which creates bottlenecks in a firm's recruitment and operational processes, have been found to have a significant influence on decisions to participate in the informal economy. This can include excessive regulation of the labor market, via minimum wages or maximum working hours. Studies show that setting minimum wages increases the level of unemployment and size of the informal economy.

Another determinant of the informal economy is tax burden. Arguably, rising tax burden initiates an expansion in the size of the informal economy, as individuals and/or firms are compelled to seek alternative sources of income from that sector. A growing informal economy places further pressure on the government to increase taxes which, in turn, encourages more economic agents to informalise. Additionally, there is an incentive to participate in the informal economy, in the official economy, the difference between the total cost of labor and after-tax earnings is high, as individuals would seek to avoid the difference and participate in the informal economy.

The informal economy is also influenced by under-regulation and/or inadequate commitment from governments, as argued by the structuralism theory. This leaves the informal economy unattended to by the government, and the former's potentials, contributions and problems also become unknown to the latter. As a result, no action is taken to intervene in the sector, since, as argued by Modernism, the informal economy will die out as a passing phenomenon. Again, due to the problems of bureaucracy/over-regulation and corruption as argued, respectively, by the neoliberals and post-structuralisms individuals trying to start-up businesses are neither able to obtain business license/permits, land titles, nor meets the excessive costs-requirements, in time.

Another factor that influences the informal economy is time allocation, which determines different occupations. For example, individuals who have formal employment can choose to combine it with activities in the informal economy, but they can only do so if they have spare time from their formal job, and/or are willing to trade off their leisure time for these informal activities. In addition, socioeconomic factors such as level of education, income level, number of dependents skills acquired and training undergone.

And also demographic factors, such as marital status, age and sex tend to affect the size of the informal economy. For example, sectors dominated by ease of employment, particularly employment without documentation, low wage, low income, low-skills, and labor-intensive jobs, which can be categorized as structuralism factors have a relatively larger share in the informal economy. Notes that the growing number of petty traders going into the labor market contributes to the growth of the informal economy, as they do not have the right to own property/land in some countries, hence cannot operate formally. Based on the above discussion this study was tried to assess which of these factors determine the Jimma town's petty trader's informal economy more.

### **2.1.6. What is Success for informal market sector?**

Small-business scholars define success from various angles. Some scholars apply a narrow definition of success owing to the difficulty of obtaining data on other indicators. The most commonly used measure of success for small firms is employment growth. Bigsten and Gebreyesus (2007). In cases where there is no panel data firms answer a retrospective question about past and present size of employment, to compute growth. According to these researchers' perception, a firm is successful if it increases in size (measured by number of employees). The main justification for relying on employment growth as an indicator of success is that use of other dimensions of success indicators will become more complicated when, for example, firms do not keep complete books of records.

On the other hand, some scholars say success is achieving independence, control and security. Others may say that it is power, acclaim and money. Still others say that it is having friendship, practice, even rising from failure. A successful business does not happen overnight. You do not start a business overnight and expect it to earn profit next day Rodriguez(2009). In addition to this business success is measure in terms of economic performance. As Walker and Brown (2004) small business success can be measured by financial and non-financial criteria although the former has been given most attention in the literature. Traditional measures of business success have been based on either employee numbers or financial performance, such as profit, turnover or return on investment.

Implicit in these measures is an assumption of growth that presupposes all small business owners want or need to grow their businesses. For businesses to be deemed successful these financial measurements require increases in profit or turnover and/or increased numbers of employees. According to Walker and Brown (2004) cited in Hall and Fulshaw. (1993), 'the most obvious measures of success are profitability and growth'. In economic terms this is seen as profit maximization. Economic measures of performance have generally been popular due to the ease with which they can be administered and applied since they are very much hard measures. Based on this point the researcher was trying to measure petty traders of Jimma town whether they are successful or not by the perception the petty traders have for growth.

## **2.1.7. Expected factors those affect the success of petty trades**

### **Lack of business management and training skill Factors**

Management skills pertain to accounting, administration, marketing and planning and a lack of skills, inevitably serve to inhibit the growth of small informal businesses. As many owners have received either little or no formal education, it is difficult to acquire management skills through workshop training. The fact that the majority have not gone very far with education is a factor which also contributes to a lack of formal training in business practices.

According to Ligthelm, (2004), an estimated 90% of the owners of informal businesses lack training in running businesses, and the significant percentage of 70% indicated the need for training if businesses are to be officially recognized. As indicated in Academic Journal (2010) “training is very important in facilitating the growth of small business, business owned by who had got business related training demonstrated higher growth than business owned by individuals who had never got any kind of business training.” Based on the above points this study will hypothesis weather management and training have positive or negative effect on the performance of petty traders.

### **Lack of financial access (Financial factors)**

Financial or economic factors as those factors that influences changes in costs of products, prices of products, wage rates, interest rates, and inflation. These factors have the ability to influence how a business generates profits, or losses, or growth. Petty trades (Informal businesses) can grow in a sustainable way if the necessary financial support is given to the sector. According to Van Scheers (2011), who point out that most owners of informal businesses have cited a lack of financial support as a major constraint which hinders the growth of their business? Informal businesses can grow in a sustainable manner if the necessary financial support is given. This point has been made by Van Scheers (2010), who point out that most owners of informal businesses have cited a lack of financial support as a major constraint which hinders the growth of businesses. Therefore the main things under financial factors will includes are fear of being failure, inadequate collateral, high interest rate and bureaucracy of financial institutions.

## **Politico-legal Factors**

Crime has the ability to cripple businesses, as frequent burglaries and robberies will inevitably hasten the failure of any business. The challenges has been accredited by Cant & others (2013), who pointed out that operating businesses, particularly in the townships, is made very difficult and hazardous, owing to the high crime rates. Corruption is the abuse or misuse of public resources to enrich or give unfair advantage to individuals, their family or their friends. Corruption takes many forms and these include graft, bribery, embezzlement and extortion. Corruption reduces business credibility and profits when professionals misuse their positions for personal gain. Samuel M. (2016).

A secure environment is a pre-requisite for any type of business. In most streets of major cities in Africa, security is a major concern for formal and informal businesses as well as the general public. Street traders worry about their own security, and the security of their goods and customers. They view security and safety as an economic priority, and not simply one of personal safety. The case study from South Africa points out that crime results in loss of customers, frightens tourists, cripples businesses, and reduces incomes and generally interferes with trading.

## **Market place (Business Location) Factors**

Market place and/or location of a business are major determinant factors either for the failures or success of the business. Mary S. (2014) discussed the following points on this issue as follows.

*An ever-ready willingness to move from one place to another place and risk taking ability can be gauged from the choice of location of units by the entrepreneurs. The location factor plays an important role in ensuring availability of raw material, labor, transport, communication and good market for the products of small-scale industry. Place of business is an extremely important aspect for ensuring commercial success of an enterprise. The business may be started by an entrepreneur either in an industrial estate or in other places outside it. Industrial estate promotes small-scale entrepreneurs by providing suitable sites with facilities of water, transport, electricity, bank, post office, canteen and provision for technical guidance and common service facilities.*



One of the greatest difficulties in informal petty trade is that the ability to identify suitable locations for their businesses. Most are usually tempted to take the first available location, without considering the specific needs or the catchment area from where customers resides. Mariotti and Glackin (2012) preserve that the location of a business has a direct manner on the marketing perception and the scenarios for growth of new and the firstborn business. Geographical proximity to crucial buyers produces a form of improved environmental scanning which enables first-time businesses easily to identify and exploit opportunities for growth in the market. As they discussed in the book there is a wide range of factors and needs to be considered and among them are the location, access to customers, access to suppliers, convenience, the cost of facilities in the form of rent, demographics, business incentives, governmental regulations and laws and the proximity to competitors.

#### **Lack of technology access (technological factors)**

Technological changes have an enormous impact on how small businesses operates, in good ways and in bad. Take the advent of smart-phones, for example Isobel and Lowe, (2009). Retail stores use location-based advertising to reach near consumers with targeted sales messages, but they also must deal with buyers comparing prices across the world to find the best deal. The effect technology has on a society can boost a retail store's performance while also undermining traditional ways of doing business, forcing retailers to adapt or give way to more progressive competitors. Samuel M. (2016).

Technology, as it relate to in small markets such that petty trade is defined here as the ability or capability to interpret and change ideas into tangible goods and services. The lack of appropriate technology inhibits the growth and development of any informal markets. Especially in rural areas, access to appropriate labor-saving technologies for traders could create opportunities for new and better businesses to which their time and effort could be devoted more effectively. Zinashbizu L. (2017).

## **Socio-cultural factors**

According to Henry *et al.*, (2009), stated that social factors as factors that affect individuals, and business thought and behavior within social setups. They also include the interactions of people, systems, and cultures, to obtain a common desired objective. Socio-cultural factors are one of the determinants that affect the growth of street traders, because the social aspect focuses on the forces within the society. Family, friends, colleagues, neighbors and the media are also social factors. These factors can affect our attitudes, opinions and interests. So, it can impact sales of product and revenues earned. Population changes are also one of social factor which directly affect organizations and business performances either positively or negatively.

## **Low level of education (Educational Factors)**

The education level is crucial factor for take vending occupation and performance of their activity in petty trading business. Because the education is one of the crucial factor for earning of the person for those who are educated, they are aware more opportunities and avenues of income. However, the majority of vendors is illiterates, and determined by different factors. From the factors those affect the growth of small informal petty trade one that is vendor's low level of education. As Prasad B. (2017) stated that "As most of street vendors are not much educated, they are not aware about their rights. They don't understand the legal complexities and don't want to get entangled into complex legal procedures." The impact of literacy level of street vendors made negative impact on performance of the activity. Low level of literacy indicates that low skills and capabilities, lack of awareness of their benefits and social securities.

## **Lack of Marketing Skill Factors**

The word Marketing denotes to the processes of needs identification, communicating, creating, and delivering as well as exchanging superior values with customers. It mainly encompasses constructing mutually helpful relationships with consumers, and other relevant stakeholders. It can also refer to a business idea which emphasizes crafting substance in consumer needs, managing various relationships, interpretation of the customer needs for and delivering substantial supplies and services. Marketing remains the key drive of every existing business and its main purpose is to attract, facilitate transactions or exchange process and preserve customers at a profit Ngujuma S. (2016). However the lack of this marketing factor affects the business

they run as indicated in different studies, that's why this study access that the factors include under this category.

### **Motivation Factors of the Traders**

What are the reasons behind actors' participation in informal sector, more precisely is petty trade. Motivations can be inspired by: Own aspirations and/or other actors' aspirations in what they need others to fulfill their goals. The Journal of Education and Practice, Vol. 4 No.17, 2013 discussed about motivational factors as follows.

*Motivational factors have a significant moderate relationship with business performance. The most important factors that motivate Women entrepreneurs are the self-recognition from society and financial situation of their families. In addition the performance of women entrepreneurs are somehow average with aspects of training programs and capacity building and also less financial reserve for future performance and financial indicators which points out the current performance and future performance. Most motivational factors that motivate women are self-recognition and gaining acceptance from other people and financial incentives. The findings also showed that most motivational factors are self-recognition and economic development while the performance of women somewhat low because of most women did not make business for growth and profitability.*

According to Ali Yassin study analyzed that from the above motivational factors I have enjoyed less work load (life work balance) 2.15%, lack of recognition of vendors work 2.37%, having job security and good salary (income) 2.39%, well reputation in the society and family 2.43%, having less salary (income) in the previous work 2.46%, Lack of fairness and justice in different organization, 2.5%, having creating own business because of there is no fairness and justice in different organization 2.50%, the job make them tired to enjoytheir family life 2.9% will take the part.

## **Environmental factors**

Environmental factors are other factors those affect the growth of petty traders as stated in different studies. When demographers attempt to forecast changes in the size of a population, they typically focus on four main factors: fertility rates, mortality rates (life expectancy), the initial age profile of the population (whether it is relatively old or relatively young to begin with) and migration. In the case of religious groups, a fifth factor is switching how many people choose to enter and leave each group, including how many become unaffiliated with any religion. As Fikadu F. (2015), stated that demographic factors such as household (income), Gender difference, marital status, place of born, cultural differences, migrant status high fertility rate, health care problem, family size, age, etc. have effect on the growth of petty or informal market sector.

## **Infrastructural Factors**

The other factor which determining the growth of petty traders is that lack of infrastructure as stated in different studies and educational journals. Insufficient water supply, lack of sufficient power supply, lack of sufficient and fast transportation services, and lack of attractive inside roads (muddy problems) are discussed mainly. Okapar&Kabonga (2009) stated that, in their study, that infrastructure factors such as power supply and access roads were major factors. However, the research results show that the small business owners/managers see power supply and telecommunication infrastructure as affecting the business performance.

## **Lack of Previous market experience factors**

As different studies analyze that most of petty traders (informal market) workers engage in the sector without any information (experience) about the work and most of them faced failures. As Fikadu G. (2015) stated that, “in relation to work experience, the study reveals that most of the respondents 87 (90.6%) do not have work experience on the sector they have organized in and only 9 (9.4%) of the respondents are reported that they have an experience on which they had organized. These are an indication that people simply rush in to the business without adequate knowledge and experience about the business they engage in and their business leads failure.”

## **2.2. Empirical studies**

### **2.2.1. Related previous studies in Ethiopia**

**Fikremariam Z. (2017).** Wasdonea research on “Determinant Factors of Finance for Petty Traders in the Informal Sectors: With References to Jimma Town, Oromia Region, Ethiopia”. The purposes of the study were to assess and analyze determinant factors of finance among informal petty traders in Jima town. In order to achieve the intended objective, two types of sampling techniques i.e. (purposive and stratified sampling) were used and a sample of 182 informal petty traders were selected from three kebeles of the town by the researcher. Namely Bosakito, Hirmatamerkato and Ginjoguduru.

The relevant data was gathered through questionnaire and observation and descriptive statistics were applied for the analysis purpose. He in the paper examines factors that constrain petty traders' access to finance. Just like other urban centers of the country, the urban poor petty traders in Jima town are engaged in different informal activities according to His finding. Their participation is particularly concentrated in such activities as: small cafés, fabricated shoes and cloths, vegetable and fruit vending. The research identified and analyzed the major sources of capital for informal businesses and the problems faced in accessing business funds. The finding of the study revealed that most of the petty trade operators in Jimma town are in their productive age, having basic education, and came from outside of Jimma town (Specially from the nearest towns) in search of job opportunities.

The study also came to detect that; the reasons for petty traders to be engaged in the informal activities were lack of alternatives to living, less startup capital and family problems. In addition to this, financial support from institutions and banks were not adequate enough for the petty traders due to various factors: like lack of collateral security, license requirement, and bureaucratic process of financial institutions. In the study area no free loan service is granted, less awareness in the part of the petty traders how to acquire finance, and high interest rate is there.

The researcher forwarded some constructive recommendations based on the findings detected to financial institutions and government authorities so as to provide better financial services for

petty traders. Raising the awareness of large conventional commercial banks and also governments should adopt specific policies to bring informal firms under formal regulation. In addition to this, the financial institutions need to provide financial services with low/ fair interest rate and providing non-interest bearing loan for those petty traders who are not volunter to pay interest due to some religious or traditional doctrines.

Fikremariyam's study is related with this study in some points such that analyzing the factors those affect the petty traders, in some part of data gathering tool and data analysis method, partly by the kebeles the study will conduct the informants of the study and the like. But it is differ from Fikremariyam's study by the scope will the study cover, (included all the factors those affect their growth internally and externally) data analysis method (partly), with its objectives (this study will try to not only access the factors but also find possible solutions to the future) in its purpose, this study will conduct for the purpose of in partial fulfillment of getting master's degree whereas the Fikremariyam's study was for the purpose of academic issue. Generally this study will fill the gap seen in the Fikremariyam's study such that determining demographic, technological, social, legal, and other factors which is not included in the previous study of him.

HabteB. (2019) conducted a study on challenges and opportunities of street vending in Addis Ababa. The main objective of the study was to assess the opportunities and challenges of street vending in Yeka sub city of Addis Ababa City Administration. Data were collected from randomly selected samples of 330 street vendors and 14 code enforcers by questionnaires and from 9 government officials by interview and the remaining one was collected by observation. The study employs a descriptive research design and uses both quantitative and qualitative research approach. The result of the study shows that challenges of street vending to be bankruptcy, car accident, traffic jam, health problem, pollute the environment, Due to they didn't pay government tax; it affects country economic development and finally affects social security.

The finding shows the following major opportunities: livelihood to their family and themselves protects youth from addiction, dependency and migration. The other opportunities identified were the street vendors creating job opportunity by themselves; they have supported the total micro economy of the country and many poor people survive themselves by consuming street vendors' goods. The study recommended that government and policy makers should give

priority to support street vendors' how to operate their business without damaging economic, social, environmental, and political aspects of the country.

This study is related with my study, by focusing on challenges of street vending, data collection method partially (interview and questionnaire), research approach (qualitative and quantitative), using stratified sampling and the data analysis methods (SPSS). My study is differing by using stratified sampling from this study, and also in research area where this study is conducted in Addis Ababa, mine one is in Jimma town. The variables included in this study are seven in number but my study will access twelve independent variables to get more information. The population size included, informants of the study included in this study also differ from my study.

Zinashbizu L. (2017), has conducted a study on “Challenges Facing Women Micro and Small scale Business Enterprise Owners in Jimma Town (Comparative study, Women enter in to the business by themselves and through Micro and small business enterprise office)” The research was concerned with the challenges facing women micro and small scale enterprise owners when they run their business in Jimma town. The primary aim of the study was to identify the major challenges facing women micro and small enterprises owners in comparison. The researcher examined the owners' access to finance, their management skills, their access to markets, access to necessary technology, their levels of education, access to business premise, access to necessary infrastructure and access market information.

The researcher examined different support provided by responsible parties for both business owners. The researched also examined the possibility of alleviating business challenge in both target groups. The primary data was collected through structured questionnaire and unstructured interview from 381 sample respondent (owners) who were selected by stratified sampling and from higher officials respectively. The result shows that the challenges are similar for both respondents with different extent. The major challenges were lack of: financial access, business training opportunity, access to technology, access to market information, access to infrastructure, access to raw material, and access to market. On the other hand, results also reveal, the owners that enter in to the business through micro and small enterprise office have got better support than that of those owners enter in to the business by themselves.

This research is related with my research in accessing factors affecting (challenges faces), sampling method (stratified sampling), data collection instruments partially (questionnaire) and interview which is unstructured. Also the place the study conducted was related because it was in Jimma town and on small business. The gap between this study and my study is that, the focus point it conducted, the focus of participants (this study included only women traders), but my study is both men and women, the number of variables it included, only seven in number but my study includes twelve variables, the frame work it uses and partially data collection instruments such that, interview and FGD. Even a little bit there is a gap between with titles, this research is based on small and micro but my study is on petty trade only. So I will try to fill the gap shown in this study by adding other variables and by describing the methodology I use in detail with brief recommendation.

Solomon A. (2006) presented a paper on the issue of “Demographic and socio-economic challenges of women petty traders in Addis Ababa”. The study was focused on the demographic and socio-economic challenges faced by women petty traders in the informal sector and the effects on their working conditions. The main sources of the data used in the study were survey questionnaire and focus group discussions (FGDs). The sample size of the study was 660 women petty traders that were randomly selected from Arada and Addis Ketema Sub-cities. He discussed that in his finding currently, the major problems that petty traders faced were lack of working capital, lack of appropriate premises, non-profitability of the business, lack of appropriate credit service, lack of support from all government and non-governmental organizations and inadequate skill. Therefore, providing appropriate premises, Credit service with concessional interest rate and early installments and support that enhances earning capacity were recommended by the researcher.

This research was related in some points of its nature with Solomon’s study, in such that its title (petty trade), its objective, in some part of data collection method (questionnaire), and analysis method. My study will be different in many aspects such that Solomon’s study was focused on demography and socio-economic factors only, but this study is focused on internal and external factors, and also it focused only on petty traders not included other SMEs. The other difference is the places of the research conduct, when the Tesfaye’s study was conduct in Addis Ababa this



one will be in Jima town. The gap what I was tried to fill with this study was that the untouched part of in the Tesfaye's study the internal factors of the factors affect the growth of petty traders.

### **2.2.2. Related previous studies in other Countries**

Teresia T. (2019) studied “the pull and push factors towards petty trade development in Tanzania.”The study was focused on the pull and push factors towards petty trade development in Tanzania, drawing data from Dodoma City. Specifically, the study informs of the pull or ambitious factors that influence people to engage in petty trade, the push or compelling factors that lead people to engage in petty trade, the challenges encountered by petty traders and the opportunities for future development. Using a cross-section design, the study generated data from the sample of 96 petty traders through questionnaires and interviews with the key informants.

The data were mainly analyzed through the Statistical Package for Social Sciences (SPSS) to develop the descriptive statistics. The analysis of the data generated revealed that petty traders generally obtain capital from families while shortage of employment is the main reason for people to engage in petty trade. Further analysis of the data generated revealed that there is a need to train people on petty trade and the means to create more income and win the market environment. From these findings, the author is recommended that the Government through the Ministry of Trade should provide supportive environment in terms of capital and training to petty traders. The community should support the petty traders by buying their products. Dodoma City Council should plan to support petty traders in terms of reduced disturbances to their business and even provide premises for doing business.

This study is related with my study in relation to access factors of petty trader development, data collection instrument partially, sampling method, data collection instruments(Questionnaire and interview), using SPSS for data analysis are related with my study. The gap between this study and my one is that the focus of this study is to access the factors those affect petty traders to inter into the job and their development but my study focuses on the factor those affects after their engage in the work and their possible solutions. And also the variables used in this study are eight in number but in my study there are twelve variables. Additionally this study has

intermediate variables, but mine is not included. As well as the population size, the time, the place, the objective of the two studies also differ one from each other.

Lalitha R. (2016) conducted a study on Microfinance for Microenterprise: 'A Study on Women "Petty Traders" in Penang, Malaysia.' The purpose of the study was to examine the factors that constraint women petty traders' access to microfinance, and the alternative measures initiated to counter these constraints. It also addresses the impact of microfinance on poverty alleviation for women petty traders in Malaysia. The paper was conducted based on an aided questionnaire and in depth interviews with women micro entrepreneurs drawn from a convenience sample of 30 petty traders in the market town of Seberang Jaya.

There were three main constraints identified in the paper, namely internal, social cultural and policy induced as being the key moderating influences on women petty traders' ability to access to microfinance. The findings proved that there is significant association between increase in income level and savings which leads to a positive impact on households. It further proved that microfinance activities bring improvement in the standard of living of the participant not only in economic terms but also in social terms.

He recommends that. Government and policy makers must realize that although the growth of these micro enterprises have resulted largely from the lack of alternative employment opportunities, they are often viable undertaking which make an important contribution to the economic survival especially of the poor. As such, government must recognize that these undertakings need to be supported them better access to institutional finance. MFIs should carry out business analyses of the practical business needs of women traders so as to be able to formulate better and more appropriate modes of repayment. The loans schemes which are packaged with training in financial literacy and money management should be extended to these women traders as this will help them to meet both business and personal needs. These trainings will enhance or boost their confidence to develop their business into small or medium businesses.

Daniel (2010). Conducted a thesis on ‘petty trading in marketplaces: Space Generation, Use and Management at Temeke Stereo Marketplace in Dares Salaam, Tanzania.’ The objectives of the study was to analyze processes and the influence of social norms and regulatory mechanisms on generation, use and management of petty trading spaces in marketplaces; explore their interrelations, links and networks and; recommend the general preconditions for planning and designing of petty trading marketplaces in the Tanzanian contexts. The study had been attempted to answer the questions with regard to petty trading space generation, use and management systems that sustain the spaces in marketplaces; and how private and public interests in marketplaces are promoted, protected and sustained. The question of what emerging conditions that may guide and influence planning and designing of marketplaces was answered as a recommendation to architectural and planning practice as well as possible areas for future studies.

The study has established that petty trading spaces are generated and used within the prevailing formal and informal institutional and social frameworks. Petty trading departments are also influential in managing the trading spaces. As observed in the study, the Temeke Municipal Council cannot adequately manage the trading spaces without involving the petty traders through their associations and respective trading departments. As presented in Chapter Six, informal social norms practiced by the petty traders also play a major role in space management in marketplaces, in addition to formally prescribed rules and regulations. Planning and design of marketplaces that are adequate for petty trading must be approached by a careful consideration of the ‘real’ spatial needs of petty traders. Marketplaces and other urban spaces where petty trading is realized represent an economic power that needs special attention in planning.

Benjamin K. (2012) was conducted a study on Micro-Credit for Micro-Enterprise: with the title ‘A Study of Women “Petty” Traders in Central Region, Ghana’. The purpose of the paper was to highlight some of the barriers facing women petty traders in the central region of Ghana in order to better understand their inability to access microcredit. The study was based on an aided questionnaire and in-depth interviews with women micro entrepreneurs drawn from a convenience sample of 150 petty traders in the market towns of Cape Coast, Elimina, Mankessuim, Jukwa and Swedru, all in the central region. Three main constraints are identified –

internal, socio-cultural and policy-induced – as being the key moderating influences on women petty traders' ability to access to micro-credit.

Considering the sample size and research context, the generalization of the findings may need to be applied with caution. However, this study did identify similar findings in other studies in comparable contexts. These impediments, as confirmed through interviews can be summarized into three broad categories – internal constraints and barriers, socio-cultural constraints, and non-supportive policy constraints. Internal constraints are those factors that are demonstrated by women micro-entrepreneurs, such as a lack of confidence (phobia and anxiety) a lack of understanding of micro-credit and MFIs, a fear of the consequences of default, and the myth that “bank facilities are meant only for the rich.” These constraints are largely planted and nurtured by the myths surrounding conventional banking practices in the country.

Benjamin’s study is related with this study with the points such as informal market (petty traders), in its data gathering tools, with the purpose (analysis of growth factors) and the like. But this study is differ from the Benjamin’s study in its scope, purpose of academic issues, places, time, culture of the participants and such like. So this study will try to access the gap occurred in the Benjamin’s study in detail.

### **2.2.3. Research Gaps**

Some researches has been carried out locally in Jimma town, in Ethiopia and a lot of researches conducted internationally reviewing on small business, informal market, street vending, and petty trade. Most of these research concentrate on businesses in the cities and big town centers. They also concentrate on their study areas based on their own objectives and purpose. There is shortage of literature touching on the small urban towns and rural traders. Also the problems occurred in the researches is not solved still now, because the previous studies conducted on the issue was, focused on some and repeated factors only. Those are finance problems, lack of management skills and technical marketing skills, lack of infrastructure and land problems. However these factors are the main hindering factors growth of petty traders, other internal and external main factors are not included.

Therefore, this study is different from those researches discussed above by focus area because, this study specifically emphasized on investigating those factors and challenges affect the growth of petty trade either positive or negative and it was conducted particularly in Jimma town not in Jimma zone. Thus, in this study the researcher intended to assess the different factors and challenges that affect the growth of petty trade business sector owners in informal market facing in the town different kebeles with its possible solutions from them.

The researcher intends to fill the gap and solve the current problems and also to keep its consistency put some points in the recommendations. These possible solutions were conducted from the traders what they think and combined with the fact gained by research analyses because it needs to develop common guidelines, and Finally provide the final evidence gained by the finding of the study to the town trade office to show how petty trading is most important for avoiding of unemployment and as to the office give attention for the sector. Therefore, the proposed study was build on the local literature on factors that affect performance of small urban town and rural market traders. Similar studies have focused on the challenges faced by women petty traders but this study was concentrated on what determinants those affect the performance of both men and women petty traders as a whole in Jimma town main market places.

### 2.3. Conceptual framework

The concept of conceptual framework is that the main ideas those uses with relate to one another which is used to describe the research problem. As different earlier researchers points that the performance of small business is influenced by internal and external determinants. Since the business performance and growth is influenced by both internal and external factors traders need to understand what influences business to reach peak performance? In this regard the external factors those face the traders will assumed that such as Financial, Socio-cultural, Demographic Political (legal) and Technological factors andthe internal factors that influence the business performance such as Lack of business management skills, training and market experience, motivation will be estimated. Their relationship is describes as follows in figure. 1.0

#### Relation of Dependent and Independent variables of the study

##### Independent variables

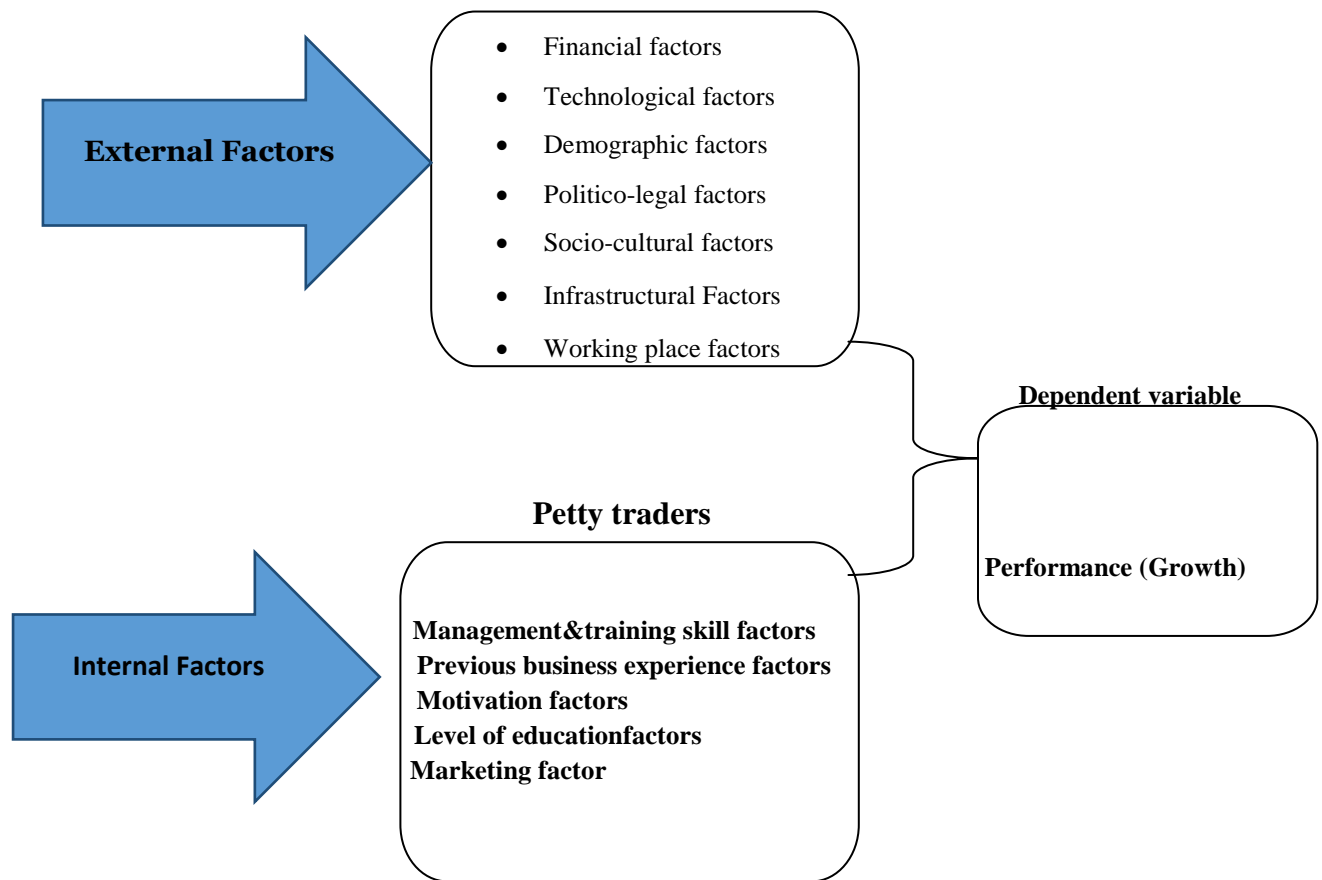


Fig 1.0 Conceptual framework of the study

## CHAPTER THREE

### 3. RESEARCH METHODS

In order to analyze the potential determinants of factors on Growth (performance) of Petty trade in Jimma town this study was run through used of a research methodology. This section provides an overview of the study's research design, approach and its type which lies within the mixed methods strategies. The chapter hasdiscussed procedures and activities under taken, focusing on namely the study's research target population, questionnaire design, data source and collection, sampling size and strategy, data processing and analysis and instrument development. Besides, the section deals with a discussion on the ethical consideration issues and the study area profile.

#### 3.1. Description of the study area

Jimma town is the largest and earliest town in South-Western Ethiopia, located in the Jimma Zone of Oromia Region. This study will conduct in this town which is found in South-Western Ethiopia, located in the Jimma Zone of Oromia Region which is located at a distance of 7°40'N 36°50'E (7.667°N 36.833°E) latitude and longitude above sea level respectively. The study area of this research is far 357(three hundred fifty seven) km away from the capital city of Ethiopia Addis Ababa and around 4km from Jimma university main campus. According to the Central Statistical Agency (CSA, 2007) report, this town has a total population of 120,960, of whom 60,824 are males and 60,136 are females. The Study will conduct from January 1, 2019 to June 30, 2020 in four purposively selected kebele's of the Jimma town; these are Menderakochi, Awetumendera, Ginjoguduru and Bosakittokebele.

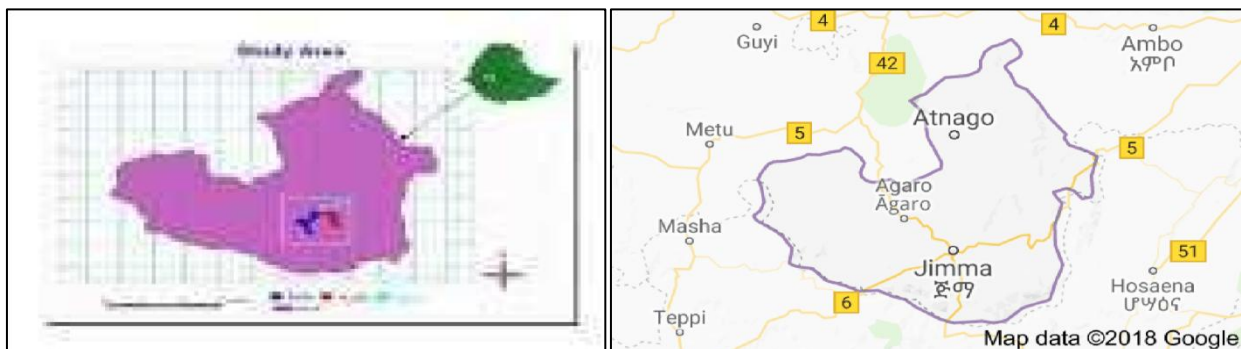


Figure 3.1: The map of study area

### **3.2. Research Approach**

This study was followed mixed research approach, because it depends based on the data analysis method which contains both qualitative and quantitative data's. Because there may be included different data's which contains numeric and verbal from the respondents. The intention of this study was that to determine the determinants those affect the growth of petty traders in Jimma town. In order to achieve the objective of this research the researcher was used a descriptive type of research. In order to achieve this objective the researcher was used quantitative and qualitative research approach based on the data gathered. The reason for selecting descriptive and inferential research type was that the researcher has no control over the variables rather he only report what was happened and happening in the area where the research has ben conducted inconnection with descriptive approach.

“The purpose of inferential approach to this research is to form a data base from which to infer characteristics or relationships of population. This usually means survey research where a sample of population is studied (questioned or observed) to determine its characteristics, and it is then inferred that the population has the same characteristics” Kothari C, 2004. Thus, to get the exact output by using regression and correlation the study tried to use inferential approach.

### **3.3. Research design**

Research design is an overall procedure of how the research is compiled in every aspects of its arrangement. According to Kothari C., 2004, “A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine the relevance to the research purpose with economy in procedure.” A research design is the overall strategy developed and adopted in order to conduct a research study and it enables a researcher to plan the carrying out of a study in a manner which maximize the likelihood of gathering data aligned with the event, occurrence or phenomenon being studied, Burns & Grove, 2001.

Based on the above point the study was conducted in Jimma town, awetu mendera, mendera Kochi, and ginjo guduru and bosakito kebele. The study was adopted mixed reseach approach in order to investigate the determinant factors of the growth of petty trades in Jimma town. The intention of this research was to access the challenges of street market business (petty trade) in



the town of Jimma. The target populations of the study were all petty traders in the town and trade office principals. The sampling method used was stratified random sampling with the help of proportional sampling technique, which were 167 petty traders selected through it. The data was conducted through questionnaire and interview, and the data was analyzed descriptively (mean and standard deviation) and inferentially (regression and correlation) was applied. The report was presented with a detail discussion and interpretation of the data analyzed.

### **3.4 Target population**

The study target population comprised four kebeles' of the petty traders in the Jimma town. These trading places were Ajip (Ginjo guduru), MenderaKochi, Awetu mendera and Bosadis (Bosakitto). These areas were selected with the help of purposive sampling method, because the areas were the major petty trading (famous market) place and majority of the petty traders were work in those areas. In addition to this the researcher decides to select these areas because of relevant data were got from the market areas and He is familiar with these places. The overall population of the petty traders in the areas was 306 (three hundred six) as the trade office data showed. From this population 173 (one hundred seventy three) petty traders were covered as a population in this study, because it was difficult to include all the population in terms of time, budget, and human resources. The sampling method of the study is discussed as follows.

### **3.5 Sampling size and methods**

The study was conducted in Jimma town four selected kebeles' of the town Oromiya region Ethiopia. The study area has been selected by using purposive sampling method, because the area was known by high petty trade activity and the researcher has enough knowledge about the place and familiar in the area and lives in the study area. The sample unit and size for this study was consists all petty traders participated in petty trade activities, including those who may or may not fall under the standard categorization of small micro enterprise (SME's), such as street vendors (hawkers), road side traders and other non-store petty traders of informal business in the town.

The sampling method used was stratified lottery sampling with the help of proportional sampling method. Because from each the petty traders' products item they sell according to the number they have equal chance was given to included in the study. It is considered opinion of the

researcher that the elder petty traders are provide far more detail and richer information concerning the determinant factors affecting the growth of the businesses than those who have only recently entered in the sector and from different types of trading items. The sample size was determined by using the Slovin's formula (Serakan, 1992).  $n = \frac{N}{1 + N e^2}$  where:  $\rightarrow N$  is the population size  $\rightarrow n$  is the sample size  $\rightarrow e$  is the margin of error Applying 5% error margin.

$$306 / 1 + 306 \times (0.05)^2$$

$$306 / 1 + .767$$

$$306 / 1.767$$

$$= 173$$

### **3.6. Data sources and data collection methods**

#### **3.6.1. Primary data sources**

A descriptive survey design was used to collect data from two sources those are primary sources from questionnaire and interview. The primary data sources were involved filling questionnaire by the petty traders and personal interviews with the town trade office workers and manucipality principals.

#### **3.6.2. Secondary data sources**

In this study secondary data sources was concentrate mainly from literature review of the subject. The available literature was used to gain an understanding of the informal trade sector and also to compile the theoretical parts. In addition, literature on the informal trade sector (petty trade) and growth theory was used throughout the study to support the researcher's viewpoints or provide alternative viewpoints. It was also used as a reference point to determine what other authors have discovered on the issue. This may or may not be similar to the author's findings. The chief source of secondary data was broadly classified into two groups. Published sources and unpublished sources, those are theoretical aspects and empirical studies.

### **3.6.3. Data collection methods**

For this study important data was collected in Jimma town four kebele's of the town specifically Bishisheand Merkato, (AwetuMenderakebele), Ajib (Ginjogudurukebele), Kochi (Mendera Kochi kebele) and Bosadis (BosakitoKebele). The data was collected from two sources; primary data was gathered by using questionnaire andinterview. Secondary data was gathered from published and unpublished materials by using document analysis method. The methods included in the study wasdiscussed in detail as follows.

#### **3.6.3.1. Questionnaire**

The researcher was used structured questionnaire by distributing to 173 respondents (petty traders). The questionnaires were divided into three sections, first general introduction and instruction about the purpose, second respondants background and related issues and thirdly stimated factors were included. Three types of data were included; these were choice, short answer and five likert scale. The datas were divided for respondents' background short answer and choice and for estimated factors strongly agree, agree, neutral, strongly disagree and disagree were applied. The questionnaires were distributed for 173 (one hundred seventy three) petty traders. The questions were presented with exactly the same wording and in the same order to all respondents. The contents of a questionnaire has been simplified, in order to ensure that the respondents find it easy to answer the questions, and was short, simple and straightforward, in order to motivate quick responses. The questions have been asked in written form in order to obtain relevant information or answers from respondents. The instrument was introduced the research topic and explain the importance of conducting an investigation into the viability of petty trading growth determinants in Jimma town.

The respondents was clearly informed the right to withdraw from participating in the study at any time and that the generally-accepted professional standards for ethical conduct in research studies was used. The instructions in the questionnaire were quite simple, clear and concisely written in understandable English and Amharic Languages. Because the Amharic translations had been important for the respondent those who want to fill by themselves the questionnaire. Open-ended questions were also included in the questionnaire, in an endeavor to obtain honest answers and additional relevant details from the respondents. The questionnaires were duplicated

in their number and distributed for each of the respondents and finally from 173 questionnaires 167 were exactly filled and returned back the rest 6 questionnaires were not filled exactly and collected. Thus the sample used in this study was 167 only.

### 3.6.3.2. Interview

Interview was used in this research for the purpose of in order to acquire additional information which is not addressed by petty traders with questionnaire. The interview was conducted with jimma town trade office workers and municipality principals. The type of interview was conducted structured-interview, which is prepared on the paper and the questions were both open ended and close ended. The instrument was introduced the research topic and explain the importance of conducting an investigation into the viability of petty trading growth determinants in Jimma town. The respondents were clearly informed of the right to withdraw from participating in the study at any time and that the generally-accepted professional standards for ethical conduct in research studies were used. The instruction in the interview was quite simple, clear and concisely written in understandable English language. Fifteen questions were presented for the trade workers and municipality principals, and all the questions were responded.

### 3.6.4. Reliability test

One of the methods to estimate the reliability of the scores on a test or measurements is Cornbach's coefficients alpha method. Hence, Cornbach's coefficients alpha refers to the extent to which there is interrelatedness among the responses to the multiple items comprising in the Likert scale. Hence, as explored by Field (2009), if Alpha Coefficients were above 0.70, consistency and suitability were considered high. Accordingly, the reliability measures of each of the major variables are presented in the following table to ease the process of the data analysis

**Table 3.1 Reliability Statistics**

<b>Variables</b>	<b>Cronbach's Alpha</b>	<b>Number of items</b>
Financial Factors	.921	4
Technological Factors	.721	3
Demographic Factors	.864	4

Politico-legal factors	.850	5
Socio cultural factors	.889	5
Marketing Factors	.864	4
Management and training factors	.850	4
Previous business experience factors	.914	4
Motivation Factors	.718	4
Working Place Factors	.760	4
Level of education Factors	.825	4
Infrastructural Factors	.891	6
Growth of petty traders	.916	10

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Thus, as shown in table 3.1 the reliability of the scores was evident by strong Cronbach's alpha coefficients for all variables, which used as independent and dependent variables of the study. The Cronbach's alpha ranged from 0.718 to 0.921, indicating that items are highly reliable to measure the variables they are expected to measure.

### **3.6.5. Data Analysis methods and tools**

The study was followed Statistical Package for Social Science (SPSS) version 21 tool to analyze the data obtained from primary sources. It was used descriptive and inferential statics which used to reduced the data into a summary format by tabulation (the data arranged in a table format) and measure of central tendency (mean and standard deviation) were used to describe the general characteristics of petty traders. Besides, the interview questions was analyzed using descriptive narrations. To ascertain whether a statistically significant relationship exists between independent and dependent variables inferential statics multiple regression and correlation were applied.

### **3.6.6. Measure of Variables of the study**

The perception petty traders have for change and growth is used as the measure of the dependent variable performance of the informal market involved in the survey. This is mainly because of the following three reasons. First, as the informal observation clearly indicates, petty traders are more focused on profitability than other modes of performance measures. Second, as recommended by Rami and Ahmed (2007:6) change in profit has been widely adopted by most

researchers and experts in business performance models. Also growth in employment level of the business sector would not be another appropriate alternative measure of performance because these petty traders are mainly established as a source of self-employment. Dependent variable of this study (growth) was measured in terms of the vendors' perception (answers) for the questions related to growth as the researcher decides.

<b>Definition of dependent and independent variables of the study and its measurement</b>		
<b>Dependent Variable</b>	<b>Definition</b>	<b>Measurement Unit</b>
Performance	The act of performing and/or doing something successfully by using available resource.	Petty traders' response (perception) on change of their business growth (Five point likert scale)
<b>Independent Variable</b>	<b>Definition</b>	<b>Measurement Unit</b>
Financial Factors	Refers to the factors such that high interest rate, inadequate collateral, fear of inability to repay, bureaucracy of FI	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)
Technological Factors	The factors those hinder the choice and use of appropriate technology to run the business operation in appropriate manner.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)
Demographic Factors	The factors those related with migration, high fertility rate, family size, health care problem etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)
Politico-legal Factors	The factors such that equal treatment, crime, corruption and /or implementation of accepted course of action, rule,	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)

	principle, or law.	disagree
Socio-cultural Factors	The factors those related with customers attitude, acceptance in the society, religion, conflicting gender role etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)
Marketing Factors	Factors such as lack of market information, inability of promote the business to attract customers, lack of demand for casting, difficulty to search new market and customer etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)
Management & Training skills Factors	Factors related with the ability to make business decision, poor customer relationship and organization, lack of well training abilities, etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)
Previous business experience factors	Factors related with having previous business experience & not having related experience, etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)
Motivation Factors	Factors those affect with relate to own aspirations (by choice) and others push (lack of other option), etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree)



		disagree
Working Places( <b>Location</b> ) Factors	Factors such trade near market center, far from market center , buildings and land use for carrying out the business activities, in appropriateness of location for customers, not having permanent place etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree
Level of education	Factors related with literacy and illiteracy which are inadequate skill of income & outcome, legal complexity, competition, social security, rights, etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree
Infrastructural Factors	Such that insufficient water supply, power supply, transportation service, etc.	Five point likert scale (1= Strongly agree, 2= Agree, 3= Neutral, 4= disagree, 5= Strongly disagree

### **3.6.6. Model Specification of Dependent and Independent Variables**

The main objective of this study is to determine the external and internal factors those affect the growth (performance) of petty traders in Jimma town. Therefore, the multiple regression models that will be adopt the following form.

$$Y_i = \beta_0 + \beta_1PTFF + \beta_2PTTA + \beta_3PTDF + \beta_4PTPLF + \beta_5PTSCF + \beta_6PTMLF + \beta_7PTM\&TSF + \beta_8PTTBE + \beta_9PTMF + \beta_{10}PTNOFMF + \beta_{11}PTLOEF + \beta_{12}PTIF + \varepsilon$$

**Where:-**

<b>Y<sub>i</sub></b>	Performance of petty traders measured in change (growth) and operational performance. (i.e. Dependent variable)
<b>β<sub>0</sub></b>	Intercept term(constant)
PTFF	Petty Traders Financial Factors
PTTA	Petty Traders Technological Factors
PTDF	Petty Traders Demographic Factors
PTPLF	Petty Traders Politico-legal Factors
PTSCF	Petty Traders Socio-Cultural Factors
PTMF	Petty Traders Marketing Factors
PTM&TSF	Petty Traders Management and Training Skill Factors
PTPBEF	Petty Traders Previous Business Experience Factors
PTMVF	Petty Traders Motivation Factors
PTWPF	Petty Traders Working Places Factors
PTLOEF	Petty Traders Level Of Education Factors
PTIF	Petty Traders Infrastructural Factors
ε	Model error term the variables not captured by the model

**β<sub>1</sub>, β<sub>2</sub>, β<sub>3</sub>, β<sub>4</sub>, β<sub>5</sub>, β<sub>6</sub>, β<sub>7</sub>, β<sub>8</sub>, β<sub>9</sub>, β<sub>10</sub>, β<sub>11</sub>, β<sub>12</sub>**= the coefficients associated with each independent variable which measures the change in the mean value of Y, growth(change) in their particular dependent variable.

## **CHAPTER FOUR**

### **4. RESULT PRESENTATION AND ANALYSIS**

#### **Introduction**

In this chapter the researcher tried to answer the specific objectives, basic research questions and test the hypotheses those were elevated in the first chapter by methodically analyzing and discussing using both quantitative and qualitative data. The data sets for analysis were collected by using questionnaire for (quantitative data) and interview for (qualitative data) with government officials and observation during data collection period. The chapter also presents the findings of the research which is obtained from the collected data in four kebele's of the town from 167 (one hundred sixty seven) respondents. The data were gathered through questionnaire mainly. Interview was also used as supportive tool.

To obtain enough and dependable data variety groups of respondents were selected which engaged in Small café's, Fabricated shoes and clauses, Meal, Vegetables and fruits, Cosmetics and beauty materials, and relish were involved in the study to give information. 173 (one hundred seventy three) questionnaire was distributed for respondents to gather important and valid data for the finding of this study. However, from 173 (one hundred seventy three) questionnaire exactly filled and returned was only 167 (one hundred sixty seven) and the rest 6 (six) was not returned and exactly filled, that the researcher lives those 6 (six) questionnaires and used the rest one for analysis purpose. This chapter contains mainly three parts, which are respondents' background and demographic issue, descriptive and inferential data analysis of the study.

#### 4.1. Respondents background and demographic issues

age	frequency	Gender	frequency	Level of education	frequency	Marital status	frequency	Children status	frequency
Below 15	4	Male	26	Not educated	64	Unmarried	17	Have Children	149
16-25	31	Female	141	First cycle education 1-8	58	Married	68	Not have children	18
26-50	100	Total	167	Secondary education 9-12	37	Divorced (separated)	43	Total	167
51-64	21			Higher education	8	widowed	39		
65 and above	11			Total	167	Total	167		
Total	167								

#### Respondents Age

As indicated in table 4.1 above the age group of the respondents of this study has been categorized into five age groups for women and men petty traders those participate in informal market sector. The respondents below age 15 were 4(2.4%), from the overall participants and it was the list in number and percent. The age group 16-25 were 31(18.56%) this is also the third list in number and percent from the overall respondent's age. The age group 26-50 was 100(59.88%), it is the highest in number and percent from the overall participants. This assures that point of Josephat (2017) "South Africans between the ages of 35 and 50 years are clearly the most entrepreneurially active group." The age group 51-64 were 21(12.57%) which is the second highest in number and percent from the overall participants and the last age group 65 and above were 11(6.59%) which is thesecond list in number and percent from the overall respondents age group.

### **Respondents' Gender**

The genders of this study were male and female as indicated in table 4.1 The number of male petty traders was 26(15.57 %) and the number of female was 141 (84.43%). The number of female petty traders is higher than male, as indicated in chart 4.2 below. This indicates that majority of the petty traders who engage in the sector are female, because of different reasons.

### **Respondents' level of education**

As indicated in table 4.1 above majority of the petty traders 64(38.23%) are not educated. Also the second highest of them 58(34.73%) are only attended first cycle (1-8) grades education. The rest 37(22.16) % of them have secondary education (9-12) and 8(4.79%) have higher education status. From this one can imply that low level of education and being informal trading sector have direct relationship, which means that higher engagement in the informal sector is connected with lower educational level. Therefore as Yodit (2017) concluded that, low educational attainment is one of the driving forces to be informal business operator. And also Abdulmejid (2015) agreed that, Educational qualification and good skills of operating a business are a factor that can make a business successful. On the other hand lack of education and business skills has a major impact on most informal traders.

### **Respondents' Marital status**

As the data result table 4.1 above shows that among the petty traders engage in informal business sector, 68(40.72%) were married. Single petty traders constituted 17(10.18%), which is the least in number and percent. The remaining 43(25.75%) and 39(23.35%) of the respondents were divorced and widowed respectively. This data can imply that most of the petty traders chance to engage in informal sector will increase when they are to get married, because after marriage the number of family members increase as Yodit (2017) indicate that in her study.

### **Children status of the respondents**

The respondents children status is categorized into two, which is have children and not have. Above table 4.1 indicated that majority of the petty traders 149(89.22%) of them have children and the rest 18(10.78%) not have. As the data shows that majority of the respondents who engage in petty trade have children. This having more children also affects the petty trade sector negatively as the respondents' data shows; because when the number of children and other

independents increase their consumption also increase. As some respondents said that even with out any profit they turt to their home only by buying their children consumption, this hand to mouse living style makes the petty trade sector more non profitable.

#### 4.1 Respondents background and demographic issues

No. of children	frequency	Place of birth	frequency	Type of business	frequency	Year stay	frequency
1-2	50	Jimma Town	41	Small Cafe's	19	1-2 Year	17
3-4	65	Jimma Zone Wereda	48	Fabricted Shoes and Clauses	24	3-5 Year	28
5-6	27	Out of Jimma Zone	78	Meal	33	6-8 Year	56
7 and Above	7	Total	167	Vegetable and Fruit	37	9-10 Year	51
0	18			Cosmetics and Beauty Materials	20	11 and above Yeras	15
Total	167			Relish	34	Total	167
				Total	167		

#### Respondents number of children they have

As shown in the table 4.1 above the respondents' number of children they have is categorize into five parts. The first part is the respondents who have 1-2 children, which is 50(29.94%), it is the second largest in number and percent. The second part is 3-4 number of children, the respondents who have this amount of the children are 65(38.92%) which is the largest in number and percent from the overall. The remaining 5-6 and 7 and above are 27(16.17%) and 7(4.175) respectively. The last part which is 0(10.78%) of them are not have children.

#### Petty traders Place of birth

The majority Petty trader's birth placeas shown in the table 4.1above were out of Jimma town and Jimma zone wereda. The petty traders who come from out of Jimma zone were 78(46.71%) which is the highest in number and percent also. The reason why they come to this town is that

majority of them agreed that to search job and marriage. The rest 48(28.74%) and 41(24.55%) of them are from Jimma zone wereda and born in Jimma town respectively. As the majority of the respondents (petty traders) agreed that Jimma town born petty traders are more successful than the others in their work performance. This is because of that more of the Jimma born traders have their own work place for their petty trade activity and they have permanent customers because of their permanent work place.

### **Type of products**

As the fact Jimma town petty trade indicates that there are six main type of the trade type in petty trade sector. Based on this the researcher conducted important data from these six main types of petty trade sector. The data were conducted as their abundance in the market they participate. The first type is small cafes 19(11.38%), second fabricated shoes and clauses 24(14.37%), third small café 33(19.76%), fourth vegetables and fruit 37(22.16%), fifth cosmetics and beauty material 20(11.98%) and the last is relish 34(20.36%). From these six types of the petty trade vegetables and fruit, relish and meal can take the highest part respectively as they seen in the market widely. Majority of this petty traders have not permanent working place for their petty trade, rather they cover for a day only with canvas and when they turn to home taking to home the canvas also, to protect it from thief and the next day also do this. The rest of the petty traders work without any protection from the sun and rain also.

### **Years stay in petty trade**

As indicted in the table 4.1 above majority of the petty traders 56(33.53%) were stay in the sector 6-8 years and 51(30.54%) of them were stay in the sector 9-10 years. 15(8.98%) of the traders also stay in the sector 11 and above years, which is totally (73.05%) of the petty traders stay in the informal sector without changing themselves into formal from 6-11 and above years. This is consistent with the finding of Yodit (2017), “69 percent of the respondents stay in the current business activity for more than three years. This may have the operators in this sector have no the capacity to grow up or transform the business in to formal sector and this sector serve as a survival way”. The remaining 17(10.18%) and 28(16.77%) were stay in the sector 1-2 and 3-5 years respectively.

## 4.2. Descriptive analysis

**Table 4.1 Petty Traders Financial Factors**

Items	Mean	Std.
High interest rate charge, Collateral requirement, bureaucracy of FI and loan application procedures are complicated to take loan for my business	4.76	.481
I have lack of information about financial institution to get finance means (loan)	4.71	.571
I have an opportunity of getting credit but my fear of inability to repay is hinders me to take loan from FI	3.28	.826
My business has never gotten any government funding (financial support) that is why Shortage of working capital hinders the growth of my business.	4.81	.522
<b>Mean Ground</b>	4.39	.60

**Source: survey (2020) SPSS output**

### 4.2.1 Petty traders' financial factors

As shown in table above for the variable petty traders financial factors a total of four questions were distributed for (167) respondents. As the respondents answer indicated that high interest rate, collateral requirement, bureaucracy of financial institutions and loan procedures factors affect their business and agreed on the point with (4.76%) mean and (.481) standard deviation.

For the question I have lack of information about financial institution majority of response were agreed with (4.71%) mean and (.571) standard deviation about lack of information about financial institution. The remaining respondents were neutral from lack of information and disagree on the point and they have information.

The majority response given for the question I have an opportunity of getting credit but my fear of inability to repay is hinders me to take loan from financial institutions were neutral and disagree, which means no opportunity to take a loan still, with (3.28%) mean and (.826 standard deviation).

For the last question my business has never gotten any government financial support the respondents answer were agree with a total mean of (4.81%) and (.522) standard deviation. The rest some of them were neutral disagree which indicated that no need of government support and



have some support respectively. Totally the respondents' answers for financial factors take (4.39%) grand mean and (.60 standard deviation) from the overall twelve independent variables, which is that majority of the respondents answer shows that financial factors hinders their business growth.

**Table 4.2 Petty Traders Technological Factors**

Items	Mean	Std.
Lack of skill to handle new technology, Lack of enough finance to get new technology hinders, to select proper technology that affects my business negatively.	4.16	.624
Mobile network problems affect the growth of my business negatively	4.22	.625
Lack of appropriate equipment's which protect safety of material I trade affects the growth of my business negatively.	4.52	.626
<b>Mean Ground</b>	4.3	.625

**Source: survey (2020) SPSS output**

#### 4.2.2 Petty traders Technological factors

As shown in table above for the variable petty traders technological factors a total of three questions were distributed for (167) respondents. The respondents answer for the first question Lack of skill to handle new technology, Lack of enough finance to get new technology hinders, to select proper technology that affects my business negatively were more agreed with (4.16) mean and (.624) standard deviation. As the response indicated this factor hinders their growth but it is not significant. The rest were neutral, which is no need of technology for their business.

For the second question Mobile network problems affect the growth of my business negatively the respondents answer were agree with a total mean(4.22) and (.625) standard deviation. The rest were neutral, which is the petty traders (their work) is not have connection with mobile network.

The petty traders response for the last question, 'Lack of appropriate equipment's which protect safety of material I trade affects the growth of my business negatively' were with (4.52%) mean and (.626) standard deviation. The rest were neutral from using technology for their petty trade and disagree which is they have access to use the technology. Totally the grand mean for the

questions related with factors of lack of technology is (4.3%) and the standard deviation is (.625) from the overall twelve independent variables of this study. However this factor is not significant for as the correlation coefficient indicated.

**Table 4.3 Petty traders’ environmental factors**

<b>Items</b>	<b>Mean</b>	<b>Std.</b>
High migration of people and Cultural differences affects my petty trader business growth negatively.	3.41	1.41
High number of Family size, fertility rate and inadequate health care problems affect the petty trader’s business growth negatively.	3.66	1.23
Un married marital status has negative effect on the growth of petty trade.	2.71	1.12
Jimma town born traders’ are more successful than others in performance of their business.	3.23	1.41
<b>Mean Ground</b>	3.23	1.292

**Source: survey (2020) SPSS output**

#### 4.2.3. Petty Traders Demographic Factors

As shown in table above for the variable petty traders environmental factors a total of four questions were distributed for (167) respondents. For the first question ‘high migration of people and cultural difference affect the petty trade sector negatively’ the respondents answer were disagree with (3.41) mean and (1.41) standard deviation. This indicated that the traders do not believe that in connection with migration of people from other place to Jimma town and cultural difference can not affect the business. The rest were agreed which means the petty trade sector is affected by high migration and cultural difference of the people. And the others also neutral from this point respectively.

For the second question ‘high number of family size and related issue affect the sector negatively, the majority response were agreed and some of the response were neutral from this issue with (3.66%) mean and (1.23) standard deviation. For question number three ‘unmarried status affect the sector negatively, the majority response were disagree with (2.71%) mean and (1.12) standard deviation. As the percent indicates majority of the petty traders do not believe

that unmarried status is a factor for hindering the growth of petty trade activity. The rest some respondents were agreed and neutral from this issue as the result indicated.

The last question for environmental factor was ‘Jimma town born traders are more successful than the others’ for this question more of the respondents response were disagree with (3.23%) mean and (1.41) standard deviation. Some of the respondents were neutral, and they do not have such information concerned the issue. The grand mean for demographic factor is (3.23%) and (1.292) standard deviation from the overall twelve independent variables.

**Table 4.4 Petty traders Politico-Legal Factors**

Items	Mean	Std.
No rule, law, principle and course of action for corruption, crime, and other problems happened in the town hinder the growth of petty trade negatively.	4.49	.75
Lack of equal treatment and making differences among petty traders with their race, political stands affect growth of the business negatively.	3.70	1.15
There is no security to protect petty traders and their materials from brigand in the market.	4.73	.60
I want to change my business into formal, but there is no any opportunity and possible condition to do this from government side.	4.68	.62
Street venders (petty traders) business activity cannot have impact on formal business in my opinion.	2.95	1.07
<b>Mean Ground</b>	4.11	.838

Source: survey (2020) SPSS output

#### 4.2.4. Petty Traders Politico-Legal Factors

As indicated in the table below for the variable petty traderspolitico-legal factors, a total of five questions were distributed for (167) respondents. Based on that, for the first question ‘No rule, law, principle and course of action for corruption, crime, and other problems happened in the town hinders the growth of petty trade negatively’ the respondents answer were agree with (4.49%) mean and (.75) standard deviation. As their response indicated majority of the respondentsagreed that the factor is dominantly affect their growth negatively. The rest some of them were not agreed and neutral from such kind of problem.

As the mean (3.7%) and standard deviation (1.15) indicated the respondents answer for the second question ‘Lack of equal treatment and making differences among petty traders with their race, political stands affect growth of the business negatively’ were agree. This response indicates that respondents’ activity was affected by this factor and their business not grow time to time. On the other side few respondents were not agree that the factor is not affect their business and few of the respondents were neutral, which means that they do not have such information in their business activity.

For question number three, ‘there is no security to protect petty traders and their materials from brigand in the market’ the respondents response were strongly agree with (4.73%) mean and (.60) standard deviation. As the result shows the respondents were agreed that their material is not protected from brigand and that affect their business growth. The rest some respondents were disagreeing and neutral from such factor.

The fourth question with regard to ‘I want to change my business into formal, but there were no any opportunity and possible condition to do this from government side’ the respondents response were agree with (4.68%) mean and (.62) standard deviation. This indicates that majority of the petty traders want to change their business, but there is opportunity to do that from any side. Few respondents were disagreed and neutral on from such factor were responded.

The last question is ‘Street vendors (petty traders) business activity cannot has impact on formal business in my opinion’ for this question the respondents response were disagree with (2.95%) mean and (1.07) standard deviation. The remaining few of them were agree, because they think that informal trade has negative impact on the formal trade. Totally the mean grand of politico-legal factors is (4.11%) and the standard deviation is (.838) from the overall twelve independent variables of this study. However this factor is not significant for the determinants.

**Table 4.5 Petty Traders Socio-cultural Factors**

<b>Items</b>	<b>Mean</b>	<b>Std.</b>
Acceptance in the society affects the activity of petty trade growth positively in my outlook.	4.52	.61
Lower Customers attitude towards petty trader sector affect growth of the business sector negatively.	4.65	.75
Inadequate support and low assistance of cultural finance (Ikub, Idir) affects directly the growth of petty trade business.	4.07	1.06
Because of religion difference consumers can make saddle on the performance of petty trade business.	3.69	1.19
There is no gender role conflict among petty traders and in the society of the town.	3.89	1.10
<b>Mean Ground</b>	4.16	.942

**Source: survey (2020) SPSS output**

#### **4.2.5. Petty Traders Socio-cultural Factors**

As indicated in the table above there were five questions distributed for (167) petty traders and the result werediscussed as follows. For the first question, ‘acceptance in the society affect the activity of petty trade growth positively in my outlook’ the respondents response were agreed, the mean is (4.52%) with (.610) standard deviation. This indicates that majority of the respondents are agree that acceptance in the society affect the petty sector growth positively. The rest few respondents were disagreeing and neutral about the issue, which means that they do not have such information.

With regard to ‘Lower Customers attitude towards petty trader sector affect growth of the business sector negatively, as the mean (4.65%) and (.750) standard deviation indicated that the respondents response were agree. Majority of petty traders agree that lower customer attitude affect their business negatively that undermine them and decrease their profitability. However few of them are disagreeing and neutral that they do not have such information in the sector.

The mean (4.07%) and standard deviation (1.06) indicates ‘inadequate supports of cultural finance affect the petty trade negatively, the respondents’ response were agree. Few of the

respondents was disagreed and neutral with the question, because they have adequate support and few of them not need support.

The fourth question under this factor is that because of religion difference consumers can make saddle on the performance of petty trade business. The mean and standard deviation of this question is (3.69%) and (1.19) respectively. Based on this the respondents agree that there are differences among petty traders related with their religion affect the business negatively. However, few of them were disagreed and neutral with the point, that there is no difference in religion and they are in dilemma.

With regard to 'there is no gender role conflict among petty traders and in the society of the town, the respondents response was agree with a total of (3.89%) mean and (1.10) standard deviation agreement. Which means that customers can make side weather the petty trade is male or female when they buy something. The rest few of the respondents are not agreeing and neutral with the point. The overall mean and standard deviation of this factor is (4.16%) and (.942) respectively from the twelve independent factors of the study.

**Table 4.6: Petty Traders Marketing Factors**

Items	Mean	Std.
There is no means of promote my business to attract customers and Lack of market information spike petty trader in bankruptcy.	4.42	.624
Because of lack of demand and supply forecasting petty trader cannot grow effectively in profit.	4.63	.459
Other rich traders dominate petty trade sector related with price decreasing.	4.41	.679
Because of lack of marketing skills, Lack of ability searching new market and the business products are the same as those of my competitors, affect my petty trade sector negatively.	4.66	.566
<b>Mean Ground</b>	4.53	.582

**Source: survey (2020) SPSS output**

#### 4.2.6. Petty Traders Marketing Factors

As shown in the table above four questions were distributed for (167) respondents concerned marketing factors. The first question for marketing factor is, there is no means of promote my

business to attract customers and Lack of market information spike petty trader in bankruptcy, for this question most of the respondents response were agree with(4.42%)mean and (.624) standard deviation respectively. As the result shows most of the respondents were agreed that lack of promotion affect their business negatively. The rest few respondents were disagreed that their business is not need promotion.

The second question of marketing factor is ‘Because of lack of demand and supply forecasting petty trader cannot grow effectively in profit., for this issue most of the respondents response is agree with(4.63%)meanand (.459) standard deviation. As the respondents response shows to guess how much need of market and demand will be in the market is difficult with the fluctuation of the customers. The rest few of them are neutral from this problem.

With regard to‘other rich traders dominate petty trade sector related with price decreasing, the respondents answer for this question is agreewith (4.41%) mean and (.679) standard deviation.The result indicates that rich merchants dominate them by decreasing some price on the goods what the petty traders sell, which make them unsuccessful. The rest few of the respondents are neutral, which means that they are in dilemma to decide about the issue.

For the last question of marketing factor ‘because of lack of marketing skills, Lack of ability searching new market and the business products are the same as those of my competitors, affect my petty trade sector negatively, most of the respondents are agree with (4.66%) mean and (.566) standard deviation. As the result shows majority of the respondents think that their marketing skill, ability to search new market and trading the same business like the other competitors, affect their business growth negatively. The rest few of them are neutral and disagree. For marketing factor variables most of the respondents agree with (4.53%) grand mean and (.582) standard deviation from the twelve independent variables of this study.

**Table 4.7: Petty Traders Management and Training skill Factors**

<b>Items</b>	<b>Mean</b>	<b>Std.</b>
Inadequate management skills and training causes poor customer relationship, handling, organization and less communication with customers makes my petty trade non profitable.	4.68	.631
There is no any training and low cost facilities still now from government bodies for petty trade sector in the town, affect petty trade sector negatively.	4.74	.517
Whatever I am well trained and have experience of business there is no difference in having much customer.	3.66	.929
Because of lack of cash management and training skill petty traders faces bankruptcy problems.	4.73	.531
<b>Mean Ground</b>	4.45	.652

**Source: survey (2020) SPSS output**

#### **4.2.7. Petty Traders Management and Training skill Factors**

As shown in the above table for management and training skill four questions were distributed for (167) petty traders. The first question is ‘inadequate management skills and training causes poor customer relationship, handling, ‘organization and less communication with customers makes my petty trade non profitable’ most of the respondents answer were agreed with (4.68%) mean and (.631) standard deviation. The result shows that their poor management and training skill causes negative effect on their performance and most of them are not shown growth.

Inconnection with ‘there is no any training and low cost facilities still now from government bodies’ most of the petty traders’ response for this question is agreed with (4.74%) mean and (.517) standard deviation. The response indicates that the participation of trade office of the town and other concerned body is still low in giving training and facilitate low cost opportunity for petty traders in case of managing their business effectively. The rest few of the respondents are neutral, with this factor.

The third question of this factor is ‘whatever I am well trained and have experience of business there is no difference in having much customer’ for this question most of the respondents answer were neutral and disagree with (3.66%) mean and (.929) standard deviation. As the result indicates that for some petty traders training were not given from government institution and



some of the petty traders do not know about the issue. The rest few educated petty traders agree on the point.

The last question for management factor is ‘because of lack of cash management and training skill petty traders faces bankruptcy problems’ for this question majority of the petty traders response were agreed with (4.73%) mean and (.531) standard deviation. This indicates that because of majority of the petty traders are not educated, trained and their living style is hand to mouse to save their cash and use it for better business purpose. As the respondents answer indicates that management and training factor is one of the factors which affect the petty trade negatively with grand mean of (4.45%) and (.652) standard deviation from the twelve independent variables of this study.

**Table 4.8: Lack of Petty Traders Previous Business Experience**

Items	Mean	Std.
The traders who have previous related experience are more profitable in petty trader sector than those who do not have similar experience.	4.38	.896
New traders engage in petty trader sector are more beneficiaries by producing new situation than those who have previous experience, because of previous experience is seen as old style it is not beneficial in petty trade sector.	2.49	1.344
Customers more focus on experienced traders than initiate the fresh traders.	2.77	1.388
Because of lack of previous market experience distributors add additional cost on goods they supply for new traders.	4.59	.614
<b>Mean Ground</b>	3.55	1.06

**Source: survey (2020) SPSS output**

#### **4.2.8. Lack of Petty Traders Previous Business Experience**

As shown in the above table for lack of previous business experience four questions were distributed for (167) petty traders. For the first question ‘the traders who have previous related experience are more profitable than those who do not have similar experience’ most of the respondents’ response were agreed with (4.38%) mean and (.869) standard deviation. This is consistent with the finding of Dagmawit and Y (2016) who found that average growth rate of

small business which has previous experience is greater than average growth rate of small business which has no business experience.

With regard to second question ‘new petty traders are more beneficial by bring new things because experience is seen as old, most of the response given were disagree and few of neutral with (2.49%) mean and (1.34) standard deviation.

For the third question ‘customers more focus on experienced than the new traders’ most of the respondents were disagreed with (2.77%) mean and (.388) standard deviation. Because they believe that previous experience has its own value for the petty trade sector.

The last question for this factor is ‘because of lack of previous market experience distributors add additional cost on goods they supply for new traders’ most of the respondents response were strongly agreed with (4.59 mean) and (.614 standard deviation). Because experienced traders know the cost of different goods the suppliers distribute than the new entrants. The grand mean of this factor is that (3.55%) and (1.06) standard deviation from the overall twelve independent variables of this study. However this factor is not significantly affect the dependent variable.

**Table 4.9: Petty Traders Motivation Factors**

<b>Items</b>	<b>Mean</b>	<b>Std.</b>
I engaged in petty trade (informal market) because of lack of any other work opportunity and other friends and co-workers push (advice) but I am not interested in it.	4.75	.459
I started this work because of my previous work is not secured and the payment was not satisfy me, that is why I engage in this sector to get better benefit.	4.58	.604
Every petty trader engages in petty trade sector without his /her love towards the work in my opinion.	4.71	.550
The factor pushes me is not my previous work experience to engage in petty trader business sector, that is why I am not successful with the business.	4.69	.588
<b>Mean Ground</b>	4.68	.550

**Source: survey (2020) SPSS output**

#### 4.2.9. Petty Traders Motivation Factors

As indicated in the table above there were four questions distributed for (167) petty traders and their response are discussed as follows. For the first question, 'I engage in petty trade because lack of any other job and I am not interested in it' majority of the respondents response were strongly agree with (4.75%) mean and (.459) standard deviation. As the result indicated majority of the petty traders engage in the sector because of lack of other work option and their growth is affected because of lack of interest for the work. The rest few of them are neutral.

With regard to second question 'I start this work because of my previous work is not secure and the payment is not satisfy me' most of the response given were agree as the mean (4.58%) and standard deviation (.604) indicates. The result indicated that the petty traders entered in the market as optional work but not with in their need. Few of the respondents were disagree and neutral from this issue.

The third question of this factor is 'every petty trader engages in petty trade sector without his /her love towards the work in my opinion' most of the respondents answer were strongly agree as the mean (4.71%) and (.550) indicated. Most of the respondents believe that every petty traders engage in the sector without their internal interest and love to the work, but lack of other chance is issued as reason.

The fourth and last questions is 'the factor pushes me is not my previous work experience to engage in petty trader business sector, that is why I am not successful with the business' for this questions most of the respondents responded agree and which is a total of (4.69%) mean and (.588) standard deviation. As the result indicates that they do not have now how and experience about the business rather than engage in it. The rest few respondents were neutral on the issue.

Totally this factor is seen as the main factor which affects the petty trade sector negatively when there is lack of motivation as the respondents answer indicated. The mean of this factor is (4.68%) and (.550) standard deviation from the twelve independent factors of this study. The result shows that lack of intrinsic motivation affect the business performance negatively, this is related with the finding of Chablullah (2017), the spiritual motivation influences positively on the quality of services, due to the effect of spiritual motivation the quality of service is positive and significant, but the traders without motivation is unsuccessful in the market.

**Table 4.10: Petty Traders Working Place Factors**

Items	Mean	Std.
The petty traders behind main road are more successful than those far from main road.	4.87	.357
I have not permanent trading place for my own in the market center, and the place where I engage in petty trader is not suitable, convenient and appropriate for customers selection.	4.66	.566
There is no reluctantness of government bodies to give mepermanent vending site for my petty trade that is why I lost my customers always.	4.76	.442
Whatever you have enough customers and best market, if there is no best trading place to trade activities if it is meaningless for growth.	4.69	.600
<b>Mean Ground</b>	4.74	.491

Source: survey (2020) SPSS output

#### **4.2.10. Petty Traders Working Place Factors**

There were four questions distributed for (167) petty traders to access how the factor of working place affects their business. As indicated in the table above the respondents answer for each question is discussed as follows. The first question of this factor is ‘the petty traders behind main road are more successful than those far from main road’ most of the respondents response were strongly agree as the mean (4.87%) and (.357) indicates. This agreement of the petty traders on the point is consistent with the finding of Dagmawit and Y. (2016), average capital growth rate for small informal business operate near to the main road is greater than those operate out of the main road. The rest few of the respondents are neutral about the issue.

The second question of this factor is ‘I have not permanent trading place for my own in the market center, and the place where I engage in petty trader is not suitable, convenient and appropriate for customers selection’ majority of the respondents response were agree with (4.66% mean) and (.566 standard deviation). As the respondents’ response indicated that most of them are agree that their trading place affect their business and hinder their growth because time to time there is a fluctuation of trading place and lack of permanent trading place convince them to lose their customers always.

The third question is ‘there is no reluctance of government bodies to give me permanent vending site for my petty trade that is why I lost my customers always’ for this question most respondents response were strongly agree that lack of willingness to give them permanent trading place is main problem with (4.76% mean) and (.442 standard deviation).

Related to the last question of this factor ‘whatever you have enough customers and best market, if there is no best trading place to trade activities if it is meaningless for growth’ most of the respondents response were agreed that market place plays a great role than best market as the mean (4.69%) and (.600) standard deviation.

Totally the grand mean of this factor is (4.74%) which is the greatest and the first from the others estimated twelve independent variables of this study. When comfortable working place which is near to road side effect petty traders performance positively, working place which is located far from near to main road affect negatively the business sector as the gathered data indicate. Not only had this, lack of permanent place but also affected their activity negatively as their response indicated that. This is consistency with Yodit, (2017) appropriate working place is important for better market situation, especially the place which found near the main road, that most of informal business sector choice near to the main road because of a lot of customers is there always.

**Table 4.11 Petty Traders Level of Education Factors**

Items	Mean	Std.
Literate petty traders have more growth than the illiterate one in the petty trade business sector.	4.71	.614
I am educated but my business growth is less than the illiterate’s one still now, because it needs both education and experience.	4.37	.881
Because of I am not literate some customers cheating me the price of what I am selling.	4.59	.669
In my opinion most of petty traders (informal business runners) are illiterate, because of that the sector is not grow always.	4.71	.516
<b>Mean Ground</b>	4.6	.67

**Source: survey (2020) SPSS output**

#### **4.2.11. Petty Traders Level of Education Factors**

Table above showed that there were (167) question distributed for petty traders, concerned the factors related with lack of education in their petty trade. The first question of this factor is 'Literate petty traders have more growth than the illiterate one in the petty trade business sector' for this question majority of the respondents response were strongly agree and agree with (4.71%) mean and (.641 standard deviation). This means that not only the literate but also illiterate petty traders accept that the traders who have educational background are more successful in the sector as their response indicated.

The second question is 'I am educated but my business growth is less than the illiterate's one still now, because it needs both education and experience' for this question most of the respondents answer were agree that both experience and educational status going side by side. The mean and standard deviation are (4.37%) and (.881) respectively. Few of them are disagree that they think only education is important than experience and few of them were in dilemma, which means that they are not decide to say something.

The third question of this factor is 'Because of I am not literate some customers cheating me the price of what I am selling' for this question majority of the respondents were agreed that they are not literate and part of the problem who attacked with (4.59% mean) and (.669) standard deviation). The rest few of them were disagree, because they have basic education that they protect themselves from such problems, and few of them were neutral.

The last question of this factor is 'In my opinion most of petty traders (informal business runners) are illiterate, because of that the sector is not grow always' for this question majority of the respondents answer were agree that when the petty traders have education they are more successful and when they are illiterate they will be not successful in their performance (4.71%) and (.516) standard deviation. This concept is similar with the finding of Dawit (2019), as education level of the small informal business runners concerned, that business owned by individuals who have an education level of 10+3 and above are shows higher development in their performance.

Generally the traders who have educational back ground and their activity affect the petty trade sector positively, those who do not have education affect the sector negatively as the output of

spss shows. The grand mean of this factor is (4.65) and standard deviation of (.670) from the overall twelve forecasted independent variables of this study.

**Table 4.12: Petty Traders Infrastructural Factors**

Items	Mean	Std.
Lack of power supply (interruption) affects directly the growth of petty trade sector.	4.48	.684
Lack of sufficient and quick transportation service hinders me to get my selling product on time, this spike my business into bankruptcy.	4.59	.705
Because of lack of possible sewerage and dry waste, Insufficient and interrupted water decreases the quality of my product supply petty traders selling products mixed with dirty things and customers hate my products to buy.	4.66	.545
The market location of petty traders and roads of the market places are not comfortable and attractive, that is why hindering their growth.	4.68	.571
<b>Mean Ground</b>	4.60	.626

**Source: survey (2020) SPSS output**

#### **4.2.12. Petty Traders Infrastructural Factors**

This infrastructural factor is the last from the twelve independent estimated factors in this study. As indicated in the table above there were four questions under this factor distributed for (167) petty traders and the result discussed as follows. The first question is ‘Lack of power supply (interruption) affects directly the growth of petty trade sector, for this question the major response of petty traders were agree with a total of (4.48%) mean and (.684) standard deviation. The factor is serious especially for those of who trade tea and coffee, fruit and vegetable and meal which need sources of power as the result indicated. The rest few were disagree and neutral, that weather they need power supply or not they do not decide still.

The second question is ‘Lack of sufficient and quick transportation service hinders me to get my selling product on time, this spike my business into bankruptcy’ for this factor also majority of the respondents response were agree with a total of (4.59% mean) and (.705 standard deviation). The result indicated that because of lack of suitable transport, especially for the goods which comes from rural area lack of getting it in time affect their performance negatively. The rest few of them were disagreed and neutral that they do not concern about transportation to their activity.

The third question is ‘Because of lack of possible sewerage and dry waste, Insufficient and interrupted water decreases the quality of my product supply petty traders selling products mixed with dirty things and customers hate my products to buy’ for this question most of the respondents response were agree with total of (4.66%) mean and (.545) standard deviation agreement on the point. This is consistent with the finding of **Winnie (2003)**, “the case studies show that most street vendors operate in places that lack infrastructure and services such as access roads, water, electricity, refuse collection, sanitary and storage facilities. In few trading sites refuse collection is done, but water and sanitation, electricity, storage and day care facilities are lacking”.

The last question of this factor is ‘the market location of petty traders and roads of the market places are not comfortable and attractive, that is why hindering their growth’ the respondents answer for this question is strongly agreeing on the point with (4.68% mean) and (.571 standard deviation). Generally lack of infrastructural factors affects the petty traders’ business activity negatively as indicated from the data gathered. This is also consistent with the finding of **Njuguna (2016)** “It was found that only 1.6% of the validly interviewed respondents claimed that the infrastructure was okay and the rest were not happy with the infrastructure. Thus majority claims that the infrastructure is not good and affects their businesses”. The grand mean of this factor is (4.60%) from the overall twelve independent variable of the study.

**Table 4.13: Growth related questions**

Items	Mean	Std.
I am working hardly always to change my business in human and capital growth, but the change shown time to time in my petty trade is not attractive enough that is why I am not satisfied with the work.	4.51	.590
When I start my business I were had not enough starting capital, because of lack of working capital the change my petty trade shown is not attractive enough to bring growth.	4.57	.605
Lack of my own interest towards work, management skill, social interaction, political outlook, educational status and other personal related things makes my petty trade unsuccessful and non-profit able.	4.49	.648



Because of every one do not knows the advantage of petty traders activity, there are no enough infrastructure, working places, financial means, marketing and training opportunity my business do not show growth time to time.	4.54	.665
There are so many obstacles which hinders different trader's business growth, Because of this my petty trade also suffer by those challenges and not shown a change in human and capital growth.	4.43	.653
My living style is hand to mouse and with dependent parents that is why my petty trade growth is not changed still now.	4.36	.816
<b>Mean Ground</b>	4.48	.662

**Source: survey (2020) SPSS output**

### **4.2.13. Growth related questions**

As shown in table 4.13 above for growth related problems there were six basic questions distributed for (167) respondents to analyze the status petty traders are where now, in their performance and clip together with the independent factors weather they have relationship or not. Based on this for the first question 'I am working hardly always to change my business in human and capital growth, but the change shown time to time in my petty trade is not attractive enough that is why I am not satisfied with the work' majority of the respondents response were agree on the pointwith (4.51%) mean and (.590) standard deviation. Because, the input they got from their best trying is not much and related with their effort. The remaining few of them were disagreed and neutral from such problem.

For the second question 'When I start my business I were had not enough starting capital, because of lack of working capital the change my petty trade shown is not attractive enough to bring growth' most of the respondents response were agree with (4.57%) mean and (.605) standard deviation, that lack of enough starting and working capital affect their business growth highly. The remaining few of them were disagreed and neutral respectively.

The third question of this variable is 'Lack of my own interest towards work, management skill, social interaction, political outlook, educational status and other personal related things makes my petty trade unsuccessful and nonprofitable' for this question majority of the respondents response were agree which is a total of (4.49%) mean and(.648). standarddeviationrespectively. The remaining few of them were disagree and neutral, those who were disagree were not accept

that their growth hinders are not their own problem, and those neutrals were in dilemma to decide.

With regard to the fourth question ‘Because of every one do not knows the advantage of petty traders activity, there are no enough infrastructure, working places, financial means, marketing and training opportunity my business do not show growth time to time’ most of the respondents response were agree with a total of (4.54%) mean and (.665) standard deviation, that external factors and the society outlook for petty trade affect their growth as their response indicated.

The fifth question of this variable was ‘There are so many obstacles which hinders different trader’s business growth, Because of this my petty trade also suffer by those challenges and not shown a change in human and capital growth’for this question most of the petty traders response were agree as (4.43%) mean and (.653) standard deviation indicates. The agreement of their intension is that their business does not defeat several challenges and show attractive growth.

For the last question of this variable ‘My living style is hand to mouse and with dependent parents that is why my petty trade growth is not changed still now’ half and above that of the respondents response were agree. The mean and standard deviation of this question is (4.36%) and (.816) respectively and the grand mean of this variable is (4.485) and (.662) standard deviation.

**Table 4.14: The researcher reccomendations as Solutions**

Items	Mean	Std.
Organizing all street vendors (petty traders) by their trade types at woreda level.	4.53	.710
Giving important training, creating awareness about disadvantage of informality otherwise taking legal measurement action for those who do not change themselves.	4.38	.840
Creating opportunity to become legal, providing place for their business and made continuous control.	4.76	.481
Assigning quality control government body and establish its own sector to monitored and support them.	4.8	.509

Organizing street vending who fill minimum requirement of microenterprises.	4.75	.578
Controlling other immigrant bodies enter into the sector of petty trade.	3.51	1.202
Create other job opportunity for the lower (unsuccessful) petty traders.	3.80	.738
To change the petty trade sector into formal business punishment and confiscate is important.	2.1	.958
Facilitate loan option in combination with banks and other financial institutions without requirement of collateral.	4.43	.901
Decreasing corruption, crime, insecurity and avoiding bureaucracy that hinders to get attractive service in financial institutions and Preparing common guideline to make petty trade business sector easy, attractive and profitable.	4.88	.326
<b>Mean Ground</b>	4.23	.724

**Source: survey (2020) SPSS output**

#### **4.2.14. The researcher recommendations as Solutions**

The table below included ten questions for the factors hinders petty traders' business growth as possible future solutions distributed for petty traders and gathered from them. For the first question 'Organizing all street vendors (petty traders) by their trade types at woreda level' the respondents' response were agree as the mean (4.53%) and standard deviation (.710) indicated. Majority of the respondents agree on the point that if there is such trying to organize them in their business type to do better things with together at wereda level.

With regard to 'Giving important training, creating awareness about disadvantage of informality otherwise taking legal measurement action for those who do not change themselves' majority of the respondents answer were agree and few of them were neutral, and disagree respectively. This majority of the respondents agreement shows that as (4.38%) mean and (.840) standard deviation indicates if every activity is facilitated for them, the petty traders do not afraid the measurement will take then after.

For the third question 'Creating opportunity to become legal, providing place for their business and made continuous control' majority of the petty traders response were strongly agree as the mean (4.76%) and (4.81) standard deviation shows that after the working place facility adjusted

they need control from concerned body. However few of the respondents were neutral or they were not decided about the issue that they were in dilemma.

Regarding to the question 'Assigning quality control government body and establish its own sector to monitored and support them' the respondents response were strongly agree that they believe if their goods quality will controlled by external body it may create them better market opportunity as the mean (4.8%) and (.509) standard deviation indicates.

As a mean (4.75%) and standard deviation (.578) indicated that for the fifth question 'Organizing Street vending who fill minimum requirement of microenterprises' majority of the petty traders response were strongly agree, that if the government body assign them criteria and change them into small micro business enterprises they have high interest. But the remaining few of them do not want this opportunity.

The sixth question was 'Controlling other immigrant bodies enter into the sector of petty trade' for this question more than half of the respondents' response were neutral and disagree on the point. As their data (3.51%) mean and (1.202) standard deviation shows that they believe everybody has the right to engage in the sector and compete.

Regarding to question number seven 'Create other job opportunity for the lower (unsuccessful) petty traders' majority of the respondents were agreed that if the situation is supported by government body with sustainable work environment as their response indicates with (3.8%) mean and (.738) standard deviation. The remaining some of the respondents were neutral or not decided yet about the issue and disagree that it is better for them stay in the sector whether it is successful or not.

The eighth question was 'To change the petty trade sector into formal business punishment and confiscate is important' for this question majority of the petty traders response were strongly disagree. Because the point is related with their benefit and it may bring them to lose their business totally as the mean (2.1%) and standard deviation (.958).

With regard to 'Facilitate loan option in combination with banks and other financial institutions without requirement of collateral' the respondents response were agree with (4.43%) and (.901) standard deviation. The data shows the petty traders want that if from different business institutions providing loan opportunity will facilitate for them as their potential without

collateral. The rest few of them were neutral that they have fear of repay whatever they will get collateral free loan option.

The last question was 'Decreasing corruption, crime, insecurity and avoiding bureaucracy that hinders to get attractive service in financial institutions and Preparing common guideline to make petty trade business sector easy, attractive and profitable' for this question all of the respondents response were strongly agree, because to change their business and bring growth they accept that such environment is important as their response indicates with (4.88%) mean and (.326) standard deviation. The over all mean of this future solution questions is (4.43%) and (.724) standard deviation respectively.

### **4.3. Interview question analysis**

For this study 15 (fifteen) interview questions were distributed to use as additional data source which gathered from Jimma town trade office and the town city hall. The responses gathered from the two offices four principals discussed as follows.

With regard to Jimma town population and number of petty traders, as their response indicates there is no exact number, however the case of petty traders number there are around (395) estimation. As the offices principals believes that petty trade sector is illegal market type, but it serves the community and also the society of the town more than the formal market sector. In connection to giving training from their office for petty traders there is some trying, but not for all rather than some petty traders who changed into micro interprice by BLTO office. With regard to research conducted on the sector, as their response indicates there is no a formally conducted studies only they search the problems informally.

Inconnection with changing from informal into formal some petty traders (52) in number not changed but organized as formal micro interprices and given working place in ginjo guduru market center to do their best. Still now there is no plan to change petty traders into formal market, because there is lack of human resource in the offices to do this. Even they have not future plan to solve the problem and to make the market formal from the complexity of the sector. Regarding to Jimma University there is no support provided on training and creating awareness still now. As the principals said some DTTP members build shade, but there is no other technical support from the instirution, especially from from business collage.

With regard to financial support from different institutions there was some trying to support those who graduate from different colleges and Universities. It was for those who have not work opportunity by the later written from their kebele and city hall evidences. However it is not addressed elder petty traders; it is only for the beginners' one.

As the offices response indicates that most of the petty traders engage in the informal market because of lack of job opportunity. Inconnection with petty trade is negative or positive for the society, their response of the principals were it depends on the traders characteristics. As the two offices response indicates the factors limiting the growth of petty trade depends on the traders now how, potential and knowledge more. Also migration of people is other problem with lack of some infrastructure specially working primeses.

To change the sector into formal the possible solution the offices principals thinks that, more potential of the traders (hard working). The petty trade sector is seen as a great opportunity by the city administration, especially in avoiding UN employment. Although it is a base to the development of urban economy as their response indicates. The suggestion of the two offices for petty trade problem, as a town working together with concerned body is the first. Inaddition the basic infrastructural things must adjust to make the sector choosable. Lastly the traders'part takesome part and doing more with best effort is seen as a solution.

#### **4.4. Inferential analysis**

##### **4.4.1 Association between determinants and growth of petty trade in Jimma town**

According to Wajahat (2010), before the start of correlation analysis it is important to check the regression test between dependent variable and independent variables. The Pearson correlation scale ranges from -1 to 1, any value greater than zero indicate a positive direct relationship between the two variables, which implies that every increase in the independent variable will lead to increase the dependent variable, while any value less than zero indicate a negative indirect relationship between two variables, this means that every increase in the independent variable will lead to the decrease on the dependent variable (Hafiz, 2007). Different authors suggest different interpretations; However, (Saunders *et.al*, 2009) suggests about strength of

relationship as:  $r = 0$  to  $0.39$  or  $0$  to  $-0.39$  small(weak) relationship,  $r = 0.4$  to  $0.69$  or  $-0.40$  to  $-0.69$  medium (moderate) relationship and  $0.70$  to  $1$  or  $-0.70$  to  $-1$  large (strong) relationship. The following table shows the relationship between each variable.

**Table 4.15: Correlation analysis**

		Financial Factors	Factors	Factors	Politico-legal factors	factors	Marketing Factors	training Factors	Previous business experience Factors	Motivation Factors	Working Place Factors	Level of education Factors	Infrastructural Factors	Growth of petty traders
Financial Factors	Pearson r	1	.113	-.078	-.058	.024	.020	-.098	-.004	.262**	.324**	.274**	.196*	.518**
	Sig.		.147	.318	.459	.763	.793	.205	.964	.001	.000	.000	.011	.000
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Technological Factors	Pearson r	.113	1	.165*	-.024	.077	.186*	.026	-.078	.151	.097	.135	.170*	.373**
	Sig.	.147		.033	.755	.322	.016	.735	.314	.051	.211	.082	.028	.000
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Environmental Factors	Pearson r	-.078	.165*	1	.071	.100	.079	-.011	.017	.035	.051	.060	.023	.089
	Sig.	.318	.033		.364	.198	.312	.891	.828	.657	.515	.440	.767	.254
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Politico-legal factors	Pearson r	-.058	-.024	.071	1	.016	.073	-.044	-.135	.120	.107	.124	-.013	.055
	Sig.	.459	.755	.364		.836	.346	.571	.083	.124	.170	.111	.871	.484
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Socio-cultural factors	Pearson r	.024	.077	.100	.016	1	.043	.063	-.008	-.030	.057	-.022	-.130	.061
	Sig.	.763	.322	.198	.836		.581	.416	.921	.696	.463	.780	.093	.433
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Marketing Factors	Pearson r	.020	.186*	.079	.073	.043	1	.118	-.010	.180*	.144	.079	.258**	.345**
	Sig.	.793	.016	.312	.346	.581		.129	.895	.020	.063	.310	.001	.000
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Management and training	Pearson r	-.098	.026	-.011	-.044	.063	.118	1	.003	.107	.045	-.040	.276**	.174*
	Sig.	.205	.735	.891	.571	.416	.129		.968	.169	.560	.604	.000	.025
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Previous	Pearson r	-.004	-.078	.017	-.135	-.008	-.010	.003	1	-.056	-.065	-.033	-.143	-.023
	Sig.													
	N													

	Sig.	.964	.314	.828	.083	.921	.895	.968		.471	.403	.675	.066	.765
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Motivation Factors	Pearson r	.262**	.151	.035	.120	-.030	.180*	.107	-.056	1	.241**	.289**	.233**	.411**
	Sig.	.001	.051	.657	.124	.696	.020	.169	.471		.002	.000	.002	.000
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Working Place Factors	Pearson r	.324**	.097	.051	.107	.057	.144	.045	-.065	.241**	1	.449**	.168*	.441**
	Sig.	.000	.211	.515	.170	.463	.063	.560	.403	.002		.000	.030	.000
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Level of education Factors	Pearson r	.274**	.135	.060	.124	-.022	.079	-.040	-.033	.289**	.449**	1	.101	.442**
	Sig.	.000	.082	.440	.111	.780	.310	.604	.675	.000	.000		.195	.000
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Infrastructural Factors	Pearson r	.196*	.170*	.023	-.013	-.130	.258*	.276*	-.143	.233**	.168*	.101	1	.434**
	Sig.	.011	.028	.767	.871	.093	.001	.000	.066	.002	.030	.195		.000
	N	167	167	167	167	167	167	167	167	167	167	167	167	167
Growth of petty traders	Pearson r	<b>.518**</b>	<b>.373**</b>	<b>.089</b>	<b>.055</b>	<b>.061</b>	<b>.345**</b>	<b>.174*</b>	<b>-.023</b>	<b>.411**</b>	<b>.441**</b>	<b>.442**</b>	<b>.434**</b>	<b>1</b>
	Sig.	<b>.000</b>	<b>.000</b>	<b>.254</b>	<b>.484</b>	<b>.433</b>	<b>.000</b>	<b>.025</b>	<b>.765</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	
	N	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>	<b>167</b>

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

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

The table 4.15 below explains the relationship between the independent variable and growth of petty traders. Based on the output of the correlation matrix; Technological factors( $r=0.373$ ,  $p=0.000$ ), marketing factors( $r=0.345$ ,  $p=0.000$ ), and management and training factors ( $r=0.174$ ,  $p=0.025$ ), have weak positive relationship with growth of petty traders in Jimma town. On the other hand financial factors ( $r=0.518$ ,  $p=0.000$ ), Motivation Factors ( $r=0.411$ ,  $p=0.000$ ) Working Place Factors ( $r=0.441$ ,  $p=0.000$ ), Level of education factors ( $r=0.442$ ,  $p=0.000$ ), Infrastructural factors ( $r=0.434$ ,  $p=0.000$ ), have moderate positive relationship with growth of petty traders. But Environmental Factors( $r=0.089$ ,  $p=0.254$ ), Politico-legal factors( $r=0.055$ ,  $p=0.484$ ), Socio cultural factors( $r=0.061$ ,  $p=0.433$ ) and Previous business experience factors ( $r=-0.023$ ,  $p=0.765$ ) have no relationship with growth of petty traders in Jimma town. In general this result show, external factors such as technological, financial, infrastructural and working place factors were positively affect the growth of petty traders in Jimma town. On the other hand internal factors like



Management & training skill, motivation, level of education and marketing factors were also positively affect the growth of petty traders in Jimma town.

#### **4.4.2 Determinants of the growth of petty trade in using multiple linear regressions**

Testing assumption of multiple linear regression analysis models is very important before running regression analysis. So each assumption results were discussed in the following sub topics. In the previous section of this paper the descriptive and correlation analysis was carried out separately with the existence of the relationship between the dependent and independent variables with the intension of investigate the determinants of the growth of petty trade in Jimma town. However, identification of these factors is not enough for meaningful conclusion. Therefore, the determinant of each independent variable must be assessed and identified sequentially. The researcher used multiple linear regression models assumptions as follow.

##### **4.4.2.1. Multicollinearity**

According to Gujarati (2003) Multicollinearity tests helps identify the high correlation between explanatory variables and to avoid double effect of independent variable from the model. When independent variables are multicollinear there is overlap or sharing of predictive power. Predictor variable should be strongly related to dependent variable but not strongly related to each other. This may lead to the paradoxical effect, whereby the regression model fits the data well but, none of the explanatory variables (individually has a significant impact in predicting the dependent variable. For this purpose, variance inflation factor (VIF) and tolerance test were used to check Multicollinearity for variables if the value of VIF is less than 10 there is no Multicollinearity and on the other hand if VIF greater than or equal to 10 there is a serious Multicollinearity problem.

According to Gujarati, (2003) to avoid serious problem of Multicollinearity omitting the variable with 10 and more from the analysis, in addition tolerance is an indicator how much of the variability of independent variable is not explained by the other independent variable in the model and is calculated using the formula  $1 - R^2$  for each variable. If the value is very small (less 0.1), it shows the multiple correlation with other variable is high.

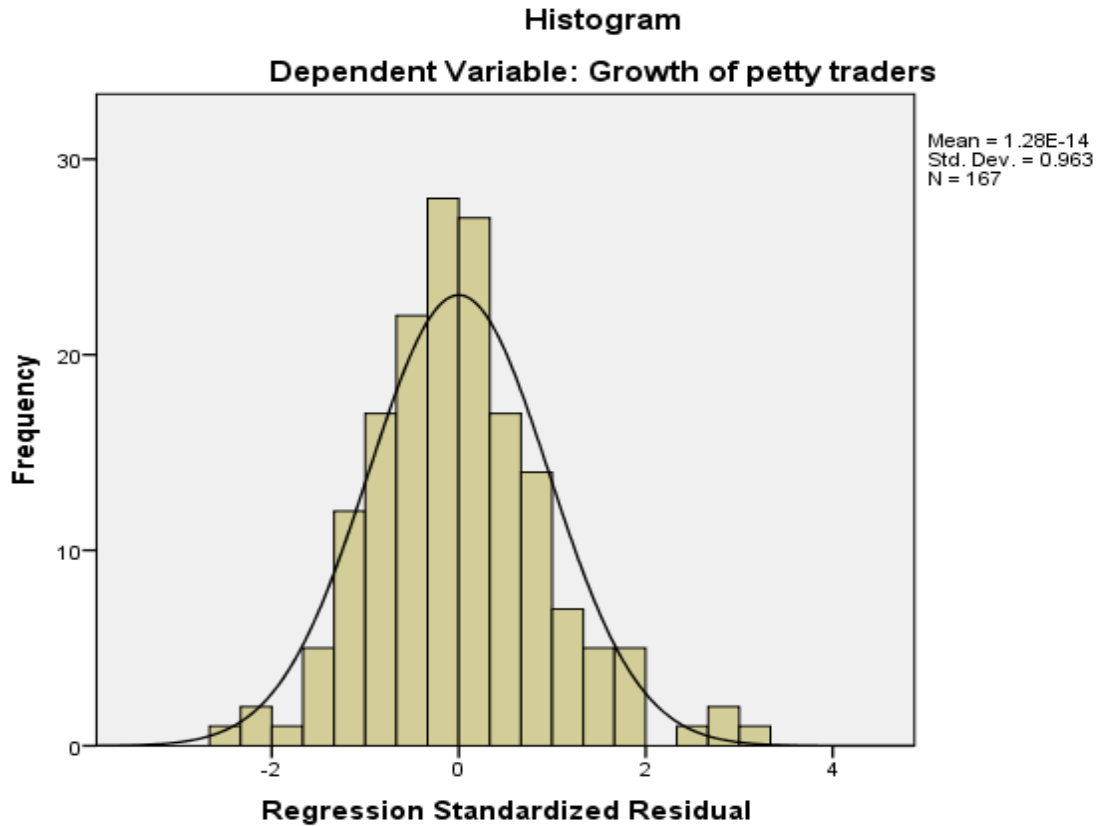
**Table 4.16: Multicollinearity Test between independent variables**

<b>Variables</b>	<b>Tolerance</b>	<b>VIF</b>
Financial Factors	.775	1.290
Technological Factors	.894	1.119
Environmental Factors	.941	1.063
Politico-legal factors	.928	1.077
Socio cultural factors	.937	1.067
Marketing Factors	.877	1.140
Management and training Factors	.868	1.153
Previous business experience Factors	.949	1.054
Motivation Factors	.812	1.232
Working Place Factors	.724	1.381
Level of education Factors	.737	1.357
Infrastructural Factors	.757	1.321

Table 4.16 shows the division result that the value of VIF all variables were by far less than 10 and the value of tolerance statistics being above 0.1 they were accepted entered in to regression model for the estimation of variables.

#### **4.4.2.2: Normality test**

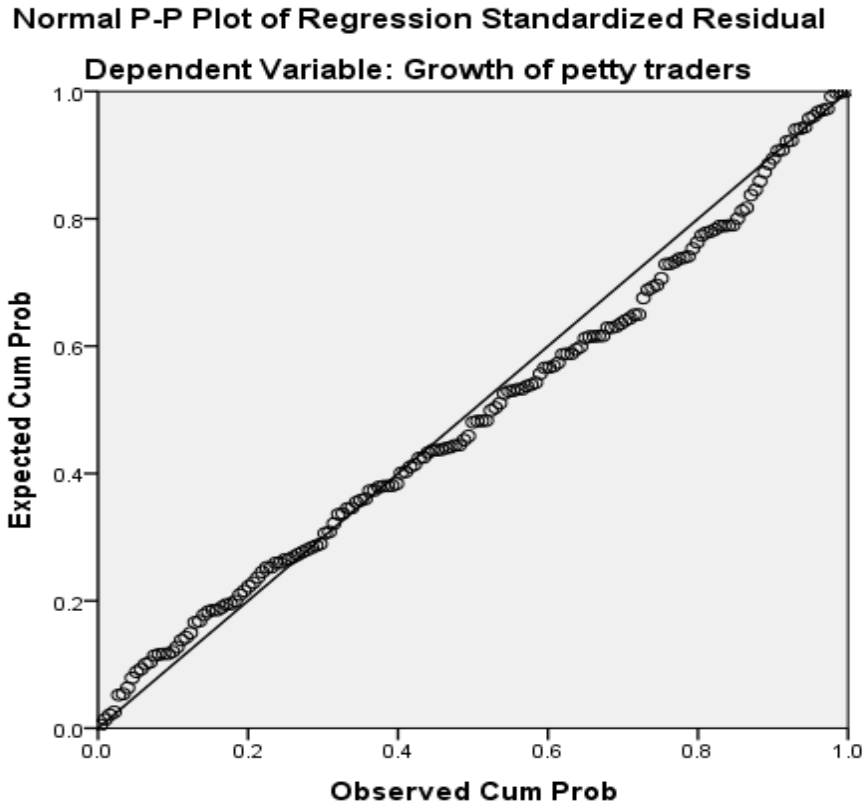
Normality assumption is around the mean of the residuals is zero and used to determine whether a data set is well modeled by a normal distribution or not and also to indicate un underlying random variable is to be normally distributed (Gujarati.2009). There the researcher was used histogram methods of testing the normality of the data. If the residuals are normally distributed about its mean of zero, the shape of histogram should be a bell-shaped and regression standardized residual plotted between -3.3 and 3.3. From the figure below data normality can be indicated.



**Figure 4.1: Histogram regression standardized residual**

#### 4.4.2.3 Linearity Test

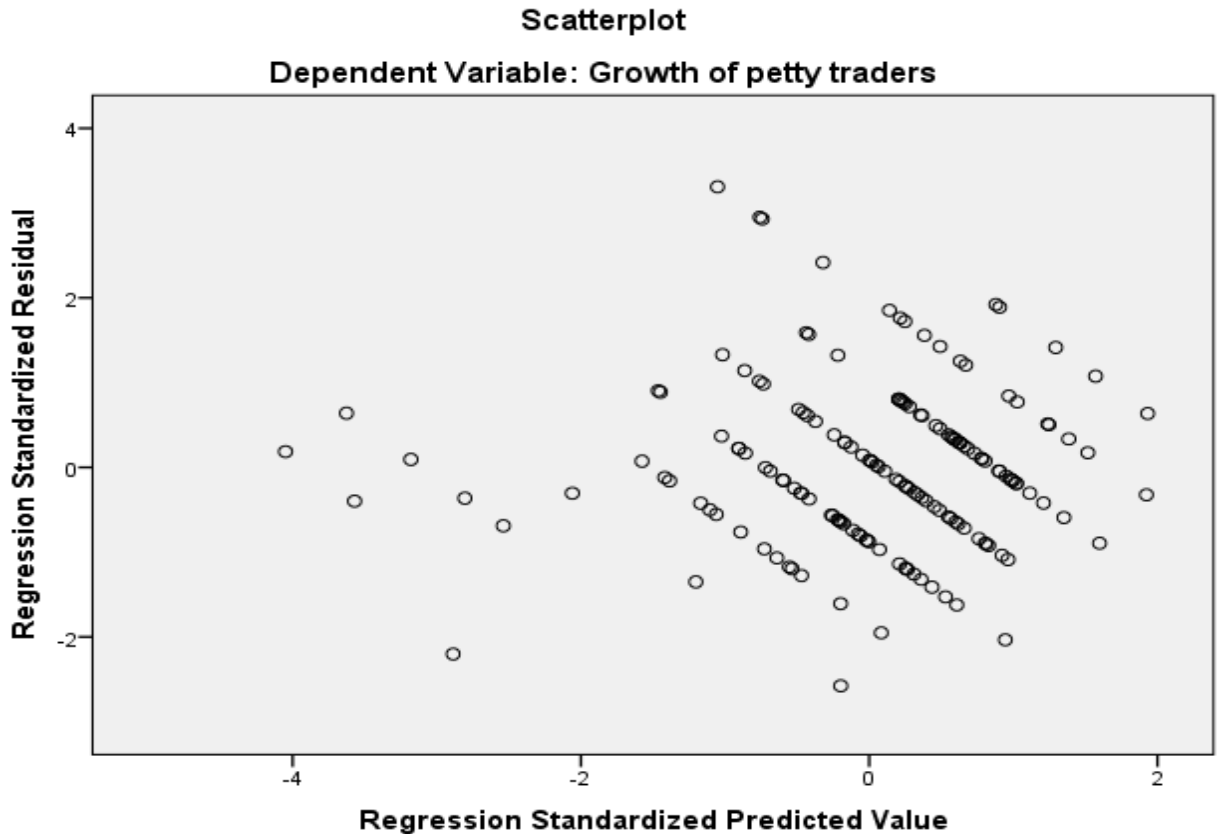
Linearity is used to check whether all the estimates of regression including regression coefficients, standard errors and tests of statistical significance are biased or not (Keith, 2006). To check the linearity assumption in multiple linear regressions the normal P-P plot was used, the plot shows all observed values somewhat spread along the straight diagonal line. Figure 4.5 in below shows us most of the observed values are spread very close to the straight line; there is high likelihood that the data were normally distributed and linear.



**Figure 4.2: p-p plot; Linearity test results**

#### **4.4.2.4 Heteroscedasticity test**

Heteroscedasticity is the equality or violation of the residuals for every set of values for independent variable. So the researchers assume that errors are spread out constantly between the variables. Heteroscedasticity problem exist when scatter plot is greater than 3.3 and less than -3.3. Beside this, there should be no pattern to the residuals plotted against the predicted values. In the following scatter plot, shows there is no clear pattern. Therefore, as it was indicated in figure 4.2 below the data did not violate Heteroscedasticity assumption and instead it was homoscedastic.



**Figure 4.3: Scatter plot Heteroscedasticity test result**

**4.4.3. Determinants of the growth of petty trade**

After the model assumption was checked presentation and interpretation of the analysis output is mandatory. The prediction or estimation of the value one variable (the dependent or the predicted variable; called as Y from one or more independent or predictor variables (called as X) (Keith, 2006).

**Table 4.17. Model Summary (Auto correlation)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.785 <sup>a</sup>	.616	.586	.17204	1.805

From table 4.17 it can be seen that R value is 0.785. Consequently, R value designates that there is a strong positive relationship between independent and dependent variable. The adjusted R

squared of 0.586 indicates that 58.6% of the variances in the growth of petty trade can be explained by the independent variables. The remaining variances on the dependent variable could be explained by other explanatory variables not included in this study.

**Table 4.18 ANOVA**

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	7.321	12	.610	20.614	.000 <sup>b</sup>
Residual	4.558	154	.030		
Total	11.879	166			

From table 4.18, it is apparent that the regression model was significant using ‘between the independent variable and the growth of petty trade. F statistics of 20.614 and a probability value of 0.000 clearly indicate that the model was significant or good fit.

**Table 4.19: standardize and unstandardized coefficient**

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% CI for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
	(Constant)	-1.634	.450				-3.628
Financial Factors	.334	.055	.342	6.040	.000*	.225	.443
Technological Factors	.189	.049	.204	3.865	.000*	.092	.285
Environmental Factors	.018	.026	.035	.681	.497	-.034	.070
Politico-legal factors	.016	.032	.026	.501	.617	-.047	.080
Socio cultural factors	.029	.033	.046	.885	.377	-.036	.094
Marketing Factors	.161	.049	.175	3.283	.001*	.064	.258
Management and training	.101	.047	.115	2.152	.033*	.008	.193
Business Experience Factors	.025	.026	.048	.939	.349	-.027	.077
Motivation Factors	.092	.046	.111	2.010	.046*	.002	.183
Working Place Factors	.116	.054	.125	2.133	.035*	.009	.224
Level of education Factors	.156	.045	.200	3.435	.001*	.066	.246
Infrastructural Factors	.163	.047	.201	3.496	.001*	.071	.255

\* Significant  $p < 0.05$ ,

In this study, eight explanatory variables were identified to determine a significant difference on the growth of petty trade at 5% level of significance.

The estimated regression model was

$$\begin{aligned} \text{Growth of petty trade} = & -1.634 + 0.334 \text{Financial Factors} + 0.189 \text{Technological Factors} + \\ & 0.161 \text{Marketing Factors} + 0.101 \text{Management and training} + \\ & 0.092 \text{Motivation Factors} + 0.116 \text{Working Place Factors} + \\ & 0.156 \text{Level of education Factors} + 0.163 \text{Infrastructural Factors} + \varepsilon_i \end{aligned}$$

Hence, the coefficient explains the average amount of change in dependent variable that is caused by a unit of change in the independent variable. Accordingly, the unstandardized beta coefficients (B) tell us the unique contribution of each factor to the model. A small p value ( $< 0.05$ ) indicate the predictor variable has made a statistically significance contribution to the model. On the other hand, a high p-value ( $p > 0.05$ ) indicate the predictor variable has no significant contribution to the model (George and Mallery, 2003). Table 4.19 shows that the p-value for all independent variables are less than 0.05 except demographic factors, politico-legal factors, socio cultural factors, and business experience factors. The  $\beta$  values or all significant variables are positive, that shows Financial Factors, Technological Factors, Marketing Factors, Management and training, Motivation Factors, Working Place Factors, Level of education Factors and Infrastructural Factors were positively affect the growth of petty trade in Jimma town.

The largest beta coefficient was 0.331, which was for financial factors. This means that this variable makes the strongest unique contribution of 33.1% to explain the growth of petty trade, when the variance explained by all other variables in the model was controlled. The Beta value for technological and infrastructural factors was resulted in beta coefficient of 0.189 and 0.163, respectively, indicating that independently they made the second and third higher contribution to the growth of petty trade to explain it with 18.9% and 16.3% respectively, keeping other variables constant for each. Marketing and level of educational factors have a beta value of 0.161 and 0.156 respectively; this means that the two independent variables have 16.1% and 15.6%

contribution to explain the growth of petty trade. The remaining variables such as management Motivation and Working Place Factors were a weak contribution on the growth of petty trade with beta value of 0.101, 0.092 and 0.116, respectively. In general the multiple regression result shows that the external factors such as technological, financial, infrastructural and working place factors were positively affect the growth of petty traders in Jimma town. On the other hand internal factors like Management& training skill, motivation, level of education and marketing factors were also positively affect the growth of petty traders in Jimma town. This indicate an increase technology, finance, infrastructure, Management& training skill, motivation level of education, marketing system and appropriate working place were facilitate the growth of petty traders in Jimma town but when it decrease it is in resprocal of this.



## CHAPTER FIVE

### 5. SUMMARY, CONCLUSION AND RECOMMENDATION

#### 5.1. SUMMARY

This study was conducted in Jimma town four purposely selected kebeles those were Awetu mendera, Mendera Kochi, Ginjo and Bosakitto with intending to determine the determinant factors of petty trade informal business sector runners engage in the small cafes, fabricated shoes and clauses, meal, vegetables and fruit, cosmetics and beauty materials and relish. Preciesly the attempted to access internal (personal) related factors and external (business) concerned factors with related to the growth of petty traders' informal business sector and to indicate possible solutions to improve their hindering factors. Mixed methods has been used to examine the research objective and questions. Qwestinaire, interview, document analysis and observation was used to gather data and some foto of the petty traders was taken. For data analysis SPSS version 21 was used to analyze the descriptive and inferential part of the study.

The hyphotesis developed on level of education was 'high level of education affect the growth of petty trade positively'. It is accepted as the result indicates that the petty traders who have some level of education are more successful than the non educated one in profit and handling their goods effectively. Low level of education affects their growth negatively as the respondents answer shows that some customers cheet them the price what they sell for them. Solomon (2006) agreed with this point "...this implies that as the educational level increases the working conditions also increases".

Lack of business management and training skills such as poor customer communication, low customer handling, inadequate low cost facility, and poor cash management influence the growth of petty trade sector negatively as the result shows. However having good business management and training skill affect this sector positively as the petty traders' response indictes and the hyphotesis developed was having business management skill and enough training skill affect positively is accepted. Dagmawit and Yishak (2016) assure "that the probability of small business workers growth which had owners taken entrepreneurship training decrease by 11%

than small business which had not taken the training. Therefore training has significant and negative relationship.’’

Lack of getting access to financial means affects the growth of petty trade as the result indicates that high interest rate, collateral requirement, bureaucracy of financial institutions, loan procedure complexity, and lack of information about the institutions, lack of government support and shortage of working capital are the main financial factors. The hypothesis developed was ‘enough financial access from different FI affect positively’ accepted that affect the growth as it proposed. This is consistent with the finding of Fikremariam (2019) “financial support from institutions and banks were not adequate enough for the petty traders due to various factors: like lack of collateral security, license requirement, and bureaucratic process of financial institutions. In the study area no free loan service is granted, less awareness in the part of the petty traders how to acquire finance, and high interest rate is there”.

As the spss response indicates politico-legal factors such as lack of rule, course of action, wide corruption, lack of equal treatment, making difference with race, political stand, lack of security from brigand, and lack of opportunity to change the business into formal are factors of the growth. However in the regression result this factor is not significant and the hypothesis is rejected, because the contribution is low. As Admasu (2012) politico-legal factors such as bureaucracy in company registration and licensing, the tax levied on business is not reasonable, lack of government support and lack of necessary information on government regulation affects the growth negatively.

For the hypothesis the traders near the main road (working place) are more successful and affect their growth positively it is accepted, that the response indicated that the petty traders near to the main road are more doing business than those of far from main road. In connection with negative effects lack of permanent trading place, lack of suitability of the site, not convenient of the vending site and lack of reluctance of government to give permanent trading site are the main problems. This is consistent with Solomon (2006) ‘the women petty traders with fixed market place were facing a favorable trading condition by 1.9 times more likely than the women petty traders without fixed market place’.

As the respondents’ response indicates that lack of modern technology has its own negative effect on the growth of petty trade. With regard to this the causes such that lack of skill to handle,

lack of enough finance to get new technology, mobile network problem, lack of equipment, and safety materials are the main. The hypothesis developed for this estimated factor was that 'enough modern technological access affects the growth of petty trade positively, and the hypothesis is accepted based on the result conducted because it is significant. Admasu (2012) indicates that lack of appropriate machinery and equipment, lack of skills to handle new technology, lack of money to acquire new technology and unable to select proper technology are the main factors those affect the growth of informal market.

Marketing factors include lack of promotion, demand and supply forecasting, domination of other rich traders, lack of marketing skill, ability to search new market and differentiating the same product and absence of relationship with different organizations. As the result indicates this factor affects the growth when there is lack of such type of problems and when the petty traders have such skill their trade affected positively by the factors. This factor is significant and the hypothesis 'having marketing skill affects the growth positively is accepted. In the same manner as Admasu (2012) indicated that 'marketing factors such as difficulty of searching new market, lack of demand forecasting, lack of market information, poor customer relationship, lack of promotion, affect the growth of small informal business.

The other estimated factor for this study was that the traders lack of motivation factor. As the respondents response shows lack of this motivation factor affects the growth negatively when the traders engage in the sector with lack of other work opportunity, co-workers or friends push, lack of the previous work security, unsatisfaction of salary, engaging in the sector without their love and lack of previous related experience. As the spss result concluded that when there is good workers intrinsic motivation affects the growth positively, that is why the hypothesis of this factor 'petty traders' intrinsic motivation affects the growth positively' because it is significant. This is consistent with the finding of Dagmawit and Yishak (2016) "motivation of owner found significant for both employment and capital growth most of small business become unsuccessful because they are not interested in their work. They joined the sector at last when they unable to get any alternative. Growth rate for small with the owners who joined the sector by choice than those joined because of lack of alternative"

From the twelve independent variables of this study previous petty traders market experience is one. Majority of the respondents' response shows that lack of petty traders work experience does not affect the growth. That's why this factors is not significant for this study and the hypothesis developed was 'lack of petty traders previous market experience affect the growth negatively' is rejected, because it not either negatively or positively affect the growth.

Socio-cultural factor was another stimated factor for this study. As the respondents response indicated that factors such as good acceptance in the society affect the growth positively, but the rest lower customer attitude towards the business, inadequate support and assistance of cultural finance, religious difference (saddle), and gender role conflict affects the growth as the respondents response indicates. However this factor is not significan for this studyand the hypothesis 'socio-cultural factors affect the growth negatively' developed was rejected.

Environmental factors was one of the factor estimated for this study, the factors discussed was such as high migration of people and cultural difference, high number of family size, fertility rate, and inadequate health care problems, unmarried marital status,and non Jimma town born traders unssccessfulness are the main as the response indicates. This factor is not significant for this study and the hypothesis 'demographic factors affect the growth negatively' is rejected.

Concerning infrastructural factors as the respondents' response indicates some factors such as lack of sufficient and quick transportation, lack of appropriate dry waste and sewerage, insufficient and interrupted water supply, lack of acess affordable and appropriate transportation, increasing cost price of the transportation and lack of comfortable roads of the market places affects the growth negatively. The hypothesis of this factor was 'getting enough infrastructural facility has positive effect on the growth' it is accepted and significant for the study, because when lack of the facility affect negatively getting the facility affect positively. In the same way Admasu (2012) conclude that infrastructural factors such as power interruptions, insuffient and interrupted water supply, lack of business development service, lack sufficient and quick transportation service and lack of appropriate dry and sewerage system affects the growth of small informal business.

The SPSS result shows that from the twelve estimated factors (independent variables) of the study eight of them were significant and have positive relationship with the dependent variable which is that growth. In this study, eight explanatory variables were identified to determine a significant difference on the growth of petty trade at 5% level of significance, those were:

The p-value for all independent variables are less than 0.05 except Environmental factors, politico-legal factors, socio cultural factors, and business experience factors. The  $\beta$  values of all significant variables are positive, that shows Financial Factors, Technological Factors, Marketing Factors, Management and training, Motivation Factors, Working Place Factors, Level of education Factors and Infrastructural Factors were positively affect the growth of petty trade in Jimma town. Which mean that the access of those independent variables high and there is no shortage the relation between the dependent variable (growth) is positive and there is lack of those independent variables occurred it affect the growth negatively. Though, based on this result eight of the hypothesis was exactly answered.

In general the multiple regression result shows that the external factors such as technological, financial, infrastructural and working place factors were positively affect the growth of petty traders in Jimma town. On the other hand internal factors like Management & training skill, motivation, level of education and marketing factors were also positively affect the growth of petty traders in Jimma town. This indicates an increase technology, finance, infrastructure, Management & training skill, motivation level of education, marketing system and appropriate working place were facilitate the growth of petty traders in Jimma town but when it decrease it is in resprocal of this.

Normality test checked that the histogram has a bell shaped and the regression plotted between -3.3 and 3.3 with a normal curve. Linearity test indicates that most of the observed values are spread very close to straight line, that the data were normally distributed and linear. As to heteroscedasticity test the scatter plot shows there is no clear pattern, therefore the data did not violate heteroscedasticity assumption and instead it was homoscedastic.

As the result indicates that from the two internal and external factors of the study the major dominantly affect the petty trade sector either negatively or positively is that the external factor one. Because when the positive side of the factors high and the sector is affect positively and the

growth is increase the external factors also increase. But also when the sector is negatively affect and the growth is decrease the effect of external factor also more affect it, as the grand mean of its value (0.2005, external factor) and (0.1275, internal factor) indicates. So that the external factors more affect the business sector.

The findings of this study also renowned that majority of petty trading is reinforced by the traders' interns of starting capital to engage or start the business as the interview data indicates. The ability to be a petty trade is mostly related with the activity of one or two of the family members. The petty trading is relatively started by small capital comparable as the traders think previously but not now. This means that capital is also an obstacle in starting petty trade. The petty trade is the business opportunity which creates employment because the petty trade is the major and simple opportunity for reducing unemployment trend in the community comparatively. The petty trade is explained by the unemployment, dissatisfaction with previous occupation, family hardship or pressure, lack of higher formal education, being suspended from the previous job and existing economic hardship.

The internal convincing factors are basically contributed to becoming a petty trader. There is the existence of a positive relationship between the internal persuasive factors and becoming a petty trader. It was established by using Likert scale in which majority appeared to have average means above 4(four) and above decision rate. The shortage of employment is the major reasons for engagement in petty trading. There is an ability of petty trader to integrate market in business could ultimately lead to the growth of petty trade. The findings noted that earning extra money, family business tradition, and self-employment, unemployment, and dissatisfaction with previous occupation, family hardship or pressure were factors that could influence the petty traders' growth.

## **5.2. Conclusion**

Petty trade is one of the activities not given recognition in Ethiopia's and it considered as less visible work type, but it is vehicles for employment opportunities at urban centre and as it underpin the poor economic development of the lower class society. Petty trade serves as sources for sustainable job opportunities for majority of the unemployed educated as well as non educated part also. Thus it should be given prior attention as it is important and serve for sustainable source of job opportunities to our town jimma. It will also be the major productive

input in the manufacturing sectors. This study tried to identify factors that influence the growth of petty trade in Jimma town. Measuring the growth of petty trade was not a simple task since it is a vast and complex. In this specific study factors that influence capital and employment growth were identified. Based on these the following conclusions are forwarded.

Educational level of petty traders had significant influence on growth of their business. Therefore, at the establishment or start up of petty trade education level should be given consideration. Market linkage has a great role on growth of petty trade and it was found significant at less status. Petty traders will have more motivation to work when they have access of finance, network with input suppliers and buyers. Motivation of owner was found significant for both employment and capital growth. Most of petty traders became unsuccessful because they are not interested in their work. They join the sector at last when they unable to get any other alternatives. They are not ready to perform their activity by their own interest. As the study result shows petty trade owners joined petty trading by their own choice regardless of other alternatives perform well. Growth rate for petty trade with owners who joined by choice is higher than those joined without their interest because of lack of other alternative.

As the result indicated lack of entrepreneurship training was another factor. Owners who had access to entrepreneurship training should use the opportunity to perform well. Almost majority of petty traders responded that they have not access to finance. As some interview made with trade office principals reveals that, even though some of the petty traders have access to finance they are not using this opportunity properly because of lack of awareness. Thus this also needs serious attention petty traders need to use available access of finance to expand their business. Micro financial institutions and Bureau of Trade and Industry office expected to create awareness to existing petty trade sector.

The other thing need consideration is infrastructure facility. Except transportation facility, petty traders face challenge on power supply, water supply, sewerage, inside roads and the like. Power supply, water supply and sewerage have significant effect on growth of petty trade. Therefore fulfilling infrastructure facility should be taken as an assignment. Some of the petty traders had social network but it needs support to expand their social network and make it strong. Government is not providing working place for most of the petty traders. This needs also urgent solution. Petty traders faced problem of working place and even they have no enough space to do

their own shelter. Even though there is some trying in provision of working place still it needs great attention.

Lack of using the appropriate technological was another hindering factor for the determinant growth of petty trade. Non available of protection materials, saving goods and other product of technology affect the growth. Lack of marketing ability also another factor which hinder the growth related with poor communication skill, forecasting demand and supply, ability to handle customers, promoting their business easily and product selection.

### **5.3. Recommendations**

Informal business sector (petty trade) play a vital role in the lower society specially in providing and create unemployment opportunity in socio-economic development of poor countries like Ethiopia. However as several researches indicated that the sector in general as well as in particular has not been got support from government as well as any of the concerned boddy even from policy makers also rather seen the sector as hinderance for formal trade. Based on the findings the researcher forwarded some recommendations to come up with improve ways and circumstances for petty trade informal business sector.

- ❖ Firstly needs to give better awerness about financial institutions, better access to financing have to be advised the concerned parties since limited access to fund is a major and hindering factor for the sector.
- ❖ If concerned government bodies adjust possible cituations to get financial means without need of higher collateral requirement with continues followup.
- ❖ If the awareness with related technological now how is provide the petty traders in training form and the access of technlology woulb be facilitated, at least such as making connection with mobile phone also getting safety materials to protect their goods.
- ❖ Since majority of the petty traders not have marketing skills, by organizing them and giving basic trainings on the points such as promote their business easily, demand and supply forecasting, creating new things in the market and the like.
- ❖ Since most of the petty traders have lack of managing skills giving continues training on the points such as handling customers and communication, cash management and saving, time management and sharing related experience from the successful one.



- ❖ For every petty trader, working without motivation can be one of a factor itself for the hindering cause for growth, though when they engage in the sector they must believe that it's my work and I will grow by working hard rather than doing it carelessly.
- ❖ For government part (bodies) related to permanent work place they have a great problem as the data indicates, though it advised that to organize, giving them permanent working place and continues control weather they work exactly or not.
- ❖ For those of illiterate young petty traders as the data shows getting basic education has its own positive effect on the growth of petty trade, soits advisable that in their rest time if they learn some basic education either in night or weekend program to change themselves.
- ❖ Related to lack of infrastructure that affect petty trade sector negatively, specially those of lack of power supply, road, sewerage and dry west, water, insiders road in the market location and the like the concerned government bodies give considerations and solve it is the option that not have other option.
- ❖ The town trade office to the future must be know the number of petty traders in the town, their status, their performance as well as their problem also as one of the service provider sector rather than only going with those of medium and small enterprises, because the petty traders service also address all of the Jimma town community.

### **5.3. Recommendation for further study**

- ❖ Future study will be conducted in areas like ifa bula, ginjo, amenu and other areas where large number of petty traders can be found.
- ❖ This study also conduct in the future on why business institutions and other government bodies not given attention for the sector.
- ❖ The study also extended to other weredas of the town.
- ❖ Finally for the future the study will be conducted on which type of petty trade more affected by different factors.

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# **Appendix 1**

**JIMMAUNIVERSITY**

**COLLAGE OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF MANAGEMENT**

**MASTER OF BUSINESS ADMINISTRATION (MBA).**

## **Questionnaire will be filled out by petty traders in the informal sector of Jimma town**

I am KassahunAsres a master's degree student of Master of Business Administration (MBA) in Jimma University, Department of Management. At this time I am undertaking a research entitled with: 'Determinants of the growth of petty trade in Jimma Town' Oromiya region Ethiopia. You are one of the recognized respondents selected to participate by giving relevant information for the study. The purpose of this study will be to access factors of petty trader's business growth and find possible solutions for the negative factors that hinder their performance. I understand that your time has value and the fruitful completion of this study depends on your open response, kindness and cooperation, by filling out the questionnaire. Please assist me by giving correct and complete information to present representative findings on current status of the factors affecting the performance of petty traders' growth in the town. Therefore, I kindly request you to answer the questions in this questionnaire. Your participation in this study is on a volunteer basis and I assure you that all information that you provide and the results will be recorded secretly and privacy is maintained. The result of this research will be used for academic purpose only.

**Sincerely KassahunAsres**

### **Instructions**

- ❖ No need of writing your name
- ❖ For Likert scale type questions indicate your answers with a check mark (✓) in the appropriate box.
- ❖ For choice questions show your answer by making a circle on the letter with the answer.
- ❖ For short answer write your answer on the space provided (\_\_\_\_\_)

**Section one respondent's background and related issues**

**Choose the letter which contain the answer you need to respond**

1. Gender A. Male B. Female

2. What is your Age?

A. below 15 B. 16-25 C.26-50 D.51-64 E.65 years and above

3. What is your educational level?

A. No Schooling B. Primary Education C. Secondary Education D. Higher Education

4. What is your Marital Status?

A. Single B. Married C. Divorced (separated) D. Widowed

5. Do you have any children?

A. Yes B. No

6. If your answer is yes for question number four (5) how many in numbers?

A. 1-2 B. 3-4 C. 5-6 D. 7 and above

7. Where is your Place of birth?

A. In Jimmatown B. In Jimma zone wereda's C. Outside of Jimma zone

8. If you are outside of Jimma Zone how you did come to this town?

A. To search a Job B. To live with my Family's C. Attraction of the town

D. Because of Marriage E. If any other\_\_\_\_\_

9. What kind of petty trading business do you run?

A.Small café's B. Fabricated shoes and clauses C. Meal D. Vegetable and fruit

E. Cosmetics and beauty materials F. Relish G. Other\_\_\_\_\_

10. For how long time you stay in petty trading sector?



- A. 0.1-2 years      B. 3-5 years      C. 6-8 years      D. 9-10 years      E. 11 and above

**Section 2(two) Estimated determinant factors affecting the growth of petty traders in Jimma town.**

The major determinant factors that affect performance of petty traders are listed below. Please indicate the degree to which these factors are affecting the growth (performance) of your business activity. After you read each of the factors, evaluate them in relation to your business and then put a tick mark (√) under the choices below. Where, **5**= strongly agree, **4**= agree, **3** = neutral, **2**= disagree and **1**= strongly disagree.

**2. Please indicate the degree to which you agree with the following statements concerning financial factors.**

No.	Financial Factors	5	4	3	2	1
2.1	High interest rate charge, Collateral requirement, bureaucracy of FI and loan application procedures are complicated to take loan for my business					
2.2	I have lack of information about FI to get finance means (loan)					
2.3	I have an opportunity of getting credit but my fear of inability to repay is hinders me to take loan from FI					
2.4	My business has never gotten any government funding (financial support) that is why Shortage of working capital hinders the growth of my business.					

**3. Please indicate the degree to which you agree with the following statements relating to Technological factors.**

No.	Technological Factors	5	4	3	2	1
3.1	Lack of skill to handle new technology, Lack of enough finance to get new technology hinders, to select proper technology that affects my business negatively.					
3.2	Mobile network problems affect the growth of my business negatively					
3.43	Lack of appropriate equipment's which protect safety of material I trade affects the growth of my business negatively					

**4. Please indicate the degree to which you agree with the following statements regarding Environmental factors.**

No.	Environmental Factors	5	4	3	2	1
4.1	High migration of people and Cultural differences affects my petty trader business growth negatively					
4.2	High number of Family size, fertility rate and inadequate health care problems affect the petty traders business growth negatively					
4.3	Un married marital status has negative effect on the growth of petty trade					
4.4	Jimma town born traders' are more successful than others in performance of their business					

**5. Please indicate the degree to which you agree with the following statements regarding Politico-legal factors.**

No.	Politico-legal Factors	5	4	3	2	1
5.1	No rule, law, principle and course of action for corruption, crime, and other problems happened in the town hinders the growth of petty trade negatively					
5.2	Lack of equal treatment and making differences among petty traders with their race, political stands affect growth of the business negatively					
5.3	There is no security to protect petty traders and their materials from brigand in the market					
5.4	I want to change my business into formal, but there is no any opportunity and possible condition to do this from government side					
5.5	Street vendors (petty traders) business activity cannot has impact on formal business in my opinion					

**6. Please indicate the degree to which you agree with the following statements regarding Socio-cultural factors.**

No.	Socio-cultural Factors	5	4	3	2	1
6.1	Acceptance in the society affect the activity of petty trade growth positively in my outlook					
6.2	Lower Customers attitude towards petty trader sector affect growth of the business sector negatively					
6.3	Inadequate support and low assistance of cultural finance (Ikub, Idir) affects directly the growth of petty trade business					
6.4	Because of religion difference consumers can make saddle on the performance of petty trade business					
6.5	There is no gender role conflict among petty traders and in the society of the town.					

**7. Please indicate the degree to which you agree with the following statements regarding Marketing factors**

No.	Marketing Factors	5	4	3	2	1
7.1	There is no means of promote my business to attract customers and Lack of market information spike petty trader in bankruptcy					
7.2	Because of lack of demand and supply forecasting petty trader cannot grow effectively in profit					
7.3	Other rich traders dominate petty trade sector related with price decreasing					
7.4	Because of lack of marketing skills, Lack of ability searching new market and the business products are the same as those of my competitors , affect my petty trade sector negatively					

**8. Please indicate the degree to which you agree with the following statements regarding Management and training skill factors**

No.	Management and Training skill Factors	5	4	3	2	1
8.1	Inadequate management skills and training causes poor customer relationship, handling, organization and less communication with customers makes my petty trade non profitable.					
8.2	There is no any training and low cost facilities still now from government bodies for petty trade sector in the town, affect petty trade sector negatively					
8.3	Whatever I am well trained and have experience of business there is no difference in having much customer					
8.4	Because of lack of cash management and training skill petty traders faces bankruptcy problems					

**9. Please indicate the degree to which you agree with the following statements regarding previous business experience factors**

No.	Previous business experience Factors	5	4	3	2	1
9.1	The traders who have previous related experience are more profitable in petty trader sector than those who do not have similar experience					
9.2	New traders engage in petty trader sector are more beneficiary by producing new situation than those who have previous experience, because of previous experience is seen as old style it is not beneficial in petty trade sector					
9.3	Customers more focuses on experienced traders than initiate the fresh traders					
9.4	Because of lack of previous market experience distributors add additional cost on goods they supply for new traders.					

**10. Please indicate the degree to which you agree with the following statements regarding Motivation factors**

No.	Motivation Factors	5	4	3	2	1
10.1	I engaged in petty trade (informal market) because of lack of any other work opportunity and other friends and co-workers push (advice) but I am not interested in it.					
10.2	I started this work because of my previous work is not secured and the payment was not satisfy me, that is why I engage in this sector to get better benefit					
10.3	Every petty trader engages in petty trade sector with out his /her love towards the work in my opinion.					
10.4	The factor pushes me is not my previous work experience to engage in petty trader business sector, that is why I am not successful with the business.					

**11. Please indicate the degree to which you agree with the following statements regarding working place (market location) factors**

No.	Working place (market location) Factors	5	4	3	2	1
11.1	The petty traders behind main road are more successful than those far from main road.					
11.2	I have not permanent trading place for my own in the market center , and the place where I engage in petty trader is not suitable, convenient and appropriate for customers selection					
11.3	There is no reluctantness of government bodies to give mepermanent vending site for my petty trade that is why I lost my customers always.					
11.4	Whatever you have enough customers and best market, if there is no best trading place to trade activities if it is meaningless for growth.					

**12. Please indicate the degree to which you agree with the following statements regarding Level of Education factors**

No.	Level of Education Factors	5	4	3	2	1
12.1	Literate petty traders have more growth than the illiterate one in the petty trade business sector.					
12.2	I am educated but my business growth is less than the illiterate's one still now, because it needs both education and experience.					
12.3	Because of I am not literate some customers cheating me the price of what I am selling.					
12.4	In my opinion most of petty traders (informal business runners) are illiterate, because of that the sector is not grow always.					

**13. Please indicate the degree to which you agree with the following statements regarding Infrastructural factors**

No.	Infrastructural Factors	5	4	3	2	1
13.1	Lack of power supply (interruption) affects directly the growth of petty trade sector.					
13.2	Lack of sufficient and quick transportation service hinders me to get my selling product on time, this spike my business into bankruptcy.					
13.3	Because of lack of possible sewerage and dry waste, Insufficient and interrupted water decreases the quality of my product supply petty traders selling products mixed with dirty things and customers hate my products to buy.					
13.4	The market location of petty traders and roads of the market places are not comfortable and attractive, that is why hinder their growth					

**14. Please indicate the degree to which you agree with the following statements regarding your business growth.**

No.	Growth related questions	5	4	3	2	1
14.1	I am working hardly always to change my business in human and capital growth, but the change shown time to time in my petty trade is not attractive enough that is why I am not satisfied with the work.					
14.2	When I start my business I were had not enough starting capital, because of lack of working capital the change my petty trade shown is not attractive enough to bring growth.					
14.3	Lack of my own interest towards work, management skill, social interaction, political outlook, educational status and other personal related things makes my petty trade unsuccessful and nonprofitable.					
14.4	Because of every one do not knows the advantage of petty traders activity, there are no enough infrastructure, working places, financial					

	means, marketing and training opportunity my business do not show growth time to time.					
14.5	There are so many obstacles which hinders different trader's business growth, Because of this my petty trade also suffer by those challenges and not shown a change in human and capital growth.					
4.6	My living style is hand to mouse and with dependant parents that is why my petty trade growth is not changed still now.					

**15. Please indicate the degree to which you agree with the following statements regarding possible future solutions for the factors hindering growth of petty trade sector**

No.	The researcher recommendations as solutions	5	4	3	2	1
15.1	Organizing all street vendors (petty traders) by their trade types at woreda level					
15.2	Giving important training, creating awareness about disadvantage of informality otherwise taking legal measurement action for those who do not change themselves					
15.3	Creating opportunity to become legal, providing place for their business and made continuous control					
15.4	Assigning quality control government body and establish its own sector to monitored and support them					
15.5	Organizing street vending who fill minimum requirement of microenterprises					
15.6	Controlling other immigrant bodies enter into the sector of petty trade					
15.7	Create other job opportunity for the lower (unsuccessful) petty traders					
15.8	To change the petty trade sector into formal business punishment and confiscate is important					
15.9	Facilitate loan option in combination with banks and other financial institutions without requirement of collateral					
15.10	Decreasing corruption, crime, insecurity and avoiding bureaucracy that hinders to get attractive service in financial institutions and Preparing common guideline to make petty trade business sector easy, attractive and profitable					

15.11. If any other additional point please specify \_\_\_\_\_

❖ **The Amharic translation of the above questionnaire**



**ጅምቤ ን ሸርሲቲ**

ቢዝነስ ስና ኢኮኖሚክስ ኮሌጅ

ሜሪ ጅምቤ ትትምህርት ክፍል

የ ቢዝነስ ስና ኢኮኖሚክስ ድህረ ምረቃት / ቤት

**መግቢያ፡**

ወደ ጥናት ትምህርት ክፍል ስትገቡ ስለ ሸርሲቲ ሜሪ ጅምቤ ትትምህርት ክፍል የ ቢዝነስ ስና ኢኮኖሚክስ ድህረ ምረቃት ምረቃት ማብቃት

ኝ፡፡ በአሁን ሰዓት ላይ መሆን ተሰጥቶ ስለሆነ የ ስራ ሰዓት ላይ ትምህርት ክፍል ስለሆነ የ ጥናት ገንዘብ ለማስገኘት ስለሆነ የ ጥናት ስራ ላይ የሚገባውን ጥናት ማረጋገጥ ይኖርብዎታል።

ይሰኛል፡፡ እርሶም በዚህ ጥናት በቀናት የተሟላ ማረጋገጫ ማስጠበቅ ይኖርብዎታል።

የ ጥናት ስራ ላይ የሚገባውን ጥናት ማረጋገጫ ማስጠበቅ ይኖርብዎታል። ለሁሉም ስራዎች የሚገባውን ጥናት ማረጋገጫ ማስጠበቅ ይኖርብዎታል።

የ ማረጋገጫ ስራ ላይ የሚገባውን ጥናት ማረጋገጫ ማስጠበቅ ይኖርብዎታል። ለሁሉም ስራዎች የሚገባውን ጥናት ማረጋገጫ ማስጠበቅ ይኖርብዎታል።

የ ማረጋገጫ ስራ ላይ የሚገባውን ጥናት ማረጋገጫ ማስጠበቅ ይኖርብዎታል።

የ ማረጋገጫ ስራ ላይ የሚገባውን ጥናት ማረጋገጫ ማስጠበቅ ይኖርብዎታል።

እንዲሁም ሌሎችም ማረጋገጫ ማስጠበቅ ይኖርብዎታል።

ጊዜዎን መስዋዕት በማድረግ ስለሚኖር ጉልህ የሆነ ተግባር በቅድሚያ ከልቤ አመልክቷል።

አከባሪ ምክራብ ሆነ ስትገቡ

**መረጃዎች፡**

- በመጠይቅ ላይ ስም ማስጠበቅ ይኖርብዎታል።
- ለላይከር ትስኬል (እስም ማለት፡፡ አልሰማዎም)
  - (√) የ እርምጃ መስጫ ስራ ላይ በተገኘው ስራ መስጫ መሰቀል ማለት፡፡
- አጭር ጊዜ ይኖሩት የ ስራ ስራ ላይ የሚገኘውን ስራ መስጫ መሰቀል ማለት፡፡
- ለ አጭር ጊዜ በተገኘው ስራ መስጫ መሰቀል ማለት፡፡

**ክፍል 7 (1) የ ማረጋገጫ ስራ ላይ የሚገኘውን ስራ ማረጋገጫ (የ ምርመራ ዓይነት)**

1. ይሁን ወይስ ሲት
  2. እድሜዎ ስንት ነው?
- ሀ. ከ 15 በታች ለ. ከ 16-25 ለ. ከ 26-50 መ. ከ 51-64 ሠ. 65 እና ከዛ በላይ

1. የ ትምህርት ደረጃዎ ስንት ነው?
  - ሀ. ያልተሟላ / ችለ . የ ማረጋገጫ ደረጃ / ትሐ. ሀለተኛ ደረጃ / ትመ. የ ከፍተኛ ተቋማት / ት
3. የ ትምህርት ደረጃህ . ያልተሟላ / ችለ . የ ማረጋገጫ ደረጃ ትምህርት ሐ. ሀለተኛ ደረጃ ትምህርት መ. የ ከፍተኛ ተቋማትም ትምህርት
4. የ ጋብቻ ሁኔታዎ ምን ይመስላል?

ሀ. ያላገባ/ችሉ. ያገባ/ችሉ. የተፋታ/ችመ. የሞተበት/ባት

5. ልጅአሰት? ሀ. አዎላ. አይ

6. ለጥያቄጥርአራት (5) መልሶአዎከሆነ በቁጥርምያህልናቸው?

ሀ. ከ 1-2 ለ.ከ 3-4 ሐ.ከ 5-6 መ. 7 እናከዛበላይ

7. የትወልደስፍራዎየትነ ወ?

ሀ. ጅምከተማሊ. ጅምነንወረዳሐ. ከጅምነንወጭ

8. የትወልደስፍራዎከጅምነንወጭሆኑወደዚህከተማእንደትመጡ?

ሀ. ስራፍለጋለ. ከቤተሰቦቼጋርአብሬለመኖርሐ. በከተማየተመርከመ. በትዳርምክንያትሠ. ሌላከሆነ ይግለጹ \_\_\_\_\_

9. በምንአይነት የጉሊትንግድስራላይነ ወየተሰማች?

ሀ. ትንሽካፌ (ሻይቡና) ለ. የተሰሩልብሶችናጫዎችሐ. የምግብህል (ጥራጥሬ)

መ. አትክልትናፍራፍሬሠ. ኮስሞኒክስናየመዋቢያዕቃዎችረ. ቅመማቅመም

ሰ. ሌላከሆነ እባኮይግለጹ \_\_\_\_\_

10. በጉሊትንግድወስጥከተሰማችስንትጊዜምነ ወ?

ሀ. ከ0.1-2 ዐመትላ. ከ3-5 ዐመትሐ. ከ6-8 ዐመትመ. ከ9-10 ዐመትሠ. 11 እናከዛበላይ

**ክፍል 2 (ሁለት) በጅምከተማሊጉሊትንግድእደገ ትተግዳሮቶችይሆናሉተብለወየ ማሳመኑዳዮች**

ዋናዋናዎቹሉጉሊትንግድእደገ ትእንቅፋትይሆናሉተብለወየ ማሳመኑትግሮችእንደሚከተለውተቀምጠዋል፡፡

እባኮእርሶምክነ ዚህተግዳሮቶችመካከልበርሶጉሊትንግድላይእንቅፋትየ ሆነ በትንከተጠቀሱትመካከልበደንብበማንበብየ ስምምነትደረጃ

ጃዎንከፊትለፊቱባለወባደሳጥንወስጥ (✓) ይህንየ ራይትምክክትበመጠቀም፡ - 5. በጣሞክሰማሞሊሁ፣ 4. እስማሞሊሁ፣

3. ነፃነት፣ 2. አልስማም፣ 1. በጣሞክሰማሞሊሁትያመልክቱ፡፡

2. እባኮቀጥለወለቀረበትገንዘብክችግሮችንለማሳወቅትዐረፍተነገሮችየርሶንየ ስምምነትደረጃ (✓) ምልክትያመልክቱ፡፡

No	ከገንዘብጋርየተያያዙችግሮች	5	4	3	2	1
2.	የገንዘብተቋማቱየ ወለደክፍያ መጠን መጠክት፣ ወጣወረድ፣ የብድርአጠየየ ቅሂደቱወስብስብነት፣					

1	የተያዥደን ብለን ግደኢ ደን ትብደር እንዳላገኝ አግዶኛል፡፡						
2.	የብድር አገልግሎት ለማግኘትና የጉለትን ግዴታ ወደተሻለ ደረጃ ለማስደግስ ለየገንዘብ ተቋማት ወቅት ማግኘት ይቻላል፡፡						
2.	የብድር አገልግሎት ለማግኘት ደረሱን በረኝ፤						
3	ነገር ግን ላልመልስ እችላለሁ ማለት ራሴ ፍራፍሬ ብድሩን እንዳልወሰድ አግዶኛል፡፡						
2.	ንግድ ምን ምላይነት የመግስት ገንዘብ ክድጋፍ አገልግሎት ይቀጥላል፡፡						
4	ለዛም ወይ መቀሳቀሻ ኪታል አገልግሎት በንግድ ደንብ ትላይ አሉታዊ ተፅዕኖ ሳይሰራጭ፡፡						

3. እባክዎ ጠባሪዎችን ለመለየት ለቀረበው ስርዓት ለማረጋገጥ ለሆኑት ግዴታዎች ስርዓት ላይ ስምዎን ትደረጁ (✓) ምልክት ያሙክቱ፡፡

No	ቴክኖሎጂና ተዛማጅ ግዴታዎች	5	4	3	2	1
3.	ተገቢውን ቴክኖሎጂ መሟላት ጥላላ መቻሉን አዳዲስ የቴክኖሎጂ ማራጫን ለማግኘት አቅም (ዕውቀት) ወስንነትና የገንዘብ ጥረት መኖሩን ጉለትን ግዴታ ለይ አሉታዊ ተፅዕኖ ሳይሰራጭ፡፡					
3.	የሞባይል ኔት ወርክ መጥፋት ምህንድስና ለመቆራረጥ ማረጋገጥ ይቻላል፡፡					
3.	የምን ግደውን ቁሳ ቁሶችን ለመቆራረጥ ለመቻላት ለሆኑት ግዴታዎች ስርዓት ላይ ስምዎን ትደረጁ (መሪያ) እጥረት መኖሩን ለማረጋገጥ ለሆኑት ግዴታዎች ስርዓት ላይ ስምዎን ትደረጁ፡፡					

4. እባክዎ ጠባሪዎችን ለመለየት ለቀረበው ስርዓት ለማረጋገጥ ለሆኑት ግዴታዎች ስርዓት ላይ ስምዎን ትደረጁ (✓) ምልክት ያሙክቱ፡፡

No	አካባቢያዊና ተዛማጅ ግዴታዎች	5	4	3	2	1
.						

4.	የ ሰዎች ከፍተኛ የ ሆኑ ፍልሰትና ባህላዊ ልዩነት ቶች በንግድ እድገት ላይ አሉታዊ ተፅዕኖ አሳድሮብኛል፡፡					
1						
4.	የ ቤተሰብ ቁጥጥር መባዛት፡					
2	የ ወልደት መክበንና ተመገጥኝ የ ሆኑ የ ህክምና እና ልግ ለትኩረት ለመኖር በንግድ እድገት ላይ አሉታዊ ተፅዕኖ አሳድሯል፡፡					
4.	ያለ ማገባት (የ ትዳር ሁኔታ) በ ጉሊትን ግድ እድገት ላይ አሉታዊ ተፅዕኖ አሳድሯል፡፡					
3						
4.	የ ጅምር ተመክሮች የ ሆኑ የ ጉሊትን ግድ ስራ አፈፀፀ ማሻሻያ ለሌሎች ተሻሻለ እድገት አላቸው፡፡					
4						

5. እባከቀጥለወለቀረበት ህጋዊ እና ፖለቲካዊ ጥያቄዎችን ለማሟላት ዕድገት ለማረጋገጥ የሚያስፈልጉ ስምምነት ደረጃ (✓) ምልክት ያወልኩቱ፡

No	ህጋዊና ፖለቲካዊ ጥያቄዎች	5	4	3	2	1
5.	ለ ወንጀል፣ ለ መብት እና ለ ሌሎች ጥያቄዎች ህግ፡					
1	መሠሪያ እና ለ ግድ ማሻሻያ ማዘጋጀት ያለው ጥራት ለ ሌሎች ጥያቄዎች ላይ አሉታዊ ተፅዕኖ አሳድሯል፡፡ (አሉታዊ ተፅዕኖ አሳድሯል)፡፡					
5.	የ ጉሊትን ግድ ስራ ለማሻሻል ለመደገፍ፡ በ ዘር፡					
2	በ ፖለቲካ አመለካከት ውስጥ ተፈጻሚነት ለማግኘት በ አሉታዊ መልኩ ድቶታል፡፡					
5.	የ ጉሊትን ግድ ስራ ለማሻሻል የሚያስፈልጉ ጥያቄዎችን ለማሟላት ለሌሎች ጥያቄዎች ላይ አሉታዊ ተፅዕኖ አሳድሯል፡፡ (ጥበቃ)					
3	አለመኖሩ በ እድገት ላይ አሉታዊ ማሻሻያ አሳድሯል፡፡					
5.	ንግድን ወደ መጀመሪያ ለመመለስ ለማድረግ ለሚያስፈልጉ ጥያቄዎች ላይ አሉታዊ ተፅዕኖ አሳድሯል፡፡					
4	ነገር ግን ይህን ለ ማሻሻል ለማድረግ ለሚያስፈልጉ ጥያቄዎች ላይ አሉታዊ ተፅዕኖ አሳድሯል፡፡					
5.	የ ጉሊትን ግድ ስራ ለማሻሻል ለሚያስፈልጉ ጥያቄዎች ላይ አሉታዊ ተፅዕኖ አሳድሯል፡፡					
5	ም፡፡					

6. እባከቀጥለወለቀረበት ህጋዊ እና ፖለቲካዊ ጥያቄዎችን ለማሟላት ዕድገት ለማረጋገጥ የሚያስፈልጉ ስምምነት ደረጃ (✓) ምልክት ያወልኩቱ፡

No.	ግንባራዊናተካ ማጅቶግሮች	5	4	3	2	1
6.1	በኦሪግናል ካክትብ ግንባራ ሰበዘን ድተቀባይነት ትመኖር በጉሊትን ግዳዕ ደገ ትላይአዎን ታዊተፅዕኖ አለው፡፡					
6.2	ደንበኞች ለጉሊትን ግዳዕ ላቸው ዝቅተኛ አመለካከት የገደብ ቅስታሌዎች ዘርፍ በአሉታዊ መልኩ ደኑታል፡፡					
6.3	እንደዕቁብ፣ ዕድርያ ለባህላዊ ገንዘብ (የፋይናንስ) ምንጮች እገዛ ዝቅተኛ መሆን የጉሊትን ግዳዕ ዘርፍ ደገ ትላይታዊ በሆነ መልኩ ደኑታል፡፡					
6.4	በሀይማኖት ልዩነት ምክንያት በጉሊትን ግዳዕ ዘርፍ አፈፀፀ ፀፀ ይደንበኞች አሉታዊ ጭንቀት ጠራሉ፡፡					
6.5	በከተማ በጣህን ጉሊትን ጋደዎችና በግንባራ ሰበዘን መካከል ምንም ዓይነት የታላቅ ተቃርኖ ለም፡፡					

7. እባክቀጥለው ለቀረበት ገበያና ከተማ ማጅቶግሮችን ለመገልፅ ትዕዛዝ ሰጥተዎት ሆኖ ለገበያ ሰጠው ትዕዛዝን ትደረጃ (✓) ምልክት ያድረጉ፡፡

N	ገበያና ከተማ ማጅቶግሮች	5	4	3	2	1
7.1	ደንበኞችን ለመሰብሰብ ግደን የሚጠቀሙት ስልጠናዎችን ደክለው መኖራቸውን ገበያ ማጅቶግሮች ጥረት መኖራቸውን ጉሊትን ግዳዕ ደገ ትከሰራው ጥጥረው፡፡					
7.2	የፍላጎት እና አቅርቦት ለመስጠት (መተንበያ) ዘዴዎች ጥረት መኖራቸውን ጉሊትን ግዳዕ አግባብ ያተረፈ ደገ ትመኖሩ ትከሰታሉ፡፡					
7.3	ሌሎች ሀብታም ጋደዎች ጉሊትን ግዳዕ ደገ ትከሰታሉ ምክንያት ሳይሆን ሌሎች ጋደዎች ጥረት መኖራቸውን ደገ ትከሰታሉ፡፡					
7.4	አዳዲስ ደንበኞችን ለመግኘት የአቅም ስልጠና ስልጠናዎችን ገበያ ማጅቶግሮች ለገበያ ማጅቶግሮች ጥረት መኖራቸውን ጉሊትን ግዳዕ ደገ ትከሰታሉ ምክንያት ሳይሆን ሌሎች ጋደዎች ጥረት መኖራቸውን ደገ ትከሰታሉ፡፡					

8. እባክቀጥለው ለቀረበት አመራርና ስልጠና ከማጅቶግሮች ለመገልፅ ትዕዛዝ ሰጥተዎት ሆኖ ለገበያ ሰጠው ትዕዛዝን ትደረጃ (✓) ምልክት ያድረጉ፡፡

No	አመራርና ስልጠና ከማጅቶግሮች	5	4	3	2	1
.						





12.4	በኔ አመለካከት አብዛኛዎቹ ጉሊትን ጋደዎችን ጥምር ትያላቸው አይደሉም፤ በዚህም ተነሳሽ ርዕሰ ስርዓት ላይ ደግሞ ትኩረት ስላይም ፡						
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**13. እባክዎ ጥላ ወላቀቀረቡት የ መሰረተ ልማትን የ ተመላክቱት ግሮችን ለመግለጽ ልጁን ለማሳደግ ገሮች የ ርዕሰ ስርዓት ስምምነት ደረጃ (✓)**  
**ምልክት ያሳይኑ ፡**

No	የ መሰረተ ልማትን የ ተመላክቱት ግሮች	5	4	3	2	1
.1	የ ሀይል አቅርቦት አጥረት (በከፊል መቆራረጥ) የ ጉሊትን ግድዘ ርዕሰ ስርዓት ትበቀጥታ ስቶታል ፡					
.2	ፈጣንና በቂ የ ትራንስ ፖረት አገልግሎት አለመኖሩ የ ምሽት ጣቢያውን ቁስቁሶች በወቅቱ እንዳላገኙ ከልክለኛል፤ በዚህም ጥንቃቄ ጉንግዳ ስራ ተዳርጓል ፡					
.3	በቂ የ ወህኑ አቅርቦትና ምቹ ቆሻሻ መስጠት ማቆራረጥና ፍላጎት ማሟላት ማቆራረጥ ለመኖሩ ተነሳሽ ግዳቶችን ቁስቁሶች ፡					
.4	የ ጉሊትን ጋደዎቹ ገቢያቸውን ለማደግ ለሆነው ማህበራዊ ደረጃ ለማሳደግ ለሚችሉ ጉሊት ስርዓት ስምምነት ደረጃ ፡					

**14. እባክዎ ጥላ ወላቀቀረቡት የ ጉንግዳ ስርዓትን የ ተመላክቱት ግሮችን ለመግለጽ ልጁን ለማሳደግ ገሮች የ ርዕሰ ስርዓት ስምምነት ደረጃ (✓)**  
**ምልክት ያሳይኑ ፡**

No .	ዕድገትን የ ተመላክቱት ግሮች	5	4	3	2	1
1	እኔ ሀላፊ ግደን በሰው ሀይል ለማደግ ለሚችሉ ጉሊት ስርዓት ስምምነት ደረጃ ፡					
2	ይህንን ግደን በምጀምር በትዕቢት በቂ የ መንፈሳዊ ተግባር ስርዓት ስምምነት ደረጃ ፡					
3	እኔ ለስራ ለኝተነሳሽ ጉሊት ፡ የ አመራር ጥያቄ ፡ ማህበራዊ ተግባር ፡ ፖለቲካዊ አመለካከት ፡ የ ትምህርት ደረጃ ስርዓት ስምምነት ደረጃ የ ተያያዘ ጉሊት ግደን ወጠታ ለማድረግ ለሚችሉ ጉሊት ስርዓት ስምምነት ደረጃ ፡					
4	የ ጉሊትን ግደን ጥቅም ለማድረግ ለሚችሉ ጉሊት ስርዓት ስምምነት ደረጃ ፡ የ መሰረተ ልማት ፡ የ መሪ ስርዓት ፡ የ ጉንግዳ ስርዓት ስምምነት ደረጃ የ ገቢያቸውን ለማደግ ለሚችሉ ጉሊት ስርዓት ስምምነት ደረጃ ፡ የ ጉሊትን ግደን ስርዓት ስምምነት ደረጃ ፡					
5	ለ እድገት እንቅፋት ለማሳደግ ለሚችሉ ጉሊት ስርዓት ስምምነት ደረጃ ፡ የ ጉንግዳ ስርዓት ስምምነት ደረጃ ፡ በመሆኑም ኔ ጉሊትን ግደን ስርዓት ስምምነት ደረጃ ለማሳደግ ለሚችሉ ጉሊት ስርዓት ስምምነት ደረጃ ፡					



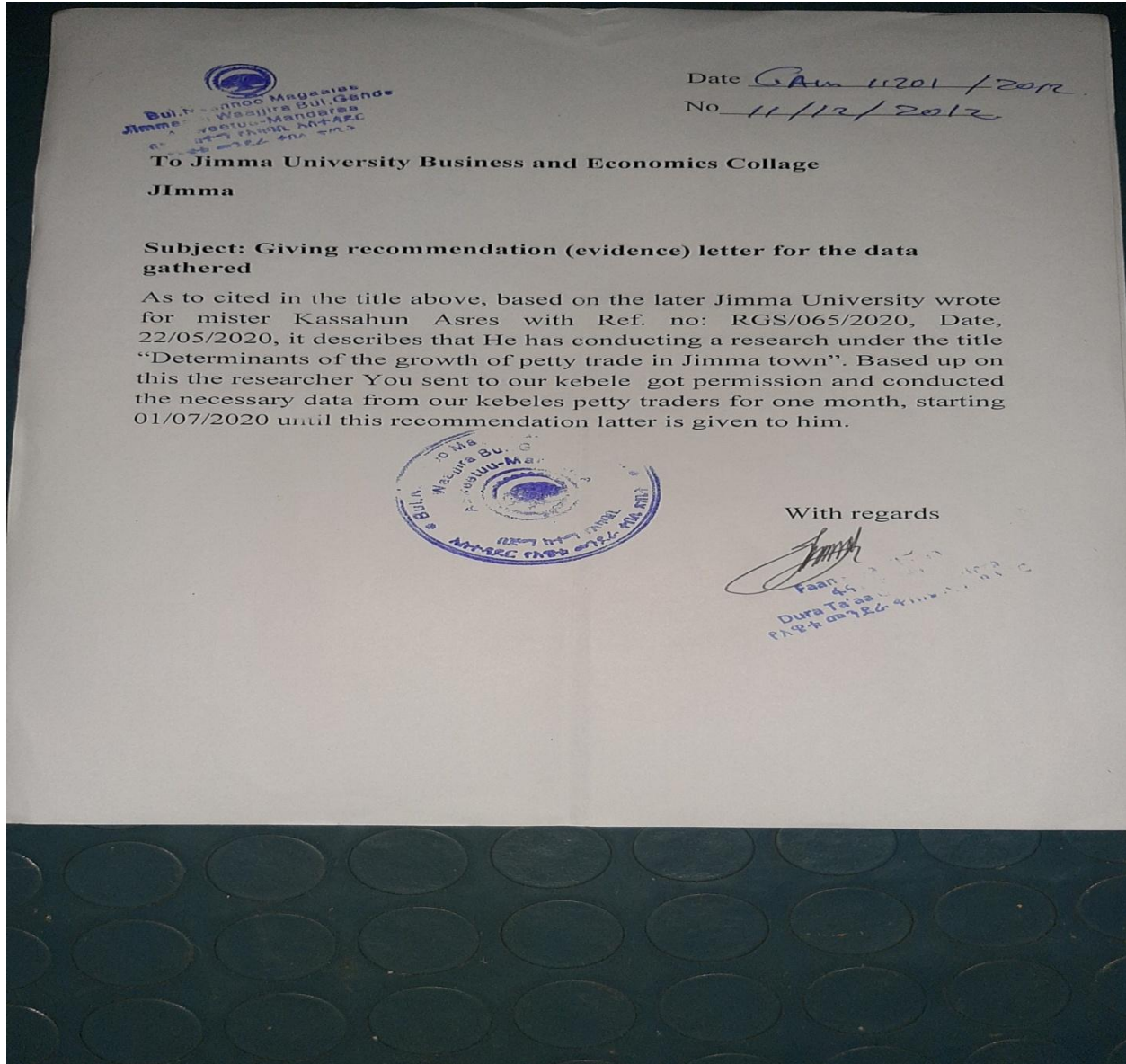


5. Is there any petty trader changed into formal market? If there how many in number?  
\_\_\_\_\_
6. What was and will be planned to make the informal market (petty traders) to change into formal? \_\_\_\_\_
7. Is there any support for the petty traders from Jimma University in giving training and awareness? \_\_\_\_\_
8. Is there any financial support from financial institutions for petty traders of the town? If there is how? \_\_\_\_\_
9. What are the causes of engaging in informal petty trading of the traders in your opinion?  
\_\_\_\_\_
10. Does the informal market (petty trading) have negative or positive support for the community in reality of the current situation? \_\_\_\_\_
11. What are the specific factors limiting the growth and success of petty traders in Jimma town situation as your office thinks that? \_\_\_\_\_
12. What are the possible solutions to improve the growth of informal petty traders to change themselves into formal and competitive market in your thinking? \_\_\_\_\_
13. From what I observe in my formal observation, the informal sector has the capacity to create job and to generate income for many of the town unemployed, how does the town administration evaluate the activities of petty traders involved in the informal sector to create self-employed jobs and reduce unemployment? \_\_\_\_\_
14. What is your opinion on the role of the petty traders (informal sector) business growth in urban economic development? Do you collect any revenue from the informal sector?  
\_\_\_\_\_
15. Do you have any additional opinion or suggestion you want to raise and talk on the petty traders (informal business sector) and all small business in Jimma town administration in general?  
\_\_\_\_\_

Thank you very much!!!



## Appendix 2



Date Bu.G-6-24/20/2012

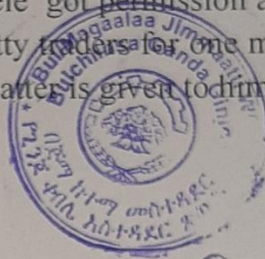
No 6-12-2012

To Jimma University Business and Economics Collage

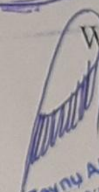
Jimma


**Subject: Giving recommendation (evidence) letter for the data gathered**

As to cited in the title above, based on the later Jimma University wrote for mister Kassahun Asres with Ref. no: RGS/065/2020, Date, 22/05/2020, it describes that He has conducting a research under the title "Determinants of the growth of petty trade in Jimma town". Based up on this the researcher You sent to our kebele got permission and conducted the necessary data from our kebeles petty traders for one month, starting 01/07/2020 until this recommendation letter is given to him.



With regards

Burtukaan Zeynu A.G.   
ዘርዘር ለገቢ ለገቢ  
Wantu Dura Buutu  
ዘርዘር ለገቢ ለገቢ

  
Bul. Naannoo Magaalaa  
Jimmaatti Waajjira Bul. Ganda  
Mandaraa-Gocil  
በደንበኞች ስም ለመስጠት  
የሚያስፈልገውን ሰነድ ይህን ደብዳቤ

Date June / 599 / 2012

No 11 / 12 / 2012


To Jimma University Business and Economics Collage  
Jimma

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With regards

  
Musxafa Mahaammad  
መስጠት ሰነድ  
Bul/G/ Mandaraa Gocil  
የመ/ዳ.ወ. ቀበሌ ለ/መ/ንበር