

**CHALLENGES OF GROWING SMALL BUSINESSES INTO SELF-SUSTAINING
BUSINESSES : A CASE STUDY KAMPALA AREA FEDERATION OF
COMMUNITIES (KAFOC) SUPPORTED HOUSEHOLDS**

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT
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ABSTRACT

This study was about the challenges of growing small businesses into self-sustaining businesses using a case study of Kampala Area Federation of Communities (KAFOC) supported households. The researcher sought to find out reasons as to why small business owners fail to grow their businesses into self-sustaining ones.

The study comprised of a mixed methods research design. Sources of information included both primary and secondary sources. Data collection instruments included the survey questionnaire and interview guide; while the methods included document reviews, interviews, Focus Group Discussions, and observation.

The main findings of the study indicated that women who play an important role in meeting the needs of their household were increasingly becoming more entrepreneurs, and households that diversified businesses were more self-sustaining. Findings also revealed that small businesses faced many challenges, including financial constraints, big numbers of dependents, inadequate business skills, and limited market access.

Conclusions from this study showed that KAFOC should increase on the amount of start-up capital, improve on the monitoring of the businesses and support households to manage proper record keeping.

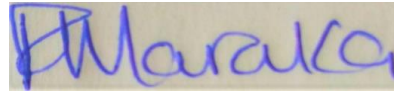
The study recommended that small business owners should do market research and diversify their products and services to reduce dependence on a single product or service, and reduce dependency on the organisation. Finally, the government should provide business development support including training, mentorship and market access support.

DECLARATION

I, **Proscovia Nakamya**, hereby declare that this is my original work, my work is not plagiarised and has not been submitted to any other institution for any award.

Name: Proscovia Nakamya

Signature:



Date: March 14, 2025

APPROVAL

This is to certify that this research titled “**Challenges of growing small businesses into self-sustaining businesses**”, has been done under my supervision and is now ready for submission.

Name: **Dr. Chris Tuhirirwe**



Signature:

Date: **March 14,2025**

DEDICATION

To my loving foster mother - mama Patricia A. Holder whose unwavering support and encouragement even from a distance made this journey possible. Thank you for the financial support.

To my husband and children, thank you for being my number one cheer leaders and supporting me during my adult education challenge.

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I would like to express my deepest gratitude to my supervisor, Dr. Chris Tuhirirwe, for his guidance, patience, expertise and unwavering support throughout this journey. His constructive feedback and encouragement helped me shape this research into its current form.

I would like to thank my loving family, mama Pat you have been a strong encouragement during this time of study; my husband Mark Maraka who stayed up with me many nights as I worked on assignments; my children Brian Jonathan Maraka, Joshua Patrick Maraka and Patricia Ruth Roanna Maraka for their patience, understanding and emotional support. Their sacrifices and encouragement enabled me to pursue this dream.

I would like to appreciate the assistance and camaraderie of my colleagues and peers at Kampala Area Federation Of Communities (KAFOC) -Lydia N. Bigirwa, Cate Namutebi, Arthur Kaduuli, Steven Epuyu, Josephine Awinjo, Minsaki Wabira, Jenner Kanalo who provided valuable insights and shared resources and offered moral support that enabled me focus on my research and achieve my goals. Not forgetting our parent structures in the communities where I carried out the research - Ms Seruwagi Nulu and Mr. Ssekubunga Moses.

To my course mates at Uganda Christian University Mukono, thank you for being of great support and challenging me to finish at the finishing line, Belinda, Emily, God bless you so much. This dissertation would not have been possible without the collective efforts and support of these individuals and the organisation. I am grateful for their contributions and acknowledge the debt I owe them. May God bless you all.

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GLOSSARY

Emyooga - Luganda word that roughly translates to income generating activities

LIST OF ACRONYMS AND ABBREVIATIONS

ASRH	Adolescent Sexual Reproductive Health
CBO	Community Based Organisation
ESFAM	Economic Strengthening to keep and Reintegrate children into Families
HVAT	Household Vulnerability Assessment tool
IGA	Income Generating Activity
KAFOC	Kampala Area Federation of Communities
NFIB	National Federation of Independent Business
UNICEF	United Nations International Children's Emergency Fund
VSLA	Village Savings and Loan Associations

CHAPTER ONE

GENERAL INTRODUCTION

1.1 Introduction to the study

Small businesses are a vital component of Uganda's economy. Small businesses contribute significantly to income generation, poverty reduction and employment. So, in the long run, households are able to meet their basic needs leading to improved standards of living. However, many small businesses struggle to grow and become self-sustaining because they face many challenges that hinder their growth. The study highlighted the fact that some households do not value the money given so don't work towards growing their businesses and also some households have big numbers to fend for, so they eat whatever little profit they make and businesses collapse in a short run.

This study was about finding: What is the impact of IGAS on the economic empowerment of KAFOC supported households; what are the hindering factors in enabling KAFOC supported households to grow their businesses into self-sustaining businesses; What can Kampala Area Federation of Communities (KAFOC) do differently to help more households grow their businesses and become self-sustaining?

The main objective of this study was to analyse the challenges of growing small businesses into self-sustaining businesses in Wakiso district using a case study of households supported by Kampala Area Federation of Communities (KAFOC) within Kira Municipality. The specific objectives of this research were: to examine the impact of IGAs given to KAFOC supported households, to identify the challenges that KAFOC supported households go through to grow businesses, and to explore what Kampala Area Federation Of Communities (KAFOC) can do differently to enable the supported households grow their businesses into self-sustaining ones.

1.2 Background to the study

The study examined the challenges of growing small businesses into self-sustaining businesses with a case study of households supported by Kampala Area Federation of communities (KAFOC).

Kampala Area Federation of Communities (KAFOC) supported by ChildFund Uganda is a child focused agency with a focus on implementing interventions to fight child poverty in all its manifestations within families and communities in two districts of Kampala and Wakiso. KAFOC has been doing its work for the last 15 years and is currently working with 2300 enrolled children on its programmes, with 1 child enrolled per household and these children serve as entry points to the households. It carries out its work through 4 affiliate Community Based Organisations whose target categories are the Deprived, Excluded and Vulnerable children. The key interventions include Household Economic Strengthening; Strengthening of Community Based Child Protection Mechanisms; Parenting Education; Community Health; Children, Youth and Adult partnerships; Promotion of Literacy and numeracy development; Micro Enterprise Development Initiatives; Vocational skills development; Adolescent Sexual Reproductive Health (ASRH), among many others. KAFOC's supported households derive their livelihood from the informal sector i.e. self-employment in small trades such as small vegetables stalls, charcoal selling, roadside chips and chicken selling, second hand clothes. Others are engaged in casual labour such as, ferrying water or mixing concrete at building sites, carrying goods at the local markets, digging people's gardens, washing clothes for people, making crafts like beads, brick making, working in the quarries, etc. while majority especially children and women are family unpaid workers and others depend on social safety networks such as relatives, friends and well-wishers. Only a few people are employed in formal

jobs as civil servants. It is clear that the households are usually families with an average of four children in each household and the programme enrolls one child who is an entry point into the family.

In an attempt to strengthen families economically so that they are able to sustain themselves and provide basic needs such as food, medical, education for all the children in the household, KAFOC has continued with household strengthening among the enrolled households through different interventions. Such interventions include provision of Income Generating Activities (IGAs) to either boost or start a business; entrepreneurship training through Business skills management, financial literacy, Village Saving and Loan Associations (VSLAs) to promote saving culture and ensure growth of the IGAs. Over the years, KAFOC has spent huge investments into these interventions and over the years, annually at least 160 households, 40 from each of the supported CBOs are targeted and supported to grow their businesses. The households are assessed using a Household Vulnerability Assessment Tool (HVAT), the information is analysed to inform the different vulnerability categories i.e. the Destitute households, the Struggling households and the Growing households. After verifying the households that may be at the verge of falling through the safety net cracks, the identified households are taken through a training that is tailor made to fit their category and this includes basic financial literacy and business skills. This training is aimed at preparing benefitting households for the conditional cash transfers to enable them start small Income Generating Activities (IGAs) that they can run successfully and in the end are able to sustain and provide for their households in terms of basic needs for their children. During these trainings, other topics like parenting and child protection are also incorporated to remind parents that it's their role to protect their children and provide for them as opposed to sending

them to do child labour and also remind them of the children's rights and responsibilities, a call to them to work hard and make their businesses thrive.

In an International Business Research by Geoffrey, Nuwagaba & Nyende, Festo & Namanya, David. (2021), Sustainable business growth refers to the business ability to continuously contribute to its profitability while improving the quality of life of the workforce, and protecting the environment where it undertakes its operations (OECD, 2007). A business is sustainable when it embraces 3P's namely; People, Planet, and Profit (Kraaijenbrink, 2019). All these three aspects have to be satisfied before a business venture can be considered sustainable (Naguit, 2018).

KAFOC over the last 5 years has been investing about 60 million annually to support households with start-up capital. However, the household Vulnerability Assessment carried out by KAFOC between January-March 2024 on 1,857 households supported, the results showed a down trend with fewer households growing (23%), more households struggling (55%) and many households as destitute (22%) as seen in figure 1 below: which caused a need to undertake this study

Figure 1: Analysis of KAFOC’s HVAT Results 2024

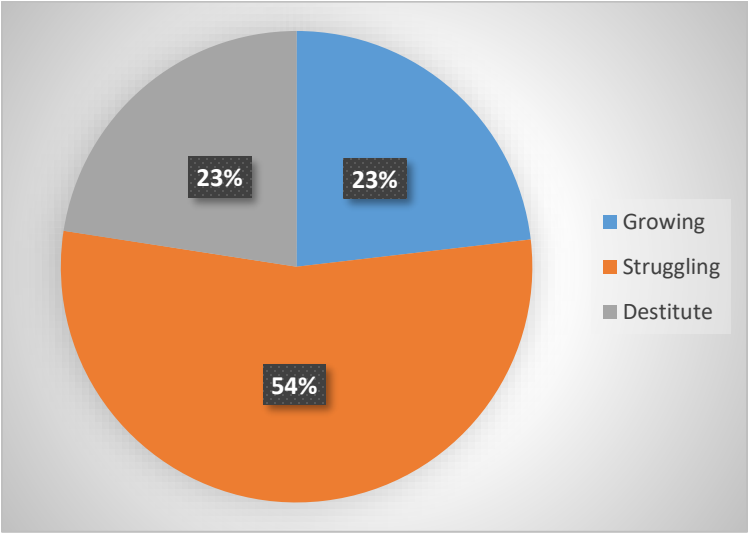


Figure 1: Analysis of KAFOC’s HVAT Results 2024

1.3 Statement of the Problem

The Uganda government has put some initiatives to help with poverty eradication such as the Parish Development Model launched in February 2022, *Emyooga* launched in August 2019, among others, to promote economic growth and improve on household livelihoods.

Despite all the efforts being put aside and capital grants given to households, many households are not able to grow their businesses and find basic provisions for their children.

Many businesses started by the households collapse within the first 6 months or the first year from their start time. The researcher, therefore, sought to find out, through this research, **the challenges of growing small businesses into self-sustaining businesses within Kampala Area Federation of Communities (KAFOC) supported households, and to establish reasons as to why the small business owners fail to grow their businesses into self-sustaining ones.**

1.4 Objectives of the study

1.4.1. Main Objective

The main objective of this study was to analyse the challenges of growing small businesses into self-sustaining businesses in Wakiso district using a case study of households supported by Kampala Area Federation of Communities (KAFOC) within Kira Municipality.

1.4.2. Specific Objectives

The specific objectives of this research were:

- i) To examine the impact of IGAs given to KAFOC supported households.
- ii) To identify the challenges that KAFOC supported households go through to grow their businesses into self-sustaining ones.
- iii) To explore what Kampala Area Federation of Communities (KAFOC) can do differently to enable the supported households grow their businesses into self-sustaining ones.

1.5. Research Questions

- i) What is the impact of IGAS on the economic empowerment of KAFOC supported households?
- ii) What are the challenges that KAFOC supported households go through to grow their businesses into self-sustaining ones?
- iii) What can Kampala Area Federation Of Communities (KAFOC) do differently to help more households grow their businesses and become self-sustaining?

1.6. Scope of the Study

1.6.1 Geographical scope

The research study was carried out within Wakiso district which is one of the districts where KAFOC operates with a focus on 40 households in Kira Municipality that had earlier been trained and received start up grants within the last 5 years (2018 - 2023). The research also targeted VSLA groups within the area of the study to measure how the saving culture is helping the households inject more into their businesses so as to grow them. The researcher chose this community out of the 4 supported communities because over the years, funds for medical alerts have been predominant in this community and the cry for support for school fees and registrations from the organisation has been high in this community compared to the other 3 communities despite the fact that many households have been supported to start businesses in order to sustain themselves and their children's basic needs.

1.6.2 Time scope

The study covered a period of five years, from 2018 to 2023. The study covered this period of 4-5 years because it's believed this is the suggested minimum number of years of financial data necessary to evaluate the performance of small enterprises. This author argued that one can reliably assess performance of an enterprise which has been in existence for a period of at least four years. 70% of small and medium enterprises that register every year do not survive to see their first birthday. It is only 20% of registered small businesses which live to see their 4th birthday (Godwin, 2010).

1.6.3 Discipline Content of the study.

The dissertation will focus on the disciplines of:

- i. Entrepreneurship: The study examined the challenges faced by small business owners in growing their business into self-sustaining businesses.

- ii. Small business Management: The research investigated the management practices used by small businesses supported by KAFOC and how these impact their growth.
- iii. Development Studies The study analysed the role of small businesses in contributing to poverty reduction within KAFOC supported households.

1.7 Justification

The researcher was motivated to carry out this research because many organisations, including KAFOC, seem to be operating in this geographical area of study but the real change in the way households live seem not to be seen as one that is growing in a positive direction, where children's basic needs are being provided for by their households. The business owners seem to lack the basic strategies to sustain their businesses for the long-term beyond one year. In addition, the researcher chose this community out of the 4 supported communities because over the years, funds for medical alerts have been predominant in this community and the cry for support for school fees and registrations from the organisation has been high in this community compared to the other three communities despite the fact that many households have been supported to start businesses in order to sustain themselves and their children's basic needs.

1.8 Significance

This research will contribute to the identification of why many vulnerable households are supported with income generating capital but the businesses hardly thrive and the households are left in dire need in providing for their children the basics and dependency on hand outs continues to grow and continues to be preferred by these households.

And as a result, will contribute to forging a way forward for organisations or other entities that are supporting this cause of poverty reduction within households.

The results of this research will support to inform the underlying conditions that are conducive when working with vulnerable households to grow their businesses and how these impact their growth and sustainability into income generating activities.

For donors, this research will contribute to an evaluation of the last 5 years on how much impact has been made through the much funds that have been put into income generating activities (IGAs) within vulnerable households in Wakiso district.

The lessons learnt from this case study will contribute to bettering the programme in other areas of operation for KAFOC.

1.9 Theoretical Framework

In this study the theoretical framework is based on key assumptions such as; small businesses supported by KAFOC face challenges such as inadequate business skills, insufficient market access; support given by KAFOC is essential for the growth and sustainability of small businesses; assumption that with the right support and resources, the small businesses can achieve self-sustainability and improve their livelihood.

Also a number of theories have been written by various scholars on the sustainability of small businesses that households begin and thoughts given on what is needed for households to be self-sustaining.

Sustainability comes from sustainable development, which simply means development that meets the needs of the present without compromising the ability of future generations to

meet their own needs (Brundtland, 1987). Scholars have defined sustainability differently, with complicated meanings and interpretations. According to Purvis et al. (2019), sustainability is a rise in the standards of living of the poor in terms of food, access to education, healthcare, water and actual income. In addition, Salas-Zapata and Ortiz-Muñoz (2019) view sustainability as the capacity to stand for a period of time. Furthermore, Elkington (1994) defines sustainability as the balancing of the environment, social and economic aspects. This is also known as the triple bottom line (TBL). John Elkington coined triple bottom line in 1994. Triple bottom line has been the emphasis of sustainability in business. According to Elkington (1997), Tripple Bottom Line (TBL) is a sustainability related theory with the aim to search for a better way to express sustainable actions. The theory considers three aspects in measuring business performance, practices and success of the organizations. These three aspects include; economic, social and environmental. (Kimuli, Saadat & Sendawula, Kasimu & Sabi, Humphrey. (2021).

According to Morse, Stephen & McNamara, Nora & Acholo, Moses. (2009). the book's central conclusion is that we must move beyond the concept of sustainable livelihood itself, with its in-built polarities between developed and developing nations, and embrace a more global notion of 'sustainable lifestyle'; a more nuanced and inclusive approach that encompasses not just how we make a sustainable living, but how we can live sustainable lives.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Small businesses are key drivers into building strong economic growth and providing employment in many countries. However, growing small businesses into self-sustaining businesses that celebrate their 1st birthday is still a huge challenge. Here below in the literature is to examine the challenges of growing small businesses into self-sustaining businesses with a focus on KAFOC supported households.

2.2 To examine the impact of IGAs given to KAFOC supported households.

In developing its 5-year Area Strategic Plan 2018 -2023, KAFOC put into consideration that the “most type of house for the households they serve is the tenement (locally known as mizigo) and the existence of these structures which are usually crowded together is a sign of both high population and housing density whereby a large number of people live on small pieces of land.” As a result, not much agriculture can be done and hence, KAFOC came up with interventions that could support households to counter the poverty levels that are within the households they serve. One of such interventions was household strengthening among the enrolled households through programs like provision of Income Generating Activities (IGAs) to either boost or start business; entrepreneurship training through business skill management; Financial literacy; Village Saving and Loan Associations (VSLAs) to promote saving culture and ensure growth of the IGAs. By choosing this intervention, KAFOC was aligning itself to the donors’ strategy on “building secure livelihoods through extended social assistance to households where by ChildFund’s livelihood programs focus on increasing household incomes

since low income is an underlying factor increasing vulnerabilities faced by children and their households.”

At the community level, many women are experiencing changes within their households. As women’s economic contributions to their families have increased, relationships between married couples have improved and women have reported less dependence on their husbands for support (Mangusho 2013). Additionally, due to their ability to access funds, women are now able to meet the basic social needs of their families, including healthcare and education for themselves and their children.

2.3 To identify the challenges that KAFOC supported households go through to grow businesses.

From a survey that was carried out by Tushabowe-Kazooba, Charles (2006) to establish the causes of small business failures in Uganda with a case study from businesses in Mbarara and Bushenyi towns as case studies, it is concluded that the causes of small businesses failure are multidimensional and diverse. They include poor management as well as political, economic, social, cultural and environmental factors. In practice, many of these are interrelated. The survey revealed that the startup factors posed a greater threat than those that are encountered once the business has been established. As such, business people who successfully negotiate the initial startup hurdles have greater chances of future success in their businesses. Despite the solutions sought over the years, the business community in Uganda is still hampered by the challenges. The study concludes by making a number of practical suggestions against business failure. Kibuuka, R (2017) poses Limited access to financing: Small businesses in Sub-urban Kampala face difficulties in accessing loans, credit, and other financial services due to lack of collateral, credit history, and high interest rates. Also (Beck & Dermirguc-Kunt,

2006) explains that small businesses often struggle to access credit and other financial services which can limit their ability to invest in their businesses and respond to market opportunities. (Gibb,1997) attributes that small business owners often lack the necessary skills and knowledge to manage their businesses effectively which can lead to poor decision-making and reduced competitiveness. The same argument was brought forward by Nabeta, C (2019) says small businesses in sub-urban Kampala often lack skilled and educated employees, leading to difficulties in managing and growing the business. Another point brought forward by (Kakembo, 2018) is on the Market competition: High competition from the established businesses and informal traders in sub-urban areas make it challenging for small businesses to gain market share and sustain themselves. This same point had been brought forward earlier by (Welter & Smallbone, 2006) whose opinion was that small businesses may struggle to access markets and customers, which can limit their ability to generate revenue and grow their businesses. Isaac, N. (2025, February 10), the New Vision “The Programme Manager of the Federation of Small and Medium-sized Enterprises, Clare Akaliza Gatete highlighted during a Mukono district digital skills training for the informal sector and micro small enterprises the challenges faced by SMEs in embracing e-commerce, including limited access to digital infrastructure, lack of digital skills and inadequate financing.” A study conducted by the Economic Policy Research Centre in November 2020 indicated that the majority of MSMEs interviewed lacked the adequate capacity or competence in the use of ICT technology. “This challenge was most prevalent among micro and small-scale enterprises. They were constrained by the high cost of the internet, Daniel Ayebare, the chairperson Uganda Financial Literacy Association said in The New Vision, February 10, 2025. Finally, but not least, a study by the (World Bank, 2019) highlighted that small businesses may face regulatory barriers such

as complex licensing requirements and high compliance costs which can limit their ability to operate and grow.

2.4 To explore what can be done differently to enable the supported households to grow their businesses into self-sustaining.

KAFOC being a non-government organisation provides support to low-income households in its operation area and the support includes training, mentorship and access to finance. Research shows that to a certain extent, KAFOC has improved the livelihoods of its members including increased income and improved food security (KAFOC 2020).

From the creation story, we see God was a worker. He spent six days working and on the 7th day he rested. Not only was God speaking but he was using his hands to complete creation. In this, we as his creation learn lessons, we do not only need to pray and see miracles but we need to work and he (God) blesses the work of our hands to give us profit as King Solomon rightly said in Proverbs 14:23 (New International Version), “All hard work brings a profit, but mere talk leads only to poverty.” Paul in his encouragement to the church in Macedonia had this for them in 1 Thessalonians 4:11-12 (New International version) “and to make it your ambition to lead a quiet life: You should mind your own business and work with your hands, just as we told you, so that your daily life may win the respect of outsiders and so that you will not be dependent on anybody.” Doing business and being successful in it is not only for our daily consumption and meeting our daily basic needs but it goes on to earn us respect in society. Paul while in Thessalonica went on to encourage the church to work with their hands lest they do not eat, 2 Thessalonians 3:10 (New International version) “For even when we were with you, we gave you this rule: “The one who is unwilling to work shall not eat.”

Child Fund Uganda implemented a project called ESFAM (Economic Strengthening to Keep and Reintegrate Children into Families) in November 16, 2015 - June 30, 2018. “The project goal was to test the effectiveness and cost efficiency of sequenced and overlapping economic strengthening interventions implemented at household levels to reduce the effects of key drivers of unnecessary family-child separation (poverty and lack of access to education).” In its theory of change, “ESFAM was grounded in the idea that effective Economic Strengthening interventions delivered at Household and child levels would reduce the effects of the primary drivers of unnecessary child separation (poverty and lack of access to education) and supporting children’s resilience and improvements in their status in the Household and community.” This can be illustrated as: Household economic strengthening leading to Increased income, savings, financial skills leading to keeping index child in school, meeting basic needs and leading to reduced risk of the primary drivers of unnecessary child-family separation (poverty and lack of access to education) and support for children’s resilience. ESFAM’s key learnings during the implementation of its mode of delivery in this project, “experience showed that Financial literacy training and coaching, caregivers developed positive attitudes to make rational financial decisions in spending household income on needs as opposed to wants and they also started appreciating the importance of saving for future household needs.” Key to note was that though tedious, regular cash flow assessments using their household cash flow assessment tool together with business skills training and coaching and mentoring sessions were a key factor in increasing the ability to make better use of financial resources and enhance accumulation of savings by destitute participants. Finally, but not least, VSLAs in the districts were a mechanism through which community members could learn how to manage and improve their household finances. From the conclusions made

by ESFAM project, Systematic capacity-building for household members and implementers is fundamental to implementing successful economic strengthening interventions like the home-based businesses. (CGillum, 2019)

According to a Business Journal Leadership Trust (Jan 11,2022), Servant leadership is key in nurturing the ongoing relationships you have with your customers which is an important strategy for creating goodwill in your community and building your business. Some of the ways of doing this as explained in the journal is by finding out your community needs through talking to your walk-in customers, attending community events or activities like the local council meetings where you get to talk to people as opposed to just setting up the business and you sit and wait. You have to exercise listening skills to people, every interaction with someone is time well spent and this can bring you more customers in the home business.

We should pursue sustainable entrepreneurship with the growing benefits. Small business owners could use it as a competitive advantage in terms of reputation, customer satisfaction, organizational commitment, financial performance, motivation of employees, risk management, market opportunities and improvement in internal business dynamics (Cantele and Zardini, 2018; Alani and Ezekiel, 2016).

The results from the study on household income poverty reduction (Benedict, 2014), it revealed that petty trade is the backbone of most of the traders as it has shown many changes in the lives of the respondents as they were more-able to tackle most of the instances that they could not when they were not engaged in petty trading. The study provides the effective measures to be done in order to improve the status of petty trade. However, taking on sustainability is costly for entrepreneurs in the short term though with multiple benefits in the long term (Kimanzi and Gamede, 2020).

In a philanthropy by Cartier (2022), Indeed, “to build sustainable households there is no one size fits all and the provision of capital and assets is important, but a holistic approach to programming that considers local challenges is critical in facilitating truly sustainable livelihoods. Providing capital or just cash is a quick fix but it does not solve the issue as ending extreme poverty requires long term and sustainable impact.” Auma said

From the literature review above, while there is a growing body of research on the challenges faced by small businesses, there is a need for more research on the specific challenges faced by the small businesses within Kira Municipality, Wakiso district particularly those households supported by KAFOC. Therefore, this study is aimed to address this research gap by exploring the challenges faced by small businesses supported by KAFOC and what can be done differently to enable these businesses survive their 1st birthday and grow into self-sustaining businesses.

This literature review has highlighted the challenges faces by small businesses which include limited access to finance; lack of business skills and knowledge; inadequate market access; and regulatory barriers. This review has also highlighted the importance of support NGO’s like KAFOC in improving the livelihoods of small business owners. This study aims to contribute to

the existing body of research by exploring the challenges faced by small businesses supported by KAFOC.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter represent the methodologies that the researcher applied to address the four research questions. The methodologies include the research design, the study population, the sampling size, the research instruments, the data processing and analysis of the data.

3.2 Research Design

The researcher used a mixed methods research design combining both the qualitative and quantitative approaches where the qualitative approach involved interviews and Focus group discussions to gather data on challenges faced by the small businesses. Then the quantitative approach involved survey to collect numerical data on the challenges faced by small businesses in transitioning to self-sustaining businesses and to identify the strategies and factors that can facilitate successful growth and sustainability of their businesses. The mixed methods helped provide a comprehensive understanding of the research questions.

First, the researcher collected qualitative data through semi structured interviews with small business owners that were supported by KAFOC within the last 5 years. **Purposive or Judgement sampling method** was used to select the respondents.

Secondly, the researcher collected some qualitative data from staff and community leader using Survey questionnaires, and Focus Group Discussions (FGD). The FGDs were with members of 2 VSLA groups that some of the supported households belong too.

When the data was collected, it was analysed to identify the main themes standing out and the relationships in these themes.

3.3 Area of Study

The research study was carried out within Wakiso district which is one of the districts where KAFOC operates with a focus on households in Kira Municipality that were trained and received start up grants within the last 5 years (2018 - 2023). Kira Municipality is a rapidly growing urban centre situated approximately 14 kilometers northeast of Kampala, the capital city of Uganda covering an area of about 98 square kilometers.

3.4 Sources of information

The primary sources of information were the original data collected through the in-depth interviews conducted with 40 households, use of survey questionnaires with 6 staff and community leaders, 2 Focus Group Discussions with VSLA groups where some of the small business owners belong and general observations during data collection. Other sources of information included the Online resources like websites with journals, reports, local newspapers, research papers, google scholar, reports and dissertations completed by other students.

3.5 Population and Sampling Techniques

Population is referred to as the entire group of people or objects that the researcher wants to study, describe, or generalize about (Creswell, 2009). (Kerlinger, 1973) defines a study population as the entire group of individuals or objects that the researcher is interested in understanding or describing. Another scholar, (Polit and Beck, 2010) defines a population as

the entire aggregate of cases that the researcher wishes to describe or make inferences about. The target population included small business owners who are members of KAFOC supported households and operate their businesses within Kira Municipality, Wakiso district. Also the households must have been supported within the last 5 years and were willing to participate in the study.

Therefore, the study targeted 40 respondents which included charcoal sellers, retail shops, market vendors, Selling water, clothes hawkers, goat farming, chapatti

The researcher used **Purposive or Judgement sampling method** to select the respondents. These were selected from the data of households that have been supported to start different small businesses within the last 5 years. This data is kept at KAFOC's office in Kireka within Namugongo division, Kira Municipality. The population was divided into strata of 20 supported households across the different villages within Kira Municipality (Kireka, Kirinya, Kasokoso, Bweyogerere and Kungu) then with the help of simple random sampling each strata gave the researcher 8 respondents.

For VSLA groups, 2 were sampled from those that are supported by KAFOC, Kireka office. Staff and community leaders were also sampled because these were expected to have firsthand information about the study. This method is important because it is dictated by the nature of the study which aims at getting information from specific respondents.

3.6 Data Collection

3.6.1 Procedure for Data Collection

First, given that the researcher had a case study of an organisation, the organisation Board and the Senior Management Team were informed about the research goals and the potential outcomes during a Board meeting, the researcher gave an overview of the study and explained why the study was important and the Board officially gave a go ahead for this research.

The researcher then carried out an informal awareness raising with the staff and the community leaders before engaging the households in this research.

The researcher developed the tools which were shared with the research supervisor for approval. Upon approval the researcher identified a research assistant and went through the tools together. The tools were then tested with three respondents.

The research assistant started data collection which was conducted for two months in the months of November to December 2024.

3.6.2 Data Collection Instruments

- i) **Survey Questionnaire:** This is the discussion in written form where by the responses of the respondents are put on paper provided by the researcher. The survey questionnaire targeted the staff and the community leaders and it had open-ended questions in which the responses by the respondents were given according to the way they understood the questions. The researcher designed the questionnaires and distributed them by email to ten members of staff and community leaders though received responses from only 6 respondents. The researcher gave the respondents

1 week to fill in the questionnaire. The questionnaire is a good easy tool to share with staff on email and get responses relatively quickly and there is no need for the researcher to be present.

- ii) **Interview Guide:** This involved face-to-face interaction between the researcher and the participant through discussion. The researcher engaged a data assistant who was trained to support with data collection. The interviews were both structured interviews whereby the respondents gave brief specific responses and then unstructured interviews where the respondents gave long and very elaborate responses. The interviews were conducted with individuals that had been sampled and then 2 VSLA Focus Group Discussions were held. This enabled the researcher to get first-hand information from the respondents themselves and it was very detailed on how people feel, what are their perceptions and also enabled to know their opinions on the businesses they do. More other questions were prompted during the interviews to enable the researcher understand more the real issues.
- iii) **Observation Checklist:** This involved systematic observations by the researcher of behaviors of the respondents, observing their surrounding and how business goes on in their locations.

3.6.3 Data Collection Methods

Ormrod, (2001) stated that data collection methods are an important aspect of any type of research study. Inaccurate data collection can impact the results of a study and ultimately lead to invalid results. Document reviews, Literature reviews, Conducting Interviews, Focus Group Discussions and Observations were the methods the researcher used to carry out this research.

- i) **Document reviews:** Documentary review of KAFOC's records and reports on their support services including training, mentorship and financing helped the researcher to know which households fitted the research criteria to enable the sampling of respondents.
- ii) **Literature reviews:** Literature review of the existing literature on small businesses helped to know some of the already identified challenges, growth strategies and support services given to enable small businesses grow.
- iii) **Interviews:** Conducting interviews with members of the supported households gave the researcher qualitative data on their experiences, challenges and growth strategies in running small businesses.
- iv) **Focus Group Discussions (FGDs):** FGDs with the VSLA group members helped to understand if they are saving from their profits earned in their groups but also to know if the groups are counting the IGAs a benefit to their household incomes.
- v) **Observation:** Observation as a method of data collection helped the researcher to see for themselves what the experiences are for the members of the households and the challenges they face as they grow their businesses.

3.7 Quality / Error Control

The researcher minimized errors through different ways during data collection:

- i) The researcher gave a lot of time into coming up with survey, interview and Focus Group Discussion questions so as to make sure questions asked were clear and in simple language that could clearly be understood. These were piloted through

testing with a few people within the community and the issues identified were rectified.

- ii) The researcher took time to go through the questionnaires with the data collector / Research Assistant to be sure he clearly understood the questions and what sort of interpretation could be needed for households that did not understand English.
- iii) The data collector / Research Assistant engaged by the researcher was one who had not worked with the sampled households to avoid bias and carried out data validation at the point of collection to ensure accuracy and completeness from the respondents.
- iv) At data entry and management, the researcher alongside the data collector carried out the data cleaning and made the necessary edits to ensure the data accuracy and consistency.

3.8 Data Processing and analysis

Qualitative data collected from the interviews and documents analysis was processed following three stages namely; screening, coding and tabulation. Similar views and responses were screened and identified then coded according to the codes in the questionnaires in order to derive figures and tables.

To analyse the data, the researcher identified themes and patterns in textual data while paying attention to the frequencies in which themes and patterns were coming along.

The researcher used Microsoft Excel software for data manipulation and analysis by in putting the data in an excel spreadsheet to obtain an aggregate of the information collected and then compiled a narrative analysis of the data while documenting key themes. The excel

spreadsheet allowed for the table format of responses. And the final step here was to interpret data in relation to the main research question: Challenges of growing small businesses into self-sustaining businesses and draw meaningful conclusions from the analysis findings. The researcher then presented the findings in a clear and concise manner.

3.9 Ethical considerations

The researcher had a consent form (Appendix a) to enable participants understand that their involvement was voluntary and those who agreed signed the consent form before data collection started.

The researcher considered confidentiality and anonymity of the participants by using codes in sequential to mark the respondents forms without using their names to prevent identification and ensuring the respondents personal data protection regulations are not infringed upon. Information given by the respondents on the subject of the research will be used for no other purposes but the research it was intended.

The researcher and the data collector exercised professionalism treating the participants with respect, dignity and professionalism avoiding exploitation in any way.

Having completed this research, the interview questionnaires are being kept very well by the researcher under key and lock till such a time for which the research was intended that they will be destroyed.

3.10 Methodological constraints

Some of the limits and weaknesses of the methods and tools employed in this research and their effect on the findings included:

- i) Time consuming, that is to say, the researcher spent a lot of time carrying out interviews since the method involved an in-depth understanding of the challenges at hand as faced by business owners. This resulted into prolonged time in data collection.
- ii) Due to in-depth data collection through interviews, the sample size was limited to only 40 respondents hence limiting external participation for those that are not part of KAFOC households.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSION OF FINDINGS

4.1 Introduction

This chapter generally combines findings or results and their discussion as arising from this study. It specifically analyses, presents, interprets, and discusses findings or results of the data which was collected, by comparing what was established in this study with what other scholars have established. This was done in order to establish and analyze the challenges of growing small businesses into self-sustaining businesses, with a case study of KAFOC supported households. The research was conducted in line with the following objectives, whose findings are here below analysed, presented, interpreted, and discussed:

4.2.1 To examine the impact of IGAs given to KAFOC supported households.

The findings of the study indicated that majority of the small business owners were females (78%) compared to men. The findings also indicated more self-sustaining businesses are those of women compared to the men. Further, the findings indicate that more women are the primary bread winners for their households (53%). These findings are in line with a study done by Pew Research Centre (2019), Women are making significant strides as entrepreneurs and breadwinners despite the many challenges such as managing societal expectations and overcoming financial stress. Therefore, it's very important to recognize the contribution and support the contributions of women as bread winners and entrepreneurs in small businesses. Also another study by Mangusho (2013) indicated that at community level, many women are experiencing changes within their households. As women's economic contributions to their families have increased, relationships between married couples have improved and women

have reported less dependence on their husbands for support. Additionally, due to their ability to access funds, women are now able to meet the basic social needs of their families, including healthcare and education for themselves and their children.

4.2.2 To identify the challenges that KAFOC supported households go through to grow businesses.

The findings of the study indicated that the challenges that the households go through to grow their businesses are very diverse and multi-dimensional which gave a 40% while poor management contributes to 45%. These findings are in line with a survey that was carried out by Tushabowe-Kazooba, Charles (2006) to establish the causes of small business failures in Uganda with a case study from businesses in Mbarara and Bushenyi towns as case studies, it is concluded that the causes of small businesses failure are multidimensional and diverse. They include poor management as well as political, economic, social, cultural and environmental factors. In practice, many of these are interrelated.

4.2.3 To explore what can be done differently to enable the supported households to grow their businesses into self-sustaining.

The findings indicated that an increase in the startup capital (38%) and an increase in monitoring of the businesses at 38% would help the households improve and grow their businesses. It further indicated that an improvement in proper record keeping (21%) and Proper business management (17%) would be a great boost to the improvement by the households. These findings align with a study in a philanthropy by Cartier (2022), Indeed, “to build sustainable households there is no one size fits all and the provision of capital and assets is important, but a holistic approach to programming that considers local challenges is critical

in facilitating truly sustainable livelihoods. And because one size does not fit all, you find other factors such as improving on the quality of supplies in the business also being applicable. The analysis was done in reference to the objectives of the study and the data presented in form of charts, tables, and graphs as presented below:

4.3 Response rate and Personal information of respondents

The estimated sample size for the research was 40 respondents who were to be interviewed and yes, the response rate was 100% as shown in the demographic data of respondents in figure 2 below.

Gender: based on the findings being evident that majority of the small businesses are run by female. This is evident that 78% of the small businesses owners are females within KAFOC’s supported households and only 22% are male.

Figure 2: Gender of respondents.

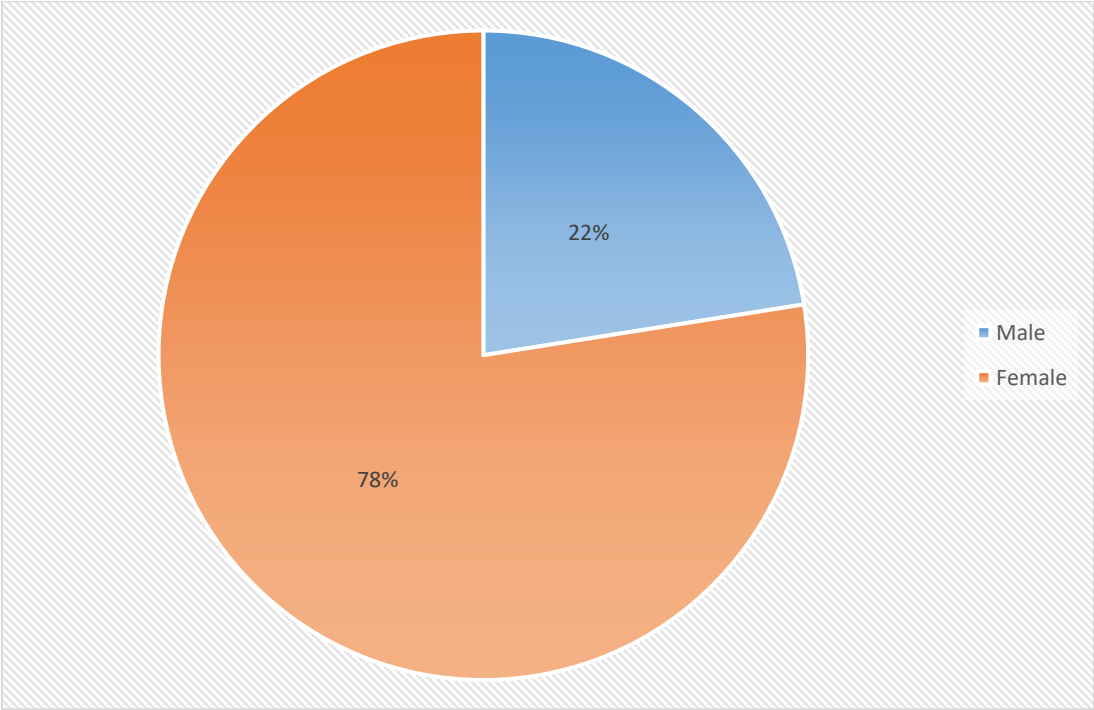


Figure 2: Gender of respondents.

Sustainability rate of businesses according to gender: The research findings indicate that the females stood higher chances of sustaining their businesses compared to the male.

Figure 3: Sustainability rates between male and female

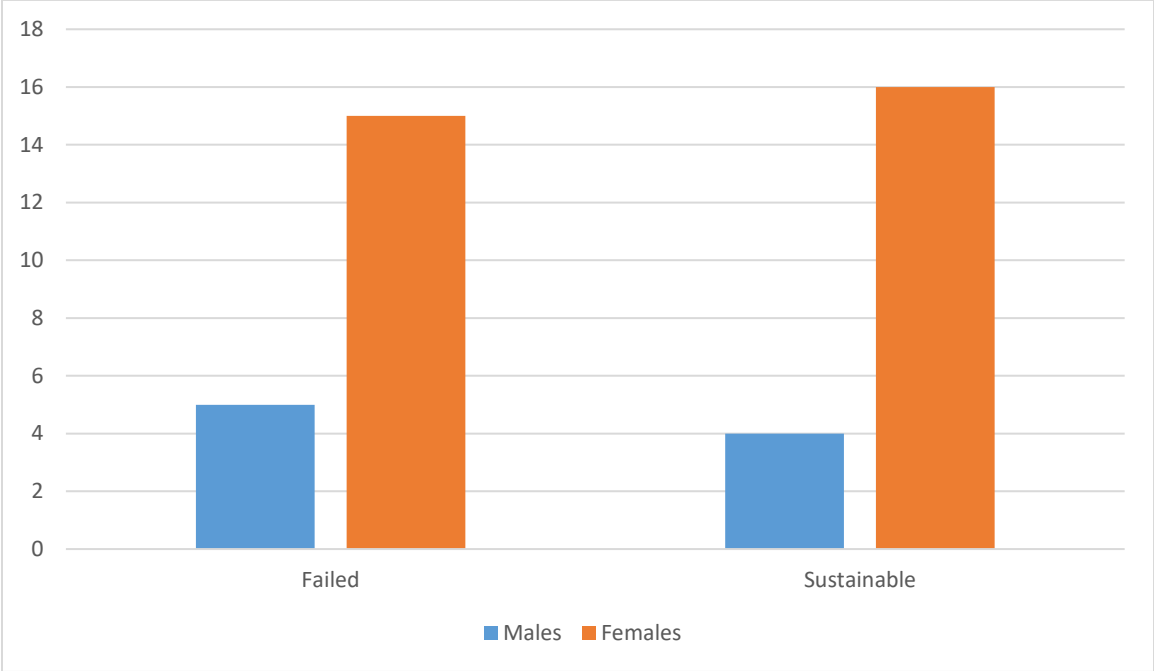


Figure 3:Sustainability rates between male and female

Sustainability rate of businesses owners in age: The research findings indicate that majority of businesses that are self-sustaining and still exist, the owners are between the age bracket of 36 - 53 which is a very prime working age and generally considered the backbone of Uganda’s business sector while the failure rates are high at age 54-59 which is considered to be affected by more challenges related to adopting to new technologies, accessing financing and also managing the physical demands of running a business as seen in figure 4 below:

Figure 4: Sustainability rate of business owners in age

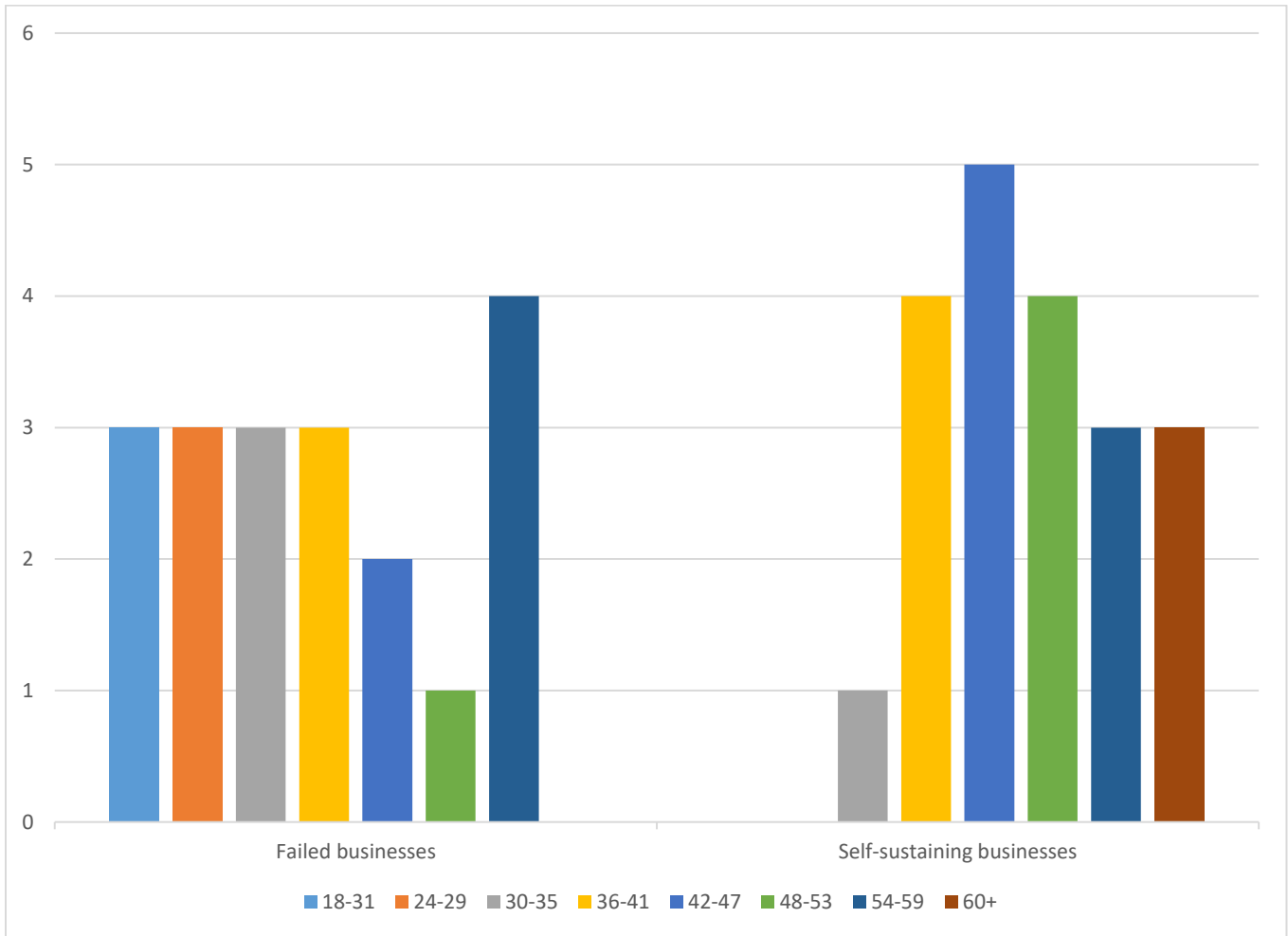


Figure 4: Sustainability rate of business owners in age

Marital Status: The study revealed that majority of businesses that were self-sustaining were those of married people and those that had failed were mostly those of the people who had separated as seen in figure 5 below:

Figure 5: Marital status

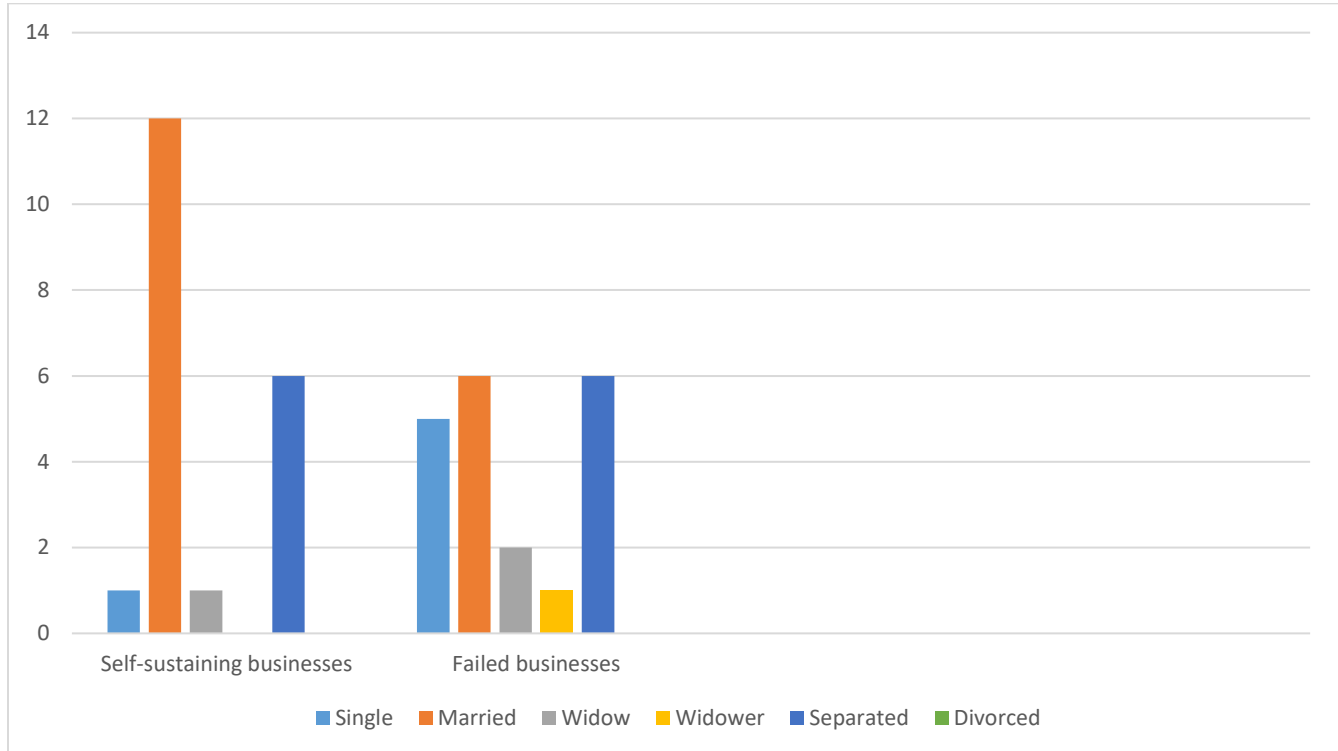


Figure 5: Marital status

The success of the married people’s businesses can be attributed to the stability of the family life which can provide emotional support and help them cope with business related stress but also shared family responsibilities that ease them to focus on the business. A study by the National Federation of Independent Business (NFIB) found that 71% of business owners are married; 21% are single; 5% are divorced and 3 % are separated.

Education Level of the respondents: The data in figure 6 below reveals that at least a big number of the respondents have received an education with majority having attained up to upper primary. The data also reveals that in the failed businesses, some of the business owners had not attained any education at all which poses challenges such as understanding and applying book keeping, staying up to date with best business practices, etc. Because of

the imbalances in education according to this data, a lot of care needs to be taken when designing skilling training programmes for the households before giving them capital for their businesses. And the trainings need to be basic with the simplicity of languages that can be understood by all, otherwise, key information will be missed.

Figure 6: Education Level

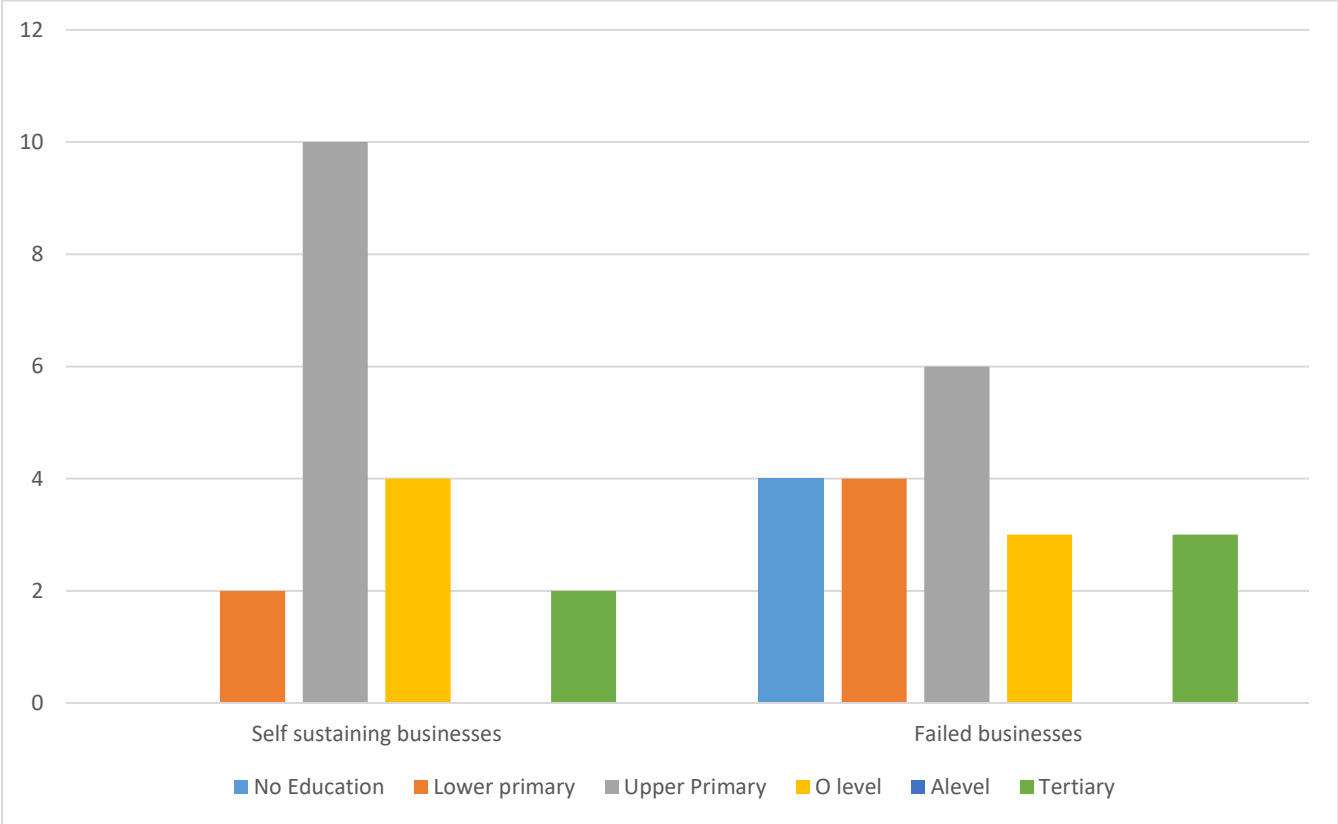


Figure 6:: Education Level

Living status: The study findings in figure 7 below reveal that majority of the businesses that are self-sustaining, the owners are staying in their own homes or the business areas are not rented. And most of the businesses that failed are in rented homes or rented business areas which they attributed to increased costs of living where most of the profits go into paying rent.

Figure 7: Living Status

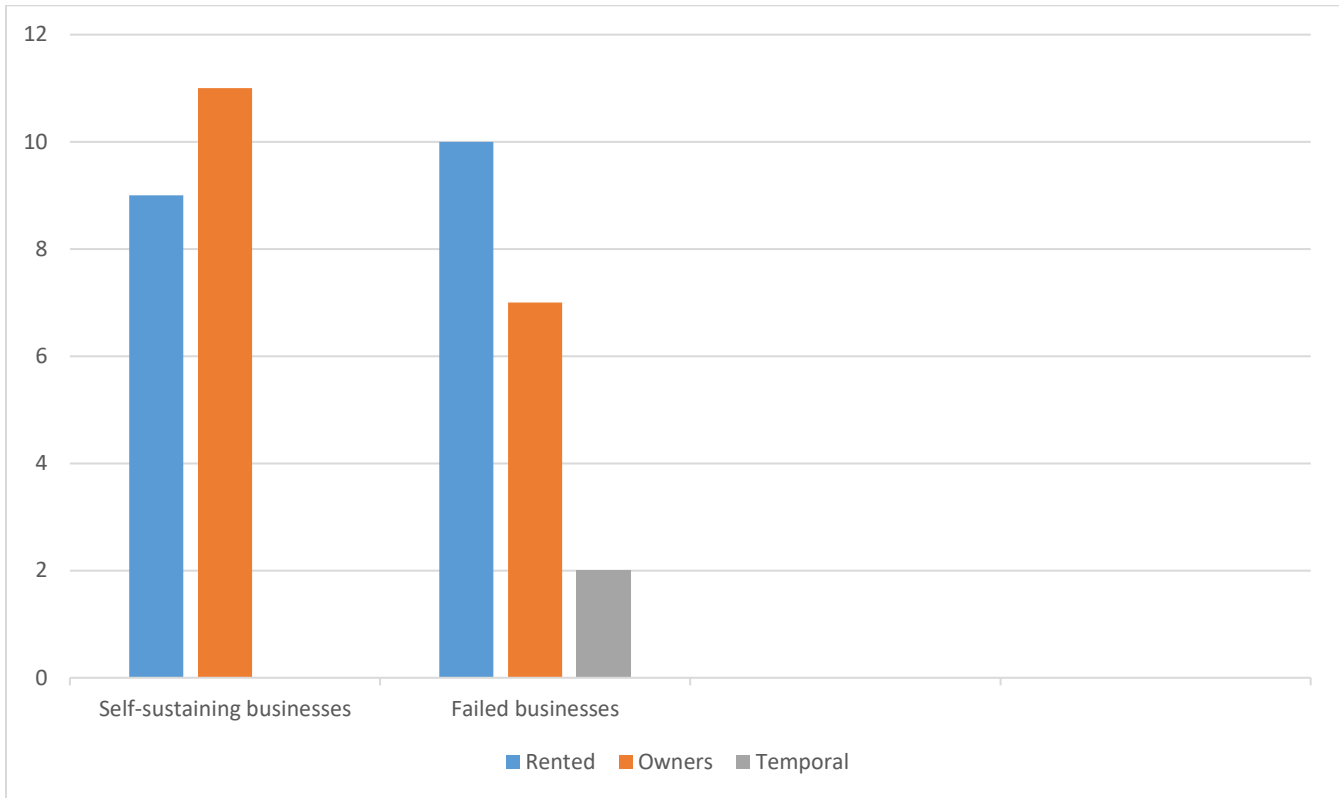


Figure 7: Living Status

4.2 Business information

Nature of business: The findings in this data as seen in figure 8 and through observation while collecting data, most of the households whose businesses were self-sustaining are the ones that had moved away from the traditional known businesses that they had got capital for from the organisation and started something else. Most of the ones that stuck to the traditional businesses they had received capital for had failed.

Figure 8: Nature of business

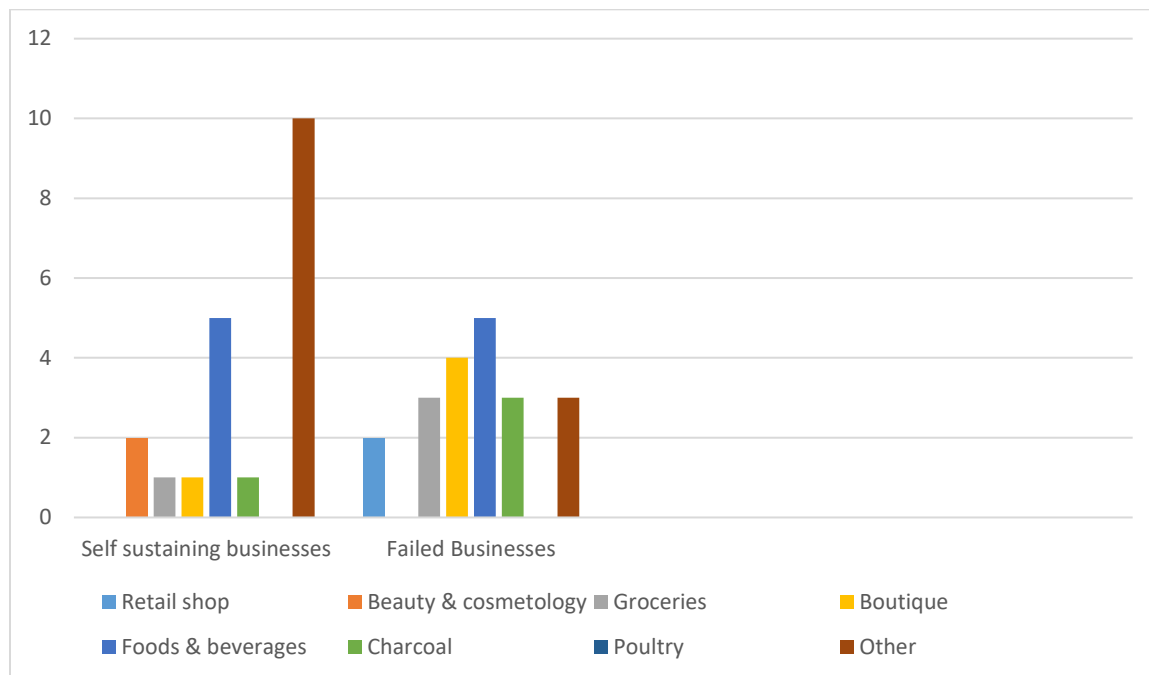


Figure 8: Nature of business

Household bread winners: In figure 9 below, we see that the mothers play an important role in meeting the needs of their households at 53% as compared to the fathers at 39%. This observation co-relates with the findings in figure 1 and figure 2, the women being more entrepreneur than men since research suggests that women are increasingly becoming the primary bread winners in many households. Pew Research Centre (2019), Women are making significant strides as entrepreneurs and breadwinners despite the many challenges such as managing societal expectations and overcoming financial stress. Therefore, it's very important to recognize the contribution and support the contributions of women as bread winners and entrepreneurs in small businesses.

Figure 9: Main household bread winners

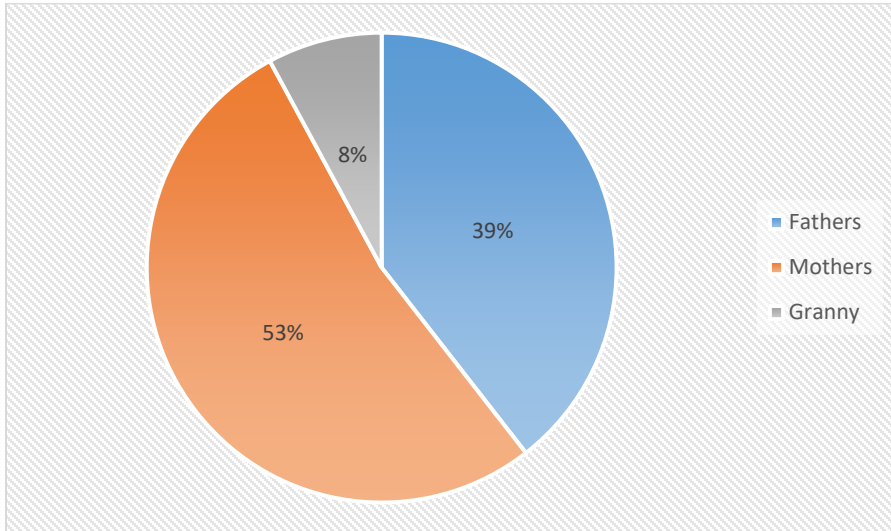


Figure 9: Main household bread winners

Number of Dependents in the households whose businesses failed: Based on the findings from the families whose businesses failed, it's evident that they had many dependents whose basic needs were being met from this small business making it a struggle to maintain financial stability leading to challenges to sustain the business. Also the many dependents lead to financial stress which can in the long run negatively impact business decisions and the overall well-being with less likelihood of investing more in the business which hinders its growth and self-sustainability as seen in the figure 9 below:

Figure 10: Dependents in the households whose businesses failed

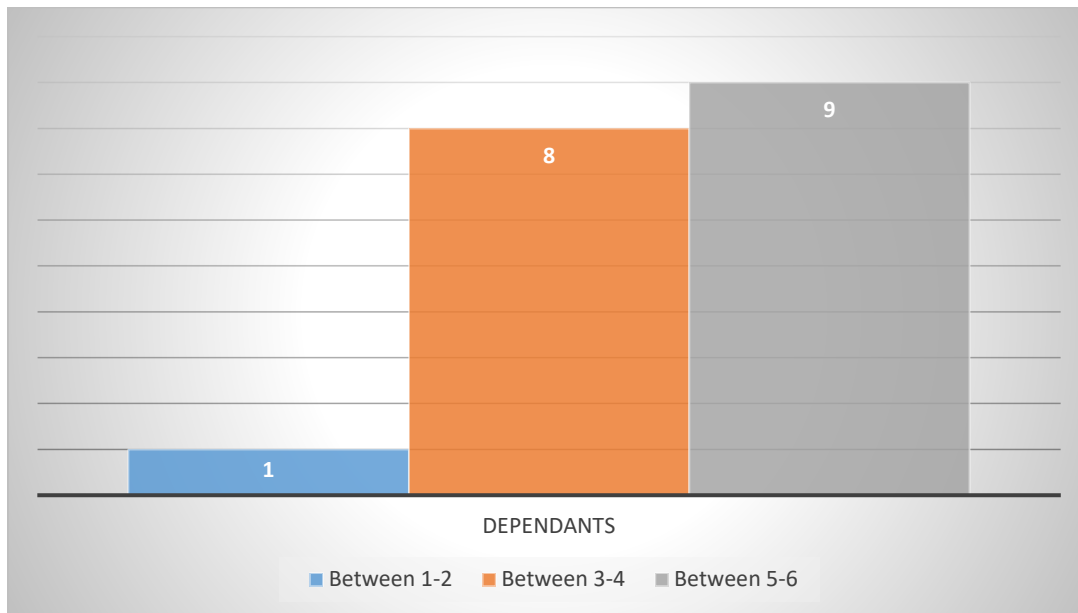


Figure 10: Dependents in the households whose businesses failed.

Business preference: The findings from this study with respondents of businesses that failed reveal that 65% of them confirmed these were their preferred businesses from the initial start while 35% felt it was not the preferred businesses as seen in figure 11 below. Much as the businesses were their preferred choices, other factors as seen in the other figures contributed to the failure rates. The 35% that did not really start businesses that were not their first priority started these businesses without clear studies of the business market and how the businesses work.

Figure 11: Business Preference

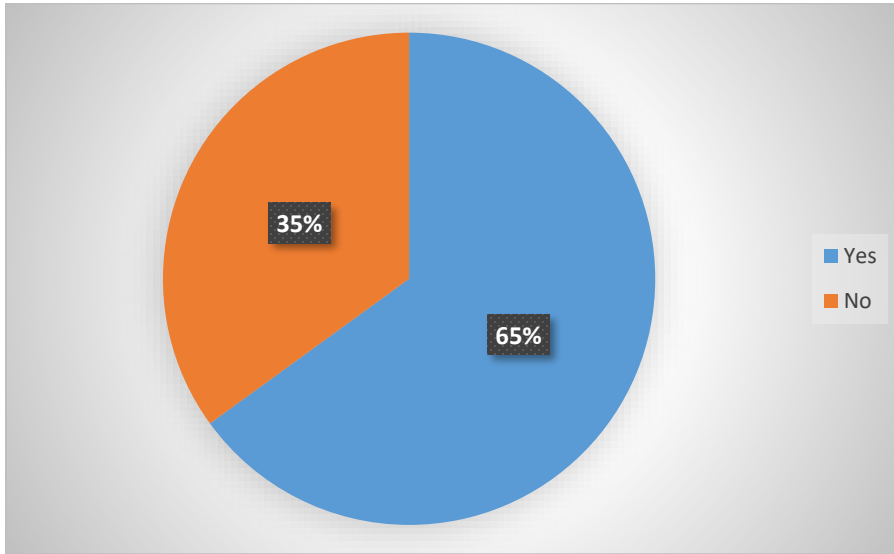


Figure 11: Business Preference

Duration in the business: The findings show that the businesses that lasted to at least their 1st birthday were 60% but as time went on, they started failing and dying out as seen below:

Figure 12: Duration in the business

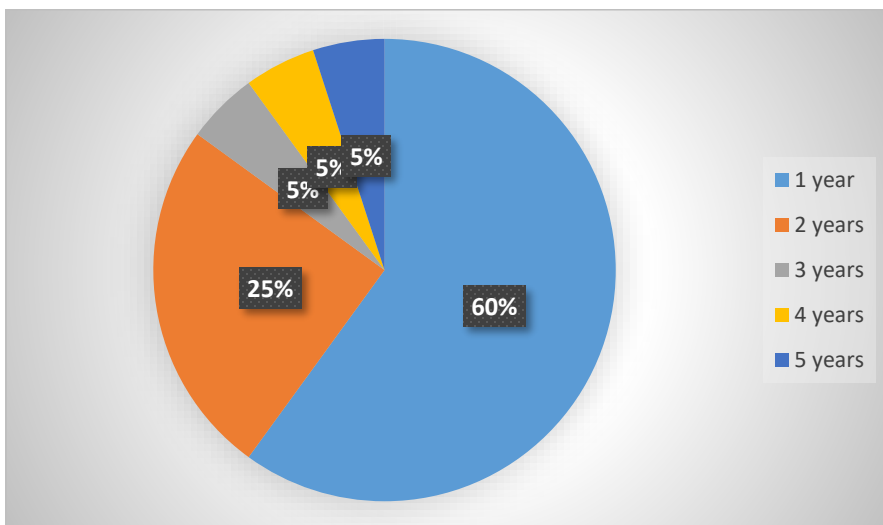


Figure 12: Duration in the business

Attributes to failures of businesses: The study revealed that the high failure rates were attributed to poor management of the business. The respondents had earlier acknowledged 100% that they received a training from KAFOC before they were supported with capital but the good practices were not implemented in their businesses such as record keeping and thus the high failure rate of their businesses as seen in figure 13 below:

Figure 13: Attributes to failures of businesses

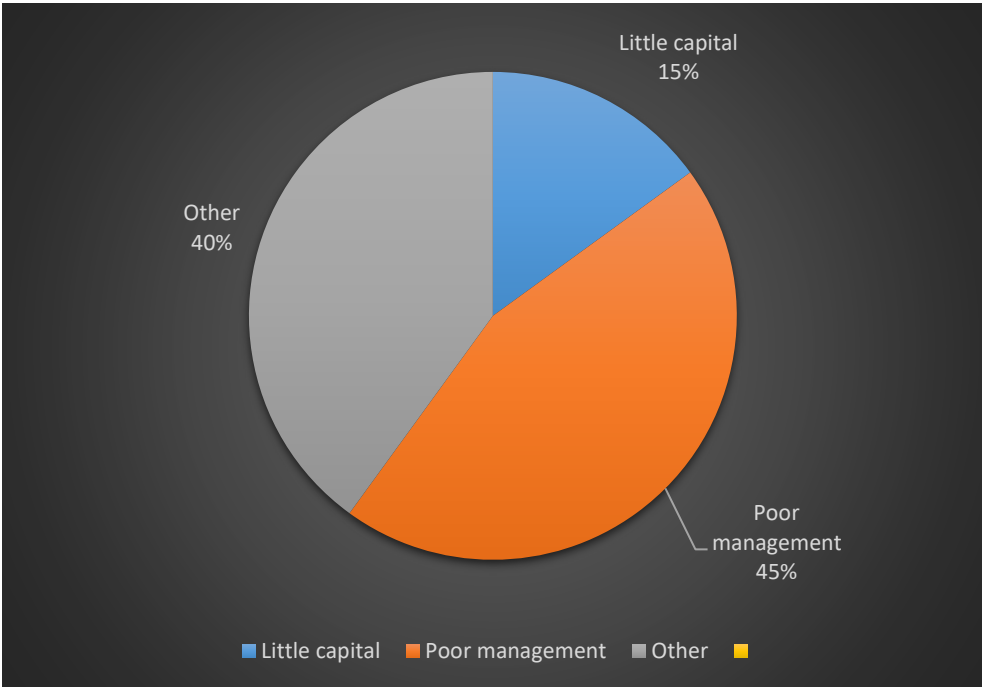


Figure 13:Attributes to failures of businesses

Table 1: Analysis of hindering factors that make a business grow to be self-sustaining

	Success factors	Frequency of Responses	Percentage
a.	Quality supplies are important	3	13%
b.	Stay focused on the business	1	4%
c.	Proper business Management	4	17%
d.	Put time into the business	2	8%
e.	Proper Planning	1	4%
f.	Good customer care is a must	4	17%
g.	Proper record keeping	5	21%
h.	Ready market is key	1	4%
i.	Market study / survey is important	1	4%
j.	Start something you are passionate about	1	4%

Table 1: Analysis of hindering factors that make a business grow to be self-sustaining

This shows that the highest success factor for building a self-sustaining business is proper record keeping with 21% and then having proper business management in place with 17%.

Table 2: Analysis of what KAFOC can do differently to support households grow their businesses to be self-sustaining.

	Support needed	Frequency of Responses	Percentage
a.	Should consider businesses that parents put as 1 st priority.	1	4%
b.	Increase on amount of startup capital given.	8	38%
c.	Improve monitoring of the businesses.	8	38%
d.	Do not rush parents when buying business items.	1	4%
e.	Give parents enough time to come up with the right	1	4%
f.	businesses.	1	4%
g.	Support parents whose businesses failed to re-start.	1	4%
	Keep up the good work of supporting more parents.		
a.	Increase on amount of startup capital given to those doing well after follow up.	2	9%
b.	Improve on monitoring of the businesses.	8	36%
c.	Keep up the good work of supporting more parents.	1	5%
d.	Increase on amount of startup capital given.	3	13%
e.	Not everyone can handle business, KAAFOC to be keen on selecting who can handle.	1	5%
f.	After a few years, add more capital to parents.	4	18%
g.	Carry out more research on the micro business project.	1	5%
h.	No advise but just grateful to KAFOC.	2	9%

Table 2: Analysis of what KAFOC can do differently to support households grow their businesses to be self-sustaining

The findings in the table above show that KAFOC needs to increase on the amount of startup capital given to business owners and also continue monitoring to be sure that the skills taught prior are being implemented.

Analysis of FGD data collected from 2 VSLA groups: The two groups that had a focus group discussion, one group had 10 members being KAFOC supported households and one group had 8 members being KAFOC supported households. The data was analysed using thematic analysis and these were the key themes that emerged:

1. Theme 1: Financial challenges: - Some members run away with member's money; Poor attendance of the savings meetings by members; Lack of saving skills / culture by members; Limited capital in members' businesses; Members do not want to borrow from other institutions but only their VSLA group; Big households that depend on the business for basic needs.
2. Theme 2: Competition: - The households almost sell the same things with not much creativity to diversify; There is limited market access for their products outside their vicinity; more trainings needed in business skills management.
3. Theme 3: Appreciation: - The households appreciate the IGAs given by KAFOC; the knowledge given to them through training them in Micro- enterprise development; the organisation to continue supporting the households with startup capital.

The findings suggest that KAFOC supported households face significant challenges in growing their small businesses into self-sustaining businesses given the financial challenges above and the business competition with not much market for their products. The findings also highlight the need for more business skills management training. Despite the many

challenges, the households appreciate the support given by KAFOC to enable them start businesses so as to be able to meet the basic needs of their dependents.

Analysis of Survey data collected from staff and community leaders: The researcher sent out surveys to 10 respondents and received 6 forms back, giving a 60% of respondents. The data was analysed using descriptive thematic analysis and these were the key themes that emerged:

1. Theme 1: Attitudes of supported households: - Very positive and grateful to have been considered; those whose businesses are self-sustaining are grateful while those whose businesses failed dis-credit this intervention; some want to benefit over and over again so if not given more capital, they curse the project; Strong sense of ownership over their businesses; happy to receive free capital.
2. Theme 2: KAFOC’s strength and weaknesses:

Table 3: Strengths and weakness of KAFOC’s implementation

	Strengths	Weaknesses
i.	Preparation and training of beneficiaries.	No market survey.
ii.	Purchasing items with the beneficiaries NOT	Poor business monitoring.
iii.	cash.	Giving a standard figure for all businesses.
iv.	Knowledgeable staff on business management.	Limited resources.
v.	Selection process of beneficiaries is	The HVAT tool is abused leading to wrong
vi.	transparent.	choice of beneficiaries.
	Enabled many households to be self-sustaining.	
	Community involvement.	

Table 3:Strengths and weakness of KAFOC’s implementation

From the table above, KAFOC has realised more strengths in supporting households with startup capital for their small businesses enabling them to be self-reliant meeting basic needs of their children.

3. Theme 3: Self-sustaining businesses good attributes: - Passion for the businesses, Time for the business, carry out market research, Record keeping, grow customer base, have skills, Patience, persistence, diversification of businesses, saving culture, Commitment, ownership of the business, effective financial management, strong community support, innovative business practices, vision from business owner, location of business and business choice.

The findings from the themes above suggest that staff and community leaders perceive KAFOC's support services especially the training, mentorship, monitoring as being effective in addressing the challenges the businesses face and there is room for improvement in the financing and market research support.

Also KAFOC should continue to provide business skills training focusing on areas such as financial management and it should also continue with regular monitoring and evaluation of its support structure and make adjustments as need arises to better support the small businesses.

CHAPTER FIVE:

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the conclusions and recommendations drawn from the study on the challenges of growing small businesses into self-sustaining businesses within KAFOC supported households. The study aimed to examine the impact of IGAs given to KAFOC supported households; to identify the challenges that KAFOC supported households go through to grow businesses; and to explore what Kampala Area Federation Of Communities (KAFOC) can do differently to enable the supported households grow their businesses into self-sustaining ones in Wakiso, Uganda. Based on the findings of this study as per its stated objectives, the following conclusions are derived:

5.2 Conclusions

1. The study aimed to examine the impact of IGAs given to KAFOC supported households, the findings indicated that women who play an important role in meeting the needs of their household are increasingly become more entrepreneurs. Also the findings indicated more entrepreneur progress among the prime working age group of 36 to 53 years which is considered the back born of Uganda's business sector. And finally findings have proved that households that diversified businesses were more self-sustaining.
2. To identify the challenges that KAFOC supported households go through to grow businesses, the findings revealed that small businesses face very many challenges including financial constraints, big numbers of dependents, inadequate business skills, limited market access. The study also highlighted the importance of support services

such as trainings, mentorship and monitoring in helping the small businesses to overcome these challenges.

3. To explore what Kampala Area Federation of Communities (KAFOC) can do differently to enable the supported households grow their businesses into self-sustaining ones, the findings suggest that KAFOC should increase on the amount of startup capital, improve on the monitoring of the businesses and support households to manage proper record keeping.

The study conclusions are based on the analysis of the qualitative data which provides an understanding of the challenges faced by small businesses.

5.3 Recommendations

Based on the conclusions of this study, the following recommendations are made to help summarise the steps that need to be taken to help fix the challenges households supported by KAFOC go through in growing small businesses into self-sustaining businesses.

Action question: What can KAFOC do differently to help more households grow their businesses and become self-sustaining?

According to the study, these are some recommendations that can help improve KAFOC supported households' small businesses into self-sustaining ones:

5.3.1 To the Business Owners:

- (a) Small business owners should do market research on the businesses they want to do before they start them including looking at their locations and what is marketable there.

- (b) Small business owners should improve their business planning and management skills to better manage their finances, their market and their operations.
- (c) The small business owners should diversify their products and services to reduce dependence on a single product or service.
- (d) The small business owners should work with other partnerships and organisations to access new markets, technology and resources.

5.3.2 To KAFOC Senior Management and Board:

- (a) Increase on the monitoring of the businesses that have started. Best to have a monitoring team in place that can give support for at least the first 6 months from establishment of the business.
- (b) Increase on the amount of startup capital given to a household. For instance, people dealing in poultry, the start feeds be given for the first few months.
- (c) Introduce more personalized business development support including mentoring and follow-up together with ensuring a tailored approach to each household's unique needs and challenges as opposed to the one size fits all approaches.

5.3.3 To Policy makers and Government:

The government and business support organisations should provide business development support including training, mentorship and market access support.

If the above recommendations are implemented by the different parties, this can help to address the challenges faced by small businesses in growing into self-sustaining businesses and it will help to promote the growth and development of the small business sector in Uganda.

5.4 Limitations of the study

1. Due to time constraints, the researcher had to carry out the research in a period of only 2 months and to overcome this, the researcher had to engage a research assistant.
2. The resource constraint for the researcher to enable ease of movement of the research assistant yet the households are scattered in the different villages. To overcome this, the researcher fueled a motor bike that the research assistant used to traverse the villages.
3. Language limitations given that Wakiso has a collection of many households with people speaking different languages, and are of different cultures and backgrounds. To overcome this, the researcher engaged translators.

5.5 Suggestion for further research

- (a) Investigate how mobile money can be of support to small business growth.
- (b) Evaluate the effectiveness of business support programs, including training and mentorship.

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Appendix 1: Consent Form

Research Project: Characteristics of KAFOC supported household businesses that are self-sustaining

I _____ agree to participate in the research project mentioned above, conducted by Proscovia Nakamya as a requirement for partial fulfilment of her Master's degree in Organisational Leadership and Management.

I have understood the general purpose of this research and I have no expectations from it but consent to participate. Some of the things explained to me is that my acceptance to participate is voluntary, this research may not be of direct benefit to me and my confidentiality with my personal information will be secured.

I consent to audio recordings if they are going to be used in this research and I agree to reports of the results from this study as long as my identity will not be shared.

Name: _____

Signature: _____

Date: _____

Appendix 2: QUESTIONNAIRE FOR FAMILIES WHOSE BUSINESSES ARE SELF SUSTAINING

I am a Masters student doing organizational Leadership and Management at Uganda Christian University. This questionnaire is part of the requirement of this course. The questionnaire is intended to examine the characteristics of KAFOC's supported household businesses that have become self-sustaining. The findings will give the researcher recommendations that she may share with KAFOC to improve on future service delivery. Thank you for accepting to take part in this research and all responses will be anonymous, never to be linked to you personally.

Personal Information:

1. Age Category (tick appropriate)

18 - 23	42-47
24 - 29	48-53
30 - 35	54-59
36 - 41	60+

2. Gender (tick appropriate): Male Female

3. Marital Status (tick as appropriate):

Single Married Widow Widower Separated Divorced

4. Education level (tick as appropriate):

Non Lower primary Upper primary O-level A-
level Tertiary

5. Location (Division):

6. Housing Description (tick as appropriate):

Rented house Home owner Temporal

Business Information:

7. Nature of business you are doing (tick as appropriate):
 Retail shop:
 Beauty and cosmetology:
 Groceries:
 Boutique:
 Foods and beverages:
 Charcoal:
 Poultry:
 Other:

8. What is the average monthly income from your business? (tick as appropriate)
 50,000/= - 100,000/= 100,001/= - 200,000/= 200,001/= -
 400,000/=
 400,001/= - 500,000/= 500,001/=+

9. Who is the main bread winner in this household?

10. How many children dependents are in this household (below 18 years)

11. How many adult dependents are in this household? (above 18 years)

12. From the dependents mentioned, who supports you in the business?

13. Before this current business, what other business had you undertaken before?

14. What skill set or training did you receive from KAFOC or any other place prior to being supported to start this income generating business?

15. What was your starting capital for this business?

16. What are the other sources of funding for your business?

17. What were your preferred business options?

18. How long have you been in this business?

19. Do you have other sources of income and what are they?

20. How much do you spend on monthly basis on basic needs e.g. food, clothing, medical, etc.?

21. What drove you to start this business in this place?

22. How do you keep Record of your business transactions?
23. What challenges do you face in this business?
24. How are you able to maintain the business amidst challenges?
25. What saving options do you have for this business?
26. What is your estimated capital at this time of your business as compared to the start capital?
27. What other investment have you done with profits from your business?
28. Where do you see yourself in 5 years' time in relation to your business growth?
29. What advise would you give to other parents who may want to start a business like yours?
30. What advice would you give to KAFOC as they continue to support households with Micro Enterprise Development skills and capital?

_____ Thank you _____

Appendix 3: QUESTIONNAIRE FOR FAMILIES WHOSE BUSINESSES FAILED

I am a Masters student doing organizational Leadership and Management at Uganda Christian University. This questionnaire is part of the requirement of this course. The questionnaire is intended to examine the characteristics of KAFOC's supported household businesses that have failed and did not grow to become self-sustaining. The findings will give the researcher recommendations that she may share with KAFOC to improve on future service delivery. Thank you for accepting to take part in this research and all responses will be anonymous, never to be linked to you personally.

Personal information:

1. Age Category (tick appropriate)

18 - 23	42-47
24 - 29	48-53
30 - 35	54-59
36 - 41	60+

2. Gender (tick appropriate): Male Female

3. Marital Status (tick as appropriate):

Single Married Widow Widower Separated Divorced

4. Education level (tick as appropriate):

Non Lower primary Upper primary O-level A-
level Tertiary

5. Location (Division):

6. Living status (tick as appropriate):

Rented house Home owner Temporal

Business Information:

7. Nature of business you were doing:

Retail shop:
Beauty and cosmetology:
Groceries:
Boutique:
Foods and beverages:
Charcoal:
Poultry:
Other:

8. Who is the main bread winner in this household?
9. How many children dependents are in this household? (below 18 years)
10. How many adult dependents are in this household? (above 18 years)
11. Did you have any support in running this business from the dependents mentioned in 10 above?
12. Before this business, what other business had you undertaken before?
13. What skill set or training did you receive from KAFOC or any other place prior to being supported to start this income generating business?
14. What was your starting capital for this business?
15. What were the other sources of funding for your business?
16. What were your preferred business options?
17. For how long did you do this business?
18. Did you keep any business records of your business transactions?
19. What are the challenges you would attribute to contributing to collapse of businesses?
20. If you had another opportunity of capital, would you do the same business or something else?
21. What are the lessons you learnt that if you were to do the same business you would do things differently?
22. What other sources of income are you having to enable you and your households meet the basic needs like food, medical, clothing, etc.?

23. What advise would you give to other parents who want to do the same business?

24. What recommendations would you give KAFOC as they continue to support households with Micro Enterprise development skills and capital?

_____ THANK YOU _____

Appendix 4: SURVEY QUESTIONNAIRE FOR STAFF AND COMMUNITY LEADERS

I am a Masters student doing organizational Leadership and Management at Uganda Christian University. This questionnaire is part of the requirement of this course. The questionnaire is intended to examine the characteristics of KAFOC's supported household businesses that have become self-sustaining. Thank you for accepting to take part in this research and all responses will be anonymous, never to be linked to you personally.

1. What words or feelings come to your mind when you think about IGA's in KAFOC?
2. How best would you describe the process KAFOC goes through in supporting families to start income generating businesses?
3. What are the attitudes of households that have been supported to start businesses?
4. What kind of problems have you experienced while monitoring families that were supported to do business?
5. What would you describe as KAFOC's strengths and weaknesses in carrying out Income Generating activities with households?
6. What lessons can KAFOC learn from households whose businesses are self-sustaining or those that failed to grow?
7. What would you attribute success of businesses that are doing well too?
8. If there is one thing that we could change in the way we carry out distribution of Income Generating businesses, what would it be?
9. Would you recommend KAFOC to continue with the distribution of startup capital to households?
10. What do you like most about IGA distribution as one of the interventions for KAFOC?

11. Any final recommendations on this intervention.

Appendix 5: FGD QUESTIONNAIRE FOR VSLA MEMBERS / VSLA TOTs.

I am a Masters student doing organizational Leadership and Management at Uganda Christian University. This questionnaire is part of the requirement of this course. The questionnaire is intended to examine the characteristics of KAFOC's supported household businesses that have become self-sustaining. Thank you for accepting to take part in this research and all responses will be anonymous, never to be linked to you personally.

1. How many members comprise this VSLA group?
2. Are all the members enrolled on KAFOC Programmes?
3. If No in 2 above, how many are enrolled?
4. What words or feelings come to your mind when you think about IGA's in KAFOC?
5. What is the average savings an individual makes in the group on a monthly basis?
6. Do your savings come from the business you were supported to start or other sources?
7. How best would you describe the process KAFOC goes through in supporting families to start income generating businesses?
8. What are the benefits of saving in a VSLA group?
9. Would you advise other people who are starting business to join VSLA?
10. What challenges have you experienced while saving in a VSLA?
11. (For TOTs) What kind of problems have you experienced while monitoring VSLA groups?
12. What would you describe as KAFOC's strengths and weaknesses in carrying out Income Generating activities with households?
13. What would you attribute success of businesses that are doing well too?
14. Would you recommend KAFOC to continue with the distribution of startup capital to households?