



The Influence of Informal Business Enterprises on Sustainable Livelihood of Owners/Operators in Urban Areas a Case of Nyamagana District

BY

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Abstract

The purpose of this study was to identify the influence of informal business enterprises on the sustainable livelihood of owners/operators in urban areas a case of Nyamagana District. The research had three specific objectives which are (i) to determine the effect of locations of informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district (ii) to ascertain the effect of an asset of informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district. (iii) to investigate the effect of business acumen of informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district. The study adopted a quantitative approach. The closed-ended questionnaires were used to collect data from 327 participants where only 236 questionnaires were successfully and properly filled, and random sampling was used to select those participants. Data analysis was done using descriptive statistics and inferential statistics (correlations, linear regression, ANOVA, and collinearity). From the result, the study found that an asset with the exceptional of informal business which had weak impact to sustainable livelihood, the business acumen had also weak and location had strong relationship to sustainable livelihood. The study recommends that for the informal business are encouraged to identify good location where most customer pass by way this will increase the capacity of earning more income and hence improve their livelihood. This study it is very influential and valuable to the contribution of the ideas of existing body of literature in the field of marketing management in the business setting in the areas which had scarce studies.

Key terms: Informal Business, Asset, Business Acumen, Location, Sustainable livelihood.

INTRODUCTION

Livelihood among households in developing countries cuts across agricultural and non-agricultural activities. It has been established that majority of households especially in developing countries who live in urban areas they rely on informal business for their livelihood (World Bank, 2006; FAO, 2020; Akinlo, 2021). And more than 60 percent of the world's working population makes their livelihoods in the informal sector (ILO, 2018). Many of the informal workers are in Africa, making up 70 percent of employment in Sub-Saharan Africa and 62 percent in North Africa. The informal economy provided roughly 80 percent of employment, 30 percent (GDP) -60 percent of gross national products (GNP)

in Sub-Saharan Africa in the 2000s (Joseph, Nevo, & Nwolisa, 2022).

About two-thirds of urban households earn their livelihood from non-farm activities, either as small-scale operators or as low-paid service workers while the remaining one-third engage in petty services (Alimi, *et al* 2021). Without a doubt, non-farm activity for now and in the near future will remain the bedrock of the urban household economies because of inaccessibility to cheap land and lifestyle of urban dwellers. Non-farm activities which are livelihood include hire-labor, fabrication of tools, repair services, handicrafts, tailoring, retail trade such as fruit and vegetables, fish, second-hand clothing, and other street vendor activities, that provide needed income to meet household needs and term assets.



The capacity to diversify or combine livelihood strategies varies markedly among individual members of a particular household and across households in a given community. However, the benefits derivable from combining farm and non-farm livelihood strategies by a household cannot be over-emphasized. To many other households, diverse livelihood strategies serve as a measure to cope with insufficiency arising from shortfalls and failures in a major livelihood means. Sometimes and often, when a favored activity requires working capital but the individual and household have no access to ready credit, they undertake other livelihoods to generate income to support a preferred livelihood and that alternative when it fail they opt another means of livelihood (Mwangi and Birunda, 2020)

Statement of the Problem

Informal businesses have been recognized for their importance in contributing to Tanzania’s economy in terms of creating “after-hours “economy and reduces unemployment among people in urban areas which subsequently lead poverty reduction (Olomi 2009; Mwita 2022). Although their sector is dominated by women, more men are also recently taking up the trade opportunities. Despite this potential, many of these informal business activities are getting insufficient incomes for sustainability of their livelihood. Most of owners/operators of the informal business activities conduct their businesses in the informal sector in the evening hours (17.00-22.00 hours) at micro business levels but rarely to grow and reach the medium enterprises. Almost all studies on informal sectors have been in developing countries but mostly in rural farm areas. For example, Manlosa (2020) studied smallholder farming livelihoods in southwest Ethiopia and the research by Adolfsson (2022) zoomed on sustainable livelihood for farmers in Alluriquin, Ecuador. The study of informal sector by Knirsch (2021) on livelihood his research focused on the impact of, and reaction to the COVID-19 crisis on informal worker in Kampala, Uganda. None these studies researched of effects of locations, an assets, and business acumen that are being applied in business performance to enable an effective on household sustainability through that fact this study will overcome and eradicate the knowledge gap available. The research that has been conducted in Tanzanian was a study by Mramba (2021) conducted in Mwanza city focused more on the nature, characteristics, and typologies of street vendor but did not go in-depth studying of different aspect of this informal enterprises’ livelihood strategy in Mwanza city. IBEs plays an important role in the economy, still their not clearly recognized their contribution to the overall sustaining livelihood of many Tanzanian and economic development in terms of creating employment opportunities to large number of low level of education and provision of goods and services. Despite of different studies that have being made in this sector but they have not elaborated on how the operators/owners they can manage the asset and use their ability, experience, and skills to increase their income this lead the necessities of the present study.

Research questions

Specifically, this study used research questions in unaltered, the influence of informal business enterprises on sustainable livelihood on owners/operators in urban areas.

- (i) How does location affect informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district?
- (ii) How does an asset affect informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district?
- (iii) To what extent can business acumen affect informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district?

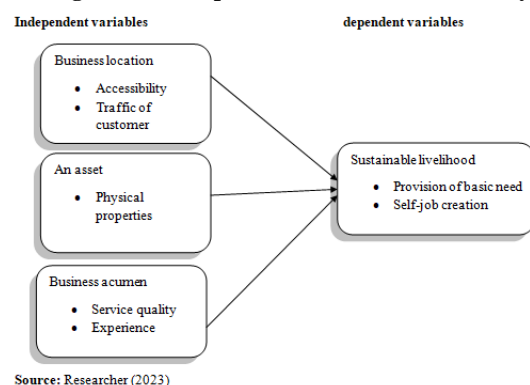
RESEARCH MATERIALS AND METHODS

The study adopted the sustainable livelihood framework, sustainable livelihoods idea was first introduced by the Brundtland Commission on Environment and Development, and the 1992 United Nations Conference on Environment and Development expanded the concept, advocating for the achievement of sustainable livelihoods as a broad goal for poverty eradication (Ayalu *et al* 2022). It emerges at the intersection of development and environmental studies to offer a new way to think about work, production, and distribution. Specifically, the work of vulnerable populations, the discussion in this concept was to build a sustainable future where inequality is eliminated in households (Morse *et al* 2009). The term reflects a concern with extending the focus of poverty studies beyond the physical manifestations of poverty to include also vulnerability and social exclusion, a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term (Haynes 2018).

Conceptual Framework

In this study, the influence of informal business enterprises on sustainable livelihood of owners/operators in urban areas: A case of Nyamagana District.

Figure 1: Conceptual Framework for the study



Research Methodology

The study follows a positive analysis philosophy which is based on the research concept, which systematizes the information generation process through quantification to improve the accuracy of variables and the determination of their relationship. To determine the influence of informal business enterprises on sustainable livelihood of owners/operators in urban areas, the research adopts a cross-sectional research design based on quantitative research approach.

The target population for this study was 2200 owners/operators in Mwanza City who are registered with the ward executive when they were provided by business identity card in 2015. There are distributed in five wards of Mwanza city from Nyamagana District. A random sampling technique was used to select the willingly participants for study in which each member in the population has an equal and independent chance of being chosen.

The instrument has three sections, the demographic information section, the specific research question focused on specific objective information section it uses a 5-points Likert rating scale (Likert 1932) to get the degree of respondents' disagreement or agreement based on their experiences with informal business and the open-ended question selection for other related information. The data were analyzed used SPSS version 26 computer software, in order to analyze and obtain the research findings.

RESULTS AND DISCUSSION

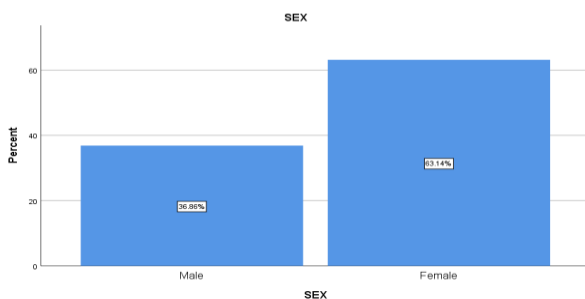
Table 1 provides statistics on the successful responses.

Targeted Participants	Successful responses	Percent of responses
327	236	72.17

Source: Researcher (2023)

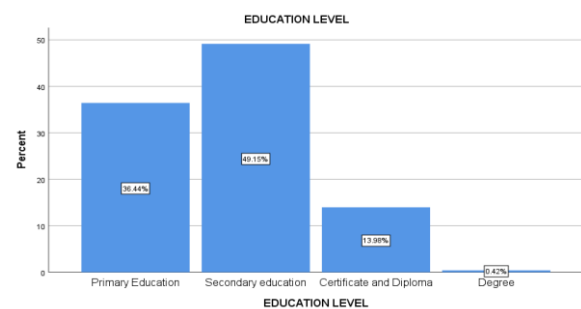
The study targeted 327 participants from population of 2,200 who were provided questionnaires. Out of 327 questionnaires provided to respondents, 236 questionnaires were successfully filled. This signified a response rate of 72.17 percent. As indicated by Ndemi (2014) a response rate which is above; 50 percent is considered as satisfactory, 60 percent good, and above 70 percent as very good for study purposes.

Gender distribution



As shown in the graph above, it shows that most of females are engaged in business compared to males. This implies that most of females are engaged in informal business to earn for family keep-up. The results are consistent to previous study of Alistides (2022) who found that most of females engage in micro businesses for family earnings and keep-up. The result help a researcher to identify that woman are the one who engage with the informal business rather that man due to the fact that it need small amount of capital to startup.

Education level

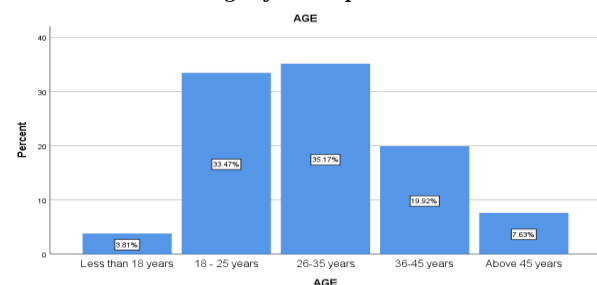


Source: Researcher (2023)

As observed from the graph above, 36.44 percent of the participants who are also business owners have primary education level, 49.15 percent of the participants have secondary level of education, 13.98 percent of the participants in the business have certificate and diploma level of education and 0.42 percent for the participants have degree level. The result shows that most of the business owners have secondary level of education and this can be said that, they are employing themselves, followed by second group with primary level of education. These forms a group of individuals who are not employed in formal sectors hence decide to employ themselves in informal sectors. The result indicate that most of people who have low level of education they are not employed in the formal sector so they engage themselves in informal sector more especially to informal business so that they can drive there life in town .

Whilst education is unquestionably valuable, practical experience, building professional relationships and the ability to adapt are equally essential for achieving success in the businesses. Business involvement relies on a varied assortment of people with diverse educational histories, each bringing their distinct viewpoints and abilities to the ever-changing environment of trade.

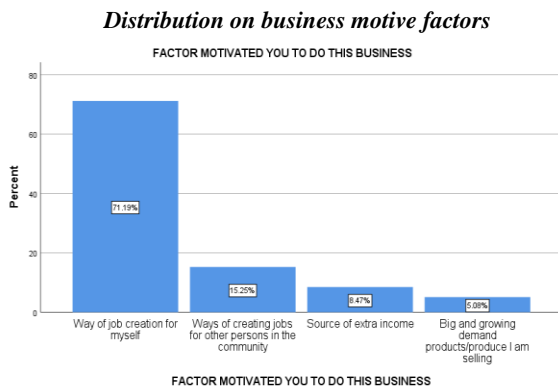
Age of Participants



Source: Researcher (2023)



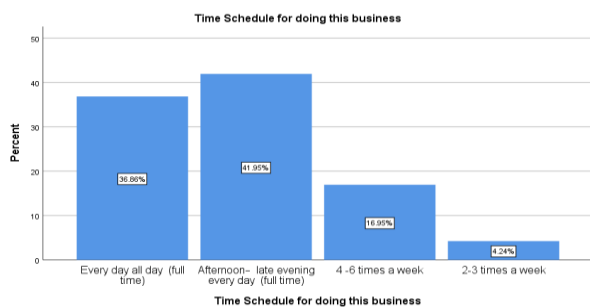
As observed from the graph above, 3.81 percent of respondent has age of less than 18 years, 33.47 percent of the participants has age of 18 to 25, 35.17 percent of the participants had age of 26 to 35 years, 19.92 percent of the participants had age of 36 to 45 years and 7.63 percent of the participants had age above 45 years. The study suggests that groups of age between 26-35 years are engaged more in businesses followed by a group with the age of 18- to 25. It shows that these two groups that most of that age they deal with this business because they need to fulfill their daily bases and to boost their live.



Source: Researcher (2023)

The results above indicate various motivational factors that influence individuals to start businesses. 71.19 percent of the participants shown that job creation for self-employment were a major reason for starting businesses. 15.25 percent of the business started a business as a way of creating jobs for other person in the community, 8.47 percent of the participants started a business as source of extra income and 5.05 percent of the participant started a business as growing demand of products or to sell what they produce. The results above imply that most of people start business as part of creating job for self-employment. The results suggest that due to lack of employment opportunities, most of them start businesses to solve some family problems that hinder them in getting their basic needs in their life, so business become only alternative that can help them to sustains their life. Mostly of these participants are women who are engaged in business to earn some income for keeping up families. This can be seen from the gender distribution result, where females were found to be engaged in businesses compared to males.

Distribution of time schedule on doing businesses.



The research show afternoon to late evening 41.95%, every day (full time) 36.86%, 4-6 times a week 16.95%, and 2-3

times a week 4.24%, this show that most of owners/operators they open their informal business in afternoon and rate evening every day due to the fact that they target the customer who come from their job and those who pass by, and this imply that great number of the owners and operators they perform their business in the afternoon and late evening and that its why most of them they arrange their products along the road or others to the bus stand.

Descriptive Statistics of Predictors

Table 2 Descriptive statistics on informal business enterprise and livelihood

	Min	Ma x	Mea n	Std. Dev.
My business activities are supportive in providing for basic needs (basic income generation) of myself / my family.	1	5	3.97	.924
My business activities enable me to access assets and resources I need (cash, skills, education, social network	1	5	4.14	.731
My business activities make me / and my house hold to be less vulnerable to change in economic and food security	1	5	4.19	.784
I am able to provide jobs to other in the community from my business activities	1	5	3.92	.990
My business activities have increased my ability to cope with environmental and social influences	1	5	4.02	.978
Overall Average			4.048	0.881

The given descriptive statistics provide insights into the perception of business operations and their various effects. These averages illuminate how individuals view the helpful nature of their enterprises and the positive outcomes they associate with their personal lives. My business operations are helpful in meeting the basic needs (fundamental income generation) of myself / my family, with an average of 3.97. The average score of 3.97 indicates that, on average, individuals perceive their business operations as supportive. My business activities enable me to obtain the resources I require (money, expertise, education, social connections) with



an average of 4.14. This suggests that people perceive their businesses as providing them with the means to acquire necessary resources, whether it is funds, education, social connections, equipment, or other essential tools. My business activities make me / and my household less susceptible to changes in economic and food security, with an average of 4.19. This implies that they view their businesses as sources of stability and resilience, potentially providing consistent streams of income that help safeguard their households from financial uncertainties. I am able to create employment opportunities for others in the community through my business activities, with an average of 3.92. Although slightly lower than other averages, this still indicates a positive perspective on the role of their businesses in providing jobs to others in their local area. My business activities have enhanced my ability to adapt to environmental and social influences, with an average of 4.02. This suggests that they believe their businesses equip them with the necessary tools and resources to effectively navigate challenges and changes. The overall average is 4.048. The averages suggest that these businesses are perceived as supportive, enabling access to resources, reducing household vulnerability, contributing to job creation, and enhancing individuals' ability to adapt to their surroundings.

Descriptive statistics on Location of business and Livelihood

Table 4.4: Descriptive Statistics on location of business and Livelihood.

	Min	Max	Mean	Std. Dev.
The premises where my business is located is easily accessible to customers	1	5	3.95	.768
The location where I do my business, I am able to earn enough income to meet needs of myself and my family	1	5	4.13	.774
The location of business enables me to get enough income to access assets and resources (such as cash, equipment's, purchase land, knowledge skills, education, social networks) that I need	1	5	4.03	.855
There is constant stream of customers passing by my	1	5	4.07	.833

business				
I am able to get enough business from passing customers to meet basic needs of my family or self	1	5	4.16	.793
I am able to get enough business from passing customers to access assets and resources	1	5	4.02	.817
Entrepreneurs selling similar business to mine helps to get business exposed to them	1	5	4.02	1.025
My location next similar businesses enable me to sell and earn enough income to meet basic needs of my family or self	1	5	3.48	1.097
My location next similar businesses enable me to sell and earn enough income to access assets and resources	1	5	3.98	1.008
Overall Average			3.98	0.885

Descriptive statistics on Location of business and Livelihood

These indicators reflect individuals' perspectives on how the location of their business impacts their earnings, access to resources, customer flow, and interactions with similar establishments. The premises where my business is situated is easily reachable for customers, with an average score of 3.95. This implies that customers find the location of my business to be convenient and easily accessible. In the location where I conduct my business, I am able to generate sufficient income to meet the needs of myself and my family, with an average score of 4.13. This demonstrates the positive perception that the chosen location significantly contributes to the financial success of my business. The location of my business allows me to obtain enough income to access resources and assets (such as cash, equipment, land, knowledge, skills, education, and social networks) that I require, with an average score of 4.03. These resources may include suppliers, partners, equipment, or other essential elements necessary for business operations. There is a constant flow of customers passing by my business, indicating that it is located in an area with high foot traffic, which can be advantageous for attracting potential customers. I am able to attract enough business from passing customers to meet the basic needs of myself or my family, with an average score of 4.16. This suggests that the foot

traffic in the business area significantly contributes to the generation of revenue for my business. I am able to attract enough business from passing customers to access resources and assets, with an average score of 4.02. This may imply that the location attracts potential partners or collaborators as customers. Entrepreneurs who sell similar businesses to mine help expose my business to them, with an average score of 4.02. This reflects a positive perception of cooperation and mutual benefit among similar businesses in the area. The average score of 3.48 indicates that individuals believe that nearby similar businesses help they increase sales. The location of my business next to similar establishments allows me to sell and earn enough income to meet the basic needs of myself or my family, with an average score of 3.48. While slightly lower, this still suggests a positive perception of synergy among similar businesses. The location of my business next to similar establishments enables me to sell and earn enough income to access resources and assets, with an average score of 3.98. This indicates that individuals see potential opportunities for collaboration with neighboring businesses.

Table 3: Descriptive Statistics on assets and livelihood

	Min	Max	Mean	Std. Dev
I have enough capital to keep my business performance high all the times	1	5	3.25	1.170
I always use my savings to keep my business performance high all the times	1	5	3.06	1.288
I use my savings plus loan money from family members/village bank to keep my business performance high all the time	1	5	3.21	1.401
Overall average			3.17	1.28

Descriptive statistics on Assets and Livelihood

Descriptive statistics offers valuable insights into various factors that contribute to success. In this context, we will explore three key elements: assets and livelihood, savings, and loans as they relate to maintaining business performance. The outcomes were as follows, sufficient capital to keep business performance high at all times with an average of 3.25. The average value of 3.25 regarding assets and livelihood indicates that businesses are moderately equipped with the necessary resources to sustain their operations and fuel their growth. This suggests that, on average, businesses possess a

reasonably solid foundation of assets and resources. Utilization of savings to keep my business performance high at all times with an average of 3.06.

With an average of 3.06 for savings dedicated to maintaining business performance, it appears that businesses are somewhat cautious in their approach to financial stability. This implies that businesses are moderately effective in setting aside funds to weather uncertainties and sustain their operations during challenging periods. The results support the result of Alistides (2022) who found that most of businesses utilize internal sources of finance to run business. Internal source of finance includes personal savings.

Utilization of savings plus loan funds from family members/village bank to keep my business performance high at all times with an average of 3.21. An average of 3.21 for the combined utilization of savings and loans to uphold business performance suggests that businesses are somewhat skilled at leveraging both internal resources and external financial sources. This indicates a moderate level of financial prudence, where businesses are making use of available funds while maintaining a balanced approach to debt management. An overall average of 3.17 indicates a moderate effectiveness in utilizing various sources of finance to uphold business performance. In his study, Alistides (2022) also found that in few cases business mixes other external sources of funds like loans to run businesses. The study found that there is a significant positive relationship between personal savings and trade credit to micro businesses.

Table 4: Descriptive Statistics on business acumen and livelihood.

	Min	Max	Mean	Std. Dev
I operate as sole proprietor to keep my business performance high all the times	1	5	3.78	.974
I operate as one of family members to keep business performance high all the times	1	5	4.12	.757
I get directions from family members to keep business performance high all the time	1	5	4.09	.797
The business is able keep its performance high all the times because of high family ownership and control	1	5	4.16	.883
Overall average			4.07	0.83

Descriptive statistics on contribution of business on household livelihood.

The role of businesses in supporting household livelihoods is a fundamental aspect of economic well-being, as indicated by the given percentages: a high level at 17.80 percent, a medium level at 75 percent, and a low level with an average of 7.20 percent.

	Min	Max	Mean	Std. Dev
Location of business has influenced my sales performance	1	5	4.03	.917
The financial resource I use has influenced on my sales performance	1	5	3.91	.916
I am fully satisfied with all requirements that I get from my business	1	5	3.95	.898
The business acumen I apply has influenced my sales performance	1	5	4.16	.781
Through informal business, I am able to get my basic needs and increase income	1	5	4.22	.753
Overall average			4.05	0.85

Source: Researcher (2023)

Descriptive statistics on sustainable livelihood among IBEs.

Descriptive statistics offer a comprehensive overview of the connections between different factors and their impact on sustainable livelihoods among Informal Business Enterprises (IBEs). The following findings were found from the study. The location of the business has influenced my sales performance, with an average of 4.03. This indicates that the strategic positioning of an IBE has a significant effect on attracting customers and generating sales. The financial resources I utilize have influenced my sales performance, with an average of 3.91. This average suggests that the allocation of financial resources to the IBE plays a role in influencing sales performance. Although slightly lower than other averages, this still highlights the importance of sufficient capital for inventory, marketing, and operational needs. To enhance this aspect, business owners could explore effective financial management, seek funding alternatives, and prioritize investments that directly contribute to sales growth.

I am completely satisfied with all the requirements I obtain from my business, which has an average of 3.95. This means that when entrepreneurs are content with the fulfillment of

operational necessities, they can focus more on customer service and expanding their business. The business expertise I apply has influenced my sales performance, with an average of 4.16. This implies that IBE owners who possess effective business skills, strategic thinking, and market understanding are more likely to experience higher sales. Through informal business, I am able to meet my basic needs and increase my income, with an average of 4.22. This emphasizes the role of IBEs in providing livelihood opportunities for individuals who may not have access to formal employment. The overall average indicates 4.05 showing that business contribute highly to sustainability of household families.

Summary of the Findings

To determine effect of localities of informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district.

Informal Business Enterprises (IBEs) play a crucial role in the contemporary global economy, contributing to economic growth, job creation, and innovation. This study aims to examine the potential link between IBEs and the sustainability-livelihood nexus, aiming to understand if there is a significant correlation between the two. The analysis utilizes a coefficient of 0.038, a t-test value of 0.538, and a p-value of 0.591 to explore this connection.

The coefficient of 0.038 indicates a relatively weak degree of correlation between IBEs and sustainability-livelihood indicators. The t-test value of 0.538 suggests that the relationship between IBEs and the sustainability-livelihood nexus is not statistically significant at conventional levels of significance. The p-value of 0.591 further supports this idea, as it suggests that the observed relationship is likely due to chance rather than a true underlying association.

The low coefficient value of 0.038 suggests that the strength of the relationship between IBEs and sustainability-livelihood indicators is quite limited. This indicates that factors other than IBEs may have a more significant influence on sustainability and livelihood outcomes.

When considering the t-test value of 0.538 and the p-value of 0.591 together, it becomes clear that the observed relationship lacks statistical significance. This implies that the results may not be applicable to the broader population of IBEs or other contexts. It is important to note that the lack of statistical significance does not necessarily mean that there is no relationship at all, but rather that the observed relationship may be a result of random variation in the data. While IBEs have the potential to contribute to sustainability and livelihood improvement, this study suggests that their impact may be less direct or substantial than previously believed.

The results above are supported by the study of Thwala, Masiya, and Lubinga (2023), who did study on Contribution of the informal sector towards sustainable livelihoods: evidence from Khayelitsha Township, Cape Town. The research results indicate that the unregulated sector has a beneficial impact on the long-term well-being of individuals engaged in informal work and their family members. This is



achieved through generating income, offering family assistance, fostering economic growth, providing job opportunities, nurturing entrepreneurial development, and fostering originality and inventiveness.

To determine the effect of business location and sustainability among livelihood of IBEs

The choice of business location is a critical decision that can significantly influence a company's success and performance. This study investigates the relationship between business location and business performance, specifically focusing on the coefficient of 0.408, a t-test value of 4.968, and a remarkably low p-value of 0.000. These statistical measures offer insights into the significance and strength of the association between business location and sustainability and livelihood among IBEs

The findings of this study provide strong evidence of a meaningful relationship between business location and business performance. The coefficient of 0.408 suggests a moderate positive correlation between the two variables. This indicates that as the quality or strategic advantage of the business location increases, business performance tends to improve as well. The positive coefficient aligns with the intuitive notion that a favorable location can lead to increased visibility, accessibility, and customer engagement. The t-test value of 4.968 further reinforces the significance of the relationship. This value suggests that the difference in business performance between different locations is statistically significant. Business owners should carefully consider the location of their ventures, recognizing that it can have a profound impact on their overall success.

To ascertain the effect of an asset of informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district.

Informal business enterprises (IBEs) are crucial components of many economies, particularly in regions where formal employment opportunities are limited. This study delves into the relationship between business assets and the interconnected domains of sustainability and livelihood within the context of IBEs. The study's analysis is anchored by a coefficient of 0.06, a t-test value of 2.085, and a p-value of 0.038, providing valuable insights into the nature and significance of this relationship. The findings of this study offer valuable insights into the connection between business assets and sustainability-livelihood dynamics among informal business enterprises. The coefficient of 0.06 suggests a positive but relatively weak correlation between the extent of business assets and enhanced sustainability and livelihood outcomes. This indicates that as business assets increase, there is a tendency for sustainability and livelihood indicators to demonstrate positive trends. However, the correlation, while positive, is not particularly robust.

The t-test value of 2.085 underscores the statistical significance of the relationship. This provides reasonable evidence that the presence of business assets does influence the impact of informal enterprises on sustainability and livelihood, albeit to varying degrees. In this context, the p-

value of 0.038 lends support to the argument that business assets contribute to improved sustainability and livelihood outcomes among informal business enterprises. Entrepreneurs operating in the informal sector should recognize the potential benefits of acquiring and managing business assets. Adequate assets can enhance operational efficiency, product quality, and market competitiveness, all of which can contribute to improved sustainability and livelihood outcomes.

As found from the study, assets had a lower coefficient indicating a poor contribution to sustainability livelihood among IBEs. This may be due inability to access asset to run their business and thus may be reason for lower coefficient. This is supported by the study of Lorato *et al* (2023), who did study on the urban informal sector as a means of livelihood improvement among youth: Evidence from Hawassa city, Ethiopia. Descriptive result shows that majority of participants about 67% participating in informal sectors has improved their livelihood.

To investigate the effect of business acumen of informal business enterprises on sustainable livelihood of owners/operators in Nyamagana district.

The findings of this study shed light on the relationship between business expertise and the sustainability and livelihood among IBEs. The coefficient of 0.153 indicates a moderate positive correlation between business skills and favorable sustainability and livelihood outcomes. This suggests that as business expertise grows stronger, there is a tendency for sustainability and livelihood indicators to show positive trends. It is important to note that while the correlation is positive, it is of moderate strength.

The t-test value of 2.250 emphasizes the statistical significance of this relationship. A t-test value of this magnitude suggests that the observed differences in sustainability and livelihood outcomes can be attributed to business skills. In addition, the p-value of 0.025 further supports the idea that business expertise influences positive sustainability and livelihood outcomes. These findings have implications for various stakeholders, including entrepreneurs, policymakers, educators, and researchers. Entrepreneurs should prioritize the development and enhancement of their business skills, recognizing the potential for fostering sustainability and livelihood improvements.

The study results are supported by Makhele and Barnad (2019), who did a study on the development of entrepreneur Business acumen and start-up skills. The authors found that business acumen includes basic skills that are required by entrepreneur to start and operate businesses. The study further found that businesses need sufficient level of acumen like skills, experiences to get successful in businesses. Business acumen can be acquired through reading, formal education, and mentorship.

Summary of the findings

The study had three specific research objectives that intended to predict the strength of sustainability and livelihood among businesses given the predictors. All the variables shed a

positive and significant influence on sustainability and livelihood among the IBEs. However, the magnitude of the relationship through all variables was slightly lower, and only business location had a moderate positive relationship with beta of 0.408. This was the highest beta among the other. One the variable was found to have insignificant influence to sustainability; however, it has a poor positive relation with sustainability livelihood among the IBEs. This was the informal Business enterprises had p-value greater than 0.05.

Conclusion

The discoveries emphasize the significance of Business Location as a strategic element in achieving a competitive edge and improved success. Business proprietors, entrepreneurs, and policymakers should consider these insights when making choices that influence the path of businesses and regional economic growth. The discoveries emphasize the importance of strategic asset management and investment for not only attaining business success but also broader societal and environmental goals. Business assets are highly crucial for business expansion and increasing the ability to generate more income for families and households. These discoveries highlight the crucial role of business expertise in shaping the potential of enterprises to contribute positively to societal and economic well-being.

Recommendation

Informal business sectors employ large number of people regardless of level of education. And mostly this sector provides number of employment opportunities to youth, women. Individual with secondary education employ themselves in this sector compared to other sectors followed by primary education level and collage education level. There are number of factors to be considered to establish a business that will perform better and hence improves sustainability of household livelihood among IBEs. As the study result found, individual should be attentive in selecting business location where most customers pass by way. This will increase the capacity of earning more and hence improved livelihood and in assets management in business for growth increase is very significant, and they should be notable in managing assets so that they can earn more profit for their business. Resources, capital, human resources, working tools, and other assets. Therefore, individuals are recommended to monitor well their assets so that they can provide more benefits to business for long-term while extending the business.

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