

**ASSESEMNT OF PROMOTION PRCTICEOFMICROAND
SMALLBUSINESS ENTERPRISES
(INCASEOFWOLKITETOWN)**

**RESEARCH PAPER SUBMITTED TO DEPARTMENT OF
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ABSTRACT

The sampling technique was simple random sampling because of the total population homogenous group. The researcher used both primary and secondary source of data in order to collect the information the primary data are the main source the information these are obtains from respondeThe main objective of this study is to assess promotional practices of micro and small enterprise in construction, manufacturing service and trade service in case of wolkite Town. The relevant data for this study was collected from both primary and secondary source. The primary data was collected through questionnaire as well as the secondary data were collected from book, internet and other reference materialsnt by asking structural and unstructured question . This research study contains the research method such as researchdesigne, sample size, sample technique, data collection method and data analysis. The date was analysied by using qualitatative and quantitative method. Based on the data indicated majority number of people who engaged in to the business is to get income for survival. Failure of the micro and small enterprise is lack of or no access of credit and followed by lack of market research and lack of sufficient knowledge as indicated on the findings and Micro and small enterprise have many roles in creating employment opportunity to the others.

Generally the government is recommended to support micro and small enterprise. Moreover, the financial institution should and formulate credit police that recognize micro and small enterprise to borrow from their institution using other alternative rather than collateral requirement.

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ACKRONOMY

DSTV: Digital satilate television

TVET: Technical vocational education teaching

MSEs: Micro and Small Enterprises

CHAPTER ONE

1. INTRODUCTION

1.1 BACK GROUND OF THE STUDY

Micro and small enterprise plays a crucial or central important role in the socio, economic development and growth of the country. They have greater economic activities or benefits than the larger firm so efficiency growth and employee creation since they use more labor. Furthermore, micro and small enterprise improving per capital income economic independence, backwardness and forward linkage, promote entrepreneurial competency development, equitable distribution of income and creation of social infrastructure and mass job opportunities(MOFED,2010).

Because of, the contribution in each and every national economy, the importance and emphasis on micro and small enterprise, is popular mind of policy maker planners and their industry .this is the consequence of the recognition that shift from agrarian to industrial to and to post industrial knowledge base societies is not through individual and small initiative vision from the micro and small enterprise (Kotler, 1996).

Small and medium enterprises cover wider separation of industrial and play an important role in both developed and developing economic. Ethiopia is no exception of micro and small enterprises in a prominent position in the economic reduce poverty and unemployment through creation of job opportunity. The advantages of these sectors are economic, social and political (Solomon 2004 and Endalckachewa, 2008).

The micro and small enterprise have greater contribution on the economic growth and efficiency through creating employment, increasing income of the house hold and reducing poverty (Hallberg, 2000).

In Ethiopia micro and small enterprise are the kind of establishments with small capital investment. Although, there is a variety measure of to categorize micro and small scale enterprise in different countries In Ethiopia an establishment says micro or small enterprise if it is set up with capital less than birr500, 000 and specific micro enterprise are those enterprises

setup less capital than 20,000 where as small enterprise incorporates all she has setting (set up) lay between birr20, 000and 500,000 (HAYLEY, 2003).

Whose industrial (wood and metal work), textileand hid and laser cloths, urban agriculture(Argo processing), servicedelivery (food preparation), DSTV service, construction branch construction, electric maintenanceand institution. Wolkite town, micro and small enterprise office many activities the following are main active Wolkite town organizing unemployment individual prioritizing TEVT graduate and also unemployed young steer at any grade level and interest individual, give training for micro and small enterprise member on business management and technical training prepareand give working place for micro and small enterprise (plot of land shade ,containers in collaboration with the town administration preparing business plan for micro and small enterprise and facilitating loan delivery in collaboration with wolkitecredit and saving institution helping in the market survey market linkage, and promotionaland follow up (sourcefrom micro small enterprise).

1.2 STATEMENT OFTHE PROBLEM

Small scale industries have not to contribute substantially as need to the economic development particularly because of financial production and marketing problem. These problems are still majorand caps to their development lacks of adequate fiancé and credit has always bea major problem of micro and small enterprise. they don't have easy access industry also source finance because the size and partly the fact that their supply which can be utilize to repay loans negligible. Micro and small enterprise find is difficult to get raw materials of good qualities and at cheaper rate in the field of production. they don't get raw materials at the right time at low cost, lacks of managerial ability and other special skill are deep routed problem regarding micro and small enterprise towards operating a business requires planning or organizationcontrolling, marketing, financial motivationandCapital (TODARO, 1998).

According to Organization of Economic Cooperation and Development OECD (2003) entrepreneurship is a process through which entrepreneurs created and grown enterprises to provide new products or services, or add value to products or services.

According to them, the characteristics of seeking opportunities, taking risk beyond security and having tenacity to push an idea through to reality combined into special perfective that permeates entrepreneurs.

Yusop (2010) found that the elements such as, entrepreneurial role models, presence of experienced entrepreneurs, skills and knowledge of the entrepreneurs, cultural attitudes towards entrepreneurship and proximity of entrepreneurial universities are strongly correlated with the entrepreneurial culture and mindsets. The entrepreneurial supports and governmental policies are related to the business angels and risk capital availability, availability of financial resources, government influences and supports for entrepreneurship in addition to role of government policies on entrepreneurial activity.

Actually, the cause that motivate the researcher is to search out the magnificent remedy for the analysis of promotion practices of micro and small enterprise. The study was screened out the following problem in the study these are:

- ✓ What are the reasons employees involving in micro and small enterprise?
- ✓ What are associated problems and challenges to promote micro small enterprise?
- ✓ What are the importances of among micro and small enterprises?

1.3 OBJECTIVE OF THE STUDY

1.3.1 GENERAL OBJECTIVE

The main objective of this study was assessment of the promotion practice of micro and small business Enterprise in case of Wolikite Town.

1.3.2 SPECIFIC OBJECTIVES

- ✓ To identify the reasons employees involve micro and small enterprise
- ✓ To identify the factors facing promotion practice of micro and small enterprise
- ✓ To assess the importance of micro and small enterprise

1.4 SCOPE OF THE STUDY

This study was focuses on micro and small enterprise in wolklite Town. There are several business activities categorized a manufacturing services deliver metal work, urban agriculture and construction by agency and these sub sectors that are in scale city wolklite Town. This study was answer for the following questions; what are the reasons employees involving in

micro and small enterprise?What are associated problem and challenge to promote micro small enterprise?What are the importances's of among micro and small enterprise?

1.5 SIGNIFICANCE OF THE STUDY

This study has crucial significant for the organization ,for the society, for the researcher and for the other .for the organization provides many significant, these are it helps to policy option through its recommendation on that can be consider by policymaker and decision bodies, it present the current and potential contribution of micro and small enterprise in the construction, manufacturing, service deliver, trading and urban agriculture and helps to expansion to microand small enterprise and other part of Ethiopia. Also for the society it provides the policy maker to in decode participation on micro and small enterprise of the construction, manufacturing service deliver, trading and urban agriculture. Finally, for the researcher to provide to get additional knowledge regarding to micro and small enterprise role on the construction, manufacturing, service deliver, trading and urban agriculture in immensely is usesas guideline for the other researchers who are interested in this study area.

1.6 ORGANIZATION OF STUDY

In order to maintain the study, the study isconsisting of five distinctive chapter which are the first chapter was deals with the introduction part, background of study, statement of the problem objective of the study significance of the study, scope of study and organization of study. The second chapter focused on review literature, justification of the study and other available information are included. The third chapter was deals with the research methodology which included the research design sample technique`, sample size,data source, method of data collection and data analysis. The fourth chapter was deals about analysis of collected data whichare gather from the employee by questionnaire the fifth chapter was deals with the conclusions and recommendation.

1.7 LIMITATION OF THE STUDY

The Credibility of this research was up to Wolkite townthat means this research would be limited only to a specific area. Even though some of its ideas can be used to describe other situations,

this study cannot be used to generalize any other research. The researcher would made descriptive research; it describes the state of view as it exists at present, other than this, not responding to the questionnaires on time, not even responding at all may be the limitations throughout the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 DEFINITION OF MICRO AND SMALL ENTERPRISES

There is no any standard definition micro and small scale enterprise all over the world. Different institution defines its differently in the line with the degree of the country development. Number of employee and amount of employed capital is use critical to define micro and small scale enterprise many countries.

In our country ministry of trade and industry and the central static's authority defines micro and small-scale enterprise separately. According to official definition of trade and industry micro and small scale entrepreneur are defines as follow:

Micro and small enterprise are business enterprise found in all sectors Ethiopian economy with pay up capital 20,000 but not more than 500,000 but excluding high technology consultancy firm and other high technology.

The micro and small-scale enterprise derived as the national homes of entrepreneurship. it provides the idea environmental enabling entrepreneurs exercise their talent to the full and to Attain their goals (RICKY WGRFFIN,1999).

2.2 TYPE OF MICRO AND SMALL ENTERPRISE

According to micro and small enterprise are categorizes in to three

1. Family enterprise: are local owned and operated by one person called sole proprietor. it may start their business in an effort to supplement income family owned business vary widely and include retail store, contradict business and small manufacturing firm, restaurant and other in the absence of the business is limited to the working life of the founder.
2. Personal service enterprise: it relies crucially a unique skill of the founder or key employees in most instance the business the compatible.
3. Franchise enterprise: it is created by an individual receive specific help and advantage in exchange for franchise fee and usually a percentage of sale (TODARO,2003).

2.3 POLICY OF MICROSMALL ENTERPRISES

Economic policy, strategy and legal and regulation, framework are parquets in order to create in conducive environment to micro and small enterprise and has argued that in Ethiopian Deliberate effort to promote micro and small relatively recent phenomena (GeberHiwot,2004).

2.4 PROMOTION

Promotion is the element of marketing practice that service to inform, persuaded and minded the market of product and service the organization selling, with the hope of influencing the recipient feeling, belief or behavior. It has been defined the coordination of all seller initiated effort to set up channels of information and preservation to facilitate the sale good or service or an acceptance of an idea. It is marketing activities which aimed at informing, persuading and inducing the customer to buy goods or services, and it is act of communication that provides consumers with information about the company product, service or the venture itself (Rechayd M Haile,2004).

2.5 PROMOTIONAL PRACTICE

Promotional practice or technique is used to entice customer to purchase a product a number Of promotional techniques are commonly used by product manufacture and sellers providing. Advertising:-it is impersonal communication that the sponsor has paid for form of non-personal presentation and promotion idea, good, or service by an identified sponsor it includes not only business organization but also museum and charitable organization(Kotler,1997).

Sales promotion:-it encourages purchase or sale product or service whereas advertising and personal selling offer several factors contributed there paid growth of sale company product manager face greater pressure to increase their currents sale and promotion viewed as at effective short run sale tools(Kotler,2004).

Public relation: - is building good relation with the company various public by obtaining favorable publicity, building up a good cooperate image and holding or heading of unfavorable rumors, Stores and event (Kotler,1997).

Publicity:-is any communication about the organization its product police through the media that is not paid for by the organization publicity usually takes the form of a new storing

appearing in the media or provided by an individual either informally or in speech or interview (Thomas I, Larry).

Personal selling:-is the interpersonal arm of the promotion practice of advertising consist of one way, no personal communication with target consumer group (Kotler,2004).

Legislation: -is a view to facilitating the promotion and development enhancing the competitiveness of micro and small enterprise.

Support: -is giving the money to the micro and small business enterprise.

Technology support:-is training product development product center for agro and food

Processing industrial would be set up identified existing micro and small enterprise.

Market support: -is a product of good or service include the component relating to the market support micro and small enterprise.

Export promotion support:- it is awareness of export potential of micro and small enterprise preparing product country.

Development:-is infrastructure support to the industrial training initiatives private sectors support maximize industry institutions linkage.

2.6 PROMOTION PRACTICE

Is attractive customer purchase because of internal and external factor, marketing association claimed that promotion practices all marketing activities that stimulate customer purchase effect of the sellers. It is different from activities that personal selling, advertising, sale promotion full creation. Promotion practice short term marketing activities undertaking Produce and retailers (Aaker, 1973).

2.7 SPECIAL CONTRIBUTION OF MICRO AND SMALL ENTERPRISE

As part of the business community micro and small enterprise make exceptional contributions as they provide new jobs, introducing innovation aiding business and producing goods and service efficiently. Providing new jobs: as the population and economic grow small business provide new job opportunity. it seems clear that business produce the new job sometimes adding jobs while large corporation are drawn siding and lay off employee. Introducing innovation: New products that originate in the research laboratory of being business make sale contribution to our standard of living. Innovation contribution to productivity to provide better

product and better method of production. The large number of small firm that provide the center of initiative and source of innovation improving country productivity (Ricky-w-Giffin, 2002)

Aiding big business: New products that originate in the research laboratories of big business make valuable contribute to success of the large one. The two function of the small business can often perform more efficiently than big business and there are the distribution and supply function.

Distribution function: a few manufacture finds it desirable to own whole sale and retail outlets. Whole sale and retail established many of them small perform available economic service by linking customer and producer of these product.

Supply function: small business acts as supplier and subcontractor for large firm recognize the growing importance of their supplier by using term like partnership and strategic alliance to describe the idea working relationship.

Providing goods and service efficiently: common sense tells us the efficient size of business varies withus can easily recognize for example that big business is better than manufacturing automobile but that small business is better in repairing them. The continued existence of small business in competitive economic system in itself evidence of efficient small business operation (Ricky-w-Giffin, 1998).

2.8 MICRO AND SMALL ENTERPRISE AND DEVELOPING COUNTRY

Micro and small enterprise allows the rural poor including some of the most marginalize and vulnerable strata such as rural women, youth and the land nest to diversify their income, growth and generate additional employment or self-employment in rural areas. Some strata may also be reached through micro and small enterprise support to small scale local entrepreneur whose business explanation can create new job for rural poor, core issue that shape justification on and design of investment in micro and small enterprise development concern. the policy and institutional environment a country legal frame work, current business parties, government policy such as tax break or seed grant for micro and small enterprise, bureaucratic and administrative producer. The availability strengthens of local financial service. the business opportunity involving demand in the project area, agriculture related, input selling, food trade, or carpenter, metal working, transport, shop and handicraft should be present together with

government to an identify target client. Assessment of the constraint and opportunity for micro and small enterprise development follow by the planning and implementation of the step to address they should to the extent possible is done on participatory base with concerned population. the need other local stock holder are generally the people best from the type of business that they attractive as well as prevailing input and output price main task to addressed in this way are listed below.

Develop plan and initiate reinforce means of easy any constraint posed by existing micro and small enterprise including law and regulation, capital and administrative requirement, credit service and legal status.

Assess demand market and profitability of micro and small enterprise product or service in the project area (price, market demand and market constraint).

Develop small enterprise model to illustrate the potential profitability financial liability of micro and small enterprise investment quality potential job creation among the target group work out appropriate leading condition or grace period and cater for the needs for complementary small enterprise related financial instrument(Harvie,2004).

2, 9 MICRO AND SMALL ENTERPRISE IN ETHIOPIA

Ethiopia private sector as a whole is that is highly dominated by micro and small enterprise, which are geared towardsatisfying the need of low-income group. Micro and small scale enterprise sector, accounting for the bulk of non-agricultural economic activities are highly concentrated it the production and consumptionof textile, food beverage processing. according to survey conducted by centralstatisticsauthority 1997 within the micro and small enterprise sector, micro enterprises (handicraft, informaloperator)account for 99.8% total establishment 99.6% gross value of production and 95.1% value added. Small scale manufacturing industries are highly engaged in the manufacturing of food, fabricated metal, furniture and wearing apprels which constitute more than 85% of the small scale manufacturing (Daniel and Mead).

2.10 COMMON CHARACTERISTIC OF MSES

There are assumptions that are common characteristics of MISEs. These common characteristics are; they have few employees, give low income, not experience much growth and do not produce for markets outside their local environment, (Eversole, 2003). Employment Generation:-

Available evidence suggests that micro enterprise do not show growth in terms of number of people employed. While small firms experience both high job creation and destruction rates, it appears that job destruction during recession is lower in small enterprise than in large enterprises perhaps due to greater wage flexibility in small firms. In contrast, large firms offer better in terms of wages, fringe benefits, and good working conditions, opportunities for skill enhancement and job security, (Snodgrass & Biggs, 1998).

Efficiency and Innovation in MSEs:-Efficiency and innovation is one of the determinants in. Snodgrass and Biggs (1998) stated that; there has been a substantial difference detected in economic efficiency among enterprise of varying sizes. It is often argue that small firms are more innovative, particularly when they follow “niche strategies” using high product quality flexibility and responsiveness to customer needs as a means of competing with large scale mass producers’.

Measures of enterprise efficiency vary greatly both within and across industries. Those that varies are labor productivities or total factor productivities. Among the total factor productivities; financial market, imperfections such as information asymmetries, transaction costs and contract enforcement costs are particularly affecting the poor who lack collateral and credit histories not to work efficiently.

Income generation:-While there are many exceptions to the basic pattern, the evidence suggests that larger employers offer better jobs in terms of wages, fringe benefits, working conditions and opportunities for skills enhancements as well as job security. In low-income countries, small enterprises have much lower productivity levels than larger firms, which lead to lower wages and nonwage benefits. There is some evidence that this divergence in labor productivity and wage rates between small and large firm’s narrows as countries become more developed in terms of industrialization, (Snodgrass and Biggs, 1998).

2.11 Challenges facing Micro and Small scall Enterprise

Micro and small enterprise have not been able to contribute substantially as needed to the economic development particularly because of several problems that arise on them. Some of them are:

Competition: today the business environment become dynamic and create competition among the firm in the industry to wins its own service and to reap high profit. Now the organization and several firms around the world create competition among not only one country firms but also

firm indifferent countries. Therefore, for micro and small enterprise it become a headache due to their low capital, low market shares and limited product to compete with others.

Source of fund or finance: rising too many to launch a new business venture has always been challenge for entrepreneur capital market rise and fails with the stock market, overall market condition and investors fortunes. In order to get money from finance house micro and small enterprise are blocked by the strict condition of the house such as collateral, capital and capacity Rule and regulation: Small businesses are subjected to a multitude of low and regulation for example law may require the owner to pay and fund to the government as the state or regional level. In addition to employee tax often state sale tax may need to collected and sent to the proper state agency and also some filed the state or region require that the license before it start to operate (Ricky-w-Giffin,1988).

2.12 THE MICRO AND SMALL ENTERPRISE DEVELOPMENT OF STRATEGY

The industry development strategy of the federal government of Ethiopian micro and small enterprise is one of important instrument to create productive sector productive sector, the primary objective of national micro and small enterprise development strategy of Ethiopian.

Issued 1997, central statically authority) is to create enabling ligament strategy and entrepreneurship and that government will give due emphasis and priority to promote this sector

- ✓ facilitate economic growth and bring about equitable develop
- ✓ to create long term job
- ✓ strengthen co-operation between micro and small enterprise
- ✓ to promote export and import
- ✓ Support to the micro and small enterprise operators would be based on agricultural development lead industrial and private sectors development.
- ✓ Addressing the marketing problem of micro and small enterprise will be given due consideration.
- ✓ emphasis will be given to an advancement of world

2.13 THE QUALITY OF EMPLOYMENT IN MSES

Employment growth in small enterprises does not necessarily reflect a successful development strategy. It is also important to consider the quality of employment, which can be broadly defined as the work-related factors that have an impact on the economic, social and psychological well-being as well as on the health of the employed persons. On average, jobs in small enterprises are less productive, less remunerated, less secure and less unionized than jobs in larger enterprises, even after controlling for observable workers characteristics, such as education, sex and age, (Reinecke, G. 2000). For instance, the study by Soderborn (2001) estimates that in Ghana in manufacturing sector, a 10 percent rise in firm size is statistically associated with a 1.6 percent rise in earnings. For these reasons, many people concerned with employment quality and industrial relations view the growing emphasis on small enterprise employment as a threat rather than an opportunity. Moreover, as mentioned above, some people find work in small enterprises simply because they have no alternative. For these persons, it is a kind of survival strategy that is adopted despite low and possibly declining returns until something better comes along. As such, it is a reflection of economic failure rather than success. These enterprises can be very important in helping a large number of very poor people become a little less poor but they can generally not provide employment of high quality. Most studies considering employment quality in small enterprises largely focus on income levels (or profits for the enterprise owner in the case of very small enterprises). Obviously, income is indeed a crucial dimension of employment quality, especially in countries where many workers' incomes are insufficient to move the household they live in beyond the poverty line. However, other dimensions of employment quality, such as occupational health issues, job security and the degree of social protection are also crucial for the well-being of the employed persons in small enterprises and their household members.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 DEFINITION OF KEY TERMS

Micro enterprise: An enterprise whose capital is up to 20,000birr based on the Ethiopian trade and industry ministry.

Source: secondary data from published document entrepreneurship and small business management by (Hailey GebretinasheBeyene).

Small enterprise: An enterprise by limited number of employees and limited flow of finance and materials.

Source: secondary data from the entrepreneurship small enterprise management (Hailey Gebretinsaha)

3.2 RESEARCH DESIGN

The study was conducted in the case of Wolkite Town in construction, manufacturing, services deliver and trading. In order to conduct this study the researcher used descriptive type of research. The reason for selecting descriptive type of research design is that it is clear that the research would be simply describe the available data which already exist and also the study would described characteristics of particular events.

3.3 SAMPLING TECHNIQUE AND SAMPLING SIZE

3.3.1 SAMPLING TECHNIQUE

In this study, the researcher used stratified sampling technique to categorize the target population in to different group and would selected respondents by using simple random sampling technique from each stratum.. The reason for selecting stratified sampling technique is that homogeneous population, it is simple to categorize in to different groups.

3.3.2 SAMPLE SIZE

Under this, the population was divided into various class or sub populations. Number of population of employee or target population of micro and small enterprise of the construction, manufacturing, service deliver, merchandising and trading the researcher was taken 78 by using (Yamane Taro, 1967).

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{358}{1 + 358(e)^2}$$

where n= is sample

$$n = \frac{358}{1 + 358(0.1)^2}$$

N= is total population

$$n = \frac{358}{1 + 358(0.01)^2}$$

e= is level of error(10%)

$$n = \frac{358}{1 + 3.58}$$

$$n = \frac{358}{4.58}$$

$$n = 78$$

3.4 SOURCE OF DATA AND DATA COLLECTION METHOD

3.4.1 SOURCE OF DATA

This study was intended to assess promotional practice of micro and small enterprise. To do so the researcher was taken both primary and secondary data from micro and small enterprise organization and the primary data in order to realize the target, the study used well designed questionnaire as the best instrument. This would be completed by the owner managers or operators of the enterprise. Face to face interview with the micro and small enterprise operators and the relevant owner. The secondary data from different source, files, official paper would be used to provide additional information where appropriate, beside of book, published government document, website, report would be reviewed to make the study fruitful.

3.4.2 INSTRUMENTS AND COLLECTION PROCEDURE

3.4.2.1 QUESTIONNAIRE

According to Kothari (2004), a questionnaire is a method of collecting data. In this method data are collect with the help of questions. Questionnaires' would be prepared in which to assess promotional practice and the question includes close ended questions that are arranged to staff of the promotional practice.

3.4.2.2 INTERVIEW

The interview method of data collection involves presentation of oral verbal stimuli and replying in terms of oral- verbal responses, to collect the various data and to moderate the researcher ideas, for micro and small enterprise. This method was used through personal interview. In this study the researcher used personal interview which required face to face contacts with the manager.

3.4.3 METHOD OF DATA ANALYSIS AND PRESENTATION

The analysis of the data began in the study descriptive method of data analysis to be important for transforming of the raw data in to forms that makes easy to understand and interpret. Tables and percentage would be used for presentation of data based on their appropriateness. Then, interpretation would be made under each table by explaining the result in detail and theoretical explanation used to make clear evidence. Based on the analysis and interpretations the researcher was made conclusion and recommendation.

CHAPTER FOUR

4. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This section is concerned with data presentation and analysis that was gathered from primary source. These data were mainly presented and analyzed item in the form of table computation and summary format. The questionnaires were distributed for 78 sampled employees in the construction, manufacturing, service and trade service. Even through the questionnaires were distributed for 78 only 60 of them were filled and collected in appropriate manner. So data presentation and analysis was based on 60 employees. The remaining 18 questionnaires were uncollected.

Table 4.1 Demographic information of respondent

Characteristics of the respondents	Respondents	Number	percentage
Sex	Male	50	83%
	Female	10	17%
	Total	60	100%
Age	< 20	0	-
	21-30	45	75%
	31-50	15	25%
	>50	0	-
	Total	60	100%
Educational status	Illiterate	12	20%
	Primary school	20	33.3%
	Secondary school	28	46.7%
	Total	60	100%
Marriage status	Married	10	17%
	Single	50	83%
	Divorce	0	-
	Total	60	100%

Source: own survey 2019

As the table (4.1) indicates about in the table 83% of the respondent are male 17% of respondent are female, the researcher conclude that the number of males are more than females. Also one of demographic characteristic that indicated the proportion of the people by different section, as indicated the above table below 20 ages not involved in micro and small enterprise

while the total respondent 75% are between 21-30 years, 25% are between 31-50 years from this the researcher can inferred that most of the respondent who are engaged in micro and small enterprise in the study area were productive force. With respect to the marital status in the table, shows that 17% of the respondent are married 83 % of the respondent are unmarried and there is no divorced. This implies that the single and married are more responsible to engaged because they have experience due to independence on their livelihood in micro and small enterprise to each income their livelihood, in addition the finding of this research shows all parts of the society such as married and unmarried are engaged in micro and small enterprise this is aimed at reducing unemployment at all walks of life.

With respect to educational status in the table that show 46.7%of respondents are secondary school, primary school 33.3% of the respondent and 20% of the respondent are illiterate. This is relatively shows level of educational have significant effect growth of micro and small enterprise.

Table 4.2 the kinds of business sector they are engaged in

In which sectors of business are you engaged?	Number	percentage
Trade	8	13
Service	10	17
Manufacturing	12	20
Construction	30	50
Total	60	100

Source: own survey 2019

As the table (4.2) indicate that about 13 % of the respondents in the sample engaged the business sector to get income from trade service while 17% of the respondent that they engaged in the sector of service delivery, 20% of the respondents are engaged in manufacturing and 50% respondent engaged in construction sector respectively .Therefore the researcher conclude that most of the business engaged in construction sector followed by manufacturing trade and trade service sector have lower participants.

Table 4.3 Reasons that they get in the business

What reason for you get in this business	Number	percentage
To get income for survival	54	90
Little regulation restriction	0	-
Patent in this Business	6	10
No other alternatives	0	-
Total	60	100

Source: own survey 2019

As the table (4.3) indicates that about 90% of the respondent in the sample reasoned that they engaged in to this business is to get income for survival. The second reason that 6% of the operator engaged into the sector is due to their patent engaged in to the business. Generally the researcher concludes that, majority number of people who engaged in to the business is to get income for survival.

Table 4.4 level of monthly income

In which category can be your monthly income falls?	Number	Percentage
< 5000	0	-
5001-10000	13	21.67%
10001-15000	15	25%
15001-20000	32	53.3%
Total	60	100%

Source own survey 2019

As the table indicated on the above the largest which is 53% responded that their monthly income falls between 15000 and 20000. The second largest percentage which is 25% responded that their monthly income is between 10000 and 15000 and followed by 5000 and 10000 and no respondents responded their monthly income is less than 5000.

From the table 4.4 the researcher can conclude the monthly income of small business enterprise of the town is between 15000 and 20000 because it holds the largest percentage which is 53%.

If you compare income before you started and after you started the business, have any income improvement?	Number	Percentage
Yes	60	100%
No	0	-
I don't now	0	
Total	60	100

Source own survey 2019

Table 4.5 income improvements before and after they started business

The table shows that all the respondents responded there is income improvement when they compare before and after they started the business. Therefore the researcher understood from table 4.5 small business holders are effective in their specific business because there are improvements in income

If your answer for question number 8 is yes how much?

For this question as the Responses of the respondents there is no more elaboration about how much improvement in their business after they started business. But simply they said there are improvements of income after they started business. Therefore based on the above information the researcher can conclude there is improvement in their income even though they were not determined the degree of improvement.

Table 4.6 Introducing promotion practice of micro and small enterprise

How do they induct their promotion mechanism of micro and small enterprise	Number	Percentage
Through advertising	34	56
Through orientation	16	27
Through credit support	10	17
Total	60	100

Source: own survey 2019

As the table (4.6) indicate that about 56% of the respondent are in the sample responded to get through advertising and 27% of the respondent of in the sample responded that to induct through orientation and 17% of the respondent in the sample responded that by the through credit support. So that, the researcher concluded that most of the respondent responded that advertising is the best promotion mechanism

Table 4.7 Methods of promotion practice of micro and small enterprise

By what method micro and small enterprise use promotion practice?	Number	percentage
Publicity	13	22
Sale promotion	22	37
Advertizing	20	33
Face to face saling	5	8
Total	60	100

Source: own survey 2019

According the table(4.7) indicate that about 22% of the respondent are responded in the sample responded that public relation and 37% of respondent in the sample responded that sale promotion, and 33% of the respondent are in the sample responded that advertising and 8% of the respondent in the sample responded to face to face selling. So that, the majority of the respondent responded that sale promotion is the best mechanism to promote micro and small enterprise.

Table 4.8 the practice of promotion facility to promote their task

How do they practice promotion to facilitate promotion their task?	Number	percentage
A. By encouraging customer relationship	32	53
B. By promoting the effect of the sellers	18	30
C. By opening swift market support	10	17
Total	60	100

Source: own survey 2019

As the table (4.8) indicates that 53%, 30% and 17% of the respondent respectively respond the majority of the responding was to encouraging customer relationship. This implies that the majority of were satisfied by encouraging customer relationship.

Table 4.9 reasons they involved in micro and small business enterprise

13. Why do you involve to micro and small business enterprise?	Number	Percentage
For generating income	40	67
To fulfill basic need	20	33
To support family	0	-
Total	60	100

Source: own survey 2019

According to the (4.9) indicate that, about 67% of the respondent reasoned that they engaged in to micro and small enterprise to generate income. The rest of the respondent responded that they involved in to the sectors because of fulfill basic need. From this the researcher concludes that most of micro and small enterprise operator involved in generating income.

Table 4.10 income before engaged in the micro and small business enterprise

How much would be your monthly income before you were engaged in micro And small business enterprise?	Number	Percentage
A. No income	0	-
B. 100-300	15	25%
C. 301-600	30	50%
D.>1000	15	25%

Source own survey 2019

This Table Shows that 50% of the respondents' replied small business holders monthly income is between 300 and 600 before they engaged in micro and small business enterprise and this indicates that their monthly income were at the minimum level. Therefore involving micro and small business enterprise is very important business sector to improve the level of income

What is the benefit of promotion practice of micro and small business enterprise?

As the response of respondents the promotion practice of micro and small business enterprise is used to provide consumers with information about the company product and service. That means micro and small business enterprise used to promote the products' quantity, quality and size by means of promotional mix such as advertisement, public relation, sale promotion and face to face promotion. Therefore that is why promotion is an essential tool to communicate with consumers about the products and service.

What are the factors of promotion practice of micro and small business enterprise?

The replied shows that there are factors that affect promotion practice of micro and small business enterprise some of the listed are nature of the product, market size, characteristics of buyer and product life cycle. Therefore those factors stated on the above can determine practice of the promotion as indicated on the above.

Table 4.11 Factors of micro and small enterprise

Among the failure of the micro and small enterprise	Number	Percentage
A. lack of market research	20	30%
B .no access credit	30	50%
C .lack of sufficient knowledge	10	20%
D .others	-	-
Total	60	100%

Source own survey 2019

The table shows that 50% of respondents replied that the reason of failure of the micro and small enterprise is lack of or no access of credit and followed by lack of market research and lack of sufficient knowledge respectively. As you know micro and small enterprise is characterized by low income and they have slow growth that why there is lack of credit access in the sector.

In your view what are the contribution of micro and small scale enterprises in decreasing of unemployment rate?

As respondents replied the emergence of micro and small scale enterprises has been associated with unemployment on the relationship between unemployment and entrepreneurship among the refugees.

Therefore the researcher can conclude MSEs is expected to increase income and domestic saving, while reducing unemployment and poverty

What do you expect from MSEs Offices to do in expanding or transferring your business getting access to MIFs, legality of your business, marketing issue, in law, rule and regulation areas?

The response indicated shows the MSEs office should support the sectors such as by preparing credit access, promoting their product and levying proper tax amount because the sector has been play great role in every circumstance therefore the government and other bodies should give attention for these sectors.

Would you suggest some possible solution to cope up with the challenge of MSEs?

The statements replied by the respondents shows proper management of the business and support of the government are play great role to overcome the challenges of MSEs.

The business of your dreams is up and running –and it’s challenging enough without adding one more to manage or figure out. If you are striving to learn how to learn sustainable, successful small business, it will take effort. Once you understand the most common obstacles you can plan ahead to not let them take you down, (Megan Totka2018)

Table 4.12 Institutional factors of micro and small enterprise

What type of problem government exerted	Number 11 45 4	percentage 18 75 7
High taxation	11	18
Power interruption	45	75
Bureaucratic process giving license	4	7
Total	60	100

Source: own survey 2019

As indicated the table (4.12) of those respondent is who said the government activities influence their day today activity 75% of them claimed that their high power interruption and also 18% of them claimed that high taxation high influence their business and 7% of the operators claimed that bureaucratic process has lower effect on their business. As the researcher concluded that there is high problem on power interruption that covers 75% of followed by high taxation 18%.

Presentation and analysis of interview prepared for managers

The first question, has regarding with the reason employees involving in micro and small enterprise. Manager replied that employees were involving in micro and small enterprise because of to generate income, to improve business pattern, to add value on their business .The second question, related problem and challenge to promote micro small enterprise. According to manager, there were challenges that determine promotion of micro small enterprise such as internal and external factors. Internal factors suchnas manager characteristics and level of education and external factors access to finance, government polices and environmental factors.

The third question, related the contributions of micro and small enterprise. According to manager there were a lot of amount or huge amount of contributions which obtained from MSEs which to generating income, encourages investment it open swift market support, it creates relationship between customer and company.

CHAPTER 5

5 .CONCLUSION AND RECOMMENDATION

5.1 CONCLUSION

Based on the analysis of the data gathered from the sample of population, the research has arrived to the following conclusion.

Regarding to the general characteristics of the respondent of the micro and small enterprise of the construction, manufacturing, service, and trade among them the investigation shows most of construction sector are owned by the male most of the sample population whose age level 21-30 ages. Furthermore, most of sample population of the construction sector their education level is secondary school. According to the result of investigation the majority are engaged in the micro and small enterprise of the construction that enhancing their economy and living standard, providing job opportunity and also because of their motivational knowledge and skill of being potential entrepreneurs.

In addition, as most population responding shows generation income, reducing dependency and increasing consumption are the most satisfaction which achieves from the sectors. Micro and small enterprise have many roles in creating employment opportunity to the others. moreover, micro and small enterprise reduce poverty, generating income and reduce dependency among their failure of the micro and small enterprise are lack of market research, no access credit and lack of sufficient knowledge.

5.2 RECOMMENDATION

- ❖ Based on the study by which attempts to assess promotion practice of micro and small enterprise of construction, manufacturing, service, and trade sector recommended by the following points to any government bodies.
- ❖ Micro and small enterprise of the construction, manufacturing, service, and trade are creating employment opportunity for the population. This indicate that the construction, manufacturing, service, and trade sector has crucial contribution for those who have no job opportunity, so it can need to facilitate the environment for

a new job seeker and self-give prior attention in their strategy plans of the government.

- ❖ The main problem of the micro and small enterprise of the construction, manufacturing, service, and trade is the shortage of capital, so the government is recommend access to credit program aimed to support micro and small enterprise. moreover, the financial institution should and formulate credit police that recognize micro and small enterprise to borrow from their institution using other alternative rather than collateral requirement.
- ❖ Common production and market center is advised setup with modern infrastructural facilities.
- ❖ Micro finance of industry to share experience in doing business, financial support and other physical service.
- ❖ Micro finance institution both at governmental and cooperative sector is better setup for producing enough finance to the entrepreneur
- ❖ Training in government scheme like women development and entrepreneurship development programs is advised comprehensive to deals with various aspect including mobilization and expansion of enterprise.
- ❖ Modernization of industrial sector and up gradation of entrepreneur skill is recommendedhave developed.
- ❖ Giving entrepreneur in matter relating to selecting the most appropriate machinery and equipment,source of capital and a procedure for important machineries.
- ❖ A common market in every better to be establishby the industry center for marketing of product.
- ❖ Growth of entrepreneurship manager skill and reduction industrial sickness can be made possible require training organization and extensive scale.Creating linkage government and other financial outstanding industries which help the employe

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APPENDIX
QUESTIONNAIRE TO BE FILLED BY EMPLOYEES
WOLKITY UNVERSTY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT

This questionnaire is developed by a third year management student at Wolkite University. To conduct research on assessment of promotion practice of micro and small business enterprise in Wolkite town fulfill the requirement for graduation. Your organization in giving relevant Information or filling the questionnaires appropriately is given great importance because the Accomplishment of my research is highly depend on your real and timely response and return of questionnaire, so please answer the question according to direction given below.

General instruction

- no need of writing of your name*
- for close ended question give your answer on the space provided*

Part one: personal information

- 1. Sex: A. Male B. Female*
- 2. Age: A. below 20 B. 21-30 C. 31-50 D. Above 50*
- 3. Education status: A. Illiterate B. Primary School C. Secondary School*
- 4. Marriage status: A. Single B. Married C. Divorced*

Part two: Research problem based questionnaires

- 5. In which sectors of business are you engaged?*
A: manufacturing B. Construction C. Trade service D. Service deliver
- 6. what is reason for you get to into this business?*
A. To get income for survival B. Little regulation restriction C. Patent in this Business D.no other alternative
- 7. In which category can be your monthly income falls?*
A. <5000 B. 5001-10,000 C.1001-15000 D.15001-20,000
- 8. If you compere income before you started and after you started the business Have any income improvement?*
A. Yes B. No C. I don't know

9. If your answer for question number 8 yes how much -----

10. By what method to use promotion practice of micro and small business enterprise?

A. Public relation B. Sale promotion C. Advertising D. Face to face selling

11. How do they induct their promotion practice of micro and small business enterprise?

A. Through advertising B. Through orientation C. Through credit support

12. How do they practice promotion to facilitate promotion their task?

A. By encouraging customer relationship

B. By promoting the effect of the sellers

C. By opening swift market support

13. Why do you involve to micro and small business enterprise?

A. For generating income B. To fulfill basic need C. To support family

14. How much will be your monthly income before you were engaged involve micro
And small business enterprise?

A. No income B. 100-300 C. 301-600 D.>1000

15. What is the benefit of promotion practice of micro and small business enterprise-----

16. What are the factors of promotion practice of micro and small business enterprise? -----

17 What type of problem government exerted

A High taxation C Bureaucratic process giving licenes

B Power interruption D specify please if other.....

18 Among the failure of the micro and small enterprise

A lack of market research

B no access credit

C lack of sufficient knowledge D others.....

Interview Question for MSEs Managers

1 What are the reason employees involving in micro and small enterprise?

2 What are problem and challenge to promote micro small enterprise?

3 What are the contributions of micro and small enterprise?