

ASHESI UNIVERSITY COLLEGE

**SMALL SCALE BUSINESSES:
A CASE STUDY OF STAGNATION AMONGST STREET FOOD VENDORS
IN ACCRA**

DOROTHY ESIAWONAM BOBODU

2010

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BY

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DECLARATION

I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature:

Candidate's Name:

Date:

I hereby declare that the preparation and presentation of the thesis were supervised in accordance with the guidelines on supervision of thesis laid down by Ashesi University College.

Supervisor's Signature:

Supervisor's Name:

Date:

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ABSTRACT

Street food vendors make a significant contribution to the lives of the impoverished in the society and the economy at large. However, it seems the sector has become stagnant in growth and expansion. A large number of street food vendors have been operating in the same place for numerous years with no concrete progress. This reason influenced the choice of my thesis topic so that the problem can be investigated and appropriate measures taken to help boost the sector.

The research studies the stagnation in the growth and expansion of street food vendors. Using a purposive sampling method, a more qualitative than quantitative questionnaire was developed for a sample size of 72 street food vendors. This questionnaire is intended to help examine the reasons for the street food vendor's choice of venture, characteristics of these vendors, expansion ideas, years of existence and their financial information during their past years of existence. Answers to these questions will clarify what hinders the expansion of their businesses.

Finally, the findings from the research indicate that the stagnation of the street food sector is in part attributed to religious beliefs, family dependency, small capital outlay, harsh attitudes from government officials but predominantly caused by the lack of access to credit and managerial skills, and refusal in building appropriate markets for these vulnerable individuals who operate from the street.

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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Street food vending is a rapidly growing sector and a source of employment in most developing countries like Ghana. According to the Food and Agricultural Organization (FAO), street foods are "ready-to-eat foods and beverages prepared and or sold by vendors and hawkers especially in the street and other public places". Tinker I. (2003) attests to this statement by stating that the number of street food vendors and their customers has increased as economic crises have become more frequent in developing countries. This study seeks to address the reasons for the stagnation in the operation of street food vendors in the face of these findings. As explored by Dovi (2006), the Ghanaian economy is densely populated with the emergence of enterprises in the informal sector. The World Bank's estimate in Dovi's (2006) article shows that, most businesses in Ghana accounting for 70% of employment in the country, trade in micro, small and medium enterprises. However, these businesses get stuck at the micro level and fail to expand. This is the rationale behind this study in order to investigate and know what these challenges are.

Frempong (2007) argues that given the present level and characteristics faced by many African countries, small and micro enterprises play crucial roles in economic development, employment creation and poverty reduction. This is particularly true for small towns and rural areas. A study carried out by "Project Updates" indicated that 95% of women food vendors have

operated from 5 to 25 years, pushing themselves too hard to survive in the harsh business climate and high risk, competitive economic environment. Masahudu Ankiilu Kunateh (Ghanadot) asserts that a majority of the populace in Accra patronize street food because they are cheaper and faster notwithstanding the unhygienic environment. Furthermore, street food vending in Africa is viewed as a viable economic activity for individuals who have no or little education.

Despite such deductions, the street food sector approximately employs over 60,000 people in Accra and also generates an annual turnover of more than US\$100million with corresponding annual profits above \$24 million as report by Masahudu Ankiilu Kunateh (Ghanadot). Even with such revenue, this sector has not only become stagnant in its expansion and management but is not understood, and goes unaccounted for in national economic statistics as identified by Winnie verses Mutillah (2003). This has resulted in an absence of enabling policies, regulations and organization to support street food vendors. Sharit K. Bhowmik propounds that the emergence of street food vending is a result of formal unemployment and poverty. In addition to this view, Dr. Henry Gadaga from Zimbabwe argues that the reasons for the high prevalence of street food vending in African countries is due to poor national economic performance.

A street food vendor is described by Stephen O. Swanky, Philomena E. Nyarko & Cynthia A. Tagoe as "an individual who is licensed to carry out any commercial activity from any street, other than an open-air market, irrespective of the means by which such activity is carried out". However,

Sharit K. Bhowmik (2005) defines a street vendor as a person who offers goods for sale to the public without having any permanent built-up structure from which to sell. Bhowmik's (2005) definition gives a vivid illustration of what is currently happening in the Ghanaian economy as opposed to the definition proposed by Stephen O. Swanky, Philomena E. Nyarko & Cynthia A. Tagoe. Street food vendors are mostly in the informal sector of the economy; however they make significant contributions to the Ghanaian economy. The informal sector is defined by the Fifth International Conference of Labour statisticians as consisting of units engaged in the production of goods or services with the primary objective of generating employment and income to the persons concerned. The units involved in the informal sector operate at a low level of the organization either with little or no separation between labour and capital. Street food vendors fall into this category.

A study conducted by Sharit K. Browmik (2005) reported that most of the street foods vending activities are sparked by reasons such as unemployment and poverty in rural areas. Mostly, these street vendors move from rural to the urban areas in search for greater opportunities. The closure and down-sizing of industries is another reason that accounts for the emergence of numerous street vending activities. Basically, this point argues that when workers who are employed in these inactive industries lose their jobs, they are left with few other opportunities, and many engage themselves in street vending in their quest towards making a living for themselves and family. Irene Tinker (2003) advocates that street food trade is crucial to street food vendors' family income and nutritional status. Besides, these single-owner or

family run enterprises provided lifelong employment and income for many urban dwellers.

According to an article written by Emmanuel Kwablah (2009), even though there is a high rate of local small and micro enterprises, the Ghana Investment Promotion Centre (GIPC) which is responsible for promoting micro enterprise activities does less work in helping track the performance and survival of these local business start-ups in the Ghanaian economy. He further stresses that State Agencies such as the Metropolitan and Municipal Authorities, the Revenue Agencies, the Quality and Standard Agencies assigned to regulate business operations in the Ghanaian economy fail to do their work; hence the stagnation in street food vending activities. In addition, there is little or no work done in sensitizing street food vendors to the registration process involved in their area of operation. Therefore, these sellers in their quest for making a living for themselves as well as meeting the needs of their families start their ventures without going through the proper legal procedures. Hence, facing harsh harassment from government officials who sometimes exploit them for the little profit they have earned. Considering these lapses in the sector, individuals who engage in these activities end up not been able to move from the structures they started their operation in, to bigger, better or better placed ones.

In this study, street food vendors are different from street food hawkers. This is because street food hawkers do not have a permanent place of operation as do the street food vendors who have their own particular structures and

has operated there for many years. Again, the study directly observes vendors who are permanently located at one particular place for a minimum period of one year. The main aim of this research is to provide answers and possible solutions for the stagnation in the operations of street food vending activities in Accra precisely in Russia, Kaneshie, Labone and Osu as well as to address issues that hinders the expansion of their businesses. The choice of area was influenced by the fact that these areas have relatively lower income earners with street food vending being one major source of employment and are highly patronized sectors.

1.2 Problem Definition

The emergence of street food vendors in Accra has become very rampant. However, after many years of existence most have not experienced any future expansion. Most the sellers operate in the same structures for a long period without expanding.

According to Dovi (2006), starting businesses on a subsistence basis is quite easy. The difficulty however, has always been to graduate in scale from micro to small scale enterprises. This is where help is most needed. In an attempt by government to address the issue, the Venture Capital Trust Fund was recently launched to help invest in small and medium-scale enterprises, known as Small Scale Enterprises (SMEs). In support of this initiative, Ms. Quachey, president of the Ghana Association of Women Entrepreneurs (GAWE) and the general secretary of African Federation of Women Entrepreneurs contends in Dovi's (2006) article that even with the establishment of the fund, the worry is that only big businesses will be able

to access these funds, because the information doesn't flow to the ground, where the majority of the individuals are illiterates.

To agree with Dovi's (2006) assertion, the street food sector is one of the most rapidly growing sectors in the Ghanaian economy. However, this sector is given little attention. It is shocking to note that these street food vendors operate for periods of 10-30years without any expansion in their operations.

1.3 Objectives of the Study

The underlining objective of this research paper is:

- To illuminate the reasons why there is stagnation in the operation of street food vendors. Either through savings, usage of their revenue or lack of expansion ideas.
- To identify the internal and external challenges faced by the street food vendors in terms of expansion and operation.
- To provide recommendations as to how the street food sector can be improved.

1.4 Significance of the Study

The aim of this research is to aid government, individuals and businesses in identifying the major challenges of street food vendors in order to provide the needed support to boost their businesses. Aside the support that these interest parties can render to the vendors, policy makers and investors can identify this sector as a growing sector which will perform extremely well when given the necessary attention and tools. As previously stated that this sector employs a majority number of people, it will be prudent that the

government and other interest parties identify this sector and invest in their operation or supporting them to boost their operation. This in the long run will contribute immensely to the national income of Ghana. Furthermore, the research findings is also aimed at providing information for future investigations into this sector as well as proposing recommendations that will help reduce the challenges that the sector is faced with in order to enhance the growth of their businesses.

1.5 Research Questions

It is expected that by the end of this research the following suggested questions will help in bringing to light the contributory factors that impede the expansion of street vendors:

- What are the sources and value of their start-up capital?
- What are their prospects for future expansion of their businesses?
- What are their spending patterns?
- What type of training session is needed to help boost the sector?
- What is their Family size? This question sought to measure the family dependency ratio of the street food vendors and how much of their revenue is channeled into catering for their family.
- What are their savings patterns? This is because statistically; street food vendors are identified to generate a lot of revenue.
- Are there any government involvements in this sector's operation? That is to measure the extent to which government supports the street food vendors.

1.6 Organization of the Study

This dissertation presents the reader with five major chapters. The first chapter introduces the thesis topic by expanding on the need to boost the street food sector. It is elaborated in this chapter that most causes of street food vending is as a result of rural urban migration and lack of skills to gain employment in the formal sector. The chapter goes on further to state that the sector employs a sizeable number of the population in Accra even though the sector has been greatly overlooked.

Chapter two provides the literature studies done on the topic and how they relate to the study. Several literatures were researched on and different perspectives of why the sector has not excelled were also observed. The chapter discusses reviews done on the study by grouping them under sub-topics to aid the researcher address different areas that pertains to the objective of the study.

Chapter three describes the tools and methods used in the data collection process. Under this chapter, the writer designed an interactive questionnaire to aid in gathering data that is relevant to the scope of the study.

Chapter four discusses the findings from the research by using percentages and illustrations from diagrams. This chapter also analyzes the research findings from the question by grouping them under subtopics to aid the analysis process.

Finally, chapter five gives a conclusion of the research findings based on information analyzed from respondents. This chapter also suggests recommendations that individuals, businesses and government can carry out to support and help boost the activities of these sellers rather than viewing them as nuisance in the society by chasing them off the street.

CHAPTER TWO

LITERATURE REVIEW

It is worth knowing that there has been numerous studies in the street food sector, however, there is little or no research done on why the sector has existed for a long time but lacks expansion. Much of the research conducted on street food vending concentrated on the unhygienic repercussions that street foods pose to the populace of a state; nutrition; affordability of food sold; and prevention of the spread of food borne diseases. Even though it was tough getting information that relates to the objective of my study, some articles provide basic concepts needed for the research. The following sub-topics were reviewed:

- Operations of street food vendors in the Global economy
- Street food vendors in Africa
- Operations of street food vendors in the Ghanaian economy
- Definition of Concepts (Street foods and street food vendors)
- The role of street foods in the Ghanaian economy
- Types of business ownerships

2.1 Operations of street food vendors in the Global economy

2.1.1 Sales Revenue of street food vendors

In Ahmed Taneem Muzaffar's (2009) work, he sought to study the factors that affect the sales revenue of street food vendors. Muzaffar observed that through regression analysis, business experience and start-up capital is found to be two factors that positively affect the sales revenue of the sector. He advances by stating that street food businesses play very important roles

in the economy of developing countries by making rigorous contribution to the economic planning and development of many towns. However, the contribution of this sector is commonly ignored and neglected since it is considered as been an informal sector. He further explores that in the Indonesian city of Bogor, annual sales of street foods amount to US\$67 million. To confirm this, he states that by conservative estimate "If one computes the average daily sales of the 100 000 stalls in Malaysia, annual street food sales amount to US\$2.2 billion". This is a relatively significant figure considering that most of the earnings are generated locally and thereby promote economic self-sufficiency.

Winarno and Allan reemphasize on Kwankye, Nyarko and Tagoe's assertion that the rise in the number of street food vendors are mostly attributed to urban population growth in many cities in the world. This article contends that owing to increasing migration to the urban area, there has been a high demand among many workers to eat outside their respective homes. In parts of Europe and North America, street foods from the Asian, Latin American and African economy have become an essential part of the local food scene. The authors propound that street food's marketing success greatly depends on location and word of mouth promotion. Street food business is mostly owned and managed by individuals or families, but offers an overall benefit extending throughout the local economy. To elaborate on this view, the sector is identified to be highly patronized and mostly carry out their advertisement through word of mouth and so do not incur much cost in their operation. This allows the sector to generate enough revenue to cater for

their families. The operations of the street food vendors are mostly families or sole individuals. Therefore there is a high tendency of the vendor to move into more appropriate structures to make it more attractive to their respective customers.

2.1.2 Contribution of street food vendors to national income

Street food enterprises fall under the informal sector and usually have small, simple skilled, low capital requirements and basic facilities. Hence, Castells and Portes observed in Wenona Giles and Valerie Preston's research that informalization led to work activities or economic transactions, paid or unpaid, that occur outside of the conventional market economy that are not audited, regulated, counted, or mentioned by any official agency in the society. Despite these lapses the street food enterprises have the potential for generating income and employment. For instance Bogor, with a population of 250 000, has 18000 street food enterprises, nearly one for every 14 people. Roughly 26 percent of workers active in the informal sector in Bogor are directly employed as street food vendors as indicated by Chapman, 1984 in the article. Similarly, the International Labour Organization has found that street vendors comprise 29 percent of the active urban labour force in Central America.

The writer propounds that most street food sellers engage in this activity because of the perception that they will be able to generate high incomes as well as the relative small amount of capital involved. This is made evident in Southeast Asia where the average earnings of a vendor is considered three to ten times more than the preset minimum wage of skilled workers

employed in the formal sector. Another is in Malaysia, where net incomes vary, from US\$4 to \$36 with an average of \$16 per day are derived from daily sales ranging in value from \$10 to \$120. They advance here that the vendors also face problems with the local official and disguised people who come to extort “protection money” from them. Again, F.G. Winarno and A. Allain established that urban households in Africa and Asia spend 15% to 50% of their food budgets on street foods. They also bring to light the fact that the low income workers would have been worse off without the existence of street food vendors. This argument places much emphasis on the fact that the street food vendors play very vital roles in the lives of the low income workers.

As pointed out in a Bulletin of the World Health Organization (2002), the patronage of street food is familiar in many countries where unemployment level is high, salaries are low, work opportunities and social programmes are limited, and where urbanization is taking place. It is further stated that the street food vendors benefit from a positive cash flow, often evade taxation, as well as determine their own working hours.

2.2 Global Statistics of street food vendors

In an article published by WIEGO, the rate at which street vending activities increases is examined. It is stated that the world’s largest growing sector of the informal sector is street vending. These vending activities mostly take place on the city streets, sidewalks and other public spaces. Even though street vendors are a lot in the world, majority of them do not have license to

commerce operation and most of the labor hired by this sector is mostly family based which is usually not paid for.

According to WIEGO, the fortunate street vendors sell from the comfort of covered stalls while the unfortunate ones on the contrary, squat on the ground beside a basket or blanket displaying their merchandise. The vendors provide affordable goods to the poor people who cannot afford to buy from the retail stores in the developing countries. More so, it is difficult to give statistics on the number of street vendors due to the failure of the majority of sellers not having operating license. To elaborate more on this point, the study reported that due to high mobility and the seasonal variation in the nature of the work they are engaged in, it is usually difficult to estimate the number of people employed as street vendors. It is mentioned in the article that Brazil and Mexico has estimated street vendors to be one million each whilst in India the estimation is more than three million. A recent research conducted beyond official labour force statistics states that India has approximately ten million street vendors. In addition to this point, another study identifies that out of nine African and Asian countries street vending represented 73% to 99% of the total trade employment with a subsequent of 50% to 90% of the total GDP from trade.

According to Guillaume Iyenda, many of the street food vendors choose to locate their wares at specific sites on the street due to various reasons mentioned. Amongst these reasons were due to easy access to the area, the provision of services, the reliability and number of customers as well as the ability to reach a variety of customers, both rich and poor walking on the

street or passing by in cars. A large number of the street food vendors also prefer to locate themselves at the intersection of major roads. This is done to gain access to the mix of commercial, residential and businesses as well as the high volumes of both pedestrians and vehicular traffic at all hours.

With the importance attached to the street trading activities, some countries thought it wise to form associations and co-operate unions to aid their operation. Amongst these union includes the Self Employed Women Association (SEWA), which is considered the largest trade union of the informal sector. The disadvantage however is that the union seeks to concentrate only on women (Goal 4: Promoting voice). According to Bagshaw S. (2006), the United Nations Industrial Development Organisation (UNIDO) was established and collaborates with three other national UN volunteers to work to provide training in entrepreneurship skills, helping improve product quality and aid in accessing appropriate technology and funds to expand their businesses. Even with such associations the sector's operation is still dormant.

2.3 Operation of street food vendors in Ghana

Stephen O. Kwankye, Philomena E. Nyarko & Cynthia A. Tagoe argue that the majority of street vending activities in the Ghanaian economy are caused by rural-urban migration and poverty. They explain that due to a lack of education and skills, street vendors are not equipped for formal sector employment. Hence, vendors are presented with no other choice for making a living than engaging in street selling. The authors observe that the street vending sector is fast growing and claim that if developed, would be a

potential labour force to increase national income. Unfortunately, street vendors are often overlooked because they have no recognized addresses and so seen as more of a liability than an asset. Kwankye, Nyarko and Tagoe accentuate that many of the job creation promised, by the government are set up by street vendors. Therefore, the more jobs the government claims to have created, the more widespread street vending in the Ghanaian economy. The article explores that some economies have laws regulating the activities of street hawkers in that some are presented with license before they start operations. On the contrary, Ghana has no such licensing policies as a result most individuals become street hawkers within a short period of time; hence the emergence of many street vendors in the Ghanaian economy.

The argument raised is strongly true because even though the sector has become very attractive to the majority of individuals who are involved, they tend not to develop from the micro level to either medium or small scale enterprises. This is due to the fact that individuals, government and businesses fail to recognize the sector as a revenue generating industry which will contribute grossly to the economy of Ghana. In the authors' arguments, it is observed that given the income levels generated by the sector they should have been able to move their wares to a more comfortable structure either than operating in those weak structures they are found in. Also, because the sector has no law regulations supporting it operations, they do not have government bodies to help them expand their businesses.

2.3.1 Challenges faced by street food vendors in Ghana

In a study conducted by Jalbert (2000), a major contributory factor to stagnation in the growth of most self-employment businesses in the world is access to credit. Jalbert (2000) explores that most micro, small and medium enterprises or formal large scale businesses face numerous difficulties in gaining capital, fair lending terms and collateral. Peggy Clark and Army Kays (1998) indicated in a study conducted by Jalbert (2000) that 41% of entrepreneurs report lack of money to be a major constraint to starting a business whilst 47% testified the lack of capital as the greatest hindrance to business expansion. In support of this view, the banking world had shown little interest in small loans or micro credits, considering the relatively high handling costs with the result of institutionalized banking practices. This is due to the small loans that the micro enterprises seek to borrow from the bank. Dovi (2006) identifies that due to challenges in terms of access to credit, new technologies, and lack of properly coordinated support in the micro, medium and small scale sector, they fail to expand. Other impediments are poor infrastructure, low capacity and obstructive government policies.

According to Winnie v Mitullah (2003), the creation of efficient institutional and legal framework is vital for facilitating the smooth operations of businesses. Both contend that the rise in the cost of business entry, growth and distort markets are influenced by inappropriate regulations. In addition, the institutional framework for informal activities of which street trade is included has generally been hostile in most African countries. Winnie v

Mitullah (2003) further expand their discussion that the street traders work in very unfriendly environment lacking basic infrastructure and services. Rather they face harassment, including beating and confiscation of goods by urban authorities. Furthermore they face both market and investment issues. Some of the market problems included overcrowding, dwindling sales due to poor location and low purchasing power among customers. The investment problems on the other hand include lack of capital, secure site of operation, confiscation of goods by urban authorities, heavy taxation and corruption.

As explored by Tinker I. (2003), a challenge faced by street food vendors is government policies. Governments require licenses for the occupied space; vendors must also pass food safety inspections. The inconsistent implementation of these laws leads not only to bribery and demands for protection, but also to frequent government campaigns to destroy carts and stalls to "clean" the streets. Government harassment is by far the most serious problem facing street food vendors. Thus, vendors are reluctant to upgrade their equipment today if they expect it to be wrecked tomorrow. In the long run, these activities impede the expansion of the street food sector.

According to a report from FAO the following are the categorized obstacles faced by the small scale businesses which include micro, small and medium enterprises.

Internal obstacles within SMEs:

- Inadequate basic food hygiene;
- Lack of expertise and information;
- Human resources constraints;

- Inadequate infrastructure and facilities; and
- Perceived and real financial constraints.

External obstacles within SMEs:

- Insufficient government infrastructure and commitment;
- Absence of legal requirement;
- Lack of business awareness and positive attitude of industry and trade associations;
- Lack of effective education and training programmes;
- No expertise, information and technical support made available to SMEs; and
- Inadequate communications.

2.4 Definition of Concepts

2.4.1 Definition of Street foods

According to Irene Tinker, street food is basically defined as “any minimally processed food sold on the street for immediate consumption”. Another definition proposed by the Food and Agriculture Association (FAO), states that street foods are “ready-to-eat foods and beverages prepared and or sold by vendors and hawkers especially in the street and other public places”.

In another article entitled “The role of street food vendors/Handlers in preventing food borne diseases”, street foods are “ready-to-eat foods and beverages prepared and or sold by vendors and hawkers, especially in streets and other similar places for immediate consumption or consumption at a later stage without further processing or preparation.”

In another study entitled "Global Conformity or cultural diversity", the writer outlines the difference between food joints and street food vendors in terms of the type of ownership, different kinds of foods sold and marketing techniques used in operation.

According to the FAO Regional Workshop on Street Foods in Asia, held in Jogjakarta, Indonesia in 1986, street foods are described as "a wide range of ready-to-eat foods and beverages sold and sometimes prepared in public places notably streets".

2.4.2 Definition of Street food vendors

According to the National Policy on Urban Street Vendors (2009), street vendors can be grouped into three main categories. They are stationary, peripatetic and mobile. The Stationary vendors are those who carry out their activities on a regular basis at a specific location. The Peripatetic vendors on the other hand are those who carry out their vending on foot and sell their goods and services. In the situation of the Mobile vendors, they vend by moving their goods or services from one place to the other whether motorized or not. For the purpose of this study, the stationary category of street vending supports the type of street vendors under study. Therefore, Peripatetic and Mobile vendors were excluded.

2.5 The role of street food vendors in the Ghanaian economy

"The Earth Report" attests to the fact that one of the rapidly growing industries in the economy of Ghana is street food vending. In view of this, the urban areas in Ghana have a widespread presence of street food vendors

serving majority of the populace in the urban areas. Notwithstanding the unhygienic standards of street food vendors in Ghana, this sector is mentioned to provide customers with tasty foods and colourful beverages at cheaper prices. Again, this sector is emphasized to create employment opportunities to the majority of people as well as providing nutritious, affordable and ready-to-eat food to millions of Ghanaian workers.

The writer expands that before Ghana attained independence, Accra had a less populated size with a minimum prevalence of street food vending activities. This resulted to a high dependency on home prepared meals by the family. However, after attaining independence there was a drastic shift from these highly patronized family meals to street foods due to industrial development. Aside the employment opportunities provided by the sector to the Ghanaian economy, there has been a rampant spread of street food vending on the street of Accra to be precise. Street food vendors can be located around markets, schools, construction sites, beaches, lorry stations, commercial centres, offices, factories and basically along almost every street of Accra. The writer further contends that three reasons give rise for the springing up of Street food vendors:

- Street food vending involves little investment and requires no special training other than domestic experience in preparing food; as well as strong family involvement in the acquisition of raw materials, preparation and cooking of the meals.
- Representations of 75% Street vendors in Accra do not pay taxes and the majorities are not members of any vendors' associations.

➤ Food provided by street vendors are highly patronized since it adds nutritional benefits to the lives of most consumers especially the middle and low income sectors of the population whose main food intake depend on this sector.

Lund, Nichoson, and Skinner (2000, pp 9, 39) as reported in a study conducted by Monique Cohen with Mihir Bhatt and Pat Horn propounds that street traders are considered to be permanent players who make vital contribution in their respective economies. They are mostly referred to as entrepreneurs possessing important trading skills and are able to analyze key economic issues in their environment. It is worth noting that their economic activities also create employment for the majority of people.

Kunateh's article illustrates that there has been numerous increases in the activities of street food vending in the cities of Accra, Kumasi, Sekondi-Takoradi, Cape coast, Tamale and other urban centres over the past decades. Due to the nature of work and student life of people living in the national and regional capitals, they are mostly compelled to patronize street foods which are implied to be more convenient and ready to eat. Also, he observed that 94% of the women vendors have little education and approximately 75% of street food vendors are not members of the Ghana Traditional Caterers Association, hence they hardly pay tax.

Types of business ownerships

The type of business ownership is defined differently by different countries all over the world. Whilst a large number of people classify them by their wealth

in terms of assets others differentiate them in terms of size, operations amongst others.

Borrowing from the economic perspectives 2004, the government of the United States of America defined micro enterprise as a firm constituting 10 or less employees which included unpaid family workers that is owned and operated by the impoverished in the society.

In a similar study conducted by Kayanule and Quartey (Kayanula, 2000), the European Union described small and medium Enterprises (SME) as:

- Firms with 0-9 employees are considered to be micro enterprises.
- Firms with 10-99 employees fall under the small scale enterprises.
- Firms with 100-499 employees are categorized under medium enterprises.

From the information provided, the SME sector employs less than 500 workers excluding the forestry, agriculture, fishing and hunting activities. On the contrary, the United Nations Industrial Development Organization defines micro enterprises in developing countries as firms with less than five workers.

The National Board for Small Scale Industries (NBSSI) is responsible for classifying businesses in Ghana. Below shows how the NBSSI categorizes the types of business ownerships (micro, small scale, medium or large scale enterprises).

- Small Scale- This employs up to 29 workers including micro-enterprise which is 1-5 workers. The value of fixed assets under this business enterprise is greater than \$10,000.

- Medium Scale- This enterprise employs 29-99 workers and the worth of their fixed asset is valued at \$100,000.
- Large Scale- The enterprise employs 100 or more workers with a value of fixed assets amounting to less than \$100,000.

To make this research realistic, the definition adopted for micro enterprise is the one proposed by the NBSSI, since the areas under which the research is conducted pertains to Ghana. Hence, it is more appropriate to use that definition given the fact that the street food vendors operates in this category (micro enterprise).

CHAPTER THREE

METHODOLOGY

This section basically spells out the researcher's tools and methods used in the data collection process as well as the analysis of the collected data. The section is divided into various subtopics which includes the mode of data collection, the type of data being it qualitative or quantitative in nature, the sampling technique and size of the research, the area studied, data collection process and Limitations to the study.

3.1 Mode of Data Collection

The method used in this particular data collection was solely primary data which took the form of a face to face interview through the use of structured questionnaires. This method was chosen because it helps the researcher gain insight into what is actually on the ground since the data gathered is from the right source. Also, due to the nature of the targeted respondents, it was much appropriate to use primary data. The data collection was carried out through self administered questionnaires. This is due to the fact that most of the street vendors barely speak English. The sites studied included Labone, Osu, Kaneshie and Russia.

3.2 Research Sites

The research sites studied were Labone, Osu, Kaneshie, and Russia which are all located in Accra. The reasoning behind choosing these areas was because over the past years these areas have experienced a rapid growth in the establishment of street foods within a long span of time. Besides these places are also busy places and residents of individuals. Kaneshie, for instance has a

market, businesses and residential homes surrounding it environs. Hence, there is a high patronage of these services in the area. Also, Labone and Osu are very busy places that have residents, schools and businesses operating in the area. This makes the area relevant to the study. The last is Russia which is a low class area where individuals engage in such activities as a means of making a living for their family and themselves.

3.3 Qualitative Data

An interactive questionnaire was developed and used to collect the necessary data needed to complete this research. The data gathered from the respondents mostly used the word form of qualitative data. The questionnaire developed addressed issues such as the age of respondents, expansion ideas, type of food sold, how capital was generated, number of years in existence amongst others. These questions were asked because it pertains to the objectives of my study.

3.4 Data Collection Process

As previously stated about the level of education of these street food vendors, it was observed that the English language was not the appropriate language to use in getting the information needed for the research. Therefore, readers of this dissertation are to note that even though the questionnaire was written in English, the writer obtained answers to the questionnaires through the use of local dialects such as Ga, Twi and Ewe where appropriate. Also, the interviewer had to sit with the respondents to interpret the questionnaire for them to understand before ticking. In agreement to the definition proposed by the FAO, the study covered only

processed foods such as waakye, kenkey, cooked rice, roasted plantain etc. and excluded food such as vegetables and fruits.

3.5 Sampling Technique and size

The sampling technique used in the research was a purposive sampling method. A purposive sampling selects respondents of the questionnaire with a purpose in mind. A total of 80 targeted street food vendors were studied. Out of the total 80, 30 represent a combination of respondents from Labone and Osu. The other 50 was divided into two of which 25 represented Kaneshie and the remaining representing Russia. However 8 of the respondents declined to answering the questionnaire because they were either busy or do not trust the exercise. This reduced the sample size to 72 respondents. The questionnaire designed sort to answer some key concepts that hinders the expansion of street food vendors as well as propose reasonable solutions that could help boost this sector of the economy.

3.6 Data Analysis Tools

The data analysis tools used by the researcher were tables and graphical representations of the data collected since it portrays a vivid clarification of the information generated for the study. Again, the use of SPSS aided in analyzing some of the data relating to the objective of the study.

3.7 Limitation of the study

This section discusses the obstacles that the researcher faced when carrying out the study. The first issue was language barrier even though the interviewer could communicate in the local dialect (Ga, Twi and Ewe).

Therefore, readers of this dissertation are to note that due to the language barrier between the researcher and the respondents of the study, answers obtained might not be absolutely accurate but close to the real situation on the ground. During the interview, the interviewer had to sit with the respondent to interpret and tick where the response was applicable and this might affect the accuracy of the data collected.

In addition, respondents to the questionnaire made the collection of data difficult. This is because they complained resentfully about their past experience with people who have conducted similar study and promised to help them but never encountered any improvement in this sector.

Furthermore, whilst some respondents wanted to know if the interviewer was going to help get money for them to grow their businesses, others stated plainly that they are not interested if it has to do with money or susu¹. Their reasons were that similar exercises have led to the loss of their money to tricksters. Therefore, the interviewer had to assure them that their records are for academic purpose and that there is no money involved.

One of the respondents would only participate if the interviewer promised to facilitate raising capital for her to expand her business. This made the data process cumbersome.

Another issue was that eight of the street food vendors refused to answer the questionnaire reducing the targeted sample of 80 respondents to 72. This is mainly because they do not trust that something could be done by

¹ Susu - Local name for petty savings.

government to help them. They rather have the perception that when such exercises are carried out, it exposes them to the government officials especially the Accra Metropolitan Assembly (A.M.A).

CHAPTER FOUR

RESEARCH RESULTS & DATA ANALYSIS

4.1 Analysis of Research Findings

The research findings showed interesting and worrying situations that needed immediate attention by vendors, businesses or investors, policy makers and government. Therefore, the findings have been divided into subsections which will be thoroughly discussed. During the data collection process the following themes were studied. The first objective of the study seeks to provide reasons for the stagnation in the operation of street food vendors. The second is to provide the challenges impeding their expansion and growth and the third is to suggest recommendations to help boost the sector. These themes were chosen because it sought to address some of the issues pertaining to the objective of the study.

4.2 Type of food sold by street vendors

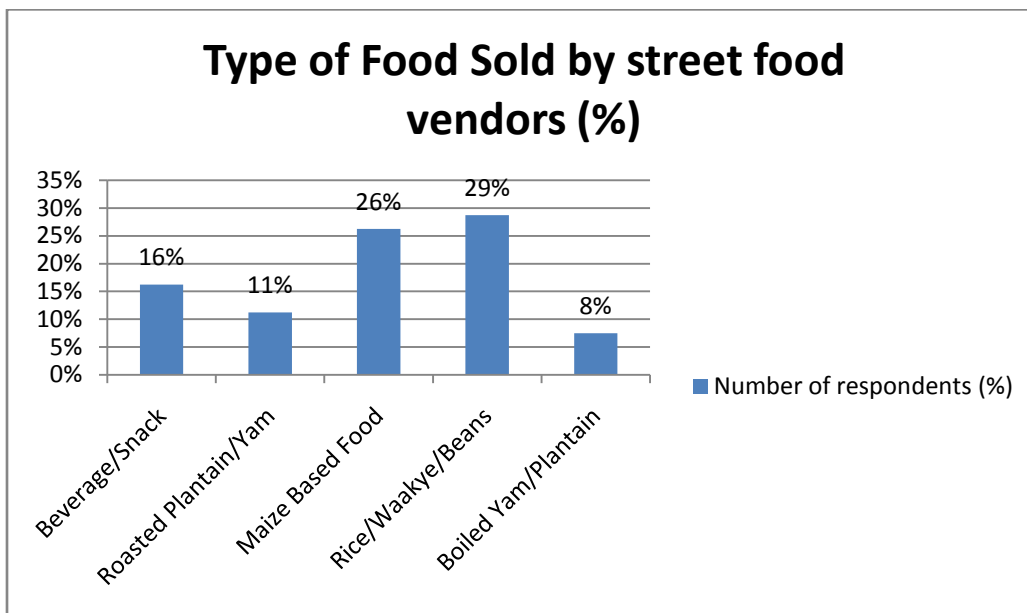


Figure 4.2.1

The questionnaire helped to bring out the type of food sold by these street food vendors. The types of food were grouped under the various headings which are indicated above with the aid of a bar chart. Figure 4.2.1 shows that 16% of the foods sold were beverage or snack. On the contrary, maize based foods and rice/waakye²/beans foods showed a high percentage: 26% and 29% respectively. Meanwhile, boiled yam/plantain and roasted plantain/yam represented 8% and 11% accordingly. These food types were the most common commodity traded.

4.3 Profile and characteristics of street vendors

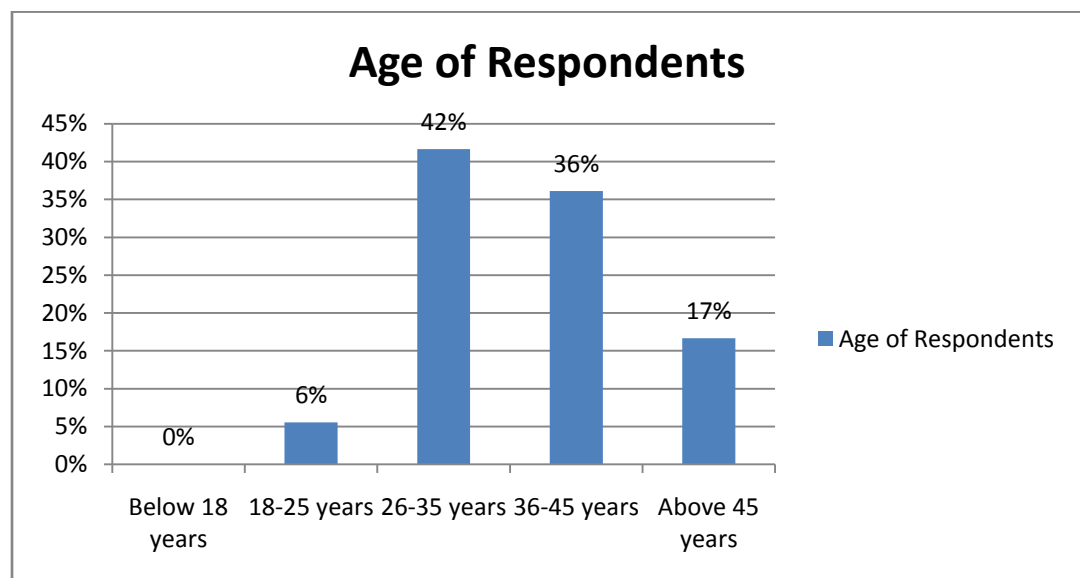


Figure 4.3.1

As age is a contributory factor to the operations of businesses, it is prudent to know the age range of the street food vendors under study. Most of the age range found amongst the street food sector was between the ages of 26-35 years representing 42% of the sample size. A close age group that followed was 36-45 years recording 36% of the total sample size of 72

² Waakye means cooked rice and beans

respondents. 17% of the respondents interviewed represent ages above 45years and respondents from 18-25years represented 6%. On a whole, the findings showed that none of the respondents were aged below 18years which is the standard age considered by the constitution of Ghana as someone who is an adult.

4.4 Marital Status

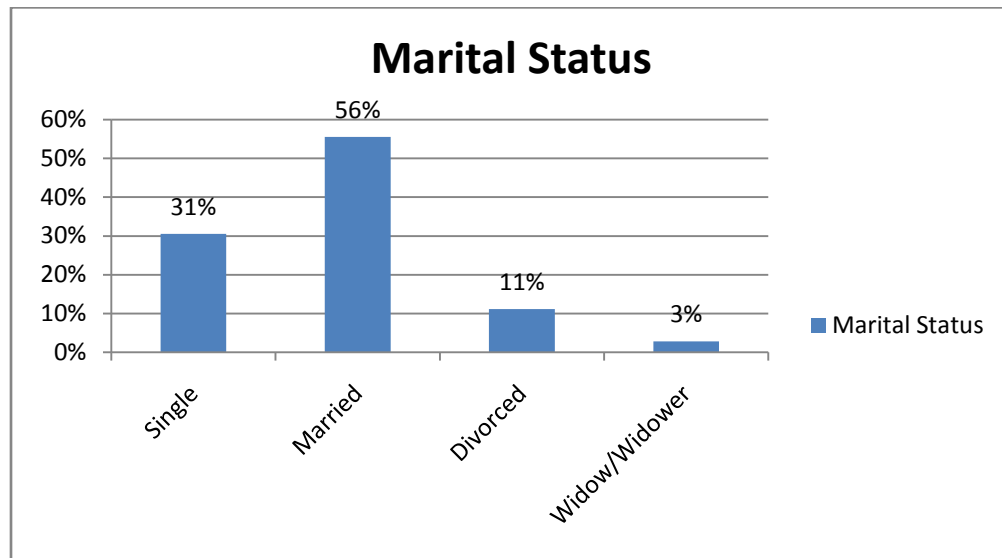


Figure 4.4.1

The marital status of individuals operating in the street food sector suggests how desperately money is needed to support the family. Majority of persons involved in these activities are married and so have a larger family size as opposed to those who have lost their spouses, are single or divorced. As the graph in figure 4.4.1 shows, 56% of respondents were married and 31% are single. Only 3% of the vendors are widows/widowers and 11% respondents representing those divorced.

4.5 Gender

Table 4.5.1

Responses	Frequency	Percentage
Male	6	8%
Female	66	92%

Many studies indicate that the street food sector is mostly dominated by females. This is mostly due to restricted economic opportunities for women and gender bias defined by societal and cultural beliefs in developing countries. This sector is mostly categorized for the lower and uneducated individuals of which women are mostly grouped under. 92% of the street food vendors are females and only 8% are males. A partial explanation for the high dominance of females in the street food sector is that women are commonly socialized to believe that domestic jobs are female oriented whilst formal jobs are for males. This is evident in some reviewed literatures in this study. Even though this perception is changing it is moving at a slow pace.

4.6 Family Size

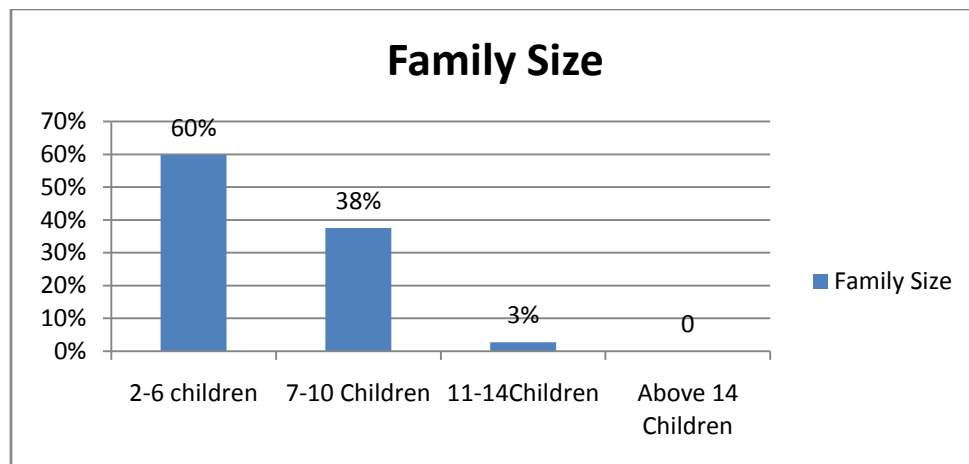


Figure 4.6.1

The family size of sellers also influences their spending levels. It is likely that individuals with a small family size will have enough money left for savings whilst those with a large family size spend a large part of the profit generated on their family needs. To confirm this, figure 4.6.1 illustrates that, 60% of the sellers have a family size of 2-6 whilst 38% represents a family size of 7-10. Also, only 3% of the food vendors have a family size of 11-14. On the contrary none of the street food vendors have a family size above 14 or below 2. Individuals working in this sector should have expanded to a more attractive structure to increase their revenue.

4.7 Rationale behind food type

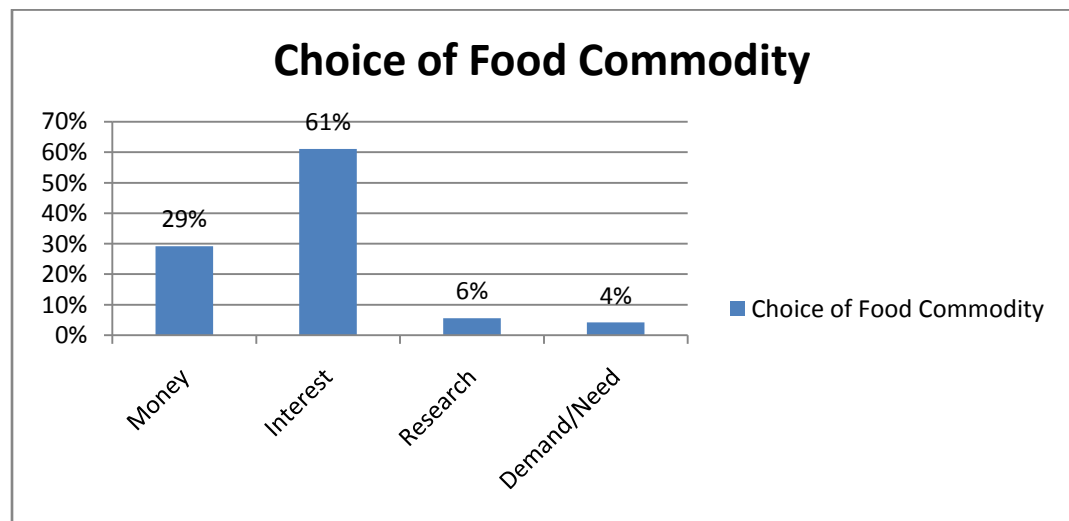


Figure 4.7.1

Most street food vendors find themselves in such activities due to many reasons such as need for money, interest, research, demand/need for the particular food offered. 61% of street food vendors engage in such activities because of interest in the preparation of food. On the other hand, 29% of the operations in such activities are triggered by the element of money. Only 4% operate because of the demand or need for the food whilst 6% find

themselves in these activities based on research. In light of the high percentage (61%) with regards to interest, the sector has the potential to expand but for some challenges beyond their control, they find themselves locked up at one place for a long number of years.

4.8 Educational Level

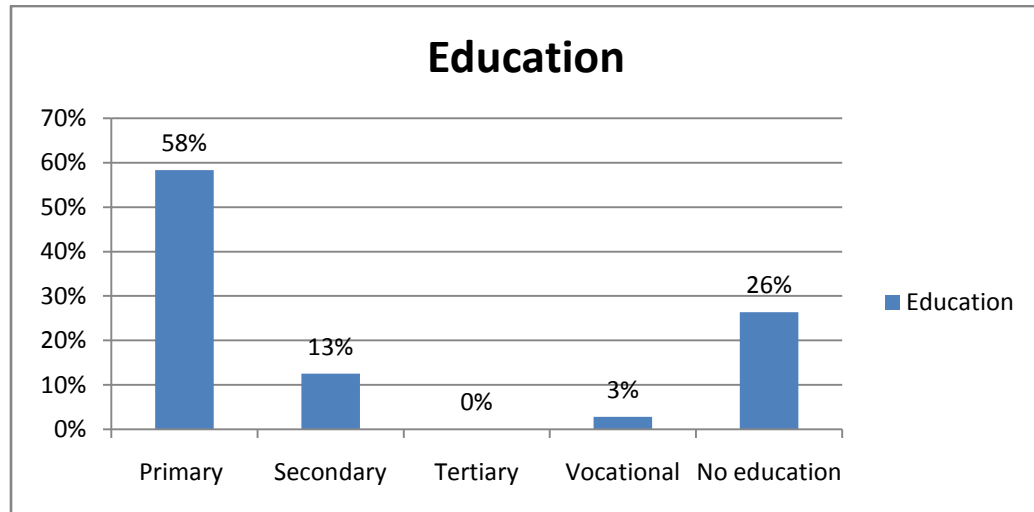


Figure 4.8.1

Education is a key factor to the survival of most businesses; however a good number of street vendors have only primary education which does not enhance the management of such businesses. On the graph above, a large number of the street food vendors representing 58% have primary education whilst 13% has secondary education. Of the vocational education which trains individuals to operate in this sector, surprisingly only 3% of the street food vendors reported to have been educated in the vocational sector. None of the street food vendors have tertiary education. However, 26% of the street food vendors have no education.

4.9 Starting Capital

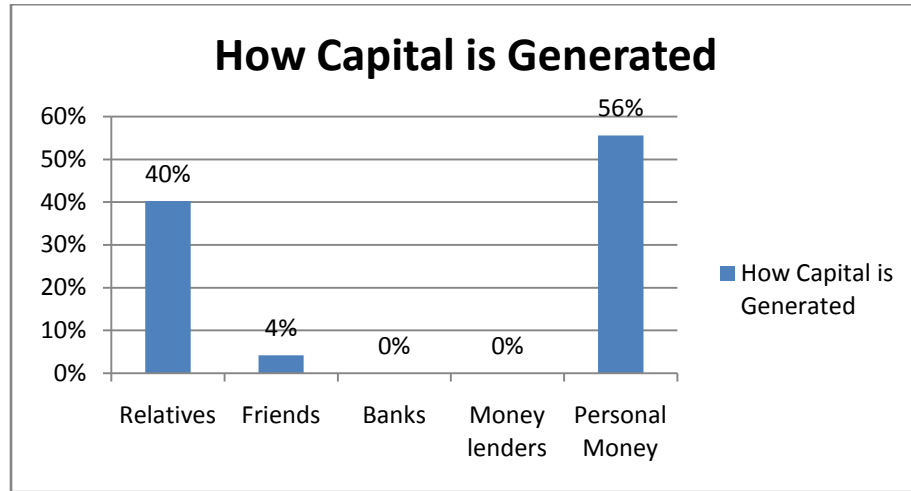


Figure 4.9.1

Capital is the money that businesses use to start their operations. Therefore, it is highly important for businesses to choose appropriate borrowing sources. A good number representing 56% of street food vendors use their personal money to operate their businesses. However, 40% of the food vendors generate their startup capital from their relatives. With a 4% representation of respondents borrowing from friends, none of them borrow from banks and money lenders. Their main reason for not borrowing from these two sources of capital is mainly due to the fact that the requirements are high with cumbersome procedures. Also, some respondents complained the interest charged on the amount borrowed is relatively high.

4.10 Revenue generated

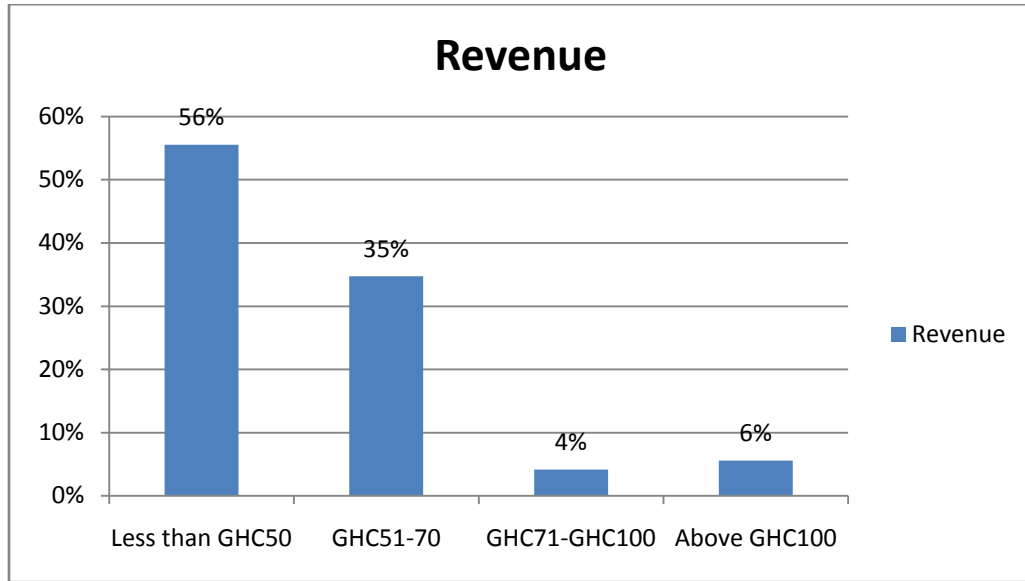


Figure 4.10.1

For every business to expand, it needs to be empowered by revenue generated. Therefore the higher the generated revenue, the more likely the business is able to expand. The graph in figure 4.10.1 shows that 56% of the respondents generate revenue below GHC50 daily. This makes it possible for the street food vendors to have expanded their businesses. Whilst 4% of the street food vendors make average revenue of between GHC 71-100, only 6% of them earn average revenue above a GHC 100. Following the average revenue generated by the sector on a daily basis, there is no doubt that the sector could have been able to expand their businesses instead of being stagnant as long as they have.

4.11 Revenue Generated and how it is used

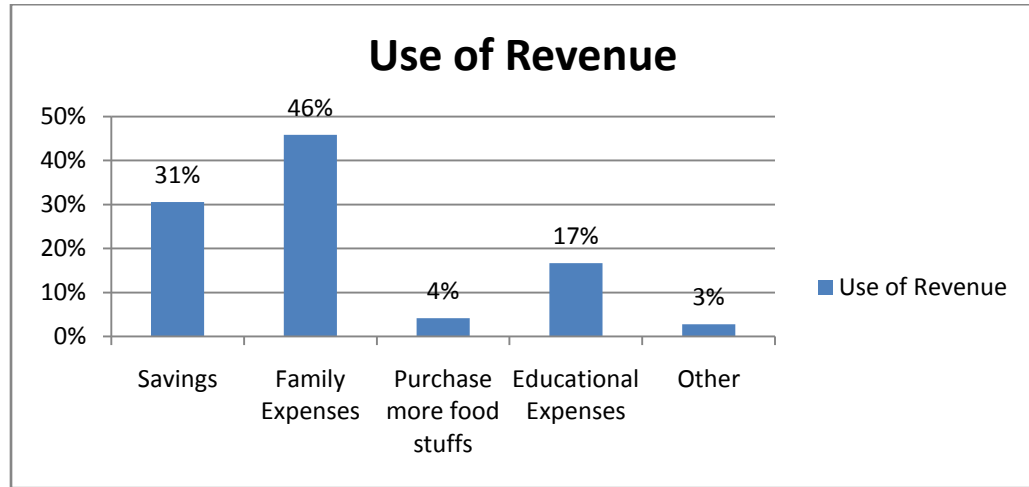


Figure 4.11.1

Most of the stagnation in the expansion and growth of the street food vendors is greatly attributed to family expenses. Hence, 46% of the respondents indicated that most of the money generated is used to cater for the needs of their family. This part of the analyses confirms to the first objective of the research which is to illuminate the reasons to the stagnation of street food vending activities. This is because one major stagnation factor identified was family expenses since it consumes most of the money generated from this sector. A representation of 31% respondents mentioned that they channel their revenue into savings and 17% of the respondents reported to channeling their revenue into their children's education. It is surprising to note that only 4% use their revenue to buy more food stuffs to boost their business, which is relatively smaller than what is channeled into family expenses. This is another major expansion delays in their operations. 3% of the street food vendors reported to use their revenue on other issues best known to them.

4.12 Years in Existence

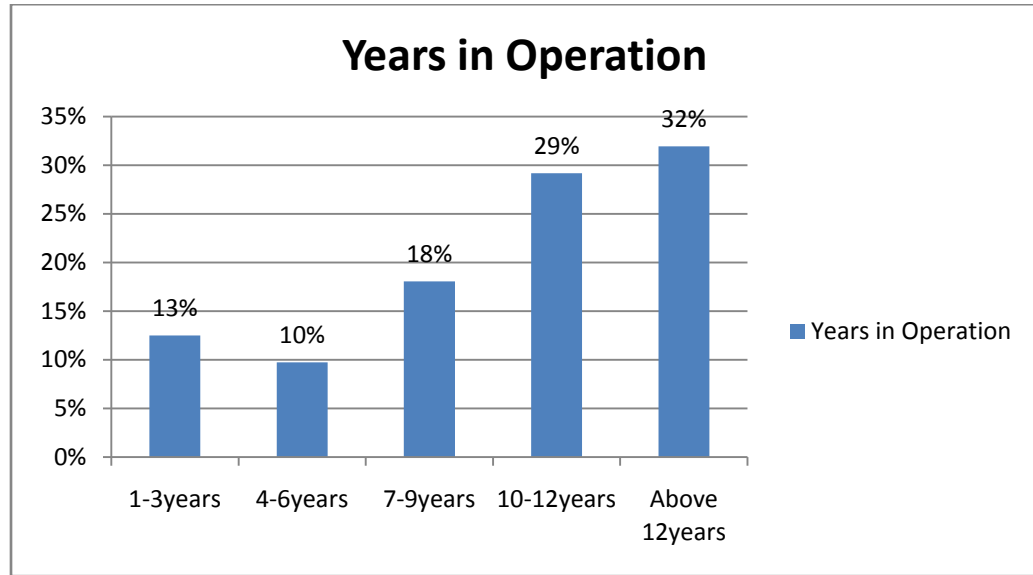


Figure 4.12.1

The number of years since the inception of these street food businesses is keen to the study. This is because this will aid in knowing the number of years that these businesses have become stagnant. Reading from figure 4.12.1, majority of the street food vendors (32%) have operated for more than 12years. Subsequently, 29% of the vendors have been in operation for 10-12 years. However, only 10% reported to be in existence for 4-6years. 18% of the street food vendors have been operating for 7-9years now. The new street food vendors started operation for 1-3years representing 13% of the sample size.

4.13 Borrowing Options

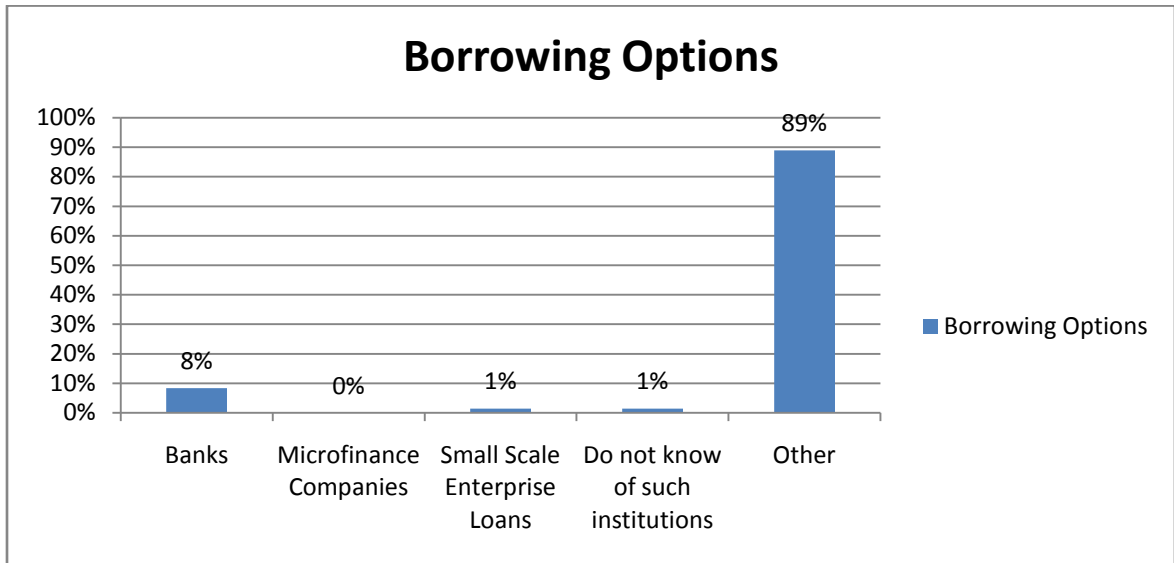


Figure 4.13.1

As a result of the negative perceptions that most street food vendors have about financial institutions they are mostly reluctant in seeking their help when it comes to borrowing. Again, there is no or little awareness about the existence of such institutions amongst them, making it impossible for them to access funds from these institutions. A vivid picture of how street food vendors borrow is portrayed on figure 4.13.1. Only 8% of the street food vendors studied borrow from banks whilst none of the street food vendors borrow from any Microfinance companies. Again, due to the complaints about the cumbersome nature of accessing loans from such institutions only 1% borrows from small scale enterprises. This is the more reason why a majority of the vendors opt to borrowing from other sources. This point is made evident in the figure 4.13.1 showing that 89% responded to borrowing from other (relatives, friends) sources other than those specified.

4.14 Do you save?

Response	Yes Frequency	No Frequency	Yes Percentage	No Percentage
Do you save?	70	2	97%	3%

Table 4.14.1

Savings is one crucial aspect of the street food activity as indicated by the majority of street food vendors. Most of them mentioned that the money saved makes it possible for them to cater to urgent needs for their family. This is made evident on table 4.14.1 that 97% of the street food vendors save whilst only 3% of them do not.

4.15 Relationship between Do you save and the savings Options

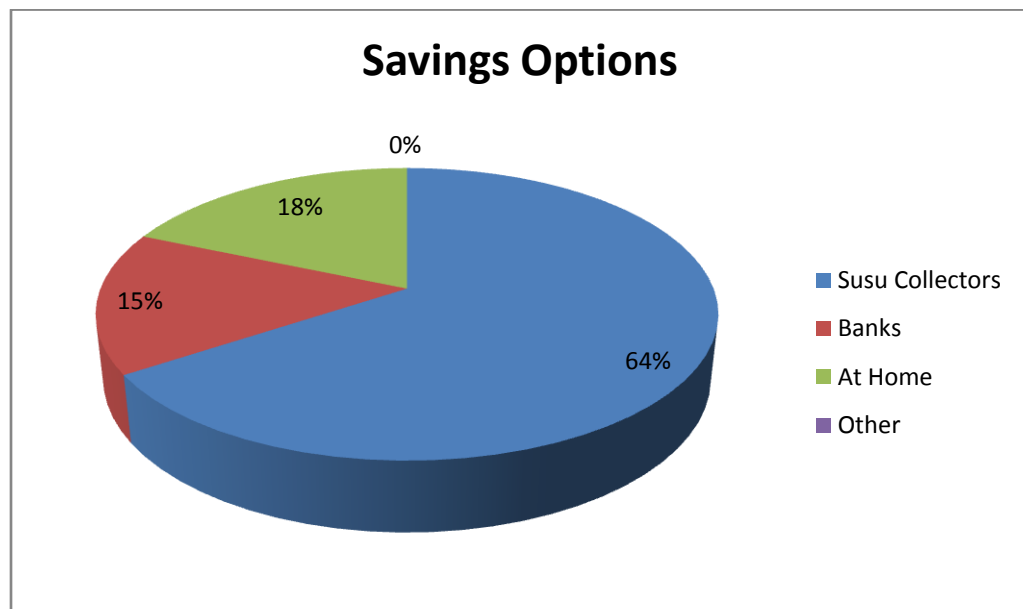


Figure 4.15.1

A large number of the street food vendors preferred saving their money so that in urgent situations they could easily have access to it. Hence, out of the 97% who save, 46 respondents representing 64% save their money with Susu collectors claiming that it is cheaper and does not require a lot of money to start. In contrast to this view (13)18% of the vendors answered that they save at home since it makes it more convenient for them to have access to their funds as and when it is needed. Only (11)15% of the respondents answered to the banking option due to the uneasiness to have access to their money when it is urgently needed whilst none (0%) of the street vendors use other means other than the three savings options shown on the pie chart.

4.16 How much respondents save daily

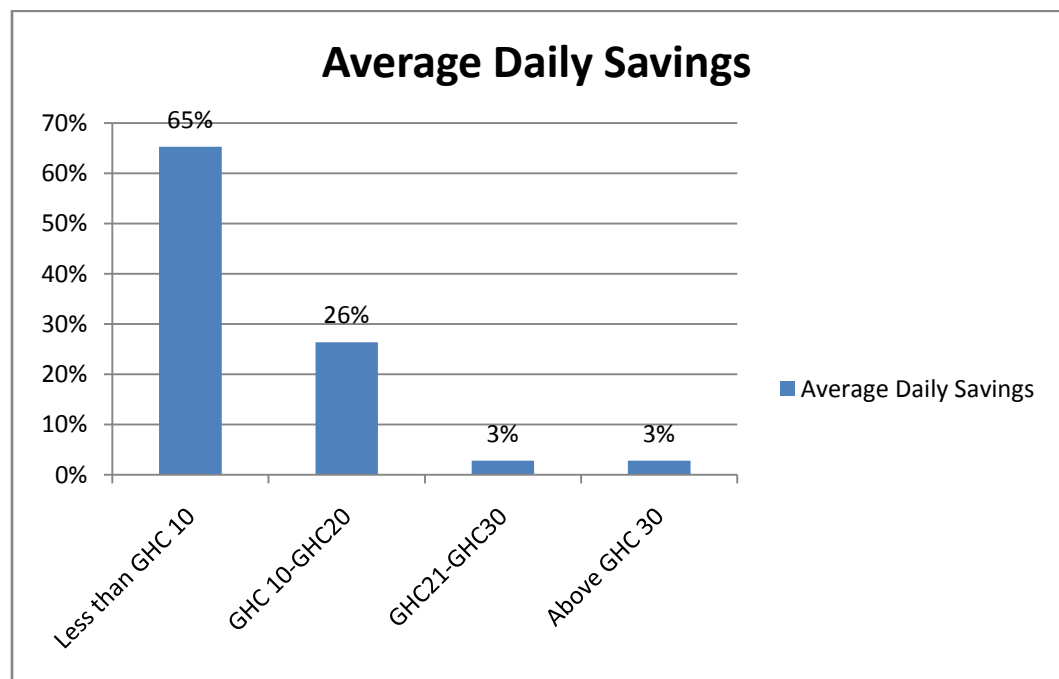


Figure 4.16.1

To support the fact that the majority of the respondents save, the graph in Figure 4.16.1 shows how much they save on average each day. It is evident

that a large number of the street food vendors representing 65% save less than GHC100 daily and these vendors were mostly found in the more developed areas of Labone and Osu. Those street food vendors who save between GHC10-20 constitute 26%. On the other had only 3% save between GHC21-30 and Above GHC30 respectively.

4.17 Relationship between Respondent’s Plan for Expansion and Do you have plans for expansion.

Plan Option	Number of respondents	Percentage
Plough Back Profit / Personal savings	58	81%
Bank Loan	6	8%
Loan from Friends and Family	5	7%
Money Lenders	0	0
No plans for expansion	3	4%
Total	72	100%

Table 4.17.1

For the street food vendors to be given the help needed to facilitate their expansion processes, the researcher asked questions pertaining to whether or not respondents had any ideas for expansion. It is only when these vendors have prospects for expansion that the government, investors and individuals can provide the needed help to them. Only (69) 96% responded yes to having expansion ideas. Therefore, out of the 69 respondents who responded yes, 58 respondents representing 81% reported that they intend to expand their businesses by ploughing-back (or personal savings) their

profit into their business to generate enough money to expand. On the contrary, 6 respondents representing 8% intended to fund their expansion exercise through the use of bank loans. Only 5 (7%) of the respondents intend to expand their businesses through loans from friends and family. None of the street food vendors agreed to expand their businesses using money lenders whilst 4% of the respondents do not have any option.

4.18 Obstacles faced by street food vendors (Internal)

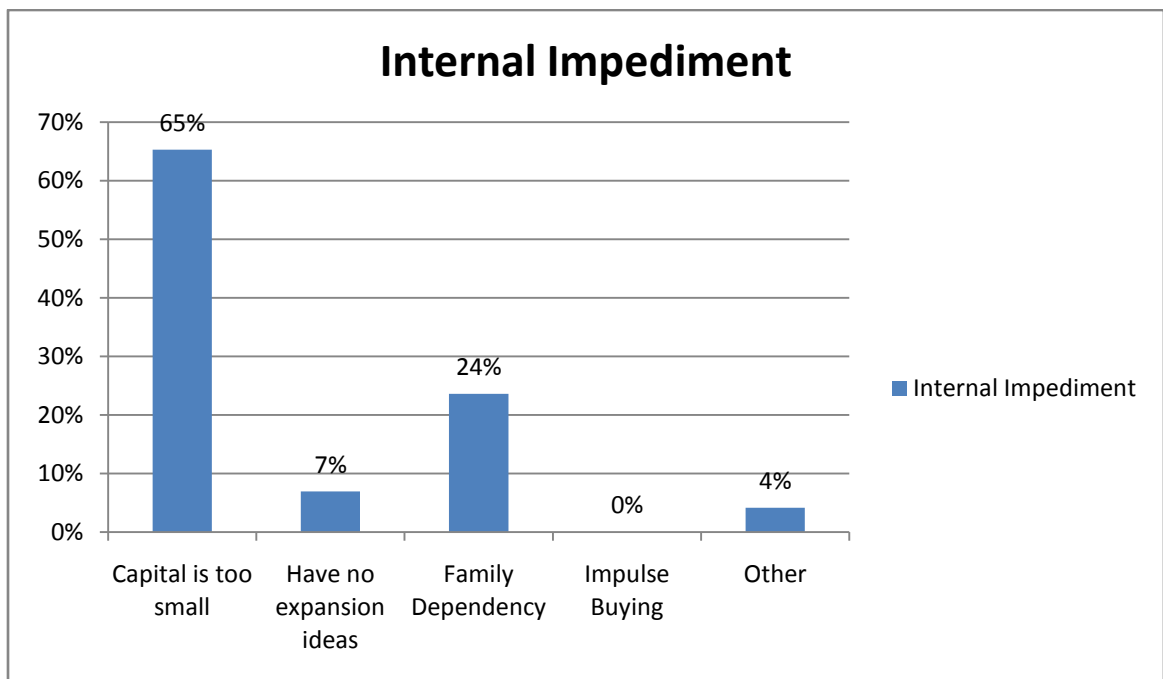


Figure 4.18.1

Through conversational interviews with the street food vendors many of them complained bitterly that due to the small nature of their capital outlay they are not able to expand (move their businesses from the microenterprise stage to the medium enterprise and subsequently the large enterprise). Therefore in response to the internal impediment encountered, a high number representing 65% of the street food vendors were found in this

situation. The next variable that hinders the expansion of these vendors is family dependency. The culture in Ghana is primarily collective where individuals in a family depend on each other for survival. Therefore most families extend their support to their extended family. Hence, this variable recorded 24%. It was only 7% that reported not to have any expansion ideas because they are content with where they are. None of the respondents agreed to the fact that impulse buying was an impediment on their business since most of them complained about how difficult it is for them to generate money for the upkeep of themselves and their families, let alone impulsive luxuries. Only 4% of the respondents specified other internal impediments on their business. These included the fact that there is low patronage of the food sold, high interest payment and collateral securities from banks and money lenders. This graph gives evidence to the challenges faced by the street food vendors which is the second objective of the study.

4.19 Obstacles faced by street food vendors (External)

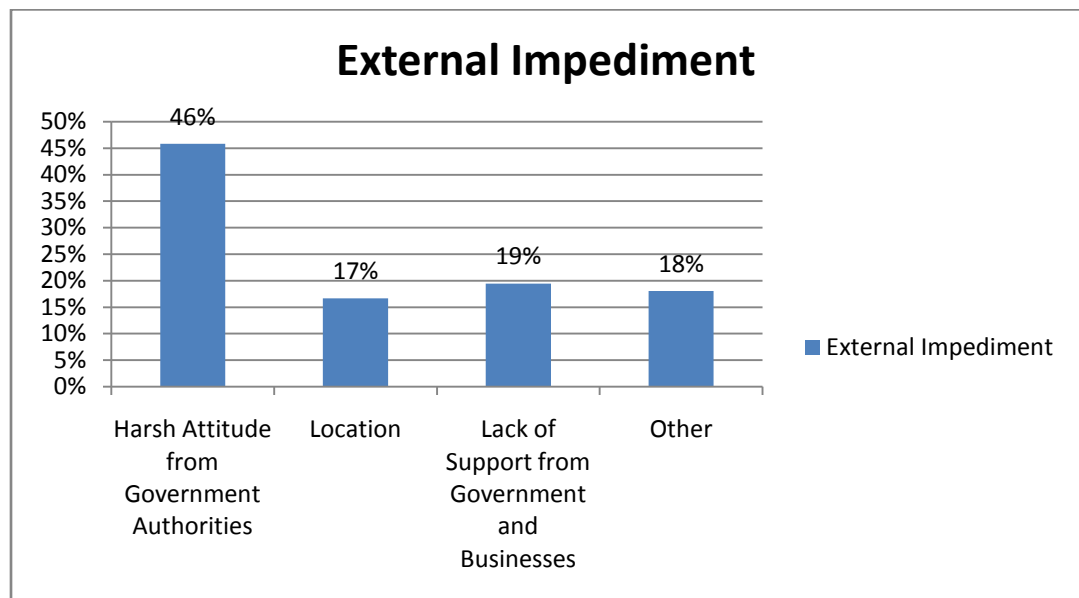


Figure 4.19.1

Aside from the internal impediments, there are certain external impediments that when resolved will aid the expansion of the sector from the micro enterprise level to the medium enterprise level. The highest response from the street food vendors was the harsh attitude from government authorities representing 46% of the total sample of 72. The second highest responds was lack of support from government and businesses which recorded 19%. Out of the 72 respondents studied, only 17% of them mentioned that location was a major external impediment on their businesses. 18% of the respondents answered that other external obstacles have led to stagnation in their operation.

4.20 Membership of Respondents in Food Associations

Membership	Yes Frequency	Yes Percentage	No Frequency	No Percentage
Food Association	2	3%	70	97%

Table 4.20.1

Joining associations is a way street food vendors can channel their grievances to the right authorities as well as enjoy certain trade discounts and also support themselves financially. On the contrary, this seemed not to be the case since 97% of the street food vendors reported “No” when they were asked if they were members of any food association. The respondents who answered in this category mentioned that they are either not aware of the existence of this associations or do not know exactly what their functions are. Out of the sample size, only 3% answered “Yes” to being members of food associations. The 3% that responded were mostly located in Osu and

Labone with none representing Kaneshie or Russia. This is attributed to the fact that the Osu and Labone areas are more developed than Kaneshie and Russia. This table addresses the third objective that suggests recommendations as to how the sector can be boosted. Therefore this question was asked to help set up food associations and co-operative unions to help boost the sector by channeling their grievances to the appropriate body.

4.21 Training Sessions

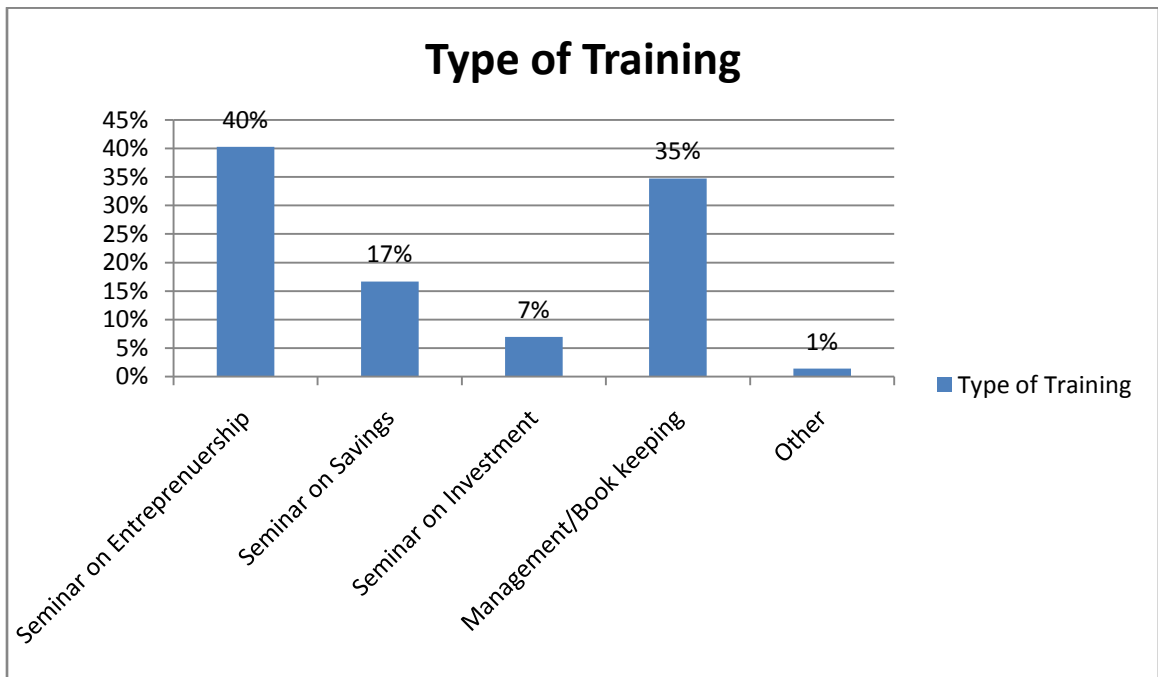


Figure 4.21.1

In order to organize training sessions on managerial, entrepreneurial and basic book keeping skills for the street food vendors a questionnaire was developed in this regard. After an intense discussion with the street food vendors, a majority attested to the fact that training is an essential tool to boost their businesses. Therefore 40% expressed interest in having training on entrepreneurship to enhance their business. 35% of the respondents

answered to an interest in management/accounting skills (basic bookkeeping). This is because they believe that when they keep good records of their accounts they can account for how money has been used and saved. On the other hand, 17% of the respondents answered were interested in training on savings. Only 7% responded favorably to investment training. Despite the interest expressed in undergoing such training, only 1% indicated not to be interested in the training at all. Hence, the respondent answered to other.

4.22 Expectations from government

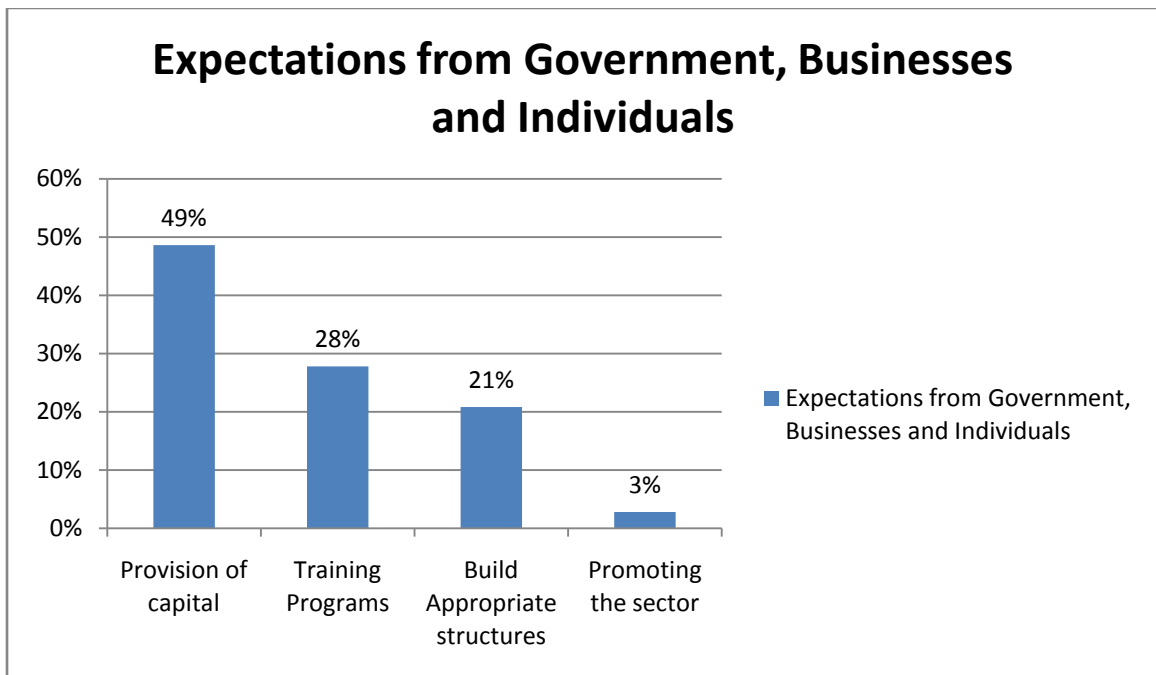


Figure 4.22.1

The graph in figure 4.22.1 aids in analyzing the third objective of the study by discussing what expectations the street food vendors proposed will aid the expansion of their businesses. 49% of the respondents believe that when the government and institutions like the banks facilitate credit for them, it will aid in their expansion. This is because when more money is pumped into

their businesses, it enables them to enjoy economies of scale which will further increase their profit. As an essential tool in boosting their operation, 28% of the respondents reported that when they have training programs it will develop and shape their level of thinking which will subsequently aid in growth and expansion of their businesses. Whilst 21% of the respondents want government to build structures to prevent them from facing harsh attitudes from government officials, only 3% reported that the sector should be promoted and not ignored by policy makers.

Chapter 5

Findings, Conclusions and Recommendations

This chapter outlines the findings, conclusions and recommendations drawn from the data collection process. Furthermore, the researcher also spells out the necessary recommendations that when given the needed attention will aid in improving the operations of the street food vendors.

5.1 Findings and Conclusions

The deductions from the research conducted confirm that the research topic is a justified one. This is because the findings demonstrate that most street food vendors have been in the system for a long time however; they are not able to expand. Also, some of the literatures reviewed were made evident in the findings gathered.

A finding that was discovered during the data collection process was that most of the street food vendors attributed their stagnation in operation to religious beliefs. Some believed that God is their creator and so whatever that He wills comes to pass. Hence, they believe it is not their time to expand and that is why they have been in operation for a long time without progress.

Despite the fact that most of the street food vendors have been operating in this sector for many years, they have unrealized expansion ideas. A majority of them complained that due to the small nature of capital and difficulty in assessing credit facilities from banks and microfinance firms their expansion has come to a standstill. Few are content with where they are though. This is because through these activities they have been able to cater to the needs of

their children and families. However, some complained that even though they have been able to take care of their children to higher learning level of the educational ladder, it was a difficult one.

In addition, the street food vendors have negative perceptions about banks and microfinance businesses. They see the banks as businesses that are there to rob them of the little profit they have made. This is because most of the respondents when asked whether they save or borrow with the bank give a deep sigh of relief before answering. This gesture is mostly back with the fact that the banks convinced them some time ago to form groups to enable them have access to loans to boost their businesses. As a result of a default on behalf of one of the group members, the rest of the members in the group had to pay for their defaulted group member. This unfortunate situation caused them to lose their money in that respect.

Another stagnating factor identified was both nuclear and external family dependency. Due to the cultural nature of Ghanaians, individuals in a family are each other's keepers and so turn to have more of the collective culture than the individualist culture where each individual caters for only their immediate nuclear families. This is mostly practiced in some western countries such as the United States. The street food vendors pointed that most of the revenue generated are channeled into family expenses (medical, utility, food). Hence, they face difficulties in been able to expand their businesses. Also, as this situation becomes continuous, they find themselves locked up and so have no other choice than operating for a longer duration without expanding.

Lastly, the street food vendors face harsh attitudes from government authorities and as well as location problem which hinders expansion. Some street food vendors indicated that recently, there was a demolishing exercise that resulted to the loss of their money. Their plight was that even though this demolishing exercise was done based on an excuse to use the place for something worthwhile, they ignored the benefits that the street vendors give to the populace. The most annoying of all as mentioned by one street food vendor was that “even though the government officials were able to recover the land through the demolishing exercise, the land has been idle since”. Therefore, they are pleading with the government to help build more appropriate structures for them in order to move their wares there since they are mostly sacked by the government authorities.

5.2 Recommendations

5.2.1 Formation of Food Associations

Through the data collection process, majority of the street food vendors who were not members of any food associations expressed keen interest in joining such associations. This was due to the fact that the researcher enlightened them on the benefits they might derive from joining such associations. Some of the proposed potential benefits included in joining Food Associations are trade discounts received as a result of buying on a large scale, supporting each other financially, sharing work experiences with one another and providing useful advice to help boost their businesses. It is recommended the government will encourage the setting up co-operative unions to help in the formation of area food associations. This will go a long

way in making their voice heard and also act as a platform to channel their grievances to the appropriate authorities for immediate actions.

5.2.2 Business Training

The street food vendors also expressed strong interest in undergoing a training session to help boost their business. The training sessions suggested by the researcher sought to address issues regarding, management of their businesses, accounting book keeping, investment options and development of entrepreneurial skills. Therefore, the government and other private entities should help in this regard by providing competent tutors to hold such seminars for them in order to boost the operations of the sector. Through the training sessions the food vendors would equip themselves with modern ways of managing their businesses and reaping enough profit to cater for their family, themselves and expand their businesses.

5.2.3 Designated Market Place

A way that government could re-organize the sector is by building an appropriate market place for them since the sector contributes greatly to the live of the impoverished in the society. This is due to the fact that most of the vendors trade in very risky environment which is dangerous to their health and stifles their expansion. In re-organizing the sector, the work of the government agencies such as the Internal Revenue Service, Accra Municipal Assembly and the Ghana Investment Promotion Centre's work will be made easy. This is because there will be easy recognition which will help government recoup the taxes they have been suffering to collect from the street food vendors. Again, these market places should be built before

sacking the vendors from where they are apparently operating. On the contrary, when such provisions are not made before carrying out any demolishing exercises the street food vendors in no time occupy the places again. By building a convenient market for the street food vendors, customers can easily make them out. This will help check the officials who disguise themselves by extorting money from the vendors. Again, the selling of food to buyers is made easy.

5.2.4 Involvement of Religious Leaders

Religion is one strong belief that street food vendors could not resist themselves from discussing. A large number of the street food vendors believe in God. Hence, they argue that he is the altar and finisher of their faith and so whether or not they expand is up to God to decide. With such perceptions, these street food vendors operate for a good number of years without expansion. Therefore, it is advised that there will be a paradigm shift of the street food vendors in this regard. In order to rectify this mindset, there should be a clear awareness from religious leaders in the country. These religious leaders in the various churches should enlighten these street food vendors by thoroughly explaining things to them. These educative sessions can be achieved through the use of societies in the various churches. During these sessions they could clarify to them their beliefs and coin them in a way that the supreme God only helps individuals who are ready to help themselves.

5.2.5 Education on services provided by Banks/Microfinance companies

Most of the street food vendors need money from the banks and microfinance companies to expand their businesses. However some are resentful about their negative encounters with the banking and microfinance companies. Therefore, it will be prudent that the banks and microfinance companies make it a point to educate the street food vendors of the services they seek to offer. The banks and microfinance companies should be able to spell out the procedures involved in assessing credit facilities from them. They should also make the procedures short and also reduce the interest rate on the loans given out. This is because not only is the procedures involved cumbersome and confusing to the street food vendors but the interest is consequently high discouraging them to have access to credit. In addition, it is recommended that the government institutions such as the Micro and Small Loan Center (MASLOC) as well as the National Board for Small Scale Industries (NBSSI) work together to improve access to credit for the street food vendors.

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APPENDIX 1 – QUESTIONNAIRE

QUESTIONNAIRE: Small Scale Businesses: A case study of stagnation amongst street food vendors in Accra.

This questionnaire was designed by Dorothy Esiawonam Bobodu, a student at Ashesi University College to find out why street food vendors in Accra have become stagnant in their expansion. Interviewees were assured that the data gathered from this questionnaire is purposely meant for academic work and held with a high level of confidentiality. In addition, interviewees were required to provide answers voluntarily. Therefore, under no circumstances were interviewees compelled to answer these questions.

1. Type of food sold
 - a) Beverage/Snack
 - b) Roasted Plantain
 - c) Maize based Foods
 - d) Rice/Waakye/Beans
 - e) Boiled Yam/Plantain
2. Gender Male/Female
3. How old are you?
 - a) Below 18
 - b) 18-25years
 - c) 26-35years
 - d) 36-45years
 - e) Above 45 years
4. Marital status
 - a) Single
 - b) Married
 - c) Divorced
 - d) Widow/Widower
5. What is your family size?
 - a) 2-6
 - b) 7-10
 - c) 11-14
 - d) Above 14
6. What influenced your choice of venture?
 - a) Money
 - b) Interest
 - c) Research
 - d) Demand/Need
 - e) Other.....
7. How many years have you been in this venture?
 - a) 1-3years
 - b) 4-6years
 - c) 7-9years
 - d) 10-12years
 - e) Above 12years
8. How much do you averagely earn a day?
 - a) Less than GHC5
 - b) GHC51-GHC70
 - c) GHC71-GHC100
 - d) Above GHC100

9. What is your level of education?
 - a) Primary
 - b) Secondary
 - c) Tertiary
 - d) Vocational
 - e) No education

10. Where do you borrow from?
 - a) Banks
 - b) Microfinance companies
 - c) Small Scale Enterprise Loans
 - d) Do not know of such institutions
 - e) Other

11. What was your startup capital?
 - a) Less than GHC 100
 - b) Between GHC 100-200
 - c) Between GHC 200-300
 - d) Between GHC 300-400
 - e) GHC 400 and Above

12. How did you generate it?
 - a) Relatives
 - b) Friends
 - c) Banks
 - d) Money Lenders
 - e) Personal Savings

13. Do you have plans for expansion? Yes/No If No, move to question 17.

14. How do you plan to expand your business?
 - a) Plough back profit/Personal Savings
 - b) Bank Loan
 - c) Loan from Friends and Family
 - d) Money Lenders

15. How many years do you intend to achieve this objective?
 - a) 1-2years
 - b) 3-4years
 - c) 5-6years
 - d) 7-8years
 - e) Above 8years

16. What do you channel your revenue into?
 - a) Savings
 - b) Family expenses
 - c) Purchase more Food stuffs
 - d) Educational Expenses
 - d) Other

17. How do you save? If you do not save, move to question 20.
 - a) Susu Collectors
 - b) Banks
 - c) At home
 - d) Other

18. How much do you save a day?
 - a) Less than GHC10
 - b) GHC10-GHC20
 - c) GHC 21-GHC30
 - d) Above GHC 30

19. What is the greatest internal impediment on your business?
 - a) Capital is too small
 - b) Have no expansion ideas
 - c) Family Dependency
 - d) Impulse Buying
 - e) Other.....

20. What is the greatest external impediment on your business?
 a) Harsh attitudes from government authorities (A.M.A) b) Location
 c) Lack of support from government and businesses d) Other
21. Are you part of any street food association(s)? Yes/No
 If yes, Please Name it/them
 If No, Why?
22. What kind of training would you like to have to enhance business expansion?
 a) Seminars on entrepreneurship b) Seminars on savings
 c) Seminars on investment d) Seminars on management/accounting skills
 e) Other
23. What help do you need to boost your business?
 a) Provision of Capital b) Training Programs c) Build appropriate structures
 d) Promotion of the sector e) other.....