

# FOOD MICRO-ENTERPRISES FOR FOOD SECURITY IN AN URBAN SLUM COMMUNITY IN EAST LONDON: DEVELOPMENT OF AN AWARENESS-CREATING PROGRAMME

by

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## Declaration

I, the undersigned hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted it at any university for a degree.



## ABSTRACT

The aim of the study was to develop the content of a programme to increase the awareness of women in Duncan Village of 1) the potential role of food micro-enterprises in the improvement of food security; 2) the consumer demand concerning the operations of food micro-enterprises; and 3) appropriate micro-enterprise training programmes available in the greater East-London area. This was based on an identified need for the inclusion of a module on food security in a comprehensive programme to prevent growth failure in 0 to 24-month-old children attending local government clinics in Duncan Village by improving the capacity of mothers or primary caregivers to care for their children.

Food security is defined as access by all people at all times to enough food for an active, healthy life. The potential role of food micro-enterprises in the improvement of food security was established through a literature review. It was established that street foods contribute to individual food security by providing food where people work or congregate at cheap prices, thus increasing availability. It also helps in meeting energy and nutritional needs if safe, nutritious food is provided. The main method by which it increases an individual's access to food is by supplying an income to food micro-enterprise owners if they sell street foods.

The consumer demand concerning the operations (including the products) of food micro-enterprises was determined through personal interviews with the customers and non-customers of food micro-enterprises in Duncan Village, using a structured questionnaire. One hundred and twenty-nine customers and 129 non-customers were selected using a combination of cluster and convenience sampling. Food micro-enterprises operating at the schools and on pavements in Duncan Village and at the taxi rank in East London were included. The results of this particular survey indicate that the consumer behaviour is influenced by the trade area where the customers purchase their food, the age and gender of the customers as well as the friendliness of the vendor. The product choice of consumers was mostly determined by taste, price and how filling the food is. There was general satisfaction with the operating times of, and the products sold by, food micro-enterprises. Street food consumers were least satisfied with the locations where the enterprises were situated. The dusty environment was given as a reason for dissatisfaction. Further, cleanliness of the food, the vendor and the environment were the main problems cited, especially by the non-customers.

The appropriateness of micro-enterprise training programmes available in the greater East London area for current and prospective food micro-enterprise owners in Duncan Village was determined by compiling a profile of food micro-enterprises, their owners and their business operations in Duncan Village; identifying the features of the ideal training programme for current and prospective food micro-enterprise owners in Duncan Village; investigating the supply of micro-enterprise training in the greater East London area; and evaluating the appropriateness of the identified training programmes.



The profile of food micro-enterprises in Duncan Village owned by women, included a profile of the owners, the enterprise itself as well as the business operations thereof. The data were gathered by means of a personal interview (using a structured questionnaire) with the owners of food micro-enterprises. The enterprises included in the study were operated by women producing and trading processed foods from non-permanent structures at schools and on pavements in Duncan Village, as well as at the taxi ranks in East London. Systematic sampling techniques were used to select food micro-enterprises at the schools while all the enterprises at the pavements and at the taxi rank were included. This resulted in the inclusion of 41 food micro-enterprises. The results indicated that the profiles of these owners do not differ significantly from micro-enterprise owners operating in the informal sector elsewhere in South Africa. Furthermore, they indicated a clear need for training in all aspects regarding their business operations.

The identification of the features of the ideal micro-enterprise training programme for the training of current and prospective female food micro-enterprise owners operating in Duncan Village was based on the profiles of street food consumers and food micro-enterprise owners, discussions with experts and on the literature. The identified features were used for the development of a framework to evaluate the appropriateness of micro-enterprise training in the greater East London area for current and prospective food micro-enterprise owners in Duncan Village.

The supply of micro-enterprise training in the greater East London area for food micro-enterprise owners was investigated using a structured questionnaire, completed during a personal interview with the training managers of the organisations. All governmental and non-governmental organisations in the area offering training programmes with the objective to motivate and enable persons to establish a micro-enterprise in the informal sector; or with the objective to enable established micro-enterprises to operate more efficiently within the informal sector, were included in the study population. These organisations were identified through snowball sampling and resulted in ten organisations and 17 programmes being included.

Subsequently, the appropriateness of micro-enterprise training programmes available in the greater East London area for current and prospective food micro-enterprise owners in Duncan Village was evaluated using the Evaluation Framework. The results indicate that only one programme, combining business management and cooking skills, could be rated as appropriate for current and prospective food micro-enterprise owners in Duncan Village. Five other programmes could be rated as moderately appropriate for particular groups. These programmes, with the exception of one, included business management skills and no cooking skills. The remaining programmes were rated as either not very appropriate or inappropriate for current and prospective food micro-enterprise owners in Duncan Village.

It is concluded that a need for the mentioned awareness-creating programme exists. Furthermore, it is recommended that the programme developed in this research, be used as basis for the household food security module of the comprehensive programme.



## OPSOMMING

Die doel van die studie was die ontwikkeling van 'n program om die bewustheid van vroue in Duncan Village ten opsigte van 1) die bydrae wat voedsel mikro-ondernemings tot die verbetering van voedsel sekuriteit kan lewer; 2) verbruikers se behoeftes betreffende die bedrywighede van voedsel mikro-ondernemings; en 3) toepaslike mikro-onderneming opleidingprogramme in die groter Oos Londen area te verhoog. Die behoefte om 'n module oor voedselsekuriteit in 'n omvattende intervensie program in te sluit, is reeds geïdentifiseer. Hierdie intervensie program het ten doel om groeivertraging in 0 tot 24 maande oue kinders, wat munisipale klinieke in Duncan Village besoek, te voorkom deur die versorgingskapasiteit van hul moeders of primêre versorgers te verhoog.

Voedselsekuriteit word gedefinieer as toegang deur alle mense, ten alle tye, tot genoegsame voedsel vir 'n aktiewe, gesonde lewe. Die potensiele rol wat voedsel mikro-ondernemings in die verbetering van voedselsekuriteit kan speel, is deur middel van 'n literatuuroorsig vasgestel. Daar is vasgestel dat die voedsel wat deur hierdie ondernemings verkoop word tot individuele voedselsekuriteit bydra deurdat dit goedkoop voedsel beskikbaar stel by plekke waar mense werk of andersins bymekaar kom. Indien veilige en voedsame voedsel voorsien word, kan dit help om energie- en voedingbehoefte te bevredig. Die belangrikste metode waardeur dit 'n individu se toegang tot voedsel verhoog, is deur 'n inkomste aan die eienaars van voedsel mikro-ondernemings te verskaf.

Verbruikers se behoeftes betreffende die bedrywighede, insluitend produkte, van voedsel mikro-ondernemings is met behulp van gestruktureerde vraelyste tydens persoonlike onderhoude met die kopers en nie-kopers van voedsel van hierdie ondernemings, bepaal. Eenhonderd nege-en-twintig kopers en nie-kopers is onderskeidelik geselekteer deur 'n kombinasie van bondel- en geriefssteekproefneming te gebruik. Die voedsel mikro-ondernemings wat handel gedryf het by skole en op sypaadjies in Duncan Village, asook dié by die taxi staanplek in Oos Londen, is in hierdie steekproef ingesluit. Die resultate van hierdie opname toon aan dat verbruikergedrag bepaal word deur die gebied waar verbruikers hul kos koop, die geslag en ouderdom van die verbruiker, en die vriendelikheid van die verkoper. Verbruikers se produkkeuse word grootliks bepaal deur die smaak, koste en die vullingsvermoë van die voedsel. Verbruikers was oor die algemeen tevrede met die bedryfsure en die produkte van voedsel mikro-ondernemings. Hulle was egter die minste tevrede met die area waar die ondernemings bedryf word, hoofsaaklik vanweë die stowwerigheid van die omgewing. Nie-kopers in die besonder het die higiëne van die voedsel, die verkoper en die omgewing as hul grootste bronne van kommer bestempel.

Die toepaslikheid van beskikbare mikro-onderneming opleidingprogramme in die groter Oos Londen omgewing vir huidige en voornemende eienaars van voedsel mikro-ondernemings in Duncan Village is geëvalueer deur die volgende stappe uit te voer: 'n Profiel van voedsel mikro-ondernemings, met inbegrip van die eienaars en die besigheidsaktiwiteite, is saamgestel. Die eienskappe van die ideale opleidingprogram vir huidige en voornemende eienaars van voedsel mikro-ondernemings in Duncan Village is geïdentifiseer, die beskikbaarheid van mikro-onderneming opleiding in die groter Oos Londen omgewing is ondersoek en die toepaslikheid van die geïdentifiseerde programme is geëvalueer.



Die profiel van voedsel mikro-ondernemings in Duncan Village, het 'n profiel van die eenaars, die onderneming self en die besigheidbedrywighede ingesluit. Die data is ingesamel deur gestruktureerde vraelyste gedurende 'n persoonlike onderhoud met die eenaars van voedsel mikro-ondernemings te voltooi. Die ondernemings wat in die studie ingesluit is, is bestuur deur vroue wat voedsel vervaardig en verkoop vanaf nie-permanente strukture by die skole en op die sypaadjies in Duncan Village, asook die taxi staanplek in Oos Londen. Sistematiese steekproefnemingmetodes is gebruik om die voedsel mikro-ondernemings by die skole te selekteer. Al die ondernemings wat vanaf die sypaadjies in Duncan Village en die taxi staanplek in Oos Londen bedryf is, is ingesluit. Een-en-veertig voedsel mikro-ondernemings is in die studie populasie ingesluit. Die resultate het aangedui dat die profiel van die eenaars nie wesentlik verskil het van dié van algemene mikro-onderneming eenaars in die informele sektor elders in Suid Afrika nie. Bykans alle eenaars het aangedui dat daar by hulle 'n behoefte bestaan vir opleiding in alle aspekte rondom die bestuur van hulle besighede.

Die eienskappe van die ideale mikro-onderneming opleidingprogram vir huidige en potensiële eenaars (vroulik) van voedsel mikro-ondernemings in Duncan Village, is gebaseer op die profiele van die verbruikers en eenaars van voedsel mikro-ondernemings, besprekings met kundiges op die gebied en relevante literatuur. Die geïdentifiseerde eienskappe is gebruik vir die ontwikkeling van 'n raamwerk om die toepaslikheid van mikro-onderneming opleidingprogramme in die groter Oos Londen area te evalueer.

Die beskikbaarheid van mikro-onderneming opleiding programme in die groter Oos Londen omgewing, vir voedsel mikro-onderneming eenaars, is met behulp van 'n gestruktureerde vraelys wat tydens 'n persoonlike onderhoud met die opleidingbestuurders van die organisasies voltooi is, ondersoek. Alle regerings- en nie-regerings organisasies in die omgewing wat opleidingprogramme met die doel om persone te motiveer en in staat te stel om 'n voedsel mikro-onderneming in die informele sektor te vestig, of om 'n gevestigde voedsel mikro-onderneming meer effektief te bedryf, aanbied, is in die studie populasie ingesluit. Tien organisasies en 17 programme is deur middel van sneeubal steekproefneming geïdentifiseer en ingesluit.

Die toepaslikheid van beskikbare mikro-onderneming opleidingprogramme in die groter Oos Londen omgewing is deur middel van die Evaluering Raamwerk geëvalueer. Die resultate het aangedui dat slegs een program wat ondernemingsbestuur- en voedsel voorbereidingsvaardighede gekombineer het, as toepaslik vir huidige en voornemende voedsel mikro-onderneming eenaars beskou kon word. Vyf ander programme kan as redelik toepaslik vir sekere groepe gesien word. Almal behalwe een van hierdie programme het ondernemingsbestuurvaardighede ingesluit, maar geen voedsel voorbereidingsvaardighede nie. Die oorblywende programme is as nie baie toepaslik of geensins toepaslik vir huidige en voornemende eenaars van voedsel mikro-ondernemings in Duncan Village geëvalueer.

Daar is tot die gevolgtrekking gekom dat daar 'n behoefte bestaan vir die bogenoemde bewusmakingprogram. Daar word verder aanbeveel dat die program wat in hierdie navorsing ontwikkel is, as 'n basis vir die huishoudelike voedselsekuriteit module in die omvattende intervensie program gebruik word.



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# CHAPTER 1

## INTRODUCTION, PROBLEM IDENTIFICATION AND JUSTIFICATION OF THE STUDY

### 1.1 INTRODUCTION AND PROBLEM IDENTIFICATION

#### 1.1.1 Undernutrition in South Africa

Undernutrition is a significant problem in Africa as it is estimated that about 32% of the children on this continent are undernourished (Torun & Chew, 1994: 951). In 1994 it was found that 22,9% of 6 to 71 month old children in South Africa are stunted (Health Systems Trust, 1998: 208; SAVACG<sup>1</sup>, 1996: 1). The more recent findings of The National Food Consumption Survey (Labadarios, 2000: 6) indicate that this figure has neither improved nor deteriorated since then. They found that one out of ten children aged one to nine years was underweight and just more than one in five stunted.

The problem of undernutrition is not country wide, but is prevalent in certain areas where "pockets of undernourished children" exist (Vorster, Oosthuizen, Jerling, Veldman & Burger, 1997: 7). This trend is especially common amongst the African population where 28,3% of children under six years are stunted compared to 4,9% of whites (Health Systems Trust, 1998: 215).

Undernutrition, a result of inadequate nutrition, has short and long term implications for the individual. Undernourished children can easily be drawn into the malnutrition/infection cycle and furthermore can grow up as adults with a decreased work capacity. This may lead to a reduced earning capacity and entrance in a cycle of poverty and hunger (Gillepsie & Mason, 1991: 10; Patel & Pettifor, 1992: 22). It is thus important to address the problem of undernutrition in South Africa.

#### 1.1.2 Causes of undernutrition

In order to explain the causes of undernutrition, the UNICEF<sup>2</sup> conceptual model for the development of malnutrition (UNICEF, 1990: 18) was developed. This model acknowledges the fact that the causes of undernutrition are more complex than mere poverty and describes them as immediate, underlying and basic. The immediate causes include inadequate dietary intake and disease. It is proposed that the underlying causes include:

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<sup>1</sup> South African Vitamin A Consultative Group

<sup>2</sup> United Nations Children's Fund



- insufficient household food security, where the World Bank has defined food security as: “*access by all people at all times to enough food for an active, healthy life*” (Nyariki & Wiggins, 1997: 249);
- inadequate maternal and child care; and
- insufficient health services and an unhealthy environment.

The basic causes include the potential resources available, the economic structures that are in place and the political and ideological superstructure within which all these factors operate. Rightly, Kurz and Johnson-Welch (2000: 20) advocate that it is necessary to focus on the big picture of how undernutrition can be reduced most effectively, and to look beyond the immediate causes to achieve future reductions in the high rates of undernutrition that exist in developing countries.

### 1.1.3 The role of poverty in undernutrition

At the 1996 World Food Summit it was suggested that **poverty is the leading root cause of chronic inadequate access to sufficient food for individuals and households, and is thus the main obstacle to food security**. Although poverty is a major contributing factor to all three of the mentioned underlying causes of undernutrition (Leidenfrost, 1999: 52), it cannot be used as the sole basis to plan projects for the alleviation of nutrition problems. However, sustainable progress in poverty eradication remains critical in the improvement of access to food and to improve food security (FAO<sup>3</sup>, 1996: 1; Rogers, 1997: 2).

Poverty has been defined as the inability to attain a minimum standard of living, measured in terms of a household's ability to meet its basic consumption needs or the income required to satisfy them (Friedman, 1999: 3). It consequently has many dimensions, amongst others the following: income, basic needs, and capability. Poverty thus is the deprivation of the material requirements for the minimally acceptable fulfilment of human needs, including food, private income, basic health care and education, and essential community services. A person is considered to be poor if, and only if, his or her income is below the defined poverty line. The poverty line is often defined in terms of having enough income for a specific amount of food (Leidenfrost, 1999: 52). One major cause of poverty worldwide is seen to be unemployment (Botha, 1993: 12).

### 1.1.4 The role of women in reducing undernutrition

Most often women are income-earners as well as caregivers in the home, and therefore play a critical role in assuring household food security and the acceptable nutritional status of their children (FAO, 1998: 1; Garret & Ruel, 1999: 14). The FAO (1997c: 2) recognises that measures to improve the status of women, i.e. by improving their income-earning potential (addressing poverty) and

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<sup>3</sup> Food and Agriculture Organization of the United Nations



organisational capacity and decision-making authority in the home and community, can improve food security. When women's income rises, they may exert more control over household resources which could lead to increased expenditures on food and children's needs, increasing not only household food security but also individual food security. In addition, women tend to spend a significantly higher proportion of their income than men on food for the family (FAO, 1997c: 3; Kurz & Johnson-Welch, 2000: 8, 20). Thus, increasing women's income can have a greater effect on the nutritional status of the individuals comprising the household than increasing men's income. **Addressing the problem of poverty and thus unemployment through methods of income generation for women could improve the household food security and caring capacity of mothers and consequently lower the number of undernourished children** (FAO, 1998: 1; Garret & Ruel, 1999: 14). In addition, a multiple strategy approach to reduce undernutrition could involve reducing women's time constraints so they can attend education and training sessions; increasing women's income so that they can purchase additional foods; or improving women's access to land, fertilizers, and other production technologies so that they can increase production of food crops to feed their children (Kurz & Johnson-Welch, 2000: 20).

### 1.1.5 Entrepreneurial activity as a measure to reduce poverty

Entrepreneurial activity is seen to be a precondition for the success of economic growth and development, as well as for employment creation in a country. Therefore it is generally recommended that attention be given to the training of entrepreneurs, as this contributes to an increase in the level of entrepreneurial activity and income generation in less developed economies (Botha, 1993: 12; Morris & Hooper, 1996: 37). Unfortunately South Africans in general, and specifically the black economic sector, lack such an entrepreneurial environment as they have been brought up in a culture where people are encouraged to enter the labour market as employees. Entrepreneurship is regarded as being too risky and a last resort to those who cannot be absorbed by the formal employment sector. This mindset has resulted in South Africans being consumers of existing jobs, instead of creators of new jobs, a fact which is emphasised by the national expanded unemployment<sup>4</sup> rate of 37,6% (Statistics SA, 1998: 3). The trend of becoming employees is especially true for black South Africans (Van Aardt & Van Aardt, 1997: 3-4), as is illustrated by the 1997 official unemployment<sup>5</sup> rate recorded at the highest for black South Africans (29%) (Statistics SA, 1998: 4). A further cited reason for this scenario is the total absence of entrepreneurial education of children in the past, or the failure to

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<sup>4</sup> The *expanded unemployment rate* does not require respondents to have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview (Statistics SA, 1998: 1).

<sup>5</sup> The *official unemployment rate* is calculated as the percentage of the economically active population that is unemployed, based on the following criteria:

- they did not work during the seven days prior to the interview;
- they want to work are available to start work within a week of the interview; and
- they have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview (Statistics SA, 1998: 1).



sensitise young people in a way that could encourage them to enter business and acquire a culture of entrepreneurship (Arzeni, 1992: 19; DTI<sup>6</sup>, 1995: 11). **A need therefore exists to educate and raise the general awareness of the public about the opportunities presented by entrepreneurship and self-employment. Awareness training is thus one of the first steps necessary in the development of an entrepreneurial culture in South Africa.**

The main purpose of existing business awareness training programmes worldwide is to increase the participant's appreciation of the opportunities and problems associated with starting a business (Garavan & O'Connell, 1994: 8). Serious business training often only begins if the participant proceeds to a follow-up training, which is usually more intensive and presented over a longer period than awareness programmes. The importance of business awareness training programmes is illustrated by the fact that non-attendance of enterprise training programmes is mostly attributed to the fact that business owners are unaware of the courses being offered. This is often due to poor communication between the providers of small business training and the beneficiaries thereof (Govender, 1993: 39). In order to alleviate this problem, the Government sees as a first objective of small business awareness training the effective dissemination of knowledge about presently available training programmes in order to reach entrepreneurs all over the country. Such information should also help to match particular needs of participants and specific business training programmes (DTI, 1995: 33).

#### **1.1.6 Duncan Village as an example of a community where undernutrition and unemployment is a problem**

The scenario of unemployment and undernutrition in South Africa is especially prevalent in the Eastern Cape, where the highest unemployment rate (48,5%) in the country was recorded (Statistics SA, 1998: 3). The impact of the effect of unemployment and the resulting poverty on nutritional status, is illustrated by the fact that this province has the second highest percentage of stunted children (28,8%) in the country (Health Systems Trust, 1997: 204). Both these figures are significantly higher than the national figures and stipulate the need for intervention in this province.

An area in the Eastern Cape where undernutrition and unemployment have been shown to be critical problems, is Duncan Village, East London's most congested informal settlement. The basic socio-economic indicators clearly identify it as a deeply impoverished urban slum (Bank, Jekwa, Lujabe & Mlomo, 1996: 1, 7). Furthermore, De Villiers (1998: 184) and Potgieter (1990: 71) found household food security and the caring capacity of mothers in Duncan Village insufficient and as a result growth failure amongst children is evident. De Villiers (1999: 5) suggested the possibility of addressing the problem of undernutrition among 0 to 24-month-old children in the area through a multiple strategy

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<sup>6</sup> Department of Trade and Industry



intervention programme, and proposed focus areas for the planning of such an intervention programme (Table 1).

**Table 1: Focus areas for intervention and proposed education modules to address the problem of undernutrition in Duncan Village**

Focus areas that should be addressed by intervention	Education modules
Improved dietary intake of children	Feeding practices
Improved nutrition knowledge of mothers	Nutrition education
<b>Improving household food security</b>	<b>Household food security</b>
Mother's caring capacity: <ul style="list-style-type: none"> <li>• Caring attitude</li> <li>• Psychological well-being</li> <li>• Literacy and educational level of mother</li> </ul>	Self development
Decision making role of mother	<b>Resource management</b>
Inadequate health practices: <ul style="list-style-type: none"> <li>• Immunisation of child</li> <li>• Smoking (mother)</li> <li>• Drinking (mother)</li> </ul> Inadequate hygienic practices: <ul style="list-style-type: none"> <li>• Basic personal cleanliness</li> <li>• Washing of children's hands</li> </ul>	Health and hygiene

Source: De Villiers, 1999: 11.

The identification of these focus areas was based on a case-control study, which was done in the community to identify the determinants of the undernutrition problem (De Villiers 1998: 255). De Villiers (1999) also suggested that the intervention programme should be presented at the municipal health clinics in Duncan Village. Mothers or caregivers of newborn children visit these clinics at least six times before and within the first year of the child's life, making it the most suitable location to present the proposed programme to the target population. According to De Villiers (1999) the duration of each of the six proposed education modules should not exceed 30 minutes, as this is the amount of time that the mothers will be available for education during a particular clinic visit.

As was mentioned in Section 1.1.4, household food security can be addressed through measures that increase the income-generating capacity of women. **The research team therefore proposed that the education module on household food security in the multiple strategy intervention programme should focus on income generating strategies for women in the area.** This is in line with the recommendations at a national level of The National Food Consumption Survey that the mothers/caregivers of undernourished children should be educated according to the prevailing needs of their environments and that they should also have access to and engage in income generating programmes (Labadarios, 2000: 8).

Although it cannot be claimed that Duncan Village is representative of the Eastern Cape or of South Africa in general, an in-depth study of the situation with regard to income-generating activities in Duncan Village could form a valuable point of departure for further research on entrepreneurial activities in similar communities in South Africa. It will also provide the necessary insight to



contribute to the development of the household food security module of the Duncan Village intervention programme.

### 1.1.7 Income-generating activities in Duncan Village

As in all struggling economies where unemployment is a serious problem, Duncan Village is characterised by a wide range of small, informal business undertakings. In the retail sector, the majority of these businesses are placed in the survivalist category where they operate at extremely low levels of profitability (Bank *et al.*, 1996: 30-31). These researchers found that businesses in this category mostly include trade enterprises i.e. hawkers, service providers, repair and maintenance businesses and manufacturing enterprises. Hawkers, including food micro-enterprise owners, were found to be the most dynamic entrepreneurs in the retail sector of Duncan Village. In 1996, women comprised 68% of all micro-enterprise owners in Duncan Village (Bank *et al.*, 1996: 26), while Siqhaza (1999: 4) observed that **women are the main owners of specifically food micro-enterprises**. This is in accordance with the FAO's finding that women are often the owners or employees of street food businesses, representing 70% to 90% of the vendors in some regions (FAO, 1997a: 3). It can thus be seen that this is a sector which women generally seem to dominate, which could contribute to the food security of the owners through income generation, while the food provided by the food micro-enterprises could contribute to the food security of consumers by supplying food at affordable prices. Bank *et al.* (1996: 9,33) felt that there is **considerable scope for entrepreneurial growth especially in the cooked food market and recognised that it reflects great potential for poverty alleviation**. Establishing a food micro-enterprise involves a low-cost investment and street food vending is a further application of the domestic skills of food preparation (FAO, 1997b: 4). Training is however necessary for the optimal operation of these enterprises.

Based on these premises, it would be meaningful to focus intervention initiatives on the promotion of food micro-enterprise start-up as well as the improvement of the operations of existing food micro-enterprises, as income-generating strategies to ensure household food security in Duncan Village. Given the short time (approximately 30 minutes) available for the presentation of a module concerning household food security as part of the multiple strategy intervention programme suggested by de Villiers (1999), it was not possible to consider developing a comprehensive training program in this regard. However, because awareness creation is deemed to be one of the first important steps in promoting an entrepreneurial culture, it would be very appropriate to develop a programme that would increase the awareness of women in the area of the potential value of food micro-enterprises in income generation and ensuring food security. It would also be of value to increase the awareness of these women of appropriate existing training opportunities in the area to help them start a food micro-enterprise or optimise the business operations of an existing enterprise.



The challenge therefore lies in the development of such an awareness-creating programme aimed specifically at women in Duncan Village.

## 1.2 AIM AND OBJECTIVES

The following aim and objectives have consequently been set for this part of the research:

### 1.2.1 Aim

The development of an awareness-creating programme (**the awareness programme**) for women in Duncan Village regarding the following:

- the potential role of food micro-enterprises in the improvement of food security;
- the consumer demand concerning the operations of food micro-enterprises; and
- appropriate micro-enterprise training programmes available in the greater East-London area.

To realise this aim, the following objectives were formulated:

### 1.2.2 Objectives

**Objective 1:** The identification of the potential role of food micro-enterprises and street foods in urban food consumption and urban **food security**.

**Objective 2:** The compilation of a profile of **street food consumers** and the **consumer demand** concerning the operations of food micro-enterprises operating in Duncan Village.

**Objective 3:** The identification of **appropriate micro-enterprise training programmes** available in the greater East-London area.

**Sub-objective 3.1:** The compilation of a profile of **food micro-enterprises** in Duncan Village, **owned by women**, including a profile of the owners, the enterprise and the business operations.

**Sub-objective 3.2:** The identification of the features of the **ideal micro-enterprise training programme** (based on Objective 2 and Sub-objective 3.1) for the training of current and prospective female food micro-enterprise owners operating in Duncan Village.

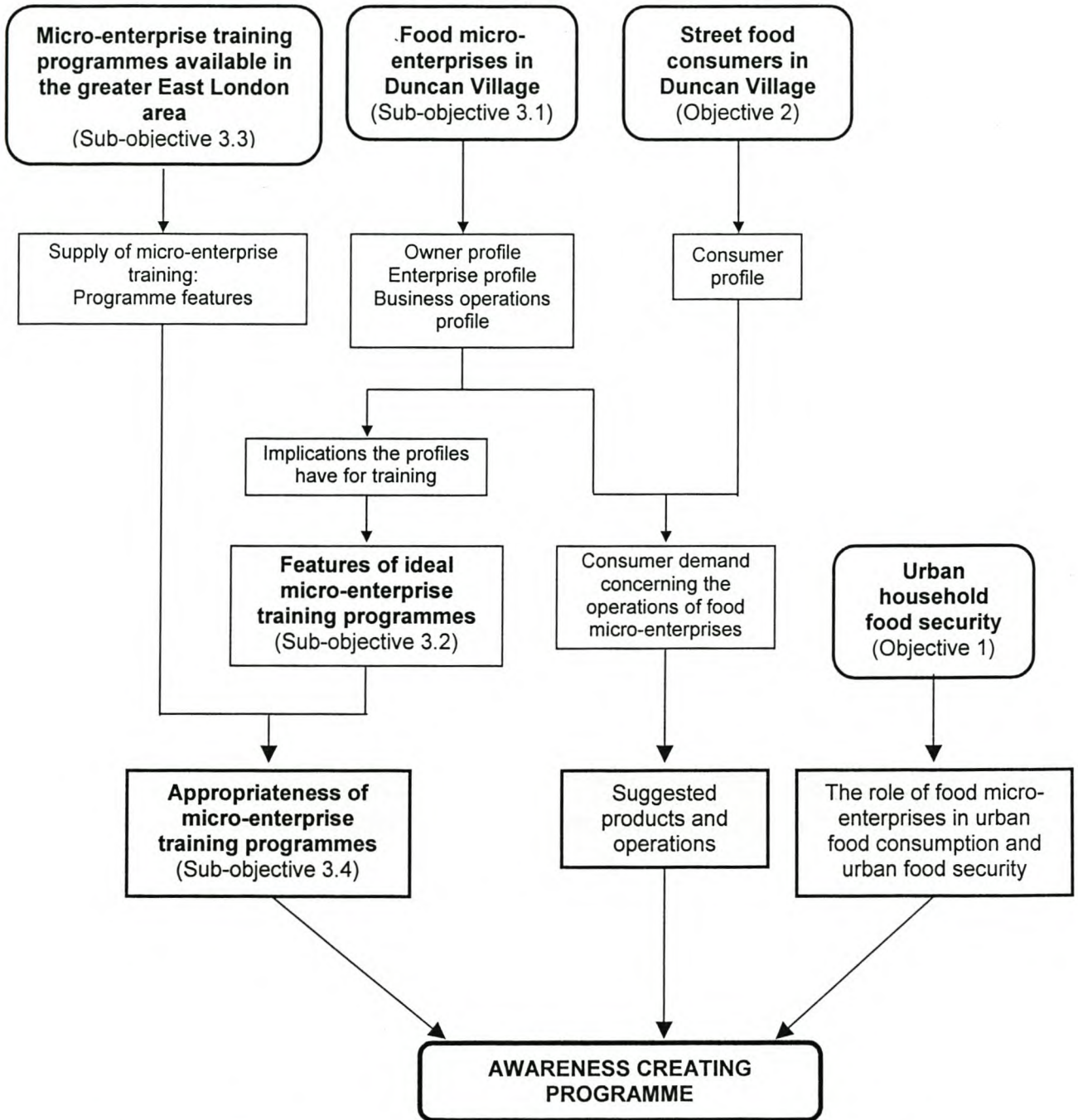
**Sub-objective 3.3:** An investigation into the **supply of micro-enterprise training** in the greater East London area.

**Sub-objective 3.4:** The evaluation of the **appropriateness of micro-enterprise training programmes** available in the greater East London area for female food micro-enterprise owners in Duncan Village.



### 1.3 CONCEPTUAL FRAMEWORK AND GENERIC VARIABLES

The aim and objectives of the study are depicted in the following conceptual framework (Figure 1).



**Figure 1:** Conceptual framework depicting the research aims and objectives of the study

In broad terms, the three main independent variables in the study included the appropriateness of micro-enterprise training programmes, suggested products and operations and the role of food micro-enterprises in urban food security with the dependent variable being the **awareness programme**.



However, in the presentation of the study it will become evident that in the process of the development of the **awareness programme**, certain variables were classified as dependent variables in a particular objective or sub-objective, while the same variable was classified as the independent variable in a following objective or sub-objective.

## **1.4 DESCRIPTION OF TERMS**

The following terms have been defined specifically for this research:

### **1.4.1 “Development of the awareness programme”**

For the purpose of this study, the development of the awareness programme includes only the compilation of the programme content and does not include the development of the educational materials and tools. The development thereof will be part of the development of the total multiple strategy intervention programme (De Villiers, 1998: 5).

### **1.4.2 Food micro-enterprise**

A food micro-enterprise is a business run by an owner and no more than four employees, selling street foods. Street foods are defined as *“ready-to-eat foods and beverages prepared and/or sold by vendors and hawkers especially in streets and other similar public places”* (FAO, 1997b: 4). For the purpose of this study, a food micro-enterprise is regarded as an enterprise involved in the trade of self-manufactured food. This definition thus excludes enterprises trading in fruit, vegetables, meat and other products where no processing by the enterprise is involved before the product is sold to the consumer.

In the literature, different terms are used for food micro-enterprises. These include street food vendors, food hawkers and traders of cooked food and eatables. In this thesis these terms were replaced with the term “food micro-enterprises”.

#### ***1.4.2.1 Current and prospective food micro-enterprise owners***

Current food micro-enterprise owners are defined as those food micro-enterprise owners operating in Duncan Village at the time of the survey.

A prospective food micro-enterprise owner is defined as any person in Duncan Village not operating a food micro-enterprise at the time of the survey, but who could potentially establish one in the future.



#### **1.4.2.2 Business operations of food micro-enterprises**

The operations of food micro-enterprises are defined as all activities concerning the functioning of and products sold by food micro-enterprises and include all production, financial management and marketing functions.

#### **1.4.3 Micro-enterprise training**

Enterprise education has been defined as a systematic process or series of activities that aim to enable an individual to assimilate, modify and develop knowledge, skills and values about the operation of an enterprise. These should not simply be related to a narrow field of activity, but should allow a broad range of problems to be defined, analysed and solved through learning experiences to achieve effective performance in an activity or range of activities (Hynes, 1996: 10).

For the purpose of this study, micro-enterprise training is defined as a series of activities that aim to enable an individual to assimilate, modify and develop the knowledge, skills and values necessary for the successful operation of a micro-enterprise operating in the informal sector.

#### **1.4.4 Street food consumers**

For the purpose of this study, a street food consumer is defined as any person who could potentially purchase street foods. The consumer market was sub-divided into customers and non-customers.

##### **1.4.4.1 Food micro-enterprise customer**

For the purpose of this study (excluding the literature review), a food micro-enterprise customer is defined as any person making a street food purchase at the time of the survey.

##### **1.4.4.2 Food micro-enterprise non-customer**

For the purpose of this study (excluding the literature review), a food micro-enterprise non-customer is defined as any person not making a street food purchase at the time of the survey.

#### **1.4.5 Food security**

The World Bank has defined food security as "*access by all people at all times to adequate food for an active life*". The definition comprises two major elements: the availability of food and access of people to food through their purchasing power to obtain it (Nyariki & Wiggins, 1997: 249).



## **CHAPTER 2**

### **REVIEW OF LITERATURE**

In this review of literature, the following topics, each pertaining to a specific objective, are investigated:

- Food security and street foods (Objective 1 and 2): This section aims to define food security, explore the dimensions thereof, define street foods, establish the role of street foods in urban food consumption and define the role of street foods in ensuring urban food security.
- Micro-enterprises in the informal sector of South Africa (Objective 3.1): This section explores micro-enterprises operating in the informal sector of South Africa, with reference to the owner, enterprise and the operational characteristics thereof.
- Food micro-enterprises and street foods (Objective 3.1): This section gives an international perspective on food micro-enterprises and street foods regarding the people involved therein, how and why the enterprises were established and the operations thereof.
- Customers of micro-enterprises in the informal sector (South Africa) (Objective 2): This section explores the characteristics of the customers of the informal sector in South Africa.
- Street food consumers (international) (Objective 2): This section explores the characteristics of consumers, their reasons for consuming street foods, the disadvantages of consuming street foods, and the role of the consumer in the improvement of street foods.
- Micro-enterprise support strategies (Objectives 3.3 and 3.4): This section presents the different support strategies available to micro-enterprises, the need for micro-enterprise support and the role of the Government in the provision of this support.
- Micro-enterprise training (Objectives 3.3 and 3.4): This section presents the definitions of enterprise and entrepreneurship training and the types of micro-enterprise training available.
- Training needs of micro-enterprises (Objective 3.2, 3.3 and 3.4): This section explores the training needs of micro-enterprise owners from a South African perspective, the focus areas for training food micro-enterprise owners and the accessibility of training provision for them.

#### **2.1 FOOD SECURITY**

This section aims to define food security, explore the dimensions thereof, define street foods, establish the role of street foods in urban food consumption and define the role of street foods in ensuring urban food security.



## 2.1.1 Definitions

### 2.1.1.1 General

Since the concept of food security has emerged, many definitions and conceptual models have been developed around it. Currently, the generally accepted definition of food security is “*access by all people at all times to enough food for an active, healthy life*” as decided upon by the World Bank in 1986 (Van Zyl & Kirsten, 1992: 171). Van Zyl and Kirsten (1992: 171) defined food security as “*the ability of a country or region to see that existing food systems provide access to a timely, stable and nutritional rich supply of food to the population over the long term*”. Another definition of food security states that it is the ready availability of nutritionally adequate and safe food and the ability to acquire acceptable food in socially acceptable ways (Hamilton *et al.*, 1997 in Cason, 1999: 49). Gillespie and Mason (1991: 30) add to that “*adequacy in terms quality, quantity and culturally acceptable*”. They further state that household food security requires “*adequate home production of food and/or adequate economic and physical access to food*”.

According to Maxwell and Smith (1993: 8) there is some degree of similarity among the different definitions and the available conceptual models, including the key characteristics of (a) sufficiency, (b) access, (c) security and (d) time. Food security is in essence an issue of access versus availability, linked to each other and poverty by the two sides of the hunger equation, namely supply and demand (Latham, 1997: 16; Van Zyl & Kirsten, 1992: 171). In short, food security thus involves assuring both an adequate supply of food and access of the population to that supply (Van Zyl & Kirsten, 1992: 171). However, the FAO has defined food security not only in terms of access to and availability of food, but also in terms of the distribution of the resources to produce food and the purchasing power to buy food where it is not produced (FAO, 1998: 1).

Consequently, there are many ways in which role-players aim to ensure food security. Food security may be influenced by both micro and macro factors, ranging from the technology and support institutions available to small farmers and merchants, to monetary, fiscal and trade policies that affect the overall rate of growth and distribution of income. Food security is thus often addressed by generating an effective demand for food (Van Zyl & Kirsten, 1992: 171).

Increasing food production, storage and trade can assure food availability, but this will not automatically ensure that all people have enough to eat and thus prevent hunger. As poverty is a central cause of hunger and undernutrition, special efforts are needed to help increase the access and entitlement of all persons to food (Van Zyl & Kirsten, 1992: 171).



### **2.1.1.2 Food availability**

In order to adequately nourish a population, there must be a sufficient quantity and variety of good quality and safe food available (Latham, 1997: 16). Food availability is generally influenced by a number of factors, among others, the agricultural practices employed by a country or region, the season, food storage and processing method, marketing and policies related to importation, and exportation (Latham, 1997: 17).

In the past, attention was focused on food production as a means of increasing food availability. Although it was seen in recent years that more attention has been focused on households' access to available food in order to ensure food availability within a household, home food production is still an important method whereby the food available to a household can be improved (Nyariki & Wiggins, 1997: 249).

### **2.1.1.3 Access to food**

Sufficient access to food and a nutritionally adequate diet entails that an adequate amount of food must be available within the physical reach of vulnerable households, whether this be through their own production or through the market when they have sufficient income to procure the necessary food (Sharma, 1992: 3; Van Zyl & Kirsten, 1992: 171). Food prices affect both the supply of and the demand for food. The access to food in urban areas thus largely concerns the relationship between adequate food supply, income (purchasing power) and food prices.

Outside efforts to enhance access to food are often attempted through national or city level programmes which essentially increase income, as it is believed that policies that increase employment, income and reliability of that income will have significant effects on food security (Atkinson, 1995: 154; Latham, 1997: 18). According to Latham (1997: 17), access to food is also influenced by physical infrastructure regarding the food supply chain and consumer preferences.

The ways in which a person or household can acquire access to food is through its own production, income-generating activities (i.e. wage employment or trade), ownership of assets which could be exchanged for food and transfers of food/money or anything else from external sources, that can be exchanged for food (Sharma, 1992: 5; Van Zyl & Kirsten, 1992: 171). In the cases where households do not produce the necessary amounts of food themselves, food should be continuously available in the local markets and enough income should be available at all times to procure food (Sharma, 1992: 3).



## **2.1.2 Dimensions of food security**

### **2.1.2.1 *National food security***

“World food security is becoming less a problem of global supplies, overall stability and global stock levels as such, and more a problem of inadequate access to food supplies for vulnerable groups within a country, caused inter alia by lack of purchasing power” (Sharma, 1992: 2).

Food security at a national level does not ensure that all households within that country are food secure. It cannot be assumed that figures that portray the national situation necessarily provide an accurate reflection of the plight of individual households in a remote district within the wider region (Nyariki & Wiggins, 1997: 249; Sharma, 1992: 3). It is thus not sufficient to ensure food security at a national level if the aim is individual food security. The factors that affect national food security include the following: poverty, high rates of population growth, as well as world food demand and supply (World Bank, 1999: 4-5).

### **2.1.2.2 *Household food security***

Household food security focuses on the household as a unit when measuring food security. While a nation may be food secure as a whole, households within that country, depending on their geographical and social characteristics that would influence livelihood opportunities, may be confronted with a grave scarcity of food (Sen, 1981 in Nyariki & Wiggins, 1997: 249). However, national food supply is a necessary, but insufficient condition for household food security (Gillespie & Mason, 1991: 98). Household food security is determined by both physical access to food and adequate purchasing power (Sharma, 1992: 3). Inadequate control and quality of assets (including land), unemployment, underemployment or inadequate wages, high food prices, inadequate access to markets and other factors may thus lead to household insecurity (Gillespie & Mason, 1991: 33).

### **2.1.2.3 *Individual food security***

A person is considered food secure at the individual level if he/she can afford and has access at all times to a diet that is adequate to sustain an active and healthy working life (Nyariki & Wiggins, 1997: 250). When assessing the food security situation of a household, it is thus preferred that it should be determined through analysing the accessibility of individuals to a sufficient diet (Van Zyl & Kirsten, 1992: 171). Family structure and characteristics play an important role in the development of food insecurity as intra-household dynamics in terms of food distribution and the type and quality of food given to a particular individual, may determine food security at individual level. Furthermore, this can be influenced by factors such as male or female head of household, the nutritional knowledge, literacy, educational level and status of the mother/caretaker, number of family members, birth intervals,



position of a child in the family and gender of a child (De Villiers & Senekal, s.a; Steyn, 1998: 639). It is therefore not sufficient to calculate only the average availability of food on a *per capita* basis for a specific region, country or household.

#### **2.1.2.4 Rural versus urban food security**

The nature and scale of the food security problem differs a great deal among urban and rural areas. Throughout most of the history of food policy research, it was believed that food insecurity and undernutrition were more likely to be a problem in rural than urban areas. However, food-insecure households are a reality on both urban and rural areas. In urban areas, these are likely to be very poor households with dependent children, destitute and homeless people, elderly individuals living alone, and those with serious disabilities (Latham, 1997: 5). It is postulated that food insecurity will increasingly become a pressing problem in urban areas in the new millennium (Garret & Ruel, 1999: 15; Maxwell, 1998: 126). Unfortunately much research has been carried out on rural food security, while little research has been done on urban food systems as a whole (Atkinson, 1995: 151).

Urban populations have been increasing rapidly by high internal growth rates and the migration of the rural poor to urban areas (Atkinson, 1995: 152). This rapid urbanisation has made the housing provision in many cities inadequate and has also led to insufficient access to water and cooking space for food preparation. In many of these urban areas, the absence of extended families and the need to take on hours of work at low wages, can make food preparation, child care and daily household duties a constant challenge for women. Thus with their limited disposable income, families are faced with difficult decisions as they may have to choose between school fees, increasingly costly health services, food and clothing, and shelter. Urbanisation has thus made livelihood strategies even more complex (FAO, 1996: 2).

The importance of cash income is one of the main differences in the nature of urban and rural food security. In contrast to the rural residents who could grow a substantial portion of their own food, urban dwellers buy most of their food, implying that food prices are especially important to their food security. Equally important to food prices, urban food security depends greatly on whether the individual can earn enough cash income to buy food (Garret & Ruel, 1999: 12).

Ensuring food security in urban areas in the developing world is thus just as great a challenge, if not greater, than in rural areas. Policy to improve food security should thus be region specific.



### **2.1.3 The role of street foods in food security**

#### **2.1.3.1 *Defining street foods***

The FAO has defined street foods as follows: “Street foods are ready-to-eat foods and beverages prepared and/or sold by vendors especially in streets and other similar public places” (Latham, 1997: 432; Winarno & Allain, 1991: 1). They are mass-consumer foods normally eaten without further processing or cooking. Street-vended foods include foods as diverse as meat, fish, fruits, vegetables, grains, cereals, frozen produce and beverages (WHO, 1996, as quoted in Ekanem 1998: 211). Street foods are mainly sold in urban areas, but they are also prepared and sold by vendors under similar circumstances in rural areas, and not always strictly on the street (Latham, 1997: 432).

#### **2.1.3.2 *The role of income generation in food security***

A high percentage of low-income households in developing countries are found in the urban areas. They are often greatly affected by food insecurity as urban food security depends a great deal on whether the individual can earn enough cash income to buy food. Long-term solutions to the food insecurity problem include the creation of food production and distribution systems in such areas, which will provide the poor with access to adequate food. However, access to food in urban areas can mainly be ensured through increased income and supply of cheap, affordable food (Ateng, 1987: 304; Garret & Ruel, 1999: 1; Van Zyl & Kirsten, 1992: 171). Therefore, when attempting to improve food security, sustainable progress in poverty eradication is critical to improve access to food. The cycle of food insecurity and poverty will thus be broken only when all people have the means to buy food or the resources to produce for their needs (FAO: s.a.: 1; FAO, 1996: 1; Steyn, 1998: 639). It must be borne in mind that while poverty is frequently cited as a major cause of nutrition insecurity, and although it plays a significant role therein, it should not be isolated as the only cause. In addition, maximising household income does not always translate into food security of all its members (Kabeer, 1990: 171).

Although most people will benefit from an increase in income, a strategy that focuses specifically on women will most likely improve not only their own food security, but prove to be most effective in increasing the food security of the total household. Women, especially those heading households, are typically amongst the poorest due to a combination of factors. The differential wages paid to women, the lower paid jobs generally available to women and the restrictions on type of work they can do owing to the demands of child care, all have a negative influence on women’s income earning capacity. Women often earn money by using the skills utilised in the home, such as sewing, cleaning and washing, and by selling street foods or even sex (Atkinson, 1995: 155; Kabeer, 1991: 171). These are all relatively low paid jobs and also confer a low status. Household and individual food security can thus be enhanced by measures that improve the status of women, i.e. that improve their



educational level, income-earning potential and organisational capacity and their decision-making authority in the home and community, and help them save time and energy (FAO, 1996: 3). Empowerment of women through education and economic programmes can enable women to participate actively in establishing and maintaining the nutrition security at household level (Bajaj, 1990: 130).

The FAO has previously recognised that street foods play an important socio-economic role in terms of employment creation, particularly for women, as a result of the high level of street food consumption (Latham, 1997: 19). The owners of food micro-enterprises are often people with little education and training, who would otherwise most likely be unemployed. The majority of women interviewed in FAO studies said that they sold street foods primarily to improve the food security of their household and for a degree of financial independence (FAO, 1997a: 1; Latham, 1997: 433, 436). FAO studies have therefore shown that selling snacks and whole meals on the streets is an important way to obtain income, especially for poor women (FAO, 1997a: 1).

### ***2.1.3.3 The role of street foods in food security***

The migration of people from rural areas to urban centres has led to an increased need for feeding large numbers of working people away from their homes, as very few people have either the time or the money to return home for lunch (FAO, 1990: 6; Latham, 1997: 433). Diets thus tend to change with urbanisation. Urban dwellers often consume more diverse foods than rural dwellers and their diets usually include more processed foods and food prepared away from home (Garret & Ruel, 1999: 14).

As more people join the labour force, they, and specifically the women among them, have less time available to prepare meals. The increase in the labour force and the decrease in the time available for food preparation have led to an increase in the demand for relatively inexpensive, ready-to-eat foods near the workplace (Latham, 1997: 8; Tinker, 1997: 183-184).

As was mentioned, ensuring urban food security is more an issue of adequate access to food than the availability of food. Although food is mostly readily available in urban areas in South Africa, consumers often do not have adequate access to it due to a lack of purchasing power (FAO, 1997a, 1). Thus, to improve the consumer's access to food, inexpensive, nutritious foods need to be accessible to the consumer. Ready-to-eat street foods could contribute significantly to the food security (basic energy and nutritional needs) of the urban poor if it provides food that is physically and economically accessible to most people, especially the lower and middle-income groups. (FAO, 1997a: 1; Latham, 1997: 19, 436).



Urbanisation, urban population growth and the growth of the labour force have resulted in an immense expansion of the street food trade in many cities of both the developing world and the developed world (Latham, 1997: 432; Winarno & Allain, 1991: 1). The main reasons for the expansion of the street food trade can be regarded as being the two sides of the supply and demand equation, i.e. the consumer demand for inexpensive ready-to-eat foods near the workplace as well as the supply and creation of employment through the street food trade. Thus, street foods provide the busy urban worker with an accessible source of food and supply the need of providing food at places where people congregate (FAO, 1990: 8; FAO, 1996: 4; Latham, 1997: 433; Winarno & Allain, 1991: 1).

Millions of people are fed on street foods on a daily basis in urban, and to a lesser extent in rural areas. Street foods has become an important source of food for a great proportion of urban workers and dwellers as they spend a substantial part of the food budget on it. Thus, street foods provide a significant proportion of the total food intake for many people (FAO, 1996: 5; Latham, 1997: 432). The high percentage of household income that low-income urban households spend on food is often not recognised (Ateng, 1987: 304). Studies on food expenditure in different cities of the world support the notion that poorer households spend a greater proportion of their income on food than more affluent households do (Table 2).

**Table 2: Household expenditure on foods and street foods (%)**

City	Food	Street foods
Manikganj, Bangladesh	64	16 <sup>a</sup>
Chonburi, Thailand	55	47 <sup>b</sup>
Ziguinchor, Senegal	74	NA
Iloilo, Philippines	51	23 <sup>a,b</sup>
Bogor, Indonesia	60 urban	25
Ile-Ife, Nigeria	NA	50

NA = not applicable.

a Expenditure on street foods is higher for the poorest quartile: 23% in Manikganj and 28% in Iloilo.

b Expenditure on food is much higher for the poorest families, with those in Chonburi spending 65% and in Iloilo 77%.

SOURCE: Tinker, 1997: 183.

What is surprising is that it is not only working people who spend a large proportion of their household income on street foods, but also non-working housewives who presumably have the time to cook. Although the purchase of street foods is not confined to poor households, it was found that there are higher levels of consumption in low-income countries. In some of these cities it was found that street food expenditure increased with income, but then again declined dramatically at higher income levels. For the low-income worker, street foods and snacks are thus essential (Tinker, 1997: 184; Winarno & Allain, 1991: 3).

Street foods are inexpensive and often less expensive when compared to food available in the formal sector, e.g. restaurants. It also offers an attractive, convenient, possibly cheaper alternative to home-



cooked food when taking the time spent on shopping and cooking and the cost of transport into consideration (FAO, 1996: 4; Winarno & Allain, 1991: 1). Street foods are a tempting alternative for the urban worker who has only recently moved to the city or the urban dweller who does not earn an income. As many people lack proper housing facilities and thus also cooking facilities, buying street foods daily could be cheaper than setting up a kitchen in new surroundings (Latham, 1997: 8,433; Tinker, 1997: 183-184). Street foods further promote the reduction of waste from home preparation (FAO, 1990: 8; Tinker, 1997: 150). Furthermore, the variety and form of street foods depends upon local eating habits, the socio-economic environment and trends in style of living (FAO, 1996: 4). The combination of these factors has resulted in street foods often playing a vital role in the urban diet (Atkinson, 1995: 155-156; FAO, 1990: 14; Garret & Ruel, 1999: 3, 15; Latham, 1997: 4, 433).

It was indicated in Table 2, p18 that street foods provide a very significant proportion of the total food intake for many people in especially African countries (Edwards 1985 as quoted in Ekanem, 1998: 211). The FAO (1997b: 5) reports that a combination of street foods can contribute to meeting the consumer's daily nutritional requirements at an affordable price. Street foods may be the least expensive and best method of obtaining a nutritionally balanced meal outside the home, provided that the consumer is informed and able to choose the proper combination of food (FAO, 1996: 5; FAO, 1997a: 2; Latham, 1997: 432). Street foods thus have significant nutritional implications for consumers, particularly for middle and low-income sectors of the population who depend heavily on street foods and it is believed that many low-income families would be worse off if there were no street foods (FAO, 1990: 8; FAO, 1996: 5). The health effects of street foods are however more uncertain when the hygienic practices are taken into account (Garret & Ruel, 1999: 3).

Street foods have thus become a significant part of the present day urban scenario and urban food consumption in many countries, especially for the poor and middle classes in developing countries (Latham, 1997: 432). However, the role of food micro-enterprises may not always be formally recognised or acknowledged (FAO, 1996: 14). The ability of vendors to produce cheap and nutritious, traditional meals must be safeguarded, encouraged and assisted as it contributes significantly to urban food security (Winarno & Allain, 1991: 5).

## **2.2 MICRO-ENTERPRISES OPERATING IN THE INFORMAL SECTOR OF SOUTH AFRICA**

This section firstly defines the informal sector and related terms and then explores micro-enterprises operating in the informal sector of South Africa, with reference to the owner, enterprise and the operational characteristics thereof.



### 2.2.1 Defining the informal sector and related terms

A number of definitions exist for the informal sector with no general agreement among them. As reference will be made throughout the study to figures from the October Household Survey (Statistics SA, 1998), the simple definition for the informal sector used in that survey is presented as a starting point.

*“The informal sector consists of those businesses which are unregistered. They are generally small in nature, and are seldom run from business premises, using instead homes, street pavements or other informal arrangements”* (Statistics SA, 1998: 14).

Defining this sector further, it is regarded to consist of those economic activities that fall outside the formal net of registered, taxed, licensed, statistically documented, and appropriately zoned business enterprises. It typically refers to economic activities not recorded in the national accounts, and not subject to formal rules of contract, licences, labour inspection and reporting (McLaughlin, 1990: 157).

Previously, the informal sector was thought to symbolise a lack of economic development that would and should disappear with modernisation. Some thought the informal sector to be a symptom and an internally generated, and hopefully interim, remedy for under-development and therefore assert that it is a condition which development assistance projects should not help people to attain. Others again recognise the advantages of it, especially for the urban poor (Harper, 1989: 177; Winarno & Allain, 1991: 2). Governments have to realise that street food vending is not a temporary phenomenon that will be replaced when development is successful. It may have undesirable features, but there are many positive aspects for cities and nations (Latham, 1997: 433).

In terms of operational sophistication the informal sector can basically be divided into two categories, each with its own characteristics: survivalist enterprises and micro-enterprises. In the National Strategy for the Development and Promotion of Small Business in South Africa (DTI, 1995: 9), now included in the National Small Business Act (1996) as the National Small Business Support Strategy, **survivalist enterprises are defined as follows:**

*“Survivalist enterprises are activities by people unable to find a paid job or get into an economic sector of their choice. Income generated from these activities usually falls far short of even a minimum income standard, with little capital invested, virtually no skills training in the particular field and only limited opportunities for growth into a viable business. Poverty and the attempt to survive are the main characteristics of this category of enterprises.”*



**Micro-enterprises are defined as follows:**

*“Micro-enterprises are very small businesses, often involving only the owners, some family member(s) and at the most one or two paid employees. They usually lack ‘formality’ in terms of business licenses, value-added tax (VAT) registration, formal business premises, operating permits and accounting procedures. Most of them have a limited capital base and only rudimentary technical or business skills among their operators. However, many micro-enterprises advance into viable small businesses. Earning levels of micro-enterprises differ widely, depending on the particular sector, the growth phase of the business and access to relevant support” (DTI, 1995: 9).*

From these definitions, it can be seen that the operational sophistication and thus the profiles of enterprises within the informal sector can differ immensely. This in turn has an influence on the profile of the consumers patronising micro-enterprises. It is thus necessary to restrict the ensuing discussion of topics on the informal sector of South Africa only to those enterprises of which the profiles are comparable to the expected profiles of food micro-enterprises operating in Duncan Village.

### **2.2.2 Micro-enterprises (general) in the informal sector of South Africa**

No reference could be made to South African studies on food micro-enterprises, as none were identified. Therefore, to obtain a South African perspective, the profile of micro-enterprises operating in the informal sector in South Africa is reviewed. To ensure relevance to the present study, the following criteria, pertaining to the profile of a particular group of micro-enterprises, were set to evaluate whether a specific study would be included and reviewed:

- the businesses should have been operating in the informal sector;
- the businesses should have been categorised as survivalist or micro-enterprises;
- the survey should have included black owned businesses or the data reported separately for this ethnic group;
- the trade and/or manufacturing sector should have been included in the study; and
- the sample should have been taken from urban areas in South Africa.

These criteria were set to establish an as near as possible fit between the profiles described in the South African literature on **micro-enterprises** operating in the informal sector and the expected profile of **food micro-enterprises** in Duncan Village.

To organise and ease the readability of this section of the literature review, a brief description of the reviewed studies is firstly given chronologically. For each study, the aim of the study, population sample and methodology are briefly stated.



**Nattrass and Glass (1986):** The aim of this study was to identify the constraints facing the small business sector. A secondary aim was to identify the socio-economic characteristics of those businesses most likely to succeed or, alternatively, least likely to fail. During structured interviews, using a questionnaire, informal sector surveys were undertaken in the informal urban settlement of Inanda and the black town of Clermont. No mention was made of the sample size or time frame of the study.

**Hirschowitz, Acutt and Koch (1991):** The main aims of this study were: 1) To determine the environmental and personal factors that promote or hinder the development of entrepreneurship in the informal sector. 2) To use this fundamental framework to develop guidelines regarding the training that is needed to enable potential entrepreneurs in small businesses to start up, to run or to expand their businesses in the informal sector. As part of this overall aim, a profile was compiled of informal business owners and their business operations. Data was gathered during in-depth interviews, using a structured questionnaire. A total of 766 interviews, of which 376 were with black informal business owners, were conducted in sixteen different geographical areas throughout South Africa.

**Riley (1993):** This research was guided by the following key question: does dynamic business activity take place in the black-owned private sector? The report was based on two surveys. Firstly, the Growth and Equity through Micro-enterprise Investment and Institutions (GEMINI) study conducted interviews with 5000 small enterprise owners in Mamelodi and Kwazekhele during October and November 1990 to provide general information about the black enterprise sector. Although the survey included firms with up to 50 employees, 97% of the enterprises surveyed, were micro-enterprises with five or less employees. The second survey was a World Bank survey used to examine specific sub-sectors (retail, garment manufacturing, construction and transport) of economic activity in South Africa's black community. It focused on whether regulatory issues continue to constrain the establishment and growth of black enterprises in the 632 samples included in a national survey.

**Bank, Jekwa, Lujabe and Mlomo (1996):** The main aim of the study was to explore the nature and extent of the informal business sector in Duncan Village and to consider what actions and interventions might stimulate growth and development in this sector. In order to accomplish the goal, amongst others, a profile of small business operators was compiled. A structured questionnaire was administered to a sample of 403 business operators in Duncan Village after which a selective sample of fifteen small business operators was drawn at random to gather more detailed information about the backgrounds and experiences of business people. The survey was conducted during January 1996.

Even though the following studies do not comply with the criteria set, it is also referred to in some instances to demonstrate and substantiate certain findings.



**Botha and Claassen (1985):** The study aimed to analyse the informal sector in Qwaqwa, establish its usefulness as development agent and determine ways and means by which self-employment could be enhanced. Data was gathered by means of personal interviews with 200 small business owners in the Qwaqwa region from June to November 1994, using structured questionnaires. This study proved to be valuable as it displayed data for each given sector as well as for categories of businesses within a sector such as cooked food and other food enterprises.

**Morris, Pitt and Berthon (1996):** The aim of this study was to develop further insights regarding prospects for entrepreneurial growth within the informal sector. A cross-sectional survey was conducted by means of personal interviews with the owner-managers of 30 informal sector businesses in Khayelitsha. The objective that set this study apart from the other reviewed studies was that the main interest was in growth potential and thus only businesses involved in producing more sophisticated products or delivering specialised services were included. This study is thus not reviewed in as much detail as the other five studies.

The following information regarding each study is discussed in more detail in the following sections: a sectoral breakdown of the economic activities in each study, the socio-demographic profile of micro-enterprise owners and an enterprise profile.

### 2.2.2.1 *A sectoral breakdown of the economic activities represented in each study*

A sectoral breakdown of the economic activities of the enterprises investigated in each study is given in Table 3. There is general agreement in the literature on the economic activities represented in the informal sector. Although many are present, only four basic types seem to be dominant, including trade/retail, manufacturing and production, services, and repair and maintenance. These four types were used to categorise the activities in the reviewed studies. Where other activities were also represented, but contributed ten percent or less of the economic activities, they were grouped together as “other”.

**Table 3: A sectoral breakdown of the economic activities of the enterprises represented in each study**

Study	Botha and Claassen (1985)	Natrrass and Glass (1986)	Hirschowitz <i>et al.</i> (1991)	Riley (1993)	Bank <i>et al.</i> (1996)
Sector	Qwaqwa	Durban	South Africa National	South Africa National	Duncan Village
Retail/Trade	53%	53%	48%	70%	83%
Manufacturing/Production	28%	32%	14%	17%	5%
Repair and maintenance	10%		16%		9%
Services	4%	15%	12%	7%	3%
Other	5%		10%	6%	
Total	100%	100%	100%	100%	100%



As the focus of this study is on food micro-enterprises as a way of income generation, only the sectors in which food production was grouped in the respective surveys are reviewed. Unfortunately, there is not general agreement on the sector in which food micro-enterprises belong.

During the classification of enterprises by Botha and Claassen (1985: 6), the main consideration for **trade enterprises** was whether it could be described as the buying and selling of goods, with no or negligible processing attached to it. The basic requirement, therefore, was that the processing of raw material must be of secondary importance to buying and selling. In the cooked food industry they thus saw the element of selling (trade) to be dominant to the industrial element of production. This can be the case for some products such as cooked mealies and peanuts, but for other products, production is essential and is seen to be equal to trade. Their study on the informal sector in Qwaqwa revealed that 53% of all enterprises were traders of whom 42,5 % were hawking cooked food. Riley (1993: 12) placed food enterprises in the manufacturing sector where it is seen as the production of so called soft goods. Bank *et al.* (1996: 31) placed cooked food in the retail sector where these enterprise owners are regarded as hawkers.

Tinker (1997: 148) underlined the ambiguities in the placement of food micro-enterprises, as is described in the previous paragraph. She emphasises that the distinction between the trade and production activities of street food vendors is obscured, thus confounding attempts to categorise these activities. Food micro-enterprises often produce, retail, wholesale, and even consume their own merchandise. The multiplicity of functions leads to much difficulty in categorising the economic activity. When issuing permits to vendors, many cities require all vendors, whatever functions they carry out, to have permits for each function. In contrast, census enumerators, finding that vendors do not fit their classifications, miscount or ignore these enterprises, rendering them invisible in national statistics (Tinker, 1997: 207).

Depending on the placement of food micro-enterprises in the reviewed studies, the retail/trade or manufacturing sector is described and, where possible, specific reference is made to the owners of these food micro-enterprises.

### **2.2.3 Socio-demographic profile of micro-enterprise owners in the informal sector**

A summary of the socio-demographic characteristics measured in the reviewed studies is presented in Table 4, which is followed by a discussion of every characteristic mentioned in the table.



**Table 4: The socio-demographic characteristics of micro-enterprise owners in the informal sector in selected regions of South Africa**

Study	Botha and Claassen (1985)	Nattrass and Glass (1986)	Hirschowitz <i>et al.</i> (1991)	Riley (1993)	Bank <i>et al.</i> (1996)
Study population	Qwaqwa	Durban	South Africa National	South Africa National	Duncan Village
Percentage of females included in the total sample	62%	55%	54%	62%	68%
Percentage of respondents in the age category 20-29 years	17%	29%	27%	33%	21%
Mean age category	30-39	35-45	30-42	21-30	30-39
Percentage of respondents in the mean category	37%	35%	35%	33%	36%
Median education category	Grades 5-8	Grades 5-7	Grades 8-9	Grades 6-8	
Marital status					Single 50%

**GENDER:** From Table 4 it can be seen that the majority of micro-enterprise owners in South Africa are women. One reason for the dominance of women in the informal sector is given by Bank *et al.* (1996: 26). He noted that women seek home-based economic opportunities that can be combined with child-care and other domestic responsibilities as they are still expected to fulfil their traditional roles as mothers and homemakers. This pull factor and the push effect of unemployment are to a great extent responsible for women's entry into the informal sector. Men are still inclined to regard the informal sector as a last resort when securing a job in the formal sector is not possible.

Another reason for the dominance of women is based on the sectoral viewpoint. Women tend to dominate trade activities due to ease of entry into the market. The trade sector in turn makes up half of the informal sector and thus explains the dominance of women in the informal sector as a whole (Riley, 1993: 15). Other reasons for the dominance of women include ease of market entry, the loose and informal structure requiring very little capital to start, little or no education required and the high flexibility in terms of time. This enables women to reconcile their different roles more easily (Okelo, 1989: 242).

However, when taking a sectoral view of the informal sector, there are conflicting findings on the presence of women. The majority of enterprise owners in the Khayelitsha study were men. This finding can be attributed to the sampling method applied. The main interest of the study was in enterprises showing growth and these sectors mostly include service and production enterprises. The selection of only service and production enterprises hence excludes the multitude of spaza shops, hawkers and shebeens, and thus female owned enterprises. As this was the case in the Khayelitsha study, it explains the dominance of men in the survey. This leads to another unfortunate generalisation based on gender: employment growth tends to be lower in the sectors dominated by women than those dominated by men (Morris *et al.*, 1996: 67; Riley, 1993: 15).



From these studies, it can be concluded that women tend to dominate certain activities in the informal sector of South Africa and that there is a significant level of occupational specialisation by gender in the informal sector. Women are especially dominant in trade activities, which unfortunately include sectors with low levels of profitability such as food, beverage, tobacco, textiles and garments and retail or hawking (Riley, 1993: 15).

**AGE:** Reviewing the literature on the age of micro-enterprise owners, made it apparent that two measures are important when looking at age distributions. Firstly, the representation of the new entrants to the labour market and secondly the mean age category of the samples.

The October Household Survey of 1997 revealed that the official unemployment rate is the highest for the age group 15 to 30 years. With an increase in age, unemployment falls from 35% in the youngest (15-30), to 19% in the intermediate (31-45) and 10% in the highest (46-65) age category (Statistics SA, 1998: 26-27). From this it would be expected that the youngest age category would be well represented in the informal sector due to their high unemployment rate. However, when looking at Table 4 it can be seen that the representation of the age category 20 -29 years ranges from 17% - 33%, which is relatively low in terms of the representation by the mean age category. These figures do vary according to the region where the study was conducted. The results of Riley's survey (1993: 18) corresponds with the expected findings i.e. micro-enterprise owners tend to be concentrated in the lower age brackets, with 35% being less than thirty years of age. However, in the Duncan Village and Durban samples, there is no evidence to translate high levels of youth unemployment into high levels of youth participation in the informal economy. Thus, despite the fact that high rates of unemployment are prevalent among this group, a low percentage is engaged in informal activities. It appears that the youth continue to look for jobs in the formal economy before turning to the informal economy. This could be a result of a lack of access to sufficient capital to enter the informal business sector, as this younger group probably has not yet managed to accumulate personal savings or to build up personal networks to enable them to raise loan capital in some form or other (Bank *et al.*, 1996: 25; Natrass and Glass, 1986: 9).

Table 4 clearly shows that the mean age category for enterprise owners is 30-40 years with the representation ranging from 33-37%. It can be speculated that women are raising children at this stage and would thus want to be at home to care of them (Bank *et al.*, 1996: 26).

**MARITAL STATUS AND HOUSEHOLD POSITION:** The Duncan Village survey was the only study that included the marital status as a socio-demographic variable. Bank *et al.* (1996: 27) found that a large number of enterprise owners were single (50%) and that these were mostly women. As the head of a family, single women in Duncan Village must generate an income. If they are unable to secure it through the formal sector, they often turn to the informal sector of the economy.



Most of the single women in Duncan Village were involved in the retail trade as spaza shop owners or hawkers. These women often do not have the household support a married enterprise owner has and struggle in an already oversupplied market niche to manage their houses and children as well (Bank *et al.*, 1996: 27).

**EDUCATIONAL LEVEL AND LITERACY:** From Table 4 it can be seen that the median educational level of micro-enterprise owners is in the Grades 5 to 7 category. This translates into at least 50% of respondents having attained less than a Grade 7 educational level. The educational profile of informal enterprise owners is thus skewed towards the lower end. Natrass and Glass (1986: 10) also found, not surprisingly, that the younger age groups were better educated than the older ones due to the recent surge in Black school enrolments. The skewness by age in education towards the younger groups was particularly noticeable amongst the women in the sample and 64% of the women, who had had at least full primary schooling, were aged under 35 years.

Although educational level is an indication of literacy skills, the functional literacy may vary to some extent from the educational level and should also be kept in mind when accessing skills. Generally it is assumed that functional literacy can be attained at a Grade 6 level. A number of factors influence the functional literacy, including the number of years out of school and the usage of literacy skills (Natrass & Glass, 1986: 14; Riley, 1993: 18).

The educational level of micro-enterprise owners determines the opportunities open to them, their ability to manage their businesses properly or improve their business practices. Functionally literate owners could potentially keep records and receive formal training despite the possibility that only low educational levels were attained (Natrass and Glass, 1986: 14; Riley, 18).

**BACKGROUND AND MOTIVATION FOR START-UP:** The primary reasons for entrance into the informal economy stems from economic necessity, namely unemployment and the need to supplement household income (Botha & Claassen, 1985: 12; Hirschowitz *et al.*, 1991: 79; Morris *et al.*, 1996: 67). These reasons indicate the importance of the business for the personal survival of the owner. A second reason cited as motivation for start-up is the recognition of an opportunity where respondents felt they could earn more than in their previous job. This is more prominent in the high growth sectors, service and production, than in the trade sector (Botha & Claassen, 1985: 12; Morris *et al.*, 1996: 67). A third important reason for start-up was that respondents sought independence and ventured into micro-enterprises to fulfil that need (Hirschowitz *et al.*, 1991: 79).

Botha and Claassen (1985: 13) gave a breakdown of the motivations of start-up in terms of occupational type. In the cooked food and eatables (excluding meat, fruit and vegetables) trade, the main reasons for business start-up were unemployment (38%) and the need to supplement income (38%). Other cited reasons were that they thought they could earn more (9%), convenience (4,5%),



interesting work (7%) easy entry into a family business (2%). From this survey it seemed as if those in great need tend to start with some sort of trade such as hawking, or manufacturing, for instance handcraft or sewing (Botha & Claassen, 1985: 14).

#### 2.2.4 Enterprise profile

**DURATION OF BUSINESS:** In the Qwaqwa study, 47% of the enterprises had been in business between one and four years, while 39% were still in business after a four-year period (Botha & Claassen, 1985: 14). Nattrass and Glass (1986: 34) found that more than half of the enterprises surveyed in Durban had been in business for four or more years. In Duncan Village, 57% of the enterprises had been in their current business for more than three years (Bank *et al.*, 1996: 28).

**NUMBER OF EMPLOYEES:** The majority of businesses in the Durban study were one-person operations. Only 36% had any employees other than the owner and 56% of those employing someone, employed only family members. These figures were comparable to hawking activities reported by Nattrass and Glass (1986: 30). Botha and Claassen (1985: 21) found that the majority (76%) of enterprises in Qwaqwa were single-owned and operated. Fifteen percent had only one employee besides the owner. They further emphasised that although this might look as if the informal sector is not a factor in job creation, it must be remembered that the owners had created employment for themselves without any support whatsoever. In the Khayelitsha sample, 45% of the enterprise owners employed at least one non-family member in the business (Morris *et al.*, 1996). Hirschowitz *et al.* (1991: 78) found that only 25% of the respondents employed paid employees with 40% of those who did employ, employing more than three employees.

**BUSINESS LOCATION:** The locations occupied by all the surveyed enterprises were in the commercial district, at home, in a mobile unit, next to the road and at traditional markets. The vast majority, 71% of micro-enterprises in the two townships, Mamelodi and Kwazakhele, surveyed by GEMINI were operated from the home, far from commercial traffic (Riley, 1993: 27). Half of the enterprises operating outside of their homes did not have permission to occupy their sites. The World Bank (1993) survey revealed that two-thirds of respondents who operate outside the home, occupy their business premises without secure tenure, with half of them occupying the premises without permission, almost half operating from open sites on the street and a further 15% basing their occupancy on the permission of the land owner only (Riley, 1993: 27). Bank *et al.* found that there was a strong inclination towards home-based retail trading as a result of two factors, namely a general shortage of cheap business premises inside the township which force enterprise owners to find alternative premises, and the fact that, working-aged mothers dominate this sector, who often seek home-based opportunities so that they can also fulfil their domestic responsibilities (Bank *et al.*, 1996: 31).



**TRADING HOURS:** Botha and Claassen (1985: 15) found that the number of hours per day and days per week spent on business activities in the informal sector of Durban did not differ much from the formal work situation. In Duncan Village, the importance of the enterprises in the lives of the owners can clearly be seen from the time spent in the business on a daily basis. Twenty-eight percent of the owners spent more than a full working day working in the enterprise. Bank *et al.* (1996: 28) also found that 79% of those in business worked at their enterprises on a full-time basis. This had implications for female-owned business as they often have children, are unmarried and have to combine their household duties with operating an enterprise as well.

**START-UP CAPITAL:** The reviewed studies date back from 1985 to 1996, with the actual surveys probably having been carried out prior to those dates. It would thus be futile to compare the amounts of capital used to start the business although it can be said that the initial capital seemed to be very low in most cases. It would be of greater value at this point in time to look at the sources of start-up capital. In the Khayelitsha sample, 80% of the owners started the business with money from personal savings and 13% with a family loan (Morris *et al.*, 1996: 67). Riley (1993: 25) found the same results as well as a reliance on friends for funds. Hirschowitz *et al.* (1991: 81) found that half of the respondents in the nation-wide survey used their own money to finance the business during start-up and a quarter borrowed money from family, friends or relatives.

## **2.2.5 Operational characteristics of micro-enterprises**

It is generally accepted that one major cause of the poor performance of small businesses is often a lack or a low level of management expertise (Nattrass & Glass, 1986: 69).

### **2.2.5.1 Production management**

**STOCK KEEPING AND CONTROL:** The nature of micro-enterprises often results in non-permanent structures from which the owners operate their businesses. Even though they may have problems with storage facilities, two thirds of the Qwaqwa sample did keep stock (Botha & Claassen, 1985: 34). Hirschowitz *et al.* (1991: 83) set out to determine by which methods the respondents kept control of stock. They found that only eight percent of the owners did not keep control of stock. The most popular method of stock control was actually counting the stock frequently (31%), followed by buying when stock runs out (16%) and then keeping written records of stock (15%).

**LEARNING ABOUT THE BUSINESS:** Hirschowitz *et al.* (1991: 80) found that the majority (30%) of the respondents learnt to make the product or deliver the service of the business by teaching themselves. Eighteen percent learnt through a training course, with the next important learning place being friends, relatives or the owner's spouse.



When asked where the respondents learnt to run a business, the majority (53%) responded that they were self-taught. Thirteen percent learnt from a friend, relative or spouse and eleven percent had childhood experience in running a business (Hirschowitz *et al.*, 1991: 80).

### **2.2.5.2 Financial management and marketing**

**RECORD KEEPING:** The lack of basic management expertise is most apparent in the area of written record keeping. Half of the Durban sample and even more respondents nationally stated that they did not keep written records (Hirschowitz *et al.*, 1991: 82; Natrass & Glass, 1986: 73).

**COMPETITION:** Although micro-enterprises, especially in the trade industry, operate in a highly saturated market, they are not notably worried by nearby competition (Botha & Claassen, 1985: 33).

**MARKETING:** Most micro-enterprises in developing countries take a passive role in marketing by focusing and responding to local demands and conditions. This typically results in an unplanned approach to production and sales. Micro-enterprises therefore tend to emphasise production more than marketing. In production orientation, a limited attempt is made to assess consumer demand as a basis for the distribution of goods. A marketing orientation, on the other hand, emphasises consumerism – producing what can be sold instead of trying to sell what can be made. Marketing is about knowing what the buyers want and letting them know that the items are available. Marketing should play a central role in micro-enterprise development and is an important factor in determining the growth potential of small, rural-based, income-generating operations (Miller & Levin, 1993: 99).

**PRICE POLICIES:** The pricing policies of the Durban respondents seemed to parallel those employed in the formal sector. The majority of operators had a clear and rational approach to pricing and used a cost based approach. They would increase their prices in response to either an increase in the cost of a specific input or in response to a general rise in prices. One fifth of the sample stated that they changed their price structures according to market or demand-related reasons (Natrass & Glass, 1986: 73).

**LOCATION:** The primary reasons for the choice of the particular location of the Qwaqwa sample was no other possible location choice and convenience for the owner. These reasons are not market related and need to be improved upon if possible. One fifth of the sample did indicate that proximity to the buyer influenced their choice (Botha & Claassen, 1985: 45). The main reason for dissatisfaction with the business location in the sample of Hirschowitz *et al.* (1991: 75) was that premises are too small. The majority of respondents were satisfied with the business location because the premises were well situated, it is convenient for them to work from home and the customers support the business at the present location. One tenth of the sample wanted better premises, but had no access to these.



## **2.2.6 Relevance of the general micro-enterprise profile in South Africa to food micro-enterprises operating elsewhere**

It is suggested that the general findings with regard to the people involved in micro-enterprises in South Africa, the enterprise profile and the operational characteristics of these micro-enterprises are also applicable to food micro-enterprises in this country. However, it is expected that a review of the available international data on food micro-enterprises will present those characteristics unique to food micro-enterprises. In order to show relevance thereof to the present research, the similarities or differences between general micro-enterprises in South Africa and food micro-enterprises operating elsewhere, are highlighted in the following discussions.

## **2.3 FOOD MICRO-ENTERPRISES AND STREET FOODS: AN INTERNATIONAL PERSPECTIVE**

This section gives an international perspective on food micro-enterprises regarding the people involved therein, how and why they are established and the operations thereof.

### **2.3.1 The people involved in selling street foods**

It is widely recognised that women play an important role in street foods and comprise the majority of food micro-enterprise owners around the world. As was seen in the section on the socio-demographic profile of the owners of micro-enterprises in general in South Africa, women also comprise the majority of trade enterprise owners (Section 2.2.3). On a world-wide basis, it could be safe to assume that women play a much greater role in the street foods sector than men (FAO, 1990: 6, 9). Surveys have found women to be involved in 90% of enterprises in the Philippines, 53% in Senegal and 40% in Indonesia (Winarno & Allain, 1991: 3). Further, selling street foods offer an indisputable employment opportunity for women that give them a measure of economic independence with many significant positive social implications that contribute to empowerment and economic gains for females (FAO, 1996: 9; Latham, 1997: 433). However, this is not characteristic for all countries, as wide variations in the numbers of food micro-enterprise owners and their associated gender roles exist between countries. Hence, women's role in the making and selling varies by country due to cultural and religious reasons. Ethnic and religious differences in the countries also have some influence on the types of foods sold and who sells it (Tinker, 1997: 149, 152, 156). The important role of women in street foods should therefore be fully recognised and appreciated when dealing with the sector (FAO, 1996: 9).

Establishing a food micro-enterprise comes naturally to women as they are often involved in food preparation for the family at home (FAO, 1996: 9). The necessary skills for running a food micro-



enterprise often come with experience, learning from their parents or from apprenticing in another enterprise before setting up their own one. Previous work experience among the least skilled vendors, such as those selling peanuts or cut fruit, was often minimal, it was usually limited to day labour or farming (Tinker, 1997: 166-167). The same can be said for micro-enterprises operating in the informal sector in South Africa where most owners were self-taught (experience) or learnt their trade from a friend or family member (Section 2.2.5.1, p.29). Running a food micro-enterprise is perceived to involve, not necessarily correctly, a lot of manual labour, low levels of technology and limited knowledge of hygiene and sanitation (FAO, 1996: 7). The street food industry is therefore one of the few that can be entered into with very little capital, relatively little education and only a limited amount of expertise. Success requires hard work, ingenuity and street wisdom (Latham, 1997: 433). From the individual's point of view, street food vending offers a great potential for employment. It also offers employment to lower educated individuals who may otherwise not be able to find jobs (FAO, 1990: 8). The same tendency is noticeable for micro-enterprises operating in the informal sector in South Africa as the people involved therein are mostly those with lower educational levels and those unable to secure employment in the formal sector (Section 2.2.3).

Tinker (1997: 155) found that the average age of food micro-enterprise owners across countries varies between 30 and 40 years. Those in their early 20's were predominantly men, since most women were bearing children at that age. It therefore seems that women wait until their mid-20s, after their childbearing years, to start working, and retire or work less after age 50 (Tinker, 1997: 155, 157). The South African data on micro-enterprises presented similar findings, namely that the mean age category for enterprise owners is 30-40 years (Section 2.2.3).

Tinker (1997: 157) found it to be unusual for mature men or women in most developing countries to be unmarried. Where single owners were enumerated in the census, they were usually very young. The highest percentage of unmarried vendors, nearly two-fifths of all vendors, was recorded in Jamaica where young men comprised the highest proportion of the unmarrieds (Tinker, 1997: 157). This scenario is somewhat different for South Africa and specifically Duncan Village, as a large number of the enterprise owners were single women (50%).

### **2.3.2 Food micro-enterprise start-up**

Economic and social changes within a country or individual characteristics have led to many people experiencing difficulty in obtaining employment in the formal sector (Winarno & Allain, 1991: 2). As a result, many people create employment for themselves in the informal sector, often by setting up a food micro-enterprise to sell street foods. Street foods are of particular interest for urban food security as they provide a cheap source of food for the food micro-enterprise owners, who are mostly also from the poorest groups. Operating a food micro-enterprise requires relatively simple skills, basic facilities



and small amounts of capital, yet these businesses are numerous and show considerable potential for generating income and employment (Winarno & Allain, 1991: 2). The main reason for setting up a food micro-enterprise include the following: starting the business involves a low-cost investment that requires no special training other than the domestic experience of preparing food. In effect the owners simply transfer their experience from preparing food at home to preparing food on the street in larger quantities with storage over a longer period of time for more consumers (FAO, 1996: 4,7; FAO 1997a: 4). As a result, street foods are widespread and a growing phenomenon in urban areas in developing countries where unemployment is rife, salaries are low and work opportunities and social programmes limited (Ekanem, 1998: 211; Tinker, 1997: 149). The South African data on micro-enterprises in general indicates that unemployment and the need to supplement income are also the main motivators for establishing a micro-enterprise. The majority of enterprise owners learnt the skills used in the business through experience, where they taught themselves (Sections 2.2.3 and 2.2.5).

Although the capital investment in starting a food micro-enterprise is low, this amount may still separate an aspiring owner from the poorest 20%, who are unlikely to have either the savings or the self-confidence to set up a food micro-enterprise. For most owners, the capital for enterprise start-up mostly comes from family or personal savings (Tinker, 1997: 166-167). The South African micro-enterprise scenario presents a similar trend, namely that the amount of capital the enterprise was established with is low and mostly comes from personal savings or a family loan (Section 2.2.4).

### **2.3.3 Food micro-enterprise business operations**

Food micro-enterprises selling street foods are generally small in size. They are usually owned and operated by individuals or families, but the benefits from their trade extend throughout the local economy (Winarno & Allain, 1991: 2). As a result of their size and resources available, a larger circle of family and kin support is critical to the functioning of most enterprises (Tinker, 1997: 149, 152). This is also true for South African micro-enterprises that rely on family and friends for support as the enterprises mostly present employment opportunities for the owners only (Sections 2.2.4 and 2.2.5.1).

Contrary to popular belief, stability and profitability characterise a proportion of the trade, but failure is also frequent and characterises food micro-enterprises worldwide. In the United States, about half of the enterprises fail within the first year of start-up (Tinker, 1997: 149, 165). Food micro-enterprises thus exhibit extreme volatility. In the studies Tinker (1997: 165) reviewed, 40-50% of the vendors had been selling for less than five years, but between one-sixth and one-third had been in the trade for over 15 years. The amount of newcomers and established enterprises are, however, balanced in most of the cities. The number of relative newly established general micro-enterprises in South Africa presents similar results to the above international results for food micro-enterprises, namely that less than half of all enterprises had been in business for over four years (Section 2.2.4).



One of the benefits of being self-employed is often seen as the opportunity to choose your own working hours. However, as most food micro-enterprise owners are solely dependent on the income generated by the enterprise, it often results in owners working longer hours under adverse conditions and exclusively bearing the risks of the business. In most countries food micro-enterprises operate seven days a week, year-round, with women working shorter hours than men (Tinker, 1997: 164, 167, 174; Winarno & Alain, 1991: 3). The South African perspective presented similar results, namely that the workday of micro-enterprise owners is more than eight hours and that the owners work in the enterprise on a full-time basis, seven days a week (Section 2.2.4). Nevertheless, when compared to other available alternatives, street food sellers do make a reasonable income (Tinker, 1997: 174). In Illoilo, the most important income predictor was the length of time an owner had been in operation (Tinker, 1997: 166).

The mark-ups on street foods, as well as the selling prices are low in general. This is due to consumers' limited purchasing power and the strong competition among enterprises (FAO, 1990: 5; Winarno & Allain, 1991: 3). However, food pricing was seldom competitive. Tinker (1997: 166) noted that rows of enterprises would sell the same food at the same price. To maintain a consistent price as ingredients fluctuated and to retain customers, enterprise owners often reduced their own profit margin or altered ingredient proportions (Tinker, 1997: 166). The competitive environment wherein micro-enterprises in South Africa operate also results in similar product prices with low profit margins (Section 2.2.5.2).

The marketing success of food micro-enterprises depends exclusively on location and word-of-mouth promotion (Winarno & Allain, 1991: 2). One not such a successful marketing strategy often used by owners, is that of offering credit to customers. This reflects a special relationship with regular customers. Unfortunately owners often go out of business because they cannot get their friends to pay for the food they ate (Tinker, 1997: 173). In the South African situation, Bank *et al.* (1996: 33) found that formal marketing methods are seldom used by survivalist enterprises. The most popular methods rely on the informal networks within the township. These included word-of-mouth marketing, offering credit facilities and building friendly relations with customers. The attractiveness of the product display is also an aspect that needs to be considered for customers to keep patronising an enterprise.

Food micro-enterprise owners very seldom keep written records, but most have very clear memories of expenditure and income. In an interview situation their answers in this regard were more often meant to conceal their income than to exaggerate it (Tinker, 1997: 173). Micro-enterprise owners in the informal sector in South Africa also seldom keep written records of their income and expenditure (Section 2.2.5.2).



Tinker (1997: 166) found that the nature of the street food trade in warm climates, without the necessary refrigeration, dictates much of the business strategy. As a result, food is prepared daily in the amounts calculated for sale for that particular day. The food might be cooked at home and distributed, or alternately prepared on the trade site, depending upon the space available. In the event of left-over food, the family usually consumes it, although it is occasionally recycled, fed to animals, or thrown out (FAO, 1996: 4, Tinker, 1997: 166).

Tinker (1997: 151) noted that the number of food micro-enterprises in an area, as well as the type of food they sell, varies throughout the year. The main reasons for this are twofold. Many full-time owners switch their merchandise seasonally to keep on meeting consumer demand. In addition, as agricultural cycles vary, an influx of street food traders, who often specialise in seasonal foods such as corn or fruit, may be seen. The type of street foods sold also varies from country to country, with one reason for these differences being the ethnic and religious differences between the people of the countries (Tinker, 1997: 156). With regard to gender differentiation, women tend to sell traditional foods that require little investment in new equipment or processors (Tinker, 1997: 174).

Tinker (1997: 84) found that food micro-enterprises experienced a lack of demand for a large variety of street foods. Half of the vendors in Manikganj sold three items or less, while 29% sold only one item of which snacks, fruit and fruit juice were the most popular items. Forty-five of the 128 products sold by the investigated food micro-enterprises were produced by the enterprise and thus complies with the definition of a food micro-enterprise on which the current research is based (see Section 1.4.1, p.9). Thirty percent of the owners sold only what they produced, while 13% sold both self-produced and purchased food items (Tinker, 1997: 84).

## **2.4 CUSTOMERS OF MICRO-ENTERPRISES IN THE INFORMAL SECTOR: A SOUTH AFRICAN PERSPECTIVE**

This section explores the characteristics of the customers of the informal sector in South Africa. However, it must be borne in mind that relatively little research has been conducted on the customers of micro-enterprises in the informal sector. It seems that policy makers focus on the enterprises rather than the customers thereof. This section of the literature review is thus very brief and only serves to highlight some of the issues surrounding micro-enterprise patronage in order to give direction to the consumer component in the present study. The research conducted by Hirschowitz *et al.* (1991) is mostly quoted as they did a detailed survey on the customers of micro-enterprises in South Africa.

The spending power of black consumers is generally lower than other population groups. This affects the type of informal businesses that can prosper within a given community and the type of goods and services that are required (Hirschowitz *et al.*, 1991: 111), as the local community, and more



specifically those people in the immediate vicinity, are the main customers of the informal sector (Botha & Claassen, 1985: 33). Consumers' main reasons for supporting the informal sector include convenience related to the business location and trading hours, the quality of goods and services and lower prices (Mmakola, Kirsten & Groenewald, 1997: 11-12). However, altruistic reasons, such as keeping the money in the community, were also important reasons mentioned by black consumers to purchase from the informal sector. The latter reasons were more important for black consumers than for other population groups (Hirschowitz *et al.*, 1991: 118).

While all customers prefer to buy ready-made goods rather than services from the informal sector, black respondents do support those enterprises offering beauty and hair care products and services. They tend to buy basic products, such as groceries, food and drink from businesses such as hawkers and food and grocery enterprises selling fruit and vegetables (Hirschowitz *et al.*, 1991: 112).

When asked to compare the formal and informal sectors, customers selected the following features as the strengths of the informal sector (Hirschowitz *et al.*, 1991: 114):

- cheaper prices;
- better customer treatment;
- more convenient hours;
- being served in one's own language;
- being given equal treatment irrespective of race; and
- being given credit.

These strengths point to the consumer seeing him/herself as an individual with important needs that should be taken into account by the business owner. Enterprises operating in the informal sector should build upon these strengths as successful marketing depends on the extent to which the needs, wants and desires of consumers are satisfied (Hirschowitz *et al.*, 1991: 114).

Consumers see the following as weaknesses of the informal sector (Hirschowitz *et al.*, 1991: 114):

- prices are not very stable and differ from day to day and from customer to customer;
- businesses tend to have a limited choice of goods, run out of stock and are less likely to keep the goods the consumer wants in stock;
- businesses are less likely to be tidy and hygienic;
- businesses are less likely to guarantee the quality of their products; and
- businesses are less likely to be efficiently run.

These weaknesses were directly related to the problems reported by the business owners in the same study (Hirschowitz *et al.*, 1991: 115).



As the focus of the current research is on food micro-enterprises and the customers thereof, a profile is needed on street food consumers in South Africa. However, no such research could be traced, therefore an international perspective is presented.

## **2.5 STREET FOOD CONSUMERS: AN INTERNATIONAL PERSPECTIVE**

This section explores the street food consumers' characteristics, their reasons for consuming street foods, the disadvantages thereof, and the role of the consumer in the improvement of street foods.

### **2.5.1 Characteristics of the customers of food micro-enterprises**

The largest group of food micro-enterprise customers in most cities in developing countries comes from the informal sector of non-wage workers (Tinker, 1997: 185). In general, the customers have a profile similar to that of the food micro-enterprise owners from whom they purchase food. They are usually from medium to low-income families, have a relatively low level of education and have little knowledge of proper hygiene (FAO, 1990: 16).

Although Tinker (1997: 186) does not state exactly what the differences are, she does note that there is a difference in the buying behaviour of men and women with regard to street foods. Men tend to buy food at later hours than women do. However, no time-based generalisations can be made, as in many of the countries where these studies were conducted, women are not allowed to eat in public. Although the majority of owners are females, as a result of the great gender restrictions regarding public behaviour, the majority of customers are men.

### **2.5.2 Reasons for the consumption of street foods**

Research indicates that the availability and accessibility of street foods seem to be the most important factors determining street food consumption patterns (Winarno & Allain, 1991: 3). When food is available and the consumer has access to it, there are a number of factors that influence the consumer's food choice. The sensory qualities of food (smell, texture, colour and appearance), the individual's taste (preference), variety, convenience, appearance and price are all factors that play an important role in the selection of food (FAO, 1996: 5; Latham, 1997: 8). When selecting food, people naturally base their purchasing decisions on preference, price and affordability rather than on the nutrient content of the meal or on nutritional quality criteria (Latham, 1997: 436). This was affirmed in India where it was shown that consumers did not select their food on the merit of nutritional value, but only to satisfy their taste and hunger (FAO, 1990: 16).



Street foods are usually inexpensive, include variety and traditional foods, are quickly served, ready to eat immediately, may provide nutritionally balanced meals, and are often quite tasty (FAO, 1990: 7). Food micro-enterprises often sell traditional dishes, of which the preparation could be extremely time-consuming. There is much diversity in the amount of raw materials they use, as well as in the preparation of the food, beverages, snacks and meals. Street foods thus reflect local cultures and exist in an endless variety. In countries where there is a strong adherence to tradition, it is often more convenient to buy these dishes from the street than preparing them at home. Ethnic groups can thus get the food they are used to traditionally, while enjoying the benefits of buying off the street (Latham, 1997: 8; Tinker, 1997: 183-184; Winarno & Allain, 1991: 2).

Street foods can thus be excellent value for money if consumers have easy access to stalls, if there is fair competition among food micro-enterprises, if overheads are kept low, if sanitary conditions are acceptable and if the nutritional value of meals is high (Winarno & Allain, 1991: 3). However, consumers of street foods are mostly unaware, and thus not unduly concerned, about the safety and nutritional aspects of street foods. Only discerning consumers look for general cleanliness of street food vendors, but this factor might not be a significant consideration when the overall environment in which the vendors operate, is far from satisfactory (Latham, 1997: 8).

### **2.5.3 The disadvantages of street foods**

Consumers, particularly in developing countries, need nutritious, safe food that is available at an easily accessible location and at a low price (FAO, 1990: 20). The high level of street food consumption in developing countries consequently raises concerns regarding the nutritional value, safety and quality thereof.

Although there are many advantages to the consumption of street foods, there are also a number of negative aspects associated with it. The main disadvantage of street foods include questions around the safety thereof, i.e. the high potential that exists for the development of serious health problems related to the unhygienic preparation and handling of street foods (FAO, 1990: 10). A number of studies in developing countries have shown the potential for serious food poisoning outbreaks after the consumption of street foods due to microbiological contamination and use of unpermitted food additives, food colours, and the presence of other contaminants (FAO, 1990: 7).

Street foods often pose public health problems in developing countries and specifically in Africa as there is very limited owner awareness of the health risks associated with street foods. Hence, there is also very little knowledge or appreciation of the importance of safe, hygienic food handling. This aggravates the food hygiene problem as street foods are consequently exposed to dangerous practices,



often at all stages of handling (Ekanem, 1998: 212-213, Latham, 1997: 435). These practices could result in microbiological and chemical contamination (FAO, 1990: 15).

The level of formal education among food micro-enterprise owners is rather low with most owners having received less than eight years of formal schooling. This could be one of the factors contributing to the general lack of knowledge on hygiene and food sanitation among owners (FAO, 1990: 15), contributing to the fact that they often work under very crude and unsanitary conditions. There is thus scope for improvement in their food handling practices as unhygienic practices in the preparation, cooking, serving and storage of food could be a serious cause of contamination, which could lead to food poisoning (FAO, 1996: 5; FAO, 1997a: 2).

The most important factor that contributes to outbreaks of foodborne diseases in developing countries is related to time-temperature abuses. This includes handling prepared foods under unsafe storage temperatures, holding cooked foods at ambient (room or outside) temperature for several hours and serving such foods cold or without sufficient reheating. This comes down to either lack of coldness (that retards microbial growth) or lack of heat to cook the food (to destroy microbial growth) as food micro-enterprise owners often lack refrigeration, good storage facilities and efficient stoves. The heat of cooking may destroy organisms in food, but if the food is not thoroughly heated and well cooked it may still contain bacteria and/or toxins which in turn may affect the person who eats the food (Bryan, Teufel, Riaz, Roohi, Qadar & Malik, 1992a: 712; Ekanem, 1998: 212; Latham, 1997: 435).

A study on street foods in Pakistan, showed that some the items were often displayed for many hours, sometimes more than 12 hours at daytime temperatures (greater than 40 °C at mid-day hours), which promote microbial growth. It was also found that they frequently kept unsold food overnight at ambient room temperatures and put it out for display the next day. Keeping foods at warm outside temperatures for over six hours presents a high risk for microbial growth that increases substantially with every additional hour of holding. As a result of these food handling procedures, high counts of micro-organisms were found that could pose threats to human health. This situation with street foods is not unique to Pakistan, but has been observed elsewhere as well (Bryan *et al.*, 1992a: 712).

The criteria for food control are either to hold foods for a short duration (i.e. less than four hours) or to keep it at temperatures of 54,5 °C or higher (Bryan, Teufel, Riaz, Hoohi, Qadar & Malik, 1992b: 706). As most food micro-enterprise owners do not possess the appropriate equipment, it poses some difficulty in food quality control. Therefore, fried or baked snacks are considered to be safe foods (if bought within a certain period of time) since they are usually consumed without delay (Winarno & Allain, 1991: 4).

In addition to these risk factors, the other factors contributing to food contamination include a lack of cleanliness of the preparation and trade area, the utensils and the food handlers and the lack of quality



drinkable water. Even if the necessary precautions were implemented during preparation, food can still be contaminated by unwashed hands, flies, cockroaches, rodents and dust, and by holding it at temperatures that encourage bacterial multiplication (Ekanem, 198: 212; FAO, 1990: 12; Latham, 1997: 435).

It must be borne in mind that the handling practices of food vendors mostly reflect the standards of the local community, which in some cases are the same practices employed in the surrounding restaurants. In the surveys conducted by Tinker (1997: 189) food sold by food micro-enterprises were not found to be significantly more contaminated than food sold by nearby restaurants. This does not imply that food sold by the micro-enterprises is safe, only that the quality in most cases is the same as that found in more formal structures.

Street foods tend to have a bad reputation among the middle classes due to the uncertainty regarding the safety thereof (Atkinson, 1995: 155-156). As a result, a mistaken assumption exists that food contamination is inevitable in street foods (Winarno & Allain, 1991: 5). Although, there has been several documented outbreaks and serious illnesses attributed to the consumption of street foods, no recent epidemiological studies have suggested that street foods contribute to a **significant** number of food poisonings, (FAO, 1990: 10; Winarno & Allain, 1991: 4). However, effective education of food micro-enterprise owners and anybody involved in the handling of street foods, can ensure that all street foods are microbiologically safe at all times.

#### **2.5.4 The role of the consumer in improving the quality of street foods**

Due to the lack of an effective system of enlightenment, consumers are largely unaware of their rights regarding the right to food safety. However, they have a crucial role to play in efforts to improve the safety of street foods (Ekanem, 1998: 213) by enforcing their right to have access to adequate, safe and nutritious foods (FAO, 1990: 19).

Consumers are often unaware of the link between contaminated food and foodborne diseases, and thus unmindfully bear the consequences of eating unsafe foods (Ekanem, 1998: 213). Many of the consumers of street foods also have little knowledge of, or interest in, food hygiene. This compounds the problem, because they may not, for example, insist on foods being well heated or select food stalls that appear cleaner (Latham, 1997: 435). Precautions that an informed purchaser can take are to insist that the food be served very hot, that it comes from the heating area to the customer very quickly and that it be served on a clean plate. Food that is taken off the grill is most likely to be safe (Latham, 1997: 436).

Therefore, one possible and perhaps the most effective way of improving the quality of street foods is to educate consumers to be more discerning when choosing the food they buy. This would include



educating them on food safety and nutrition issues so that they would be more aware of, and insist on, improved hygiene, sanitation and food handling practices. If they demand better quality food through more sanitary handling practices and are willing to pay more for it, they could greatly influence the enterprise owners to improve the quality of the food sold (Latham, 1997: 8, Tinker, 1997: 189). Children should be given special attention in consumer education since they are particularly vulnerable (Ekanem, 1998: 213).

## **2.6 MICRO-ENTERPRISE SUPPORT STRATEGIES**

This section presents the different support strategies available to micro-enterprises, the need for micro-enterprise support and the role of the Government in providing this support.

### **2.6.1 Types of support strategies**

Within the field of small business support, there is considerable debate about the type of support or assistance needed by micro-enterprises and the relative value thereof, with no real agreement among experts. One area where consensus does exist, is the notion across the world to develop *differentiated, targeted support packages*. As the small business sector is vast and complex and faces serious financial and human resource constraints with respect to support programmes and policies, it is essential to focus support on, or target small, medium and micro-enterprises (SMMEs). This support should be targeted at different industrial, service and primary or otherwise differentiated sub-sectors and packaged to suit the particular needs and circumstances of these SMMEs. Support should also be specifically designed for vulnerable groups such as women, rural enterprises, school leavers, physically handicapped people and other special target groups (Carr, 1989: 166; DTI, 1995: 20-21).

Although a wide range of assistance methods exists, only those support strategies that are relevant to the objectives of this research will be discussed. These strategies include business and technical training and the provision of a single input such as training or credit. Other support strategies, which will not be discussed, include the provision of a combination of, or a full package consisting of credit, business and technical training, production and technical advice and assistance, social promotion and political lobbying (Carr, 1989: 166; Johnson, 1998: 166; McLaughlin, 1990: 162).

#### **2.6.1.1 Single Input Support – Credit**

Some programmes follow, what has been labelled, the “nominalist” approach where only a single input such as credit is applied. It may be argued that lack of capital, rather than a skills deficiency is the greatest constraint limiting the expansion of a business, at least at the micro-enterprise level of operation. Those who are poor or otherwise disadvantaged in employment attainment often resort to micro-enterprises, and it is not unreasonable to assume that money is what they lack. It has been



shown that modest interventions in capital supply, with minimum assistance or supervision, can be delivered relatively quickly in situations where a common need has been identified in a group of micro-enterprise owners. This can achieve remarkable results and can even lead to enterprises becoming self-sustaining (Carr, 1989: 166; Harper, 1989: 181; Johnson, 1998: 166).

Although Harper (1984: 67) advocates the single support strategy in some cases, he warns that small business management training courses were often started because of unsuccessful attempts at credit provision. Small businesses are often not making optimum use of their existing resources and are therefore unlikely to do any better, and will probably do a great deal worse, if they receive a loan and are thus required to manage a larger and more complicated enterprise. It is not unreasonable to conclude that management training is needed *before* a loan is granted, as it is unlikely to rescue a loan already in arrears (ACCION International, 1988: 7).

### **2.6.1.2 Single Input Support – Technical Skills Training**

The largest category of skills training support programmes comprises those that aim to *increase* the available pool of skilled labour in the informal sector, exclusively focusing on technical skills competence. Many trainers believe that technical competence is sufficient to enable participants to translate newly acquired skills into either employment or self-employment without any special business training (McLaughlin, 1990: 162; Seiche, 1995: 43,44).

An extension of this support area includes programmes *upgrading* the skills of those already engaged in an economically productive activity. These programmes focus on upgrading very technical trades where a deficiency in skill or the lack of a new technological process is more likely to have an impact. The organisers of these programmes feel that deficiencies in the technical skills and knowledge (as opposed to the business skills) of existing workers, or in the technology they employ, limit the full potential of both the individuals and their businesses (McLaughlin, 1990: 167; Seiche, 1995: 31,34).

Harper (1989: 187) sees a very limited role for technical assistance, as opposed to credit, to those already operating in this sector, except for marginal groups at a grass roots level. Then again, the organisers of these technical programmes advocate it on the belief that assistance can lower their costs due to better waste management or less damage to expensive parts or equipment. It can also increase profits due to the ability to provide a more efficiently made product that would penetrate a wider or more affluent market (McLaughlin, 1990: 167).

Many support organisations believe that the development of skilled manpower in the informal sector is of great importance in lieu of perceived inadequacies of the conventional skills development system. Numerous conventional skills development programmes do not include the kind of business management skills, knowledge and attitudes that would allow owners to expand their businesses and



hire additional workers. Hence, although some training programmes start off as strictly technical skills training, they often evolve to include an entrepreneurial component as well (McLaughlin, 1990: 170).

The perceived inadequacies of these single support strategies, led to most assistance programmes going beyond the minimalist approach to provide some form of multi-dimensional assistance (McLaughlin, 1990: 171).

### **2.6.1.3 *Multiple Input Support – Developing the entrepreneur***

Programmes that aim to develop the entrepreneur as a support strategy, focus on the business aspects of small enterprise development. This reflects the greater importance the organisers thereof attach to capital availability and the ability to manage all the facets of the production process wisely. These programmes operate on the basis that an individual who has knowledge about business management but is only minimally skilled in a technical sense, may succeed in starting a business, but a technically skilled individual who lacks business management skills is more likely to experience difficulty. As noted in the technical skills training discussion, many organisers have recognised this and added an entrepreneurial component to their programmes. Then again, others have exclusively directed their attention to the problems of starting and managing a small business (McLaughlin, 1990: 170-171).

Harper (1989: 181) sees these entrepreneurship development programmes, where a substantial component is devoted to training with the objective of developing entrepreneurial motivation or behaviour, as the least valuable form of assistance. He maintains that mere survival in the micro-enterprise sector already demonstrates the required entrepreneurial qualities.

Entrepreneurial development as a support strategy differs depending on the target market, i.e. whether the focus is on a specific sector or includes a broad spectrum of recipients. The target population frequently includes pre-entrepreneurial groups, who have been prevented by social barriers from engaging in any significant economic activity outside the home, e.g. women, urban slum dwellers and the rural poor. Some enterprise development programmes are targeted specifically at existing small enterprises in the informal sector. This approach is justified based on the greater likelihood of these individuals taking advantage of outside assistance and the catalytic effects their success can have on others striving to enter the marketplace (Johnson, 1998: 172-173; McLaughlin, 1990: 170).

As can be seen, there is considerable debate on who the beneficiaries of these entrepreneurial development programmes should be. Some hold the view that efforts to assist all would-be entrepreneurs are inherently wasteful because they assist individuals who may have very little predisposition for entrepreneurship. Adherents to the latter view claim that potential participants, with sufficient entrepreneurial characteristics, can be identified through some sort of instrument such as



screening questionnaires, interviews and short workshops where behavioural traits indicating entrepreneurial tendencies are assessed (Johnson, 1998: 172-173; McLaughlin, 1990: 171).

Therefore, many entrepreneurial development programmes include participants identified on the grounds of entrepreneurial qualities. However, so many real-life entrepreneurs defy the very qualities usually attributed to them, which makes it very difficult to attempt to specify particular entrepreneurial traits for the selection of participants. This controversy has led to another point of criticism to such a selective approach, which includes the observation that the selected participants are often those who appear to be successful even before participation. These participants are thus often ready to proceed to a higher, more sophisticated level of operation and as a result, these programmes often overlook the persons in real need of training (McLaughlin, 1990: 172).

Fortunately there are programmes that seek to develop or promote business skills among those who do not conform to an entrepreneurial psychology or those who have not yet started a business. The multiple support approach of these alternative programmes rests on the premise that assistance to small enterprises can be effective only by addressing several interrelated needs simultaneously. These include components such as additional capital, combining existing resources properly and performing a host of complex organisational tasks such as identifying markets, planning products, maintaining supplies of raw materials and controlling quality. Quite often, these programmes also attempt to improve some infrastructural aspect of the local community in which the enterprises are located (McLaughlin, 1990: 172).

Multiple input support strategies all differ widely in terms of scale, target audience, mode of delivery, organisational structure and sponsoring institutions involved in the programme (Johnson, 1998: 172). Carr (1989, 165) observed that the attention of assistance agencies has, until recently, been focused on relatively easier target groups such as modern small-scale industry and small farmers. Even those agencies, which have attempted to start working with micro-enterprises, have tended to concentrate on the relatively easier segments within it. They tend to be biased towards urban rather than rural enterprises, retail and service rather than manufacturing enterprises, better off clients rather than poorer, and male entrepreneurs rather than women.

As a large number of the people included in the target market for multiple input support strategies are already operating a business, they are often those persons with little disposable time and patience for learning that is not directly related to their immediate problems. The organisers of such programmes should recognise this and design programmes of which the content is of immediate value to participants. In contrast to working groups, the unemployed are not as easily prevented from attending courses by external factors such as time and distance (Harper, 1984: 71). This makes it easier to design courses for them although the programme content should still have immediate practical value in order to keep their interest.



Training does not operate in isolation of factors such as the availability of capital, scarcity of supplies, tools and raw materials, the technology used and the policy environment. In order to offer adequate support in programmes, training must be mixed with other components and not be offered as an end in itself (McLaughlin, 1990: 161). Unfortunately, programmes that aim to provide a whole package of inputs to a diversity of enterprises tend to be costly and incapable of reaching large numbers of people (Carr, 1989: 166). During the 1980s there was a tendency to move away from complex support packages, on the grounds that they are difficult to design in a way that will be acceptable to diverse pressure groups, and that the implementation of such complex packages demands effective organisation and good control systems, which may be difficult to establish. However, the South African Government believes that complex support programmes are more effective in targeted areas and that they can as such help to save scarce public funds (Carr, 1989: 166; DTI, 1995: 20-21).

## **2.6.2 The need for micro-enterprise support in South Africa**

The role of SMMEs in the economic development of South Africa is a major area of discussion at present. The Government unequivocally recognises that small business has a role to play in economic development, as this sector, constituting small, medium and micro-enterprises, is an important force in generating employment and more equitable income distribution, activating competition, exploiting niche markets, enhancing productivity and technical change. Hence, micro-enterprise development is viewed as a powerful and attractive means for providing a grassroots approach to economic development (DTI, 1995: 10; Miller & Levin, 1993: 99).

The micro-enterprise sector, including survivalist activities, comprises a large segment of the small business sector. It plays a crucial role in people's efforts to meet basic needs as it supports marginalised groups like female household heads, disabled people and rural families to survive an economy unable to absorb the increasing labour supply and with grossly inadequate social support systems (DTI, 1995: 11). This makes the developmental potential of this sector seem very encouraging, but it has to be realised that small businesses still face a wide range of constraints and problems and are less able than other businesses to address these problems on their own (DTI, 1995: 11). Support is therefore of utmost importance for the development of this sector.

The issue of support provision is unfortunately a very complex one as the small business sector in South Africa is highly diverse. Not only does it cut across different sizes of firms, but also across economic sectors. As a result, the problems experienced and thus support needed by enterprises differ accordingly. In general terms, the micro and survivalist sectors are far less able to face constraints linked to finance, market access and the acquisition of skills, which have a marked influence on the support strategies to be employed (DTI, 1995: 11; Ruiters, 1996: 8).



### 2.6.3 The role of the Government in Small Business Support

In view of previous experiences in micro-enterprise support, the Government believes that the most useful role it can play in small business development is in initiating efforts aimed at creating an enabling environment for small business in South Africa (Ruiters, 1996: 9). The Government can enhance employment growth in a number of ways through support to small and micro-enterprises where the key areas include:

- **access to advice** (bold by Cress-Williams);
- favourable amendments to legislative and regulatory conditions;
- access to marketing and procurement;
- access to finance;
- access to infrastructure and premises;
- **access to training** (bold by Cress-Williams);
- access to appropriate technology; and
- encouragement of interfirm linkages (Visagie, 1997: 661).

South Africa's history and apartheid legacy necessitates that small business support strategies should focus on the particular needs of black enterprises as well as on ways to overcome the remaining consequences of this legacy, in order to stimulate economic development. Support strategies should focus on the micro and small enterprise segments of the economy rather than medium and larger sized enterprises, as previous experience has shown that black people seem to make greater progress in this sector of the economy than the larger areas. The SMME sector can thus prove to be a significant vehicle for black economic empowerment (DTI, 1995: 11-12).

Although the Government is a major role player in the development of the SMME sector, it cannot take sole responsibility for this development.

## 2.7 MICRO-ENTERPRISE TRAINING

This section presents the definitions of enterprise and entrepreneurship training and the types of micro-enterprise training available. The general aim of this section is to set the criteria against which the profile of the micro-enterprise training programmes presented by organisations in East London, can be measured in order to determine the appropriateness of these programmes for food micro-enterprise owners operating in Duncan Village.



### 2.7.1 Defining enterprise training

At this stage it is important to define micro-enterprise training as a support strategy. The main issues under consideration in this section are the differences between micro-enterprise training and entrepreneurial training and how these influence the present study.

**Enterprise education** has been defined as a systematic process or series of activities that aim to enable an individual to assimilate, modify and develop knowledge, skills and values about enterprise management. These should not simply be related to a narrow field of activity, but should allow a broad range of problems to be defined, analysed and solved through learning experiences to achieve effective performance in an activity or range of activities (Hynes, 1996: 10). The main objectives of enterprise education are thus to develop enterprising people and instil an attitude of self-reliance, using appropriate learning processes on a formal or informal basis (Garavan & O’Cinneide, 1994: 4; Hynes, 1996: 10).

**Entrepreneurship education** and training programmes are directly aimed at stimulating entrepreneurship which may be defined as independent small business ownership or the development of opportunity-seeking managers within companies (Garavan & O’Cinneide, 1994: 4). As such, an entrepreneur can be seen as an individual who establishes and manages a business for the purpose of profit and growth through practical creativeness and combining resources and opportunities in new ways. One of the characteristics of entrepreneurship is thus to establish long-term growth and development (Maas, 1993: 51).

As part of the debate on entrepreneurship training, it should be mentioned that there is much doubt on the role of education in the development of entrepreneurship and whether entrepreneurship *per se* can be taught. Although many of the aspects of entrepreneurship can be taught, it also requires a certain flair or attitude towards taking risks. However, many researchers feel that there is a major role and need for entrepreneurship education and training. Education can raise awareness of the processes involved in true entrepreneurship and in this manner facilitate the entrepreneurial process. However, the ultimate measure of the effectiveness of entrepreneurship education and training is how well it fosters all the entrepreneurial aspirations of participants and leads to business start-up (Garavan & O’Cinneide, 1994: 3; Holoviak, Ulrich & Cole, 1990: 27; Hynes, 1996: 12).

In order to stimulate entrepreneurship and an enterprising culture, training programmes must be structured in such a way that growth and development of the individual and his/her organisation are pursued (Maas, 1993: 51). This author explains that upward mobility is to provide a stimulus so that persons from, for instance the informal sector, can grow and develop and eventually move to the next category in the pyramid, namely small or one-man businesses and partnerships. The dynamic nature of entrepreneurship thus permeates the whole economy and a stronger economy can be established.



It must be remembered that while all entrepreneurs are self-employed, not all self-employed persons are entrepreneurs (Garavan & O’Cinneide, 1994: 4). Entrepreneurs are characterised by innovative behaviour and imply the use of strategic management practices, the main goals being profit and growth. Although they could also display entrepreneurial behaviour, small business owners are people whose businesses consume most of their time and resources and provide most of their income, but who are seldom involved in innovative processes. One important ingredient of entrepreneurship that is lacking in many forms of small business ownership is exposure to complete responsibility and associated risk (Arzeni, 1992: 22).

Some hold the view that education is only part of the answer in the development of an entrepreneurial culture. One of the most effective other ways to spread entrepreneurship can be through imitation and not training or teaching. Almost everywhere in the world three out of four entrepreneurs come from an entrepreneurial family or milieu. This necessitates that in a society like South Africa where the number of entrepreneurs is low, appropriate role models have to be attracted and involved or invented and examples copied (Arzeni, 1992: 22).

To conclude, it can be said that enterprise training involves the training of enterprise owners in the processes constituting the operation of an enterprise whereas entrepreneurship programmes might also include this component, but would also aim at stimulating risk taking behaviour and total responsibility regarding the enterprise.

### **2.7.2 Types of micro-enterprise training**

During the President’s Conference on small business, it was reported that the training of aspirant small business owners is inadequate and that attention should be given to meeting their training needs (Anon., 1995b: 34). Although a wide variety of courses are on offer to small business people, they still are associated with major inadequacies in addressing participants’ real needs (Anon., 1995a: 65). One major factor influencing the success of an enterprise-training programme is the extent to which it is based on a real demand or a perceived need. Therefore, it is important to plan and conduct training in accordance with the training needs of a specific group (Manning, 1993: 60). As the training needs of small business owners are extremely diverse, following a needs approach is extremely difficult. This calls for the compilation of training programmes for groups of people operating under more or less similar circumstances and modifying these programmes to comply with the needs of a specific group.

As was noted in Section 2.6.2 p.45, the small business sector in South Africa is highly diverse. Not only does it reach across different sizes of firms, but also across economic sectors. As a result, the problems experienced and the support needed by enterprises vary accordingly. A broad division of the



potential market for micro-enterprise training can be made on the elementary basis of business ownership (ownership versus intent of ownership) as the motivation for seeking and thus the need for training differs considerably between these two groups. Enterprise training programmes are thus firstly directed at these two distinct market segments, namely prospective and practising enterprise owners (Radley, 1996: 37). The target market is further segmented according to the economic sector in which the business operates as well as the functioning of the business within that sector. This segmentation divides the market into the different economic sectors such as trade, manufacturing, service and repair and maintenance as was discussed in Section 2.2.2.1, p.23. The operational sophistication of the business within a sector and the level of competency the individual has attained at running the business also have a clear influence on the training needs. A final segmentation can be made based on the profile of the enterprise owner – every business operator comes with his/her own socio-demographic characteristics such as age, gender and education. These factors also have a marked influence on their needs and the organising of training.

Bearing these segmentation criteria in mind it is useful to look at the system Harper (1989: 182) used in classifying training and assistance programmes for the informal sector. He grouped the programmes into three types according to the perceived training needs and operational efficiency of small business owners.

Type A programmes target those participants who wish to move from the informal sector to the formal sector.

Type B programmes aim to enable participants to operate more effectively and more profitably within the informal sector, without becoming formalised.

Type C programmes are directed at enabling disadvantaged groups to enter the informal sector. These disadvantaged groups include refugees, new migrants to urban areas, the rural poor, disabled people and those who are dependent on charity.

A fourth programme type can be identified from the research of Garavan and O’Cinneide (1994: 8). This includes small business awareness education that aims to increase the number of people sufficiently knowledgeable about small business as an economic activity in order for them to consider it as a career alternative.

### **2.7.2.1 *Small business awareness training***

One of the micro-economic keys to improving economic performance lies in the shift away from a managerial to an entrepreneurial society. South Africa in general, and specifically the black economic sector, lacks such an entrepreneurial environment. One cited reason is the total absence of entrepreneurial education in the past or the sensitising of young people in a way that could encourage



them to enter business and acquire a culture of entrepreneurship (Arzeni, 1992: 19; DTI, 1995: 11). Awareness training should therefore have as one of its objectives the inculcation of entrepreneurial attitudes by raising a general awareness of the opportunities presented by self-employment, as entering the informal sector is often seen as a measure of desperateness and failure instead of an opportunity (Anon., 1995a: 65).

The purpose of business awareness training is therefore mostly to widen the participant's appreciation of the opportunities and problems associated with starting a business (Garavan & O'Connell, 1994: 8). Serious training often only begins if the participant proceeds to some further and usually longer programme.

A common reason cited for non-attendance of enterprise training programmes is that business owners are unaware of the courses being offered. This is due to poor communication between the providers of small business training and the beneficiaries thereof (Govender, 1993: 39). In order to alleviate this problem, the Government sees as a first objective of small business awareness training the effective dissemination of knowledge about presently available training programmes in order to reach entrepreneurs all over the country. Such information should also help match particular needs of participants and specific training programmes (DTI, 1995: 33).

### **2.7.2.2 *Enterprise start-up programmes***

Harper (1989: 184) sees the objective of this type of programme as helping people, who cannot start a business through their own initiative, to establish a micro-enterprise. It is designed to help people enter the world of micro-enterprise, rather than to do better within it, or rise above it. Those who try to establish a micro-enterprise often resort to business start-up as a measure of survival when all other attempts at finding employment have failed.

In the South African context the groups who would resort to micro-enterprise start-up would, aside from the racial dimension, include women and all other disadvantaged and marginalised groups such as the disabled, elderly people, the youth and those in remote areas. Members of these groups often lack the skills, self-confidence or connections to start a business on their own and thus need the external assistance (DTI, 1995: 10).

Most of these programmes have three major components: business management, feasibility studies and business proposal, and training people to think and act in an entrepreneurial way (Harper, 1984: 72). At this level, the programmes often also include basic skills training needed for a particular work situation with different programmes being designed for men and women. Wolpe (1994: 49) found that there is often limited opportunities in this type of training for men as it has been observed that training programmes designed for men are taken over by women. Examples of specific skills training for



women include sewing, leatherwork, crocheting, spinning wool and even butchery. The courses where men are the main participants include carpentry, leatherwork, upholstery, welding, brick making, mechanics and building courses. These courses give rudimentary skills to enable the trainee to manufacture a specific type of product or to undertake specific types of repair work.

Harper (1984: 73) further stresses that there is a need to relate training to the life circumstances and the business environment of the trainees. The business environment includes the markets available for the goods or services they are learning to produce and the problems they might encounter when trying to apply these skills to the specific sites or places from which the business will be run. When designing the training programmes the resources the trainees have available, such as electricity, have to be considered, to ensure that the training is not a futile exercise where trainees cannot apply these skills due to a lack of appropriate or available resources.

### **2.7.2.3 *Growth and expansion programmes***

Growth and expansion programmes assist enterprises with the growth needs and those of an expanding business (Bechard & Toulouse, 1998: 328).

According to Harper (1989: 183), these training programmes are “... *less common, less easy to design and less likely to succeed*”. The main reasons for these observations are that outsiders from the formal sector impose their values onto training courses without taking the ingenuity of the owners of informal businesses or the environment in which they function into account.

Harper (1989: 183) recommends that this type of programme should include topics such as the following:

- new ideas for using unfamiliar scrap materials;
- improved methods of working capital management;
- better way of working within regulations and finding more profitable locations; and
- methods of identifying consumer needs and satisfying them.

However, Harper (1989: 183) is not very optimistic that these and similar objectives can be reached by a formal assistance agency. He poses the question whether informal networks would not be more effective and economical in providing this information and assistance.

### **2.7.2.4 *Formalising an informal business***

The programmes that aim to assist informal business owners to formalise the business are designed to help people operate more effectively in a modern commercial environment and thus seek to release people from the informal sector. These programmes are easier to supply than the Growth and



Expansion Programme since they cover formal aspects of business and are mainly oriented towards skills development and dissemination of information (Bechard & Toulouse, 1998: 330; Harper, 1989: 183).

These programmes with the aim of formalising an informal business typically include:

- training in bookkeeping and accounting for better management of the business and to satisfy taxation authorities and credit institutions;
- information about product and workplace standards,
- information about procedure for employing others in a formalised way;
- training and assistance in obtaining credit; and
- training in the selection of modern equipment, introductions to formal market outlets and suppliers and access to better premises are also sometimes provided.

The participants of these programmes are often better educated and have had some contact with modern business practices. Unfortunately, the resources available to the support agencies often result in only a small proportion of the people who might want to formalise their businesses actually receiving help. As with many types of programmes, the timing and location of the programme often cause that the micro-enterprise operators are effectively debarred from participation (Bechard & Toulouse, 1998: 330; Harper, 1989: 183).

Harper (1989: 181) warns that the target groups for these programmes should be very carefully chosen, as the effect of this type of programmes can be more damaging than promoting. When bringing an enterprise into the formal sector, the benefits should outweigh the costs of formality. In the same sense the additional earning should exceed the cost of the programme, including donor costs.

Many entrepreneurship development programmes are based on learning methods originally designed to enhance or reveal entrepreneurial qualities in people who had never set up a business for themselves. These programmes often attract people on the belief that the course may actually help them or that a loan may be granted after the successful completion of the course (Harper, 1989: 180).

## **2.8 TRAINING NEEDS OF MICRO-ENTERPRISE OWNERS**

This section explores the training needs of micro-enterprise owners from a South African perspective, the focus areas for training food micro-enterprise owners and the organisational details relating to training provision.



### **2.8.1 Training needs of micro-enterprise owners in general: A South African perspective**

As most micro-enterprises operate in the informal sector without being officially registered, documenting their numbers, problems, needs and constraints is a challenging task (Carr, 1989: 165). Furthermore, owners' perceptions of their problems and needs may be coloured both by their inability to analyse their situation, as well as their view of what might or should be provided for them by Government. It is thus difficult to identify those enterprises where an attempt should be made to alleviate perceived problems (Harper, 1984: 25). Therefore, any initiative to address such problems should be based on an analysis of the situation in a small and carefully selected sample.

In previous studies Harper found that many small business owners believe the shortage of operating capital to be their biggest problem (Harper, 1984: 26). A small number complained about the lack of demand, difficulty of obtaining raw materials or the shortage of skilled and honest workers. He further found two common features in small business owners' views of their problems: they tend to identify a single problem of which the solution, they believe, will solve all their problems. Added to this, they also identify problems of which they believe the solution lies beyond their control. Harper (1984: 27) believes that enterprise owners in the informal sector do not face the same problems as other legally operating businesses. Lack of finance is usually not the biggest problem of an informal business, but rather the regulatory system, which makes it difficult for the enterprise to exist at all.

In the previously discussed Qwaqwa sample, only 2,5% of the enterprise owners had undergone some form of managerial training, while 43% desired to undergo such training. When interviewed about their needs, traders and manufacturers indicated that their greatest need was for financial support. The specific needs of cooked-food traders in Qwaqwa were also firstly and predominantly financial support and to a much lesser extent licensing. This was followed in equal percentages by the need to be known to customers, accessibility needs and better markets (Botha & Claassen, 1985: 41).

Bank *et al.* (1996: 38) realised that there is an urgent need for the launching of training programmes that aim to improve business skills and encourage greater continuity in the informal sector. There is a need for technical training of new entrepreneurs who wish to enter the repair, maintenance and manufacturing sectors. He further recommended that entrepreneurial support and training programmes should target single women, as they generally have low levels of education and skills, although they are the most motivated informal entrepreneurs. Bank *et al.* (1996: 38) further noted that although the enterprise owners spend a great amount of time in the businesses, the profits do not reflect all the time and effort put into the business. They need to be trained in profit-orientated business practice and technique. This type of training should aim to offer practical strategies for business growth and development in Duncan Village.



Bank *et al.* (1996: 39) also made specific sector recommendations regarding optimising micro-enterprise operations in Duncan Village. As far as the retail sector is concerned, specific reference is made to the potential of the cooked food sector. Because these hawkers were found to be the most dynamic operators in the informal sector, it was recommended that they should receive special attention concerning development policies, e.g. the introduction of greater product diversity. As this particular market shows growth potential, the operators of micro-enterprises could compete with larger, formal businesses in this sector.

Micro-enterprise owners themselves have a lot of knowledge and skills to contribute to their own development. All too often they were not consulted by development agents or allowed to participate in the needs analysis phase, because of the top-down methods these organisations employed (Carr, 1989: 167). Methods for implementing a truly collaborative approach to development, whereby knowledge travels up from the micro-enterprises to the assistance agencies are needed (Carr, 1989: 168).

### **2.8.2 Focus areas in training food micro-enterprise owners**

Over and above the above-mentioned training needs, food micro-enterprise owners have unique needs. As was discussed in Section 2.5.3, p.38, street foods often pose food safety problems in developing countries and specifically in Africa. These problems are mostly due to incorrect food handling and time-temperature abuses. Therefore there is a need to ensure that food handling practices, preparation and service methods would follow the rules of good food handling and sanitation, that drinkable water is used and that good personal hygiene and environmental sanitation are maintained.

As was also discussed, the low level of formal education among food micro-enterprise owners may have contributed to their general lack of knowledge of hygiene and food sanitation. Training food micro-enterprise owners in food handling and hygiene thus seems to be the most important strategy for improving the safety of street foods and is thus a fundamental and most urgent need (Ekanem, 1998: 213; FAO, 1996: 9). However, there are other groups of people who should also be involved in improving food safety, including food inspectors and the consumers of street foods. The design of training modules should therefore meet the specific requirements of each category of trainee, whether food inspectors, vendors or consumers (FAO, 1996: 9).

The training of food micro-enterprise owners should focus on the role of food in disease transmission, the rules of personal hygiene and sanitation and the principles and practices of food quality control (Ekanem, 1998: 213; FAO, 1990: 20). The main purpose of the training activities should be to increase awareness among the food handlers and vendors regarding street foods related hygiene aspects (FAO, 1990: 18) and should further be focused on the identification of hazards and on control



measures to be implemented (FAO, 1996: 9). The food handling practices should include, for example, sufficient cooking, hot holding, quick cooling, cold storage and avoidance of cross-contamination (Ekanem, 1998: 213).

School children are major consumers of street foods. Studies in Manikganj, Chonburi and Ziguinchor all show that young children consume more street foods than older students, perhaps because the parents give young children money for a treat. As food micro-enterprise owners often locate outside school premises, and in many cases even operate within the school premises, priority should be given to the quality of the food sold at schools and the training of these owners (Tinker, 1997: 185). As the enterprises often locate on the school property, the school authorities are in a strong position to influence owners to serve safe and nutritious food to the children (Ekanem, 1998: 213; FAO, 1996: 8).

### **2.8.3 The accessibility of training**

Many factors influence participants' access to training. It is therefore a recommendable practice to evaluate each training group individually and mould the programme around them. The trainees are above all the reason for training. The factors that influence the accessibility of training are as follows:

**COURSE PROMOTION:** Ekanem (1998: 213) maintains that street food vendors in most developing countries are not sufficiently organised and responsive to take responsibility for their own training and therefore training programmes should be both developed and organised for them. The owners and employees of small companies and micro-enterprises often do not have the financial resources nor the time to attend training courses, as their livelihood is affected by each day of trading. It is therefore often difficult to persuade them to attend and seek training in topics as Hazard Analysis and Critical Control Points (HACCP), unless the advantages can be clearly demonstrated (Jirathana, 1998: 99). Training programmes should therefore emphasise clearly the advantages of the training and they should be inexpensive and easily accessible.

**PRESENTATION MEDIUM AND COURSE MATERIAL LANGUAGE:** Training activities should be developed based on the owners' level of education, as well as language and literacy skills (FAO, 1990: 18). One of the biggest constraints associated with training is the problem of the language to be used during training, for both the course material as well as the presentation medium. Many people in developing countries are not skilled in English. However, most, if not all, overseas experts who provide training in developing countries, present programmes in English and use English literature, causing major problems for participants. It is therefore important that the training and associated literature be developed and presented in local languages and should be regarded as a matter of urgency (Jirathana, 1998: 98). Furthermore, when the presentation language is not the local language, the



number of people per course should be limited for effective training (Jirathana, 1998: 98). It is desirable to implement this recommendation even if the presentation language is the local language.

**TARGET POPULATION:** Harper (1989: 70) stresses that trainees should be carefully selected, as there is a strong case for limiting the target audience due to the wide diversity of unemployed sub-populations searching for training and employment opportunities and the explicitness of services required to assist them (McLaughlin, 1990: 179-180).

The relationship of client selection to programme success seems to come into play in two respects: first, by increasing the chance that those who are exposed to the intervention will be the ones most likely to benefit from it; and second, by allowing the programme to deliver its services to the specific groups to be served more effectively and less expensively (McLaughlin, 1990: 179-180).

**TRAINING VENUE AND TIME:** Harper (1984: 76) maintains that training should be carried out as close as possible to the enterprises themselves. When regarding adult learning, numerous suggestions are made regarding the facilities, which could potentially facilitate adult learners. However, people who never learnt anything practical in a classroom, and whose schooling took place many years ago, find it very difficult to adjust to the classroom-learning situation (Harper, 1989: 71).

As Harper (1984: 76) puts it, “such places may have elaborate educational technology, but there is little point in simulating an interview with a small business owner on closed-circuit television if real small businesses with real people in them, are available a few minutes walk from the classroom. The seats may not be so comfortable, or the blackboard so smooth, and the proceedings may be interrupted by the noise of passing hawkers or taxis shouting for passengers”. Classroom training should therefore be related as closely as possible to the environment in which the trainees are to operate, and should only be given to people who can genuinely learn from it (Harper, 1984: 77).

The organisational details relating to training provision affect the accessibility of a programme to a certain extent. There are large numbers of small business owners who cannot reasonably be expected to take advantage of training opportunities because their businesses are too far away from the training centre and they cannot afford to neglect their jobs for the time necessary to take a full-time course (Harper, 1989: 70-71). The training venue and the time of training are thus of importance to the accessibility of a programme.



## 2.9 SUMMARY: REVIEW OF LITERATURE

The following summary can be made regarding the aspects explored and discussed in the literature review:

Food security, defined as “*access by all people at all times to enough food for an active, healthy life*” is influenced by the availability of food and people’s access to that food. When accessing food security, it is important to not only look at national food security, but also at household and especially individual food security as many factors influence the distribution of food within a nation as well as a household. Food insecurity has traditionally been regarded as a rural problem, but has more recently emerged as an urban problem as well, especially in areas where unemployment is rife. Although sufficient food is mostly available in these areas, consumers often do not have the purchasing power (access) to obtain food.

Street foods, defined as “*ready-to-eat*” *foods and beverages prepared and/or sold by vendors especially in streets and other similar places*” play an important role in urban food consumption. It provides accessible, often nutritious and inexpensive food at places where people work or congregate and could therefore contribute to the food security of the consumer. It can also improve the food security of the owner and his/her family by providing an income as well as food.

In order to explore food micro-enterprises, it was necessary to investigate micro-enterprises operating in the informal sector in South Africa in general, as no data on food micro-enterprises in South Africa could be traced. An international perspective of food micro-enterprises was described and compared to the general South African situation.

Trade micro-enterprises operating in the informal sector in South Africa have the following profile: The majority of enterprise owners are female, between the ages of 30 and 40 years, are unmarried and have an educational level between Grades 5 to 7. The main reasons for starting the enterprise are unemployment and the need to supplement their household income. Only half of all enterprises survive for more than four years. The majority of enterprises employ only the owner, but make use of unpaid family help as well. The businesses are located in busy areas with pedestrian traffic and do not have permission to occupy the sites. The trading hours are mostly more than a full workweek (40 h). Most owners used their own savings to start the business and this amount was low in general. As the owners often learn the skills employed in the business and how to operate the business from own experience, it is not a surprise that most of them do not keep stock control, or financial records. Although the environment in which they operate is highly competitive, most owners are not worried about their competitors and take a passive role in marketing.



This profile of micro-enterprises operating in the informal sector in South Africa is comparable to food micro-enterprises operating elsewhere. Women also play an important role in food micro-enterprises, but their involvement differs between countries. The average food micro-enterprise owner's age is between 30 and 40 years. As the majority of them have little education, they have learnt the skills necessary for the operation of the enterprise from own experience. Unemployment is the major factor contributing to enterprise start-up and the enterprises are mostly started with little capital, acquired from their own savings. Food micro-enterprises are generally small in size and operated by individuals or families. Some enterprises operate with great success, while failure characterises a large percentage of them as well. The importance of the business in the lives of the owners can be seen by their long working hours, which is often continued for seven days a week. The profit is often low as a result of a lack of purchasing power, marketing depends solely on word-of-mouth and financial records are seldom kept.

The customers, especially black customers, of micro-enterprises in the informal sector in South Africa generally experience a lack of purchasing power although they do support it mainly for convenience related reasons and lower prices.

Street food consumers often have low educational levels, little income and little knowledge of proper hygiene and are therefore not unduly concerned about the safety and nutritional aspects of street foods. They purchase street foods because it is available and they have access to it. However, street foods do pose health hazards mainly due to unhygienic handling and time-temperature abuse thereof. The consumer can, if they are prepared to pay for it, play a significant role in improving the quality of street foods by demanding better quality foods. However, they should firstly be educated to be more discerning when buying street foods.

The support strategies that micro-enterprise training programmes mostly apply include credit, technical skills training, which are both single input support strategies, and business management skills which aims to develop the entrepreneur. The strategies can be applied singly or in combination with one another. These strategies to support micro-enterprises are necessary for economic development in South Africa with the Government playing a major role therein by providing access to advice and access to training as two key issues.

With regard to training as a support strategy, it is was seen that a clear distinction exists between enterprise and entrepreneurship training. While enterprise training prepares the participant to operate an enterprise, entrepreneurship training aims to go one step beyond that, by stimulating risk taking and innovative behaviour which will lead to business growth and development. Very few of the so-called entrepreneurship programmes do however motivate this behaviour and should thus be more correctly named enterprise training programmes. However, entrepreneurship is fashionable.



Micro-enterprise training programmes are mostly directed at two levels of enterprise development, namely pre-ventures and established enterprises. The programmes targeting pre-ventures include small business awareness programmes, creating awareness of the advantages of owning and operating a small business, and enterprise start-up programmes encouraging participants to start their own enterprise. Those programmes targeting established enterprises include growth and expansion programmes, which aims to help participants to operate the current business more effectively and expand it as well as how to deal with the problems of a business that has grown beyond the reach of the owner. The last programme type includes formalising an informal business, and aims to help participants to move from the informal to the formal sector.

Most training organisations operate from the assumption that their programmes can address certain identified training needs and assist participants to operate their businesses more proficiently. However, the list of training needs is vast with not much agreement between parties of what the most constricting factors for micro-enterprise operators are. Some believe that their biggest constraint is of a financial nature, while others believe that their constraints can be overcome by training, either of a technical or a management nature. What can be learned from this is that the training needs of each group are different and should be determined before any sort of assistance is planned or provided. What is of even more importance is that the participants should identify their own needs or take an active role during needs identification. This said, it is evident from the literature review that food handling and hygiene and food preparation skills should form part of any training programme for food micro-enterprise owners.

When providing training in developing countries, it must be borne in mind that the participants are often not proficient in English, the language that is most often used for training programmes. It is recommended that programmes be delivered in the local language if possible, as participants often only have minimal educational levels, especially in English and that the group size be limited to ensure adequate facilitator-learner interaction. Furthermore, as participants often have time and financial constraints, the value of training should be emphasised and training should be accessible to them in terms of cost, time and location.



## CHAPTER 3

### METHODOLOGY

#### 3.1 INTRODUCTION

The multiplicity of the research design led to the inclusion of different study populations or sources of data and techniques for the attainment of each objective. Furthermore, each objective led to two different outcomes, the main outcome, which met the specific objective, as well as the applied outcome, which was then used as the basis for a further objective. A summary of the structural outline of the research is presented in Table 5.

**Table 5: Structural outline of the research**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
<b>Objective 1:</b> Role of food micro-enterprises in the improvement of food security.	Relevant literature on street foods and food security.	Literature review	<b>Development of the awareness programme.</b>	<b>Development of the awareness programme:</b> Role of street foods in food security.
<b>Objective 2:</b> Street food consumers: Profile, purchasing behaviour and consumer demand.	Street food consumers in Duncan Village.	Personal interview using a structured questionnaire.	Profile of street food consumers and the consumer demand.	Implications for training food micro-enterprise owners (Sub-objective 3.2) <b>Development of the awareness programme:</b> Consumer demand regarding street foods.
<b>Objective 3:</b> Identification of appropriate micro-enterprise training programmes.				
<b>Sub-objective 3.1:</b> A profile of female owned food micro-enterprises.	Female food micro-enterprise owners in Duncan Village.	Personal interview using a structured questionnaire.	Profile of the owners, enterprise and business operations.	Implications for training food micro-enterprise owners (Sub-objective 3.2).
<b>Sub-objective 3.2:</b> Features of ideal training programmes.	Implications for training identified from consumer profile. Implications for training identified from enterprise owner profile.	Compile a list of all the implications for training and identify additional implications through personal communication, a comparison with the profile of clinic attendants and literature reviews.	Features of ideal training programmes.	List of ideal training programme features used to develop a Training Programme Evaluation Framework (Sub-objective 3.4).
<b>Sub-objective 3.3:</b> Micro-enterprise training in the greater East London area.	Micro-enterprise training organisations in the greater East London area.	Personal interview using a structured questionnaire.	Profile of micro-enterprise training programmes.	Training programme profiles (Sub-objective 3.4).
<b>Sub-objective 3.4:</b> Appropriateness of micro-enterprise training programmes.	Profile of available programmes.	Evaluation Framework for the evaluation of the appropriateness of the available programmes.	Classification of programme according to appropriateness.	<b>Development of the awareness programme:</b> Appropriate training programmes.



For the purpose of the reader's orientation this table is repeated at the beginning of the chapter on the results and discussion of the study. Furthermore, each respective row, summarising the methodology employed for the attainment of a specific objective, is repeated in the description of the methodology, as well as in the reporting and discussion of the results of the particular objective.

### **3.2 RESEARCH METHODS**

The descriptive survey method (Leedy, 1997: 191) was chosen to obtain the necessary data for the realisation of Objectives 2, 3.1 and 3.3. It was decided that personal interviews, using structured questionnaires, would be the most suitable method to obtain data from the study populations, i.e. street food consumers, food micro-enterprise owners and micro-enterprise training organisations. This decision was made in view of the following:

- **STREET FOOD CONSUMERS:** The selection of the respondents for the consumer surveys was based on their purchasing behaviour. The sampling methodology stipulated that a fieldworker would have to be present to determine into which category a consumer falls and would thus be able to conduct a personal interview on the spot. Literacy was also considered a factor;
- **FOOD MICRO-ENTERPRISE OWNERS:** It was pointed out in the literature review that very few micro-enterprise owners in South Africa are functionally literate. This reason, as well as the difficulty of contacting food micro-enterprise owners through any other means than personal contact, led to the decision to conduct personal interviews with them; and
- **TRAINING ORGANISATIONS:** The response rate, quality and depth of the data obtained from the training organisations would be higher and better with the use of personal interviews than with the use of postal questionnaires. The small study population and the concentrated location thereof (see Section 3.7.2, p.87) made it possible to conduct these interviews at a reasonable expense within the time framework.

### **3.3 THE POTENTIAL ROLE OF FOOD MICRO-ENTERPRISES IN THE IMPROVEMENT OF FOOD SECURITY (OBJECTIVE 1)**

This section addresses the identification of the potential role of food micro-enterprises and street foods in urban food consumption and urban food security. Table 6 presents a summary of the methodology employed to attain this objective.



**Table 6: Summary of the methodology employed to attain Objective 1**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
<b>Objective 1:</b> Role of food micro-enterprises in the improvement of food security.	Relevant literature on street foods and food security.	Literature review	<b>Development of the awareness programme</b>	<b>Development of the awareness programme:</b> Role of street foods in food security.

### 3.3.1 Procedures

The following procedures were followed to meet this objective:

- An in-depth review of literature to establish the possible role of food micro-enterprises in the improvement of individual and household food security; and
- Identification of the elements to be incorporated in **the awareness programme**.

### 3.3.2 Methods and techniques

Relevant literature on food security, street foods and food micro-enterprises were identified and reviewed to establish the role of food micro-enterprises in the promotion of food security.

### 3.3.3 Data analysis

The literature review was used to develop a framework presenting the manner in which food micro-enterprises could contribute towards the improvement of individual (consumers) and household (enterprise owners' families) food security. All the elements of the framework were considered and relevant elements identified which could be included in **the awareness programme** to serve as motivation for women to establish new, or optimise the operations of existing food micro-enterprises in Duncan Village.

## 3.4 STREET FOOD CONSUMERS: PROFILE, PURCHASING BEHAVIOUR AND CONSUMER DEMAND (OBJECTIVE 2)

This section addresses the compilation of a profile of street food consumers and their purchasing behaviour and the consumer demand concerning the operations of food micro-enterprises operating in Duncan Village. Table 7 presents a summary of the methodology employed to attain this objective.



**Table 7: Summary of the methodology employed to attain Objective 2**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
<b>Objective 2:</b> Street food consumers: Profile, purchasing behaviour and consumer demand.	Street food consumers in Duncan Village.	Personal interview using a structured questionnaire.	Profile of street food consumers and the consumer demand.	Implications for training food micro-enterprise owners (Sub-objective 3.2) <b>Development of the awareness programme:</b> Consumer demand regarding street foods.

### 3.4.1 Procedures

The following procedures were followed to meet this objective:

- The compilation of a profile of street food consumers and their purchasing behaviour regarding street foods using a structured questionnaire, during a personal interview; and
- The investigation of the consumer demand, degree of satisfaction and concerns regarding the operations of food micro-enterprises operating in Duncan Village using the same structured questionnaire, during the same personal interview.

### 3.4.2 The study population

#### 3.4.2.1 *Description of the study population*

Information regarding the needs and wants and degree of satisfaction of customers can be attained from consumers patronising a business, as well as those not patronising it. Following a discussion with the statistician (Lombard, 2000), it was decided to include two types of consumer groups in this study population: customers purchasing street foods and those not purchasing it at the time of the study. It is proposed that both groups would give valuable information regarding their perceptions of the operations of food micro-enterprises in the area. Inclusion in the population sample depended solely on a consumer's proximity to a specific food micro-enterprise in one of the three trade areas and their purchasing behaviour at the time of the study. The three trade areas included schools and pavements in Duncan Village and the taxi rank in East London (see Section 3.5.2, p.73). All residents of Duncan Village and taxi commuters were thus eligible for inclusion in the sample, irrespective of their usual purchasing behaviour.

#### 3.4.2.2 *Sampling*

**CUSTOMERS:** A combination of cluster area and convenience sampling was applied as the sampling technique for the selection of these participants. The clusters were seen as the different trade areas and the universum of customers as the units (Leedy, 1997: 216; Toulaitos & Compton, 1992: 61-62). By



selecting customers based on the unit within a trade area they bought from, the sample was representative of all food micro-enterprises included in the study. This selection procedure was similar to the techniques employed in the HSRC/NTB study (Hirschowitz *et al.*, 1991: 110) discussed in the previous chapter. For the purposes of this study, a consumer was selected for inclusion in the survey if he/she made a purchase at the time of the survey. Three customers were selected per enterprise and this resulted in the inclusion of 129 customers. The initial food micro-enterprise owner sample consisted of 43 enterprises, but after data analysis it was seen that two enterprises did not conform to the general profile of the food micro-enterprise owners. However, the customer data for these enterprises were still included, as their profile resembled that of the other customers.

The fieldworker selected the customers in the following way:

- Three customers who were purchasing food were selected per enterprise;
- A person was only approached after a purchase was made, so as not to influence his/her purchasing decisions;
- It was stated that participation is voluntary and anonymous. A selected customer was only included if he/she was willing to participate;
- The first person to purchase food after the fieldworkers arrived at an enterprise was selected;
- The second and third interviews were respectively conducted with the first persons to purchase food after completion of the previous interview; and
- During the selection process, all respondents were assured of the confidentiality of the information supplied.

**NON-CUSTOMERS:** Although the sampling technique was slightly altered, procedures similar to those applied for the identification of customers were applied for the selection of non-customers. As it was easier to control the fieldwork and safer for the fieldworkers to work as a group, it was decided to sample the non-customers in the proximity of food micro-enterprises included for the selection of the customers. As a result, convenience sampling was applied and the non-customers could not be linked to a specific trade area. Three non-customers were selected per enterprise and this resulted in the inclusion of 129 non-customers. As the non-customer data could not be connected to the respective enterprises, the six non-customers that were selected near the excluded enterprises were left in the sample. The following procedures were followed during the selection of non-customers:

- Three non-customers were selected in close proximity to a selected enterprise;
- A person was only approached if he/she passed the enterprise without making a purchase, so as not to influence his/her purchasing decisions;
- The first person to pass the fieldworker without making a purchase, after her arrival at an enterprise, was selected;



- It was stated that participation is voluntary and anonymous. A selected consumer was only included if he/she was willing to participate;
- The second and third interviews were respectively conducted after completion of the previous interview, with the first person to pass the fieldworker without making a purchase; and
- During the selection process, all respondents were assured of the confidentiality of the information supplied.

### 3.4.3 Research technique

The interview technique, using the structured **Consumer Questionnaires**, i.e. **Customer and Non-Customer Questionnaires**, was used as survey method to collect the data.

#### 3.4.3.1 *Development of the Consumer Questionnaires: Content*

The **Consumer Questionnaires** were designed to obtain information regarding the consumers of street foods and their demands and concerns regarding the operations of food micro-enterprises. The following information was needed to attain this goal:

- A brief demographic profile on street food consumers;
- The best-selling products;
- The frequency of, and reasons for consumer patronage/non-patronage;
- The consumer spending power;
- The degree of satisfaction with the operations of food micro-enterprises; and
- The consumer demand and concerns regarding food sold by food micro-enterprises.

As the theoretical basis of the **Consumer Questionnaires** was elementary and clear, the relevant variables/descriptors (questions) could be identified without the construction of a theoretical framework (dendrogram). Two separate structured consumer questionnaires, a **Customer** (Addendum A.1) and a **Non-Customer Questionnaire** (Addendum A.2), consisting of open-ended and closed-ended questions were developed. Table 8 presents the variables included in the respective questionnaires.



**Table 8: Variables included in the Consumer Questionnaires**

CONSUMER QUESTIONNAIRES	
Customer Questionnaire	Non-Customer Questionnaire
<ul style="list-style-type: none"> <li>• Gender</li> <li>• Age</li> <li>• Trade area</li> </ul>	<ul style="list-style-type: none"> <li>• Gender</li> <li>• Age</li> </ul>
<ul style="list-style-type: none"> <li>• Product purchased</li> <li>• Reason for purchase</li> <li>• Frequency of patronage</li> <li>• Amount usually spent</li> <li>• Food items they would like to purchase</li> <li>• Degree of satisfaction regarding the operations of food vendors</li> <li>• Concerns regarding the operations of food vendors</li> </ul>	<ul style="list-style-type: none"> <li>• Reason for not purchasing</li> <li>• Preferred foods unavailable</li> <li>• Concerns regarding the operations of food vendors</li> </ul>
12 questions	7 questions

The interviewer recorded the enterprise number where the consumer was interviewed and the date on the questionnaire in order to find any association that might exist between the consumer data and the data on the business operations of the food micro-enterprise data (Sub-objective 3.1).

**3.4.3.2 Development of the Consumer Questionnaires: Question formulation and organisation**

The following procedures were followed during question formulation and organisation of the questionnaire:

- Preliminary questionnaires were drawn up based on the variables presented in Table 8;
- Five people in total from the following disciplines reviewed the preliminary questionnaires: entrepreneurship, nutrition, food studies and community development. Changes were made to the questionnaire based on their input;
- The questionnaires were pilot-tested on ten consumers purchasing food from food micro-enterprises at one of the schools not included in the population sample. It was the opinion of the research team that any difficulties in completing the questionnaires would be identified during interviews with children, and therefore pilot testing using adult respondents was not conducted. No problems were found during the pilot-testing of the questionnaire, but a few changes were made to assist in data analysis; and
- The revised questionnaire was given to five people, unfamiliar with the subject, to proof read and test for clarity and a few more modifications were made.



### 3.4.4 Data collection

Two fieldworkers were responsible for the collection of data on the consumers of street foods in Duncan Village and at the taxi rank in East London. The data were collected between March and June 2000.

#### 3.4.4.1 *Selection of fieldworkers*

The research technique used for the attainment of Objective 2 (**Consumer Questionnaires**) and Sub-objective 3.1 (**Enterprise Questionnaire**) demanded that three separate surveys be completed. This led to the selection of three fieldworkers, each responsible for a separate questionnaire. A lecturer at the Border Technicon in East London selected three fieldworkers based on the following: observed reliability during their academic studies, time available for conducting the fieldwork, as well as their ethnic origin and vernacular language, which was the same as that of the consumers and food micro-enterprise owners. Two of the fieldworkers were graduate home economics students and the third a third year hotel and tourism student at the Border Technicon.

#### 3.4.4.2 *Training of the fieldworkers*

The researcher as well as the registered dietician (fluent in the vernacular language), who conducted the scouting expeditions and the pilot testing of the questionnaires, trained the fieldworkers. The training was similar for all fieldworkers, but the intensity differed according to the complexity and length of the questionnaire for which they were responsible.

The following procedures were followed during the training of the fieldworkers:

- The study was explained to the fieldworkers and a group leader selected. She was responsible for the collection and safekeeping of the questionnaires and all administration regarding the questionnaires.
- All three questionnaires, **Customer**, **Non-Customer** and **Enterprise Questionnaire** (see Section 3.5.3, p.75) were then handed to the fieldworkers and they were given the opportunity to study them. The payment and duties related to each questionnaire was explained and the fieldworkers were then given the opportunity to select the questionnaire they would be responsible for. This decision was jointly settled with the researcher.
- Each fieldworker was then again asked to study the questionnaire and mark any questions about which there was any uncertainty. The trainers then went through the questionnaire with the responsible fieldworker to explain each question, the given options and the manner in which the question should be answered. The dietician highlighted the specific questions that posed difficulties during the pilot testing of the questionnaire. The fieldworkers were then asked to work through the



questionnaire again and ask any further questions the following day, before data collection commenced.

- The training of the fieldworkers was completed after a final meeting where further questions regarding the questionnaires and selection of participants were answered.

#### **3.4.4.3**     *Fieldwork control*

After the questionnaires were completed in an allocated time period, the group leader collected all the questionnaires and gave them to the supervisory fieldworker, the registered dietician. She checked that the correct number of questionnaires had been administered and that every questionnaire was correctly completed. Where additional explanations were necessary, such as some Xhosa terms used for the cooked food, she added it to the questionnaire.

To ensure that a complete data set was obtained for each respondent, the researcher checked the completed questionnaires. If an incomplete **Consumer Questionnaire (Customer or Non-Customer)** was found, the fieldworker was sent back to the corresponding enterprise and conducted a new interview with the first consumer satisfying the criteria set out in Section 3.4.2.2, p.63. This interview then replaced the incomplete questionnaire.

During data analysis it became apparent that the fieldworker responsible for the **Customer Questionnaire** posed one question incorrectly. The aim of this question was to determine the product that a customer bought most often from food micro-enterprises in general. By posing this question it should have been possible to determine the most popular products sold by food micro-enterprises. After confirming with the fieldworker, it was established that the particular fieldworker linked the question to the products of a specific enterprise, i.e. she asked what product the customer buys most often from that specific enterprise. The same problem arose again when this one question was re-administered to the same number of customers purchasing at the different enterprises. The data obtained from this question were consequently rendered useless for the purpose of this survey and were omitted from further analyses.

#### **3.4.4.4**     *Data collection procedures*

Myburgh (1996: 7) noted from own experience that an adjusted research methodology should be employed when collecting empirical data in an informal settlement. He advises that it is necessary to be in close contact with such a community before embarking on research. If personal relations could be established before data collection commences, respondents would be more open, spontaneous and honest when approached during an interview. He further cautions that the presence of the researcher could influence the perceptions and opinions of the respondents and all efforts should be made to minimise this effect.



In view of these recommendations, the following procedures were followed during the collection of data in this study:

- One of the fieldworkers was a resident of Duncan Village while all the fieldworkers were Xhosa. This made them more acceptable to the community;
- The fieldworkers approached consumers selected in the manner described in Section 3.4.2.2, p.63, explained the study and invited them to participate in the study;
- The data were collected by means of a structured personal interview using the **Consumer Questionnaires**, but data on aspects such as the gender of the respondent and the products purchased, were collected by means of observation; and.
- The duration of the customers' and non-customers' interviews were approximately five minutes.

### 3.4.5 Data analysis

#### 3.4.5.1 General introduction

After all data were collected and the open-ended questions coded, the data were entered directly from the questionnaires into *Excel*<sup>®</sup> worksheets by the primary researcher.

The data entries were double-checked and corrected where necessary. These worksheets were then imported into *SPSS*<sup>®</sup> 8.0 and a syntax file written for the data file. After scrutinising the data, some responses were re-coded and data collapsed into categories for more meaningful presentation.

The data obtained from the **Consumer Questionnaires** yielded quantitative data. For descriptive purposes, the data were collapsed into categories, frequencies were tallied and percentages calculated. These data are presented in the form of frequency tables. In the case of continuous data, the mean  $\pm$  standard deviation as well as the minimum and maximum were calculated and simply stated for each variable.

It became apparent from the scouting expedition that the types of food sold by food micro-enterprises differ across trade areas (Siqhaza, 1999: 5). The total study population for the **customers** of food micro-enterprises was thus also subdivided according to the trade area where they purchased the food, namely schools, pavements and the taxi rank. This categorisation could not be done for **non-customers**, since the sampling method only required them to pass the enterprise at the time of the survey. Cross tabulations were constructed with the trade area, age and gender as classification variables. The Chi-squared statistic or Fishers Exact test was used to test whether there was any significant difference in the profiles of each variable between the three trade areas, gender and age groups (Norusis, 1995: 352). To determine the variance between the three trade areas for continuous variables, the ANOVA was done followed by the Bonferroni-test (Norusis, 1995: 271).



Paired samples t tests and Pearson correlation coefficients were respectively computed to determine whether significant differences or associations exist between respondents' age, the number of purchases per week, the amount available to spend and the amount spent per purchase in order to obtain the consumers' purchasing profile (Norusis, 1995: 223, 400).

### 3.4.6 Validity and reliability of data

#### 3.4.6.1 Definitions

**VALIDITY:** Leedy (1997: 32) defines validity as the soundness or effectiveness of a measuring instrument. In short, validity is the compliance of the outcome of the measurement with the intended outcome - what you were supposed to measure.

Several forms of validity are recognised. Those relevant to this study are discussed and the measures taken to improve or ensure each type of validity are described in the respective sections.

- **Face validity** relies on the subjective judgement of the researcher and his/her confidence in the effectiveness of the measurement instrument in measuring what it is supposed to measure as well as the sample's representation of the trait or behaviour being measured (Babbie, 1995: 127; Nachmias & Nachmias, 1996: 165);
- **Content validity** is sometimes considered to correspond with face validity, but really refers to how accurate an instrument measures the factors or situations under study, i.e. the "content" of what is being studied and thus the range of meanings included within the concept (Babbie, 1995: 128; Leedy, 1997: 33);
- **Construct validity** is concerned with the degree to which a construct, that cannot be directly observed or isolated, is actually measured. To establish construct validity, the measuring instrument should be developed according to a theoretical framework in order to tie it to the underlying concepts and theoretical assumptions. Construct validity ensures that different methods of measuring the same construct "converge" or "focus" in their results (Leedy, 1997: 34; Nachmias & Nachmias, 1996: 168);
- **Sampling validity** is concerned with whether a given population is adequately sampled by the measuring instrument in question. This type of validity is especially useful in exploratory research, where investigators attempt to construct instruments and employ them for the first time (Nachmias & Nachmias, 1996: 166);
- **Internal validity** seeks to ascertain that the independent variable, rather than the study design, is responsible for the changes in the dependent variable (Leedy, 1997: 34); and



- **External validity** is concerned with the generalisability of the conclusions reached through observation (Leedy, 1997: 34). Can the conclusions reached from this study be generalised to other study populations?

**RELIABILITY:** Leedy (1997: 35) defines reliability as the degree to which a measuring instrument consistently measures the factors for which it was designed. It is thus a matter of whether a particular technique, applied repeatedly to the same object, would yield the same result each time (Babbie, 1995: 124).

Just as reliability does not ensure accuracy or validity, neither does validity alone ensure reliability. Measures should be taken throughout a study to ensure both validity and reliability of the data, the data collection method and the representativeness of the data. The measures taken in each survey are described as part of the methodology and procedures of each sub-objective.

#### **3.4.6.2     *Validity of the population sample***

Convenience sampling, partly used during the selection of the consumers, is an example of non-probability sampling that does not ensure representativeness of the study population (Touliatos & Compton, 1992: 63). Applying convenience sampling at every food micro-enterprise, thus combining convenience and cluster sampling raised the representativeness of the data. In this manner, a larger number of the population stood a chance of inclusion. The selection and interviews took place during daytime, but the time spent identifying respondents varied between the morning and the afternoon. The time of the study could have led to bias in sampling since it limited the sample only to those persons not working at that time. More interviews were conducted during the morning. The safety of the fieldworkers was a priority at all times and thus led to the time boundaries within which the interviews were conducted.

The selection and sampling procedures led to the inclusion of 129 customers and 129 non-customers. As this was only an exploratory study, the number of respondents included in the study is regarded as being sufficient to ensure a representative sample of the Duncan Village community.

#### **3.4.6.3     *Validity of the Consumer Questionnaires***

The content, face and construct validity of the questionnaires were assured by setting clear objectives for the survey, handing it for review to a panel of experts and pilot-testing the questionnaire in the community itself.



#### **3.4.6.4 *Validity and reliability of data collection***

In this regard, the observations of Myburgh (1996: 7) were relevant to the present study due to the similarities in the target communities. The following measures were employed to ensure optimal reliability and validity of the data during the collection thereof:

- The training of the fieldworkers, as was described in Section 3.4.4.2, p.67, should have ensured optimum face and sampling validity and reliability of the data;
- The fieldworkers were of the same ethnic origin as the respondents and were thus able to conduct the interviews in their vernacular language, Xhosa. This ensured that there were no communication problems and that the respondents' answers were in line with the question posed, ensuring valid data collection as far as possible; and
- Having only one fieldworker administering a questionnaire would have increased the reliability of the inter-question data obtained through the specific questionnaire.

Although the control measures described in the previous section were taken, the researcher still found some questionnaires that were incomplete or contained questions that were incorrectly administered. In these cases, the fieldworkers were contacted and asked to describe how they posed those questions. If there was any doubt about the reliability of the data for a particular question, that respondent's answer was excluded.

#### **3.4.6.5 *Validity and reliability of data analysis***

The primary researcher coded and captured all data and checked all open-ended questions for consistency of coding. All captured data were checked and corrected after scrutinising the data file. The explore function was also used to check for outliers and extreme values. This raised the validity as well as the reliability of the data.

### **3.5 A PROFILE OF FEMALE OWNED FOOD MICRO-ENTERPRISES (SUB-OBJECTIVE 3.1)**

This section addresses the compilation of a profile of female owned food micro-enterprises in Duncan Village. The profile included profiles of the owners, the enterprises and the business operations. Table 9 presents a summary of the methodology employed to attain this objective.



**Table 9: Summary of the methodology employed to attain Sub-objective 3.1**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.1: A profile of female owned food micro-enterprises.	Female food micro-enterprise owners in Duncan Village.	Personal interview using a structured questionnaire.	Profile of the owners, enterprise and business operations.	Implications for training food micro-enterprise owners (Sub-objective 3.2).

### 3.5.1 Procedures

In order to meet Sub-objective 3.1, the following procedures were followed:

- The identification of food micro-enterprises operating in Duncan Village at the time of the study;
- The compilation of a profile of these food micro-enterprises including the owner, the enterprise and the business operations thereof; and
- The identification of the implications the profile has for training food micro-enterprise owners operating in Duncan Village.

### 3.5.2 The study population

#### 3.5.2.1 *Description of the study population*

During a scouting expedition in September 1999, Siqhaza, with the help of a Duncan Village guide, identified the food micro-enterprises operating in Duncan Village. Siqhaza is a registered dietician who speaks Xhosa and has had previous experience as a fieldworker. During this expedition, it became apparent that food micro-enterprises operate from three main trade areas: 1) the schools, where owners trade during break times, 2) pavements in Duncan Village and 3) the taxi rank three kilometres outside Duncan Village in the East London city centre (Siqhaza, 1999: 5). Of these, the schools seemed to be the biggest trade area. Trading also took place directly from the homes, community centres during pension payouts, taverns and the sport grounds, but these areas were not included in this study because of infrequent operation.

The study population was restricted to those micro-enterprises operated by women producing and trading processed food at schools and on pavements in Duncan Village, and at the taxi ranks in East London from non-permanent structures, for the following reasons:

- The study population was limited to **Duncan Village** due to previous research conducted in this community that highlighted the need for future intervention (De Villiers, 1999: 5). The present study is part of a follow-up project which is aimed at increasing the caring capacity of mothers in Duncan Village to prevent growth failure in 0 to 24-month-old children;



- Household and individual food security can be improved by measures that improve the **status of women**, i.e. that improve their income-earning potential, organisational capacity and their decision-making authority in the home and community, and help them save time and energy (FAO, 1996: 3). Operating a food micro-enterprise is one activity that women often engage in that has the potential of increasing their income significantly without too many initial outlays;
- Siquhaza (1999: 4) found that males and females are both involved in food micro-enterprise operations in Duncan Village. **Women** tend to dominate the less formal trade activities, such as selling from non-formal structures, while men are predominantly operating in more formal ways, such as selling braai meat from a formal structure with refrigeration. As the majority of food micro-enterprises in Duncan Village are of an informal nature, primarily operated by women, women dominate food micro-enterprises in Duncan Village;
- Although some regard a **food micro-enterprise** only as a trade enterprise, the products of particular food micro-enterprises set them apart from other hawkers and vendors as a result of questions relating to nutritional value and food safety (Tinker, 1997: 148). It is expected that the food micro-enterprises included in this study have some qualities that differentiate them from other micro-enterprises because of the integration of trade and production. Street foods are also unique as it could contribute significantly to the food security of the food micro-enterprise owners, as well as the consumers thereof; and
- Even though all businesses operating in the informal sector are unregistered, some do operate in a more sophisticated manner than others. In order to select a more homogeneous sample, only the food micro-enterprises **operating from non-formal structures** were included in the study population. During the scouting expedition (Siquhaza, 1999: 3) and sampling, more formal food micro-enterprises were identified. From the data obtained during these interviews, it was established that the enterprises operating from non-formal structures did differ from the more formal food micro-enterprises on several aspects such as the amount of start-up capital, the projected daily turnover and the estimated daily profit. These formal enterprises were consequently not included in the data analysis.

### 3.5.2.2 *Sampling*

It was known at the onset of the study that relatively few informal food micro-enterprises, compared to street and fruit and vegetable hawkers, were operating in Duncan Village, but the exact number was unknown. During April 2000, the number of food micro-enterprises in Duncan Village, excluding those operating at the schools and taxi ranks, was established. There were fewer than thirty enterprises at the time. During a previous scouting expedition, it became apparent that the biggest trade area is at the schools, where between five and ten enterprises operate per school (Siquhaza, 1999: 5). From this



information, the decision was made to apply sampling only at the schools and include all the food micro-enterprises operating in the rest of Duncan Village and at the taxi ranks in East London.

The statistician (Lombard, 2000) recommended that the schools to be included in the study be chosen according to proximity to the three municipal clinics in Duncan Village where the total intervention programme will be pilot-tested. This led to the inclusion of six schools, three primary and three secondary, which were nearest to the municipal clinics. In consultation with the statistician, it was decided to include three enterprises per school. Thus 18 enterprises were selected from the six schools. However, during data analysis, it became apparent that 20 enterprise owners were interviewed during sampling due to sampling variations.

A systematic sampling technique was used to select the food micro-enterprises operating at the schools. This technique was chosen to ensure sampling validity. The procedure entailed that the fieldworker counted the number of enterprises at a school and divided the number by three (the number of enterprises selected per school) to identify the enterprises to be included and to ensure that three enterprises are selected per school. All enterprises had an equal chance of being selected since the fieldworker could approach the enterprises from either side or any row if they were stationed in rows, which they mostly were (Touliatos & Compton, 1992: 60).

As was mentioned, in the rest of Duncan Village and at the taxi rank all the identified informal food micro-enterprises were included, which amounted to 23 enterprises and 43 enterprises in total (including those identified at the schools). However, during data analysis, it became apparent that the profiles of two enterprise owners did not conform to the rest of the group. This observation was based on the amount of start-up capital used to establish the enterprise and their projected daily turnover and estimated daily profit. These two enterprises were thus excluded from the study population, resulting in a study population of 41 food micro-enterprise owners.

The results of previous studies on micro-enterprises (in general) and their training needs indicate that most types of enterprises and their needs are accounted for after the completion of 200 questionnaires (Botha & Claassen, 1985: 5). As this study focused only on one type of enterprise, operating in a single economic sector, and included the majority of the study population, it can be assumed that a representative profile of food micro-enterprises and a representative indication of their training needs, as measured by the questionnaire, was obtained.

### **3.5.3 Research technique**

The interview technique, using a structured questionnaire (**Enterprise Questionnaire**), was used to collect the data.



### **3.5.3.1 Development of the Enterprise Questionnaire: Content**

The dendrogram technique (Schutte, s.a.: 5) was used to develop the questionnaire through the development of a theoretical framework. This technique provides a focus during the review of related literature and sets boundaries within which theory is studied. The theoretical basis is identified by repeatedly asking the question “is determined by what...” of the subject in hand. In this manner, concepts and theory are identified and organised in a structured way. The dendrogram serves three purposes:

- to direct the literature review;
- to develop a questionnaire; and
- to act as guide during the interpretation of the results.

In order to apply the dendrogram technique effectively, a clear objective was formulated for the **Enterprise Questionnaire**, namely to produce data for the compilation of a profile on food micro-enterprises, including the owner, the enterprise itself and the business operations thereof, as well as the training needs of the owners.

The following procedures were followed to identify the variables to be included in the dendrogram.

#### **A. Food micro-enterprises operating in Duncan Village: Profile**

In this section the following aspects were addressed: the owner’s profile consisting of a demographic description; her background and motivation for start-up, her future orientation and awareness of training; and an enterprise profile. Table 10 indicates the extent in which the first three variables were included in previous surveys on the owners of South African micro-enterprises, while Table 11 presents those variables used in the mentioned surveys to describe the enterprises (enterprise profile descriptors). All variables identified in the literature were evaluated based on the following question: would the variable make a meaningful contribution in assembling a profile of food micro-enterprises for comparison with the micro-enterprise training programmes on offer in the greater East London area?



**Table 10: Variables included in previous surveys on micro-enterprises in South Africa: Enterprise owner profile descriptors**

	Botha and Claassen (1985)	Nattrass and Glass (1986)	Hirschowitz <i>et al.</i> (1991)	Riley (1993)	Bank <i>et al.</i> (1996)
Region where survey was conducted	Qwaqwa	Durban	South Africa National	South Africa National	Duncan Village
<b>Demographic profile of food micro-enterprise owners</b>					
Gender	✓	✓		✓	✓
Age	✓	✓		✓	✓
Average household size	✓				
Ethnic classification	✓				
Education	✓	✓		✓	
Marital status					✓
<b>Motivation for start-up</b>					
Entrepreneurial background			✓	✓	
Current employment					✓
Previous work experience			✓		
Small business experience					✓
Reasons for start-up	✓	✓	✓		
<b>Future orientation &amp; awareness of training</b>					
Future expansions	✓	✓			
Satisfaction with business		✓			
Type of support needed	✓				✓
Estimation of training time		✓			
Contacted a support agency				✓	

**Table 11: Variables included in previous surveys on micro-enterprises in South Africa: Enterprise profile descriptors**

	Botha and Claassen (1985)	Nattrass and Glass (1986)	Hirschowitz <i>et al.</i> (1991)	Riley (1993)	Bank <i>et al.</i> (1996)
Region where survey was conducted	Qwaqwa	Durban	South Africa National	South Africa National	Duncan Village
Nature of the enterprise	✓	✓	✓	✓	✓
Trade area/location	✓		✓	✓	✓
Products					✓
Operating times	✓				✓
Number of employees	✓	✓	✓	✓	✓
Start-up capital	✓	✓	✓		✓
Turnover				✓	
Income and savings	✓	✓	✓		
Duration of business	✓			✓	✓
Satisfaction with enterprise	✓	✓			

## **B. Food micro-enterprises operating in Duncan Village: Business operations**

In this section the following aspects of food micro-enterprises were addressed: production management, financial management and marketing. Table 12, p.78 presents all the operational business characteristics included in previous surveys on African micro-enterprises. All variables identified in the literature were evaluated based on the following question: would the variable make a



meaningful contribution in assembling a profile on food micro-enterprises for comparison with the micro-enterprise training programmes on offer in the greater East London area?

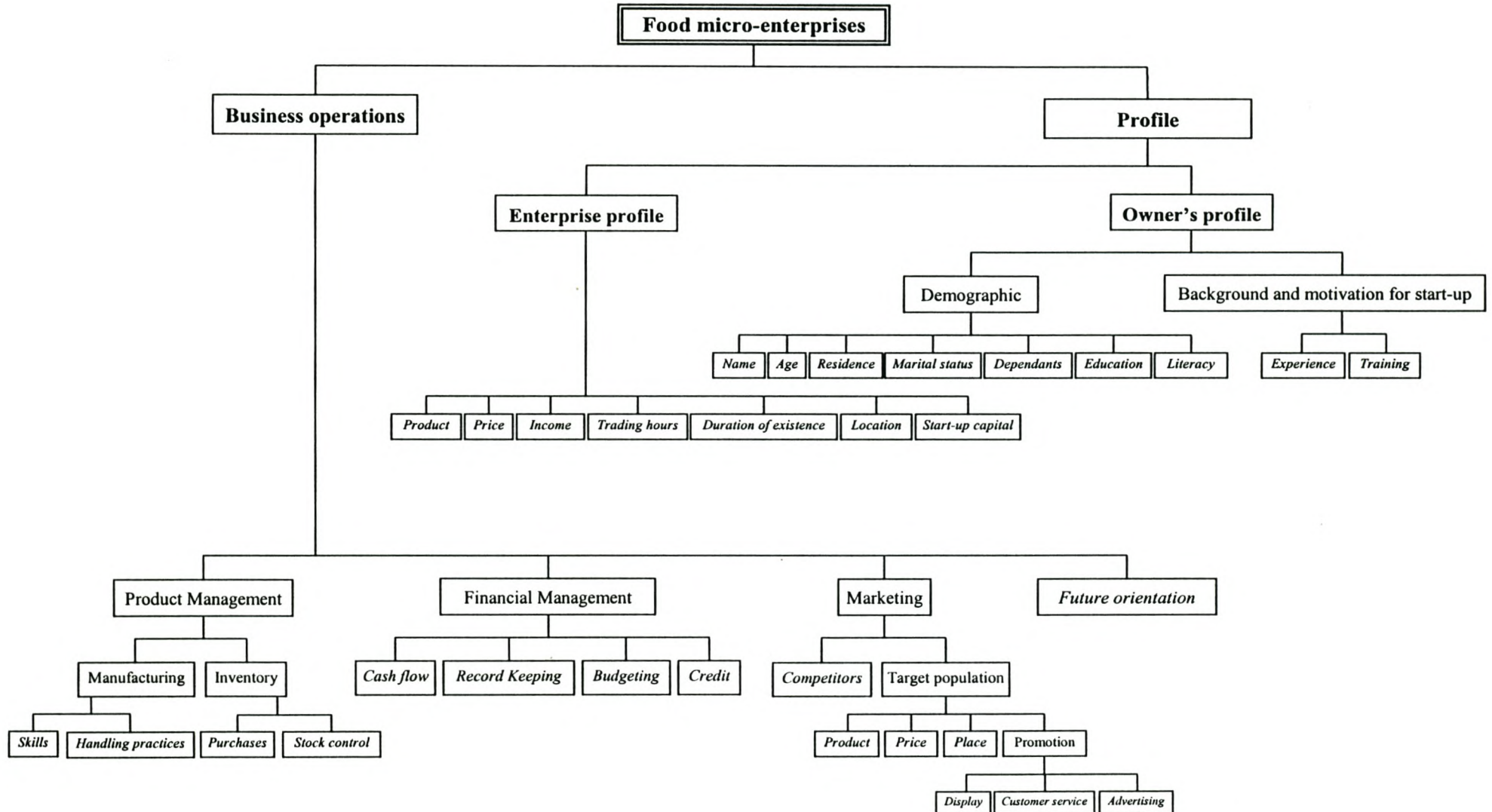
**Table 12: Variables included in previous surveys on micro-enterprises: Characteristics of business operations**

	<b>Botha and Claassen (1985)</b>	<b>Natras and Glass (1986)</b>	<b>Hirschowitz et al. (1991)</b>	<b>Bank et al. (1996)</b>	<b>Morris et al. (1996)</b>	<b>Myburgh (1996)</b>	<b>Gichira and Nelson (1997)</b>
<b>Region where survey was conducted</b>	Qwaqwa	Durban	South Africa National	Duncan Village	Khayelitsha	Khayelitsha	Kenya
<b>Production management</b>							
Learning about the product		✓	✓				✓
Purchasing supplies	✓		✓	✓	✓	✓	
Stock keeping	✓		✓				
<b>Financial management</b>							
Learned how to run business		✓	✓				
Record keeping		✓	✓				
Cash flow							✓
Credit sales & collection			✓		✓		
Access to credit	✓			✓			✓
Bank account			✓				✓
<b>Marketing</b>							
Competition	✓						
Motivation for location	✓						
Estimations of demand		✓					
Obtaining customers			✓				✓
Origin of customers	✓				✓		
Perception of customers			✓				
Pricing policies		✓			✓	✓	✓
Customer services			✓			✓	

### C. Development of the Enterprise dendrogram

After the identification of all these variables, they were organised into Figure 2, p.79 according to the dendrogram technique. This figure was used as a guide during the structural compilation of the questionnaire.





**Figure 2: Dendrogram: Enterprise Questionnaire**



### 3.5.3.2 *Development of the Enterprise Questionnaire: Question formulation and organisation*

The **Enterprise Questionnaire** (Addendum B) was organised into two sections based on the dendrogram, namely the enterprise profile and the business operations profile. It consists of 82 questions with the majority being closed-ended questions. Table 13 and Table 14 show the organisation of the selected variables in the **Enterprise Questionnaire** and the number of questions formulated in each section. Most of the open-ended questions were supplied with options although the instructions stated that these questions should be asked as open-ended questions. The given answers were evaluated and the appropriate options marked by the fieldworker. More than one answer was permissible at these questions.

**Table 13: Variables for a profile of food micro-enterprises and their owners**

Enterprise owner profile			Enterprise profile
Demographic characteristics	Background and motivation for start-up	Future orientation and awareness of training	
<ul style="list-style-type: none"> <li>• Age</li> <li>• Address and number of years resident in Duncan Village</li> <li>• Marital status</li> <li>• Household head</li> <li>• Parenthood</li> <li>• Education</li> <li>• Literacy in Xhosa and English</li> </ul>	<ul style="list-style-type: none"> <li>• Employment</li> <li>• Previous work experience</li> <li>• Previous work-related training</li> <li>• Previous business experience</li> <li>• Reason for business start-up</li> </ul>	<ul style="list-style-type: none"> <li>• Future of business</li> <li>• Awareness of training</li> <li>• Training needs</li> </ul>	<ul style="list-style-type: none"> <li>• Products</li> <li>• Prices</li> <li>• Turnover</li> <li>• Business location</li> <li>• Trade hours</li> <li>• Number of employees</li> <li>• Duration of business</li> <li>• Start-up capital</li> </ul>
12 questions	8 questions	13 questions	14 questions

**Table 14: Variables to describe the business operations of food micro-enterprises**

Business operations profile		
Product management	Financial management	Marketing
<ul style="list-style-type: none"> <li>• Manufacturing: Where skills and general food handling practices had been learnt</li> <li>• Inventory: How purchases are made and stock controlled</li> </ul>	<ul style="list-style-type: none"> <li>• Cash flow management</li> <li>• Record keeping: written records</li> <li>• Budgeting</li> <li>• Credit: suppliers of credit and credit sales</li> </ul>	<ul style="list-style-type: none"> <li>• Awareness of competitors</li> <li>• Target population: product, price, place, promotion (display, customer service, advertising)</li> </ul>
12 questions	11 questions	12 questions

The following procedures were followed during the question formulation and organisation of the questionnaire:

- The questionnaires from previous studies were consulted and the definitions of certain terms studied to give direction in the wording of questions;
- A preliminary questionnaire was drawn up based on the variables identified in Table 13, Table 14 and Figure 2;



- Five people in total from the following disciplines reviewed the preliminary questionnaire: entrepreneurship, food studies, nutrition and community development. Changes were made based on their input;
- The edited questionnaire was administered to five food micro-enterprise owners in Duncan Village. This was done to determine the relevance of the options given at open-ended questions, the clarity of the questions, the format of the questionnaire and the time taken to complete it. These interviews were conducted in Xhosa and the fieldworker identified the questions that posed difficulties during the pilot testing. These comments and recommendations were used to revise the questionnaire; and
- The revised questionnaire was given to five people, unfamiliar with the subject, to proof read and test for clarity and a few more modifications were made accordingly.

### **3.5.4 Data collection**

#### **3.5.4.1 Selection of fieldworkers**

See Section 3.4.4.1, p.67 for a description of the selection of the fieldworkers

#### **3.5.4.2 Training of the fieldworkers**

See Section 3.4.4.2, p.67 for a description of the training of the fieldworkers

#### **3.5.4.3 Fieldwork control**

See Section 3.4.4.3, p.68 for a general discussion of the steps taken to control the fieldwork. If an **Enterprise Questionnaire** was not completed to satisfaction, the fieldworker was sent back to that specific enterprise to complete the questionnaire.

#### **3.5.4.4 Data collection procedures**

The following procedures were followed during the collection of data in the enterprise surveys:

- Only one fieldworker was responsible for collection of all the data in this survey;
- The selected enterprise owners were approached by the fieldworker who explained the study and invited them to participate in the study. It was stated that participation is voluntary and that any information obtained would be considered strictly confidential. It was necessary to obtain the names and business locations of respondents for statistical purposes and to re-administer a questionnaire if the fieldworker had not completed all questions correctly. If the enterprise owner was willing to co-operate, an interview, lasting approximately 20 minutes, was conducted;



- The data were collected by means of a structured personal interview, except for two questions that relied on the subjective observation of the fieldworker. These questions pertained to the product display and customer service;
- All interviews were conducted in either Xhosa or English, depending on the language of preference of the enterprise owner; and
- All data were collected during April and May 2000.

### 3.5.5 Data analysis

#### 3.5.5.1 General analysis

The data were captured and analysed in the same manner as the data on the consumers of street foods (Section 3.4.5, p.69).

The data obtained from the **Enterprise Questionnaire** yielded quantitative data. For descriptive purposes, the data were collapsed into categories, frequencies were tallied and percentages calculated. These data are presented in the form of frequency tables. In the case of continuous data, the mean  $\pm$  SD as well as the minimum and maximum were calculated and simply stated for each variable.

Cross tabulations were constructed with the trade area as classification variable. The Chi-squared statistic and Fishers Exact test was used to test whether there was any significant difference in the profiles of each variable between the three trade areas (Norusis, 1995: 352). To determine the variance between the three trade areas for continuous variables, the ANOVA was done followed by the Bonferroni-test (Norusis, 1995: 271).

Two new variables were created from the data obtained in the **Enterprise Questionnaire**. These were the operational sophistication and the projected daily turnover of the enterprises.

#### 3.5.5.2 Operational sophistication

The operational sophistication of the enterprises was measured by assigning ordinal values to certain aspects of the business operations according to the degree of sophistication that is employed in the execution thereof. This method was used by Morris *et al.* (1996: 71) who constructed a summated scale to provide a comprehensive measure of operational sophistication. The variables that lent themselves toward such calculations are presented in Table 15, together with an indication of the responses that were brought into calculation and the scores awarded to each variable. The scores were allocated based on the principle applied by Morris *et al.* (1996: 17) in the development of his scale. All values were summated to determine the measure of operational sophistication of an enterprise. When summated, enterprises could achieve a score ranging from 0 (low sophistication) to 27 (high



sophistication). Pearson correlations were drawn between this measure, the age of respondents, educational level, number of years living in Duncan Village, amount of start-up capital and the projected daily turnover (Norusis, 1995: 400).

**Table 15: Business characteristics and the associated aspects brought into consideration in the measurement of operational sophistication**

<b>Business characteristics</b>	<b>Response</b>	<b>Value</b>
Knowledge of daily profit	Yes	1
Record keeping	Number of records kept	1 to 5
Calculate daily turnover	Yes	1
Budget for product expenses	Yes	1
Cash flow	Recorded value	1 to 4
Look at competitors	Yes	1
Product idea	Consumer demand	1
	Saw an opportunity	1
Price establishment	Looked at competitor	1
	Add amount to ingredient cost	1
Subjective evaluation of display of goods	Recorded value	1-5
Subjective evaluation of customer service	Recorded value	1-5

### **3.5.5.3 Projected daily turnover**

The projected turnover per enterprise per day, i.e. the income generated if all indicated products were to be sold out every day, was calculated by multiplying the number of products or product units made per day by the price per product/product unit. In some instances, such as for liver or chicken, the enterprise owners could not indicate the number of units made and this amount could not be calculated. The sample size for this particular variable is therefore smaller than 41 (the total number of enterprises included in the survey). Pearson correlation coefficients were computed to determine whether an association existed between the projected daily turnover and the estimated daily profit per enterprise (Norusis, 1995: 400).

### **3.5.5.4 Training needs**

The training needs were determined by asking the respondent direct questions with regard to their need for training on certain aspect of their business operations, as well as by analysing the profile of their business operations.



### 3.5.6 Validity and reliability of the data

#### 3.5.6.1 *Validity of the population sample*

“The results of a survey are no more trustworthy than the quality of the population or the representativeness of the sample” (Leedy, 1997: 203). The following was done to ensure the validity of the population sample for this survey:

A complete census of the food micro-enterprises was secured in all trade areas except at schools. This was achieved by using a resident from Duncan Village as a guide in the scouting expeditions during which the enterprises were identified. Another Duncan Village resident, who acted as a fieldworker, was used to sample the enterprises. Both these persons knew the area well and helped to identify enterprises that could otherwise have been excluded. The use of a systematic sampling technique at the schools ensured that every enterprise at the included schools stood an equal chance of selection and led to unbiased randomisation. It is recognised that the exclusion of some schools could have led to bias in the study population, but financial resources and the time constraints limited the total sample size to 41 enterprises.

#### 3.5.6.2 *Validity of the Enterprise Questionnaire*

The validity of the **Enterprise Questionnaire** was addressed as follows:

- **Face validity** was addressed by ensuring that the questions in the questionnaire were representative of the dependent variables being measured. The review of the questionnaire by other experts in the field, as well as the pilot testing during which the clarity of the questions and the relevance of the given options were assessed, ensured the face validity of the questionnaires;
- **Construct validity** was relevant as far as training needs were concerned. Training needs cannot be observed directly and the perception thereof could vary between the providers and beneficiaries of training. In order to validate this construct, the operational definitions of other surveys were studied and the questions selected that would be most applicable to this study, bearing in mind the financial and time constraints. Consequently, it was decided that the enterprise owners themselves would be most suitable to indicate their training needs in certain business aspects. This together with a profile on their business operations accounted for their most obvious training needs; and
- **Content validity** was established through a thorough literature review on the subjects of South African micro-enterprises and food micro-enterprises. The methods employed during the content development of the questionnaire aided in the identification of all relevant variables. The researcher aimed to include all appropriate descriptors for the profiles of food micro-enterprises and their business operations in order to optimise the content validity of the measuring instrument.



### 3.5.6.3 *Validity and reliability of data collection*

See Section 3.4.6.4, p.72 for a general discussion of the measures taken to ensure validity and reliability of the data collection. Additional steps that were taken during this survey included the following:

- The fieldworker conducting the interviews with the enterprise owners was from Duncan Village and thus not a total stranger to many of the members of this community. Unfortunately, she was only able to conduct 50% of the interviews whereafter the interviews were conducted by the remaining two fieldworkers. The fact that some enterprise owners knew her could have led to more open and honest answers from them, raising the validity of the data; and
- Having only one fieldworker administering the questionnaire would have increased the reliability of the inter-interviewer variability through the specific questionnaire. However, due to circumstances beyond the control of the researcher, this was not possible and eventually three fieldworkers were used during data collection for this questionnaire. In-depth training of the interviewers reduced inter-interviewer variability.

### 3.5.6.4 *Validity and reliability of data analysis*

See Section 3.4.6.5, p.72 for a discussion of the measure taken to ensure validity and reliability of data analysis.

## 3.6 FEATURES OF THE IDEAL TRAINING PROGRAMME (SUB-OBJECTIVE 3.2)

This section addresses the identification of the features of the ideal micro-enterprise training programme for the training of current and prospective female food micro-enterprise owners in Duncan Village. Table 16 presents a summary of the methodology employed to attain this objective.

**Table 16: Summary of the methodology employed to attain Sub-objective 3.2**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.2: Features of ideal training programmes.	Implications for training identified from consumer profile. Implications for training identified from enterprise owner profile.	Compile a list of all the implications for training and identify additional implications through personal communication, a comparison with the profile of clinic attendants and literature reviews.	Features of ideal training programmes.	List of ideal training programme features used to develop a Training Programme Evaluation Framework (Sub-objective 3.4).

### 3.6.1 Procedures

The following procedures were followed to attain this sub-objective:



- The identification of the ideal training programme features regarding accessibility (target population, participatory requirements, organisational details), accreditation and course features pertaining to micro-enterprise training provision for current food micro-enterprises in Duncan Village. This was based on the profiles of street food consumers and food micro-enterprise owners and the implications they have for training;
- The comparison of the socio-demographic profile of current food micro-enterprise owners in Duncan Village and municipal clinic attendants in Duncan Village in order to ascertain the comparability of these two groups with regard to the ideal training programme features;
- The identification of any additional features applicable to both current and prospective food micro-enterprise owners in Duncan Village; and
- Finalisation of the ideal training programme features for the training of current and prospective food micro-enterprise owners in Duncan Village.

### 3.6.2 Research technique and data collection

The research technique entailed an integration of all the “Implications for training” (sections 4.2.8 and 4.3.10) formulated based on the profiles of street food consumers and food micro-enterprise owners.

In the identification of the features of the ideal training programme, it must be borne in mind that the target population of the total programme to improve the nutritional status of children in Duncan Village (De Villiers, 1999: 5) are women attending municipal clinics in Duncan Village. These women may be current owners of food micro-enterprises or may be seen as prospective food micro-enterprise owners after exposure to **the awareness programme**. It is therefore necessary to establish whether the identified ideal training programme features would be appropriate for all clinic attendants. The socio-demographic profile of the municipal clinic attendants in Duncan Village was obtained from the work of De Villiers (Addendum D). This profile was compared with the profile of current food micro-enterprise owners obtained in this research to ascertain the comparability of the two groups and the appropriateness of the ideal training programme features for the total target group. Differences in these profiles led to the identification of additional ideal training programme features.

In addition to the ideal training programme features identified from the consumer and enterprise owner profiles, and the comparison of the socio-demographic profile of municipal clinic attendants and food micro-enterprise owners in Duncan Village, certain other programme features applicable to adult basic education and training, were also identified. This led to the finalisation of the ideal training programme features for the training of current and prospective food micro-enterprise owners in Duncan Village.



### 3.7 MICRO-ENTERPRISE TRAINING IN THE GREATER EAST LONDON AREA (SUB-OBJECTIVE 3.3)

This section comprises an investigation into the supply of micro-enterprise training in the greater East London area. Table 17 presents a summary of the methodology employed to attain this objective.

**Table 17: Summary of the methodology employed to attain Sub-objective 3.3**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.3: Micro-enterprise training in the greater East London area.	Micro-enterprise training organisations in the greater East London area.	Personal interview using a structured questionnaire.	Profile of micro-enterprise training programmes.	Training programme profiles (Sub-objective 3.4).

#### 3.7.1 Procedures

The following procedures were followed to attain this sub-objective:

- The identification of possible micro-enterprise training programmes appropriate for food micro-enterprise owners operating in Duncan Village;
- The investigation into the training offered (accessibility, accreditation and course features) by micro-enterprise training organisations in the greater East London areas using a structured interviewing schedule; and
- The compilation of a profile on these training programmes.

#### 3.7.2 The study population

##### 3.7.2.1 *Description of the study population*

In a scouting survey conducted by the primary researcher during September 1999, it was established that most organisations offering micro-enterprise training, present it in the community where a need is identified, and not necessarily on the organisation's premises. Therefore, the study population included organisations not only within the immediate reach of Duncan Village residents, but also in the greater East London area such as Mdantsane.

All governmental and non-governmental organisations in the area offering training programmes with objectives similar to one of the following, were included:

- To motivate and enable persons to establish a micro-enterprise in the informal sector; or
- To enable established micro-enterprises to operate more efficiently within the informal sector and thus move out of the survivalist category *through training*.



### **3.7.2.2**     *Sampling*

Snowball sampling was used during the identification of the training organisations (Touliatos & Compton, 1992: 65). The first organisations were contacted during September 1999, when the researcher evaluated the viability of the study in terms of the number of organisations offering micro-enterprise training in East London. The initial organisations were identified through the knowledge of peers in the field of entrepreneurship and small business development. The training managers of each of these organisations were briefly interviewed during a telephonic conversation to determine whether they were suitable for inclusion in the study. They were asked to describe their training activities and to name any other organisations they were aware of that provided micro-enterprise training. These organisations were then also contacted and the same procedures followed. An initial database of training providers was created during this scouting exercise.

The recruitment of organisations for actual participation in the study was commenced in February 2000. The researcher contacted the organisations already identified telephonically. The objective of the survey was explained and the training manager asked whether their organisation provides micro-enterprise, small business or entrepreneurial training following a grass-roots approach. If the organisation did, they were asked to describe the programmes offered and the target population for these programmes. These questions were asked to ascertain that the programmes were within the criteria set for inclusion in the study population for micro-enterprise training programmes. The training manager was then asked whether he/she would be willing to conduct a personal interview with the researcher and a date was arranged. As a final question they were asked if they knew of any other organisations offering micro-enterprise training programmes. A confirmation letter, explaining the objectives of the study, and giving an outline of the topics to be covered during the interview, was then faxed to them.

### **3.7.2.3**     *Sample size*

Only ten organisations offering micro-enterprise training in and around East London could be identified. This led to the inclusion of all identified organisations and it is believed that they represent the majority, if not all of the possible micro-enterprise training organisations in the greater East London area and thus the whole study population.

## **3.7.3**     **Research technique**

The data were collected by means of an interview, using a structured questionnaire (**Training Questionnaire**). The dendrogram technique was used during the development of the **Training Questionnaire**.



### 3.7.3.1 *Development of the Training Questionnaire: Content*

The **Training Questionnaire** was designed to give insight into micro-enterprise training offered in the greater East London area for **comparison with the ideal programme features for training food micro-enterprise owners** (see Sub-objective 3.4). For these purposes it was necessary to obtain the following information:

- A profile of the organisations and people delivering training; and
- A profile of the relevant programmes, including details relating to programme accessibility by potential participants, the accreditation awarded to the programme and by the organisation to participants and the course features.

In order to develop the content of the **Training Questionnaire**, a thorough literature review (see Section 2.6, p.41) was conducted of studies that aimed to determine the appropriateness of the training offered to black micro-enterprise owners in South Africa. The questions and variables developed for the **Enterprise Questionnaire** were evaluated to determine whether it was related to a specific aspect of micro-enterprise training programmes. If it was related, these variables were included in the **Training Questionnaire**. Special attention was also given to the shortcomings identified in previous studies. These variables were also included in the **Training Questionnaire**.

After the identification of the above-mentioned variables, it was still necessary to find additional variables for a more thorough evaluation of the training programmes. This was primarily achieved through communication with persons knowledgeable in the field of adult education programmes.

The following additional variables pertaining to micro-enterprise training programmes were identified in this manner:

- Persons acting as trainers or facilitators during training and how they were trained? (Senekal, 2000);
- Programme duration (Govender & Paulo, 1994: 56);
- Participation cost (Van der Merwe, 2000);
- Target population of the programme (Van der Merwe, 2000);
- Accreditation awarded to the program (Kotzé, 2000);
- Content included (Govender & Paulo, 1994: 57); and
- Training methods used (Govender & Paulo, 1994: 57).

The above variables were then organised into a dendrogram (Figure 3).



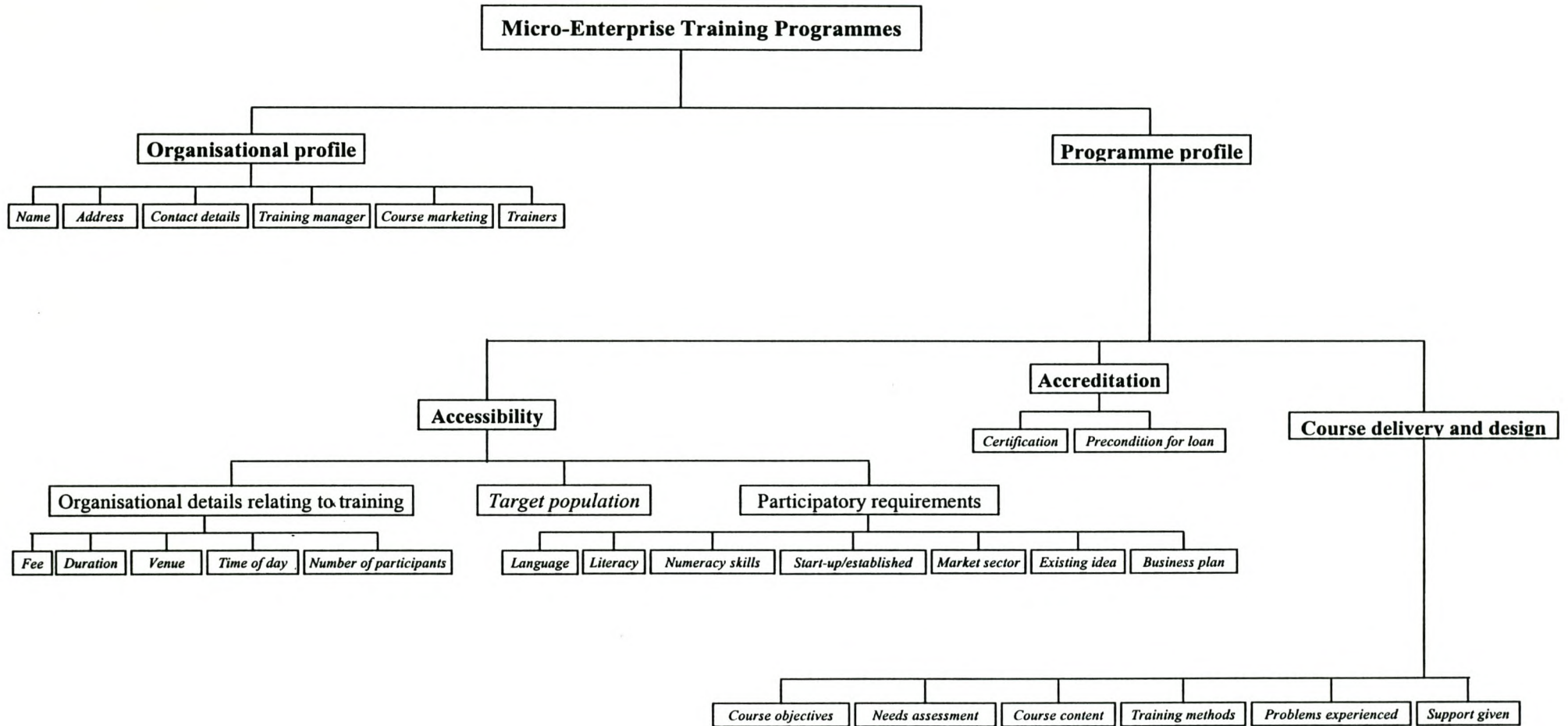


Figure 3: Dendrogram: Training Questionnaire



### 3.7.3.2 *Development of the Training Questionnaire: Question formulation and organisation*

The same development procedures as the ones used for the other questionnaires (see Section 3.4.3.2, p.66) were used during the development of the **Training Questionnaire** (Addendum C).

The **Training Questionnaire** was subsequently compiled based on the dendrogram, since the dendrogram gave the structural outline of the questionnaire. As the study population was small, the questions were mostly asked as open-ended questions. This inevitably led to more decoding of the raw data during the analysis, but created a more meaningful profile.

The **Training Questionnaire** could not be pilot tested in East London as this would have led to a decline in the sample size, which was already very small. The questionnaire was consequently pilot tested at a training centre in Stellenbosch where the length of the interview was determined and attention given to content, the wording of the questions and the given options. The training manager of the centre was invited to comment on all questions. The comments and recommendations were used to revise the questionnaire.

Table 18 presents the variables included in the **Training Questionnaire** and the number of questions in every section. In addition to these questions, in order to compile an organisational profile, one question was included on the course trainers and two general questions on all courses offered by the organisation. This amounted to a questionnaire consisting of 48 questions.

**Table 18: Variables and number of questions included in the Training Questionnaire**

<b>Course profile</b>		
<b>Accessibility</b>	<b>Accreditation</b>	<b>Course features</b>
<ul style="list-style-type: none"> <li>• Target population</li> <li>• Participatory requirements</li> <li>• Organisational details relating to training</li> </ul>	<ul style="list-style-type: none"> <li>• Certification</li> <li>• Course recognition</li> <li>• Granting of loan</li> </ul>	<ul style="list-style-type: none"> <li>• Course objectives</li> <li>• Needs assessment</li> <li>• Course content</li> <li>• Training methods</li> <li>• Problems experience by trainers and participants</li> <li>• Support after programme completion</li> <li>• Awareness of other training organisations</li> </ul>
22 questions	8 questions	11 questions

### 3.7.4 **Data collection**

The primary researcher collected the data during a personal interview with the training manager or the course trainers at the respective organisations.



Although a structured interviewing schedule was created (**Training Questionnaire**), the interview was conducted in a more unstructured manner. As an introductory question, the respondent was asked to describe the training activities of the organisation. During this introduction, some respondents gave the answers to various questions, which were to be asked later in the interview. These responses were then documented on the questionnaire to prevent the respondent from having to relay the same information at a later stage. At the end of the interview, the researcher examined the whole questionnaire to ascertain that all questions were answered, as it was easy to miss a question when part of the interview was unstructured.

As far as the question on the course content was concerned, the respondent was asked whether a copy of the course content was available to review. If it was, the respondent was asked to indicate which sections were not covered during the course or if any additional information was included. The course content was copied from the index of the training manual and the alterations indicated. Where no hard copies of the training manuals were available, the respondent was first asked an open question about the content of the programme and was then further probed by giving the options listed on the **Training Questionnaire**.

There was some variability in the duration of the interviews, which lasted between 30 minutes to 2 hours depending on the respondent's ability to focus on the questions asked and the researcher's ability to guide the respondent back to the specific question. Where the respondent and the researcher were not pressed for time, the researcher did not interrupt since the discussions led to greater depth of the data.

The first round of interviews was conducted on 13 and 14 March 2000. After the first round, PRODDER and the NGO coalition in East London were also consulted and the additionally identified organisations contacted. The same procedures were followed to set dates for the interviews during the second round. The second round of interviews was conducted on 10 and 11 April 2000. This process was repeated once more to identify any remaining organisations. Two more organisations were consequently interviewed on 26 July 2000.

### **3.7.5 Data analysis**

The data obtained from this survey were mostly quantitative. As the sample size was so small (ten organisations and 17 programmes), no frequencies were tallied or percentages calculated. The data were only summarised in tables in order to facilitate analysis.

The two aspects pertaining to training (support approach and programme type) (see Section 2.6, p. 41 for a discussion thereof) were used to classify the micro-enterprise training programmes available in the greater East London area. This led to programmes firstly being classified, based on the support



approach they follow, i.e. business management singly or in combination with technical (cooking) skills, and secondly according to the growth phase of the enterprises they target.

### **3.7.6 Validity and reliability**

#### **3.7.6.1 *Validity of the population sample***

The procedures employed during the identification of the training organisations led to the inclusion of the whole study population. Although the snowball technique is a non-probability sampling method, its use was necessary as a complete database of all the micro-enterprise training organisations in the greater East London area did not exist. All possible measures were taken to identify all micro-enterprise training organisations in the greater East London area. Even though it was found that there are very little established networks between training organisations, it is the view of the researcher that this technique led to the inclusion of all possible training organisations. This technique therefore raised the validity of the population sample.

#### **3.7.6.2 *Training Questionnaire***

The same measures employed during the development of the **Consumer Questionnaires** (see Section 3.4.6.3, p.71), were performed to ensure optimum validity of the measuring instrument. The face, content and construct validity were assured by conducting a thorough literature review, incorporating the recommendations and inputs of a panel of experts into the questionnaire and pilot-testing the questionnaire at a training organisation.

#### **3.7.6.3 *Data collection***

The involvement of only the primary researcher in the data collection raised the validity and reliability of the data.

#### **3.7.6.4 *Data analysis***

No statistical analysis was necessary as the sample size was so small. The reliability of the analysis was improved by using the classification system developed for this purpose. The primary researcher was solely responsible for this process, contributing to reliability.



### 3.8 APPROPRIATENESS OF MICRO-ENTERPRISE TRAINING PROGRAMMES IN THE GREATER EAST LONDON AREA (SUB-OBJECTIVE 3.4)

This section addresses the evaluation of the appropriateness of micro-enterprise training programmes available in the greater East London area for current and prospective food micro-enterprise owners (women) in Duncan Village. Table 19 presents a summary of the methodology employed to attain this objective.

**Table 19: Summary of the methodology employed to attain Sub-objective 3.4**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.4: Appropriateness of micro-enterprise training programmes.	Profile of available programmes.	Evaluation Framework for the evaluation of the appropriateness of the available programmes.	Classification of programme according to appropriateness.	Development of the awareness programme: Appropriate training programmes.

#### 3.8.1 Procedures

The following procedures were followed to meet this sub-objective:

- The development of a Training Programme Evaluation Framework (Evaluation Framework), based on the outcome of Sub-objective 3.2 (Table 84 p.159) for the evaluation of the appropriateness of micro-enterprise training programmes available in the greater East London area for current and prospective food micro-enterprise owners in Duncan Village;
- The evaluation of the appropriateness of these micro-enterprise training programmes (identified in Sub-objective 3.3), using the developed Evaluation Framework; and
- The identification of the most appropriate training programmes in and around East-London for current and prospective food micro-enterprise owners of Duncan Village.

No study with similar aims could be traced. Therefore, the technique applied to complete the necessary evaluations was developed specifically for this study with the help of experts in the field.

Because the Evaluation Framework could only be developed once the results of Sub-objective 3.2 were available, the description of the development and application of the Framework are presented following the results of Sub-objective 3.2 in Section 4.4.4, p.160.



## CHAPTER 4

### RESULTS AND DISCUSSIONS

For the purpose of the reader's orientation, the structural outline of the research presented in Table 20 is repeated at the relevant sections in this chapter.

**Table 20: Structural outline of the research**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
<b>Objective 1:</b> Role of food micro-enterprises in the improvement of food security.	Relevant literature on street foods and food security.	Literature review	<b>Development of the awareness programme</b>	<b>Development of the awareness programme:</b> Role of street foods in food security.
<b>Objective 2:</b> Street food consumers: Profile, purchasing behaviour and consumer demand.	Street food consumers in Duncan Village.	Personal interview using a structured questionnaire.	Profile of street food consumers and the consumer demand.	Implications for training food micro-enterprise owners (Sub-objective 3.2) <b>Development of the awareness programme:</b> Consumer demand regarding street foods.
<b>Objective 3:</b> Identification of appropriate micro-enterprise training programmes.				
<b>Sub-objective 3.1:</b> A profile of female owned food micro-enterprises.	Female food micro-enterprise owners in Duncan Village.	Personal interview using a structured questionnaire.	Profile of the owners, enterprise and business operations.	Implications for training food micro-enterprise owners (Sub-objective 3.2).
<b>Sub-objective 3.2:</b> Features of ideal training programmes.	Implications for training identified from consumer profile. Implications for training identified from enterprise owner profile.	Compile a list of all the implications for training and identify additional implications through personal communication, a comparison with the profile of clinic attendants and literature reviews.	Features of ideal training programmes.	List of ideal training programme features used to develop a Training Programme Evaluation Framework (Sub-objective 3.4).
<b>Sub-objective 3.3:</b> Micro-enterprise training in the greater East London area.	Micro-enterprise training organisations in the greater East London area.	Personal interview using a structured questionnaire.	Profile of micro-enterprise training programmes.	Training programme profiles (Sub-objective 3.4).
<b>Sub-objective 3.4:</b> Appropriateness of micro-enterprise training programmes.	Profile of available programmes.	Evaluation Framework for the evaluation of the appropriateness of the available programmes.	Classification of programme according to appropriateness.	<b>Development of the awareness programme:</b> Appropriate training programmes.



#### 4.1 THE POTENTIAL ROLE OF FOOD MICRO-ENTERPRISES IN THE IMPROVEMENT OF FOOD SECURITY (OBJECTIVE 1)

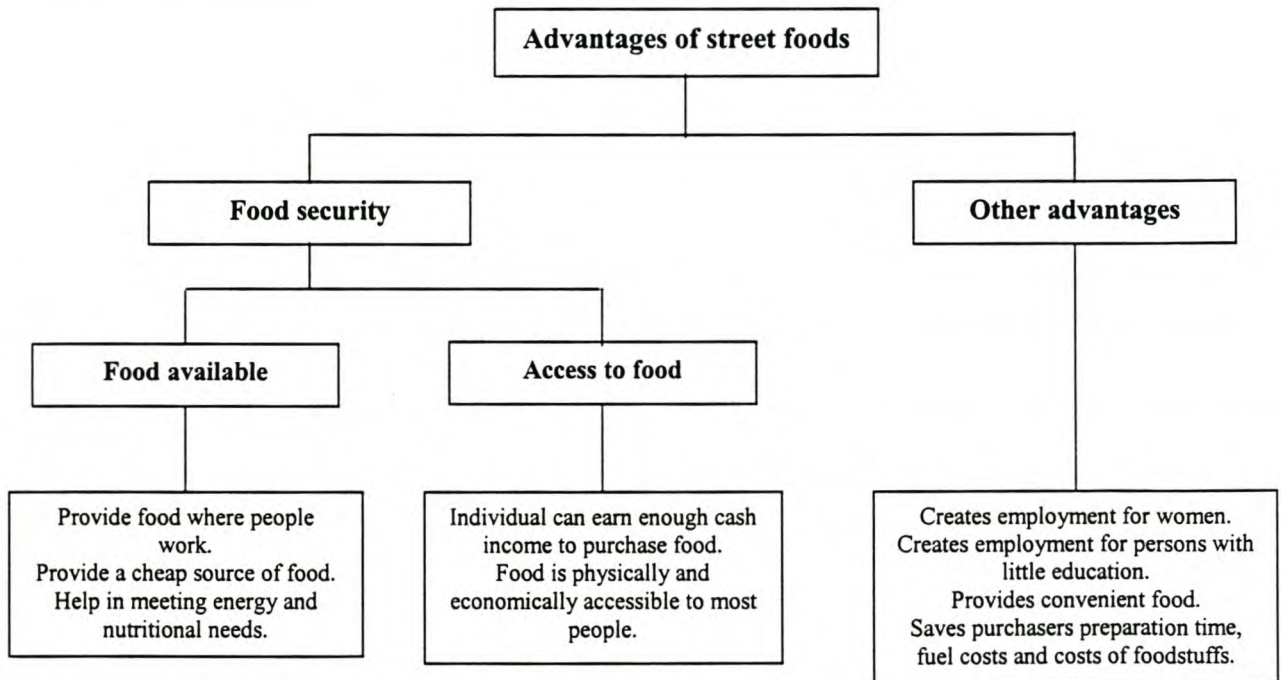
This section addresses the identification of the potential role of food micro-enterprises and street foods in urban food consumption and urban food security. Table 21 presents a summary of the methodology employed to attain this objective.

**Table 21: Summary of the methodology employed to attain Objective 1**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Objective 1: Role of food micro-enterprises in the improvement of food security.	Relevant literature on street foods and food security.	Literature review	Development of the awareness programme	Development of the awareness programme: Role of street foods in food security.

##### 4.1.1 Results and discussion: The role of street foods in urban food security

The main advantages of street foods are presented in Figure 4. These elements were identified through the literature review on the role of street foods in urban food consumption and urban food security (See Section 2.1 p.11).



**Figure 4: The role of street foods in urban food security**

From this figure it can be seen that street foods contribute to individual food security by providing food where people work or congregate at cheap prices. It also helps in meeting energy and nutritional



needs if safe, nutritious food is provided. The main method by which it increases an individual's access to food is by supplying an income to food micro-enterprise owners if they sell street foods.

## 4.2 STREET FOOD CONSUMERS: PROFILE, PURCHASING BEHAVIOUR AND CONSUMER DEMAND (OBJECTIVE 2)

This section addresses the compilation of a profile of street food consumers and their purchasing behaviour as well as the consumer demand concerning the operations of food micro-enterprises in Duncan Village. Table 22 presents a summary of the methodology employed to attain this objective.

**Table 22: Summary of the methodology employed to attain Objective 2**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Objective 2: Street food consumers: Profile, purchasing behaviour and consumer demand.	Street food consumers in Duncan Village.	Personal interview using a structured questionnaire.	Profile of street food consumers and the consumer demand.	Implications for training food micro-enterprise owners (Sub-objective 3.2) <b>Development of the awareness programme:</b> Consumer demand regarding street foods.

### 4.2.1 Results: Demographic characteristics of street food consumers

#### 4.2.1.1 Gender

The gender distribution of the customer and non-customer samples is displayed in Table 23.

**Table 23: Gender distribution of customers and non-customers of food micro-enterprises in Duncan Village (n=129)**

Gender	Customers n=127*	Non-customers n=129
Female	55,9%	56,6%
Male	44,1%	43,4%

\*n<129 as a result of missing values.

The frequency distribution of respondents' gender distribution indicates that although more females than males were included, a near equal gender distribution was obtained in both the customer and non-customer samples.

#### 4.2.1.2 Age

The age distribution of customers and non-customers of food micro-enterprises in Duncan Village is presented in Table 24 and the age distribution of customers by trade area in Table 25.



**Table 24: Column percentages of the age distribution of customers and non-customers of food micro-enterprises in Duncan Village (n=258)**

Age group	Customers n=129	Non-customers n=129
7-13 years	12,4%	10,1%
14-19 years	50,4%	41,9%
20-29 years	21,7%	27,9%
30-55 years	15,5%	20,1%

**Table 25: Column percentages of the age distribution of customers by trade area (n=129)**

Age group	School n=60	Pavement n=27	Taxi rank n=42
7-13 years	26,7%	0,0%	0,0%
14-19 years	73,3%	37,0%	26,2%
20-29 years	0,0%	37,1%	42,8%
30-55 years	0,0%	25,9%	31,0%

**CUSTOMERS:** The mean  $\pm$  SD age of the customers of food micro-enterprises was  $20,32 \pm 7,98$ . The minimum age recorded was nine and the maximum 43 years. From Table 24 it can be seen that high school-aged children were the best represented in the sample. Table 25 shows that no primary school-aged children purchased street foods at the pavements and taxi rank at the time of the survey. High school-aged children did however patronise the enterprises at the pavements and taxi ranks. Their support at the pavements is equal to the 20-29 years age group and is not significantly lower than the other groups at the taxi rank.

**NON-CUSTOMERS:** The mean  $\pm$  SD age of the non-customers of food micro-enterprises was  $22,35 \pm 10,24$ . The minimum age recorded in this survey was seven and the maximum 52 years. From the SD it can be seen that there is a high level of variability in the age distribution. Table 25 indicates that high school-aged children were the best represented in this sample as well.

#### 4.2.2 Discussion: Demographic characteristics of consumers

The sampling design (see Section 3.4.2.2, p.63) specified that for inclusion in the study respondents had to pass the specific food micro-enterprise where sampling was being done. Those making a purchase were included as customers and those not making a purchase as non-customers. The finding that the age distributions for both the customers and non-customers were positively skew does not necessarily reflect the study populations, as convenience sampling was applied. The sample design led to the inclusion of 60 respondents from primary and secondary schools. Their inclusion at the schools as well as the inclusion of school-aged children at the other two trade areas influenced the age distribution to such an extent that they were the best represented in both samples. From Table 25 it



can be seen that a notable number of high school-aged children were included from both the taxi rank and the schools.

### 4.2.3 Results: Consumer purchasing behaviour

For the purpose of this survey, five aspects of customer purchasing behaviour were investigated, namely the number of times street foods are purchased per week, the amount available and the amount usually spent on street foods per purchase. The reasons for vendor patronage and the choice of specific food items were also investigated. The non-customers were asked whether they ever buy food from a food micro-enterprise and their reasons for non-patronage.

#### 4.2.3.1 *Number of purchases per week*

Table 26 presents the number of times per week customers purchased food at the different trade areas.

**Table 26: Mean  $\pm$  SD for number of purchases per week by trade area (n=128\*)**

Trade area	Mean $\pm$ SD**
School	3,32 $\pm$ 1,04 <sup>a</sup>
Pavement	2,11 $\pm$ 0,89 <sup>0</sup>
Taxi rank	2,02 $\pm$ 0,84 <sup>0</sup>
Total	2,64 $\pm$ 1,13

\*n<129 as a result of missing values.

\*\*Group means (columns) with the same letters do not differ significantly. Where there is a difference,  $p < 0,05$  (Bonferroni).

From this table it can be seen that the highest rate of patronage was at the schools. This trade area is followed by the enterprises at the pavements and the taxi rank where similar numbers of purchases were recorded.

All respondents indicated that they only buy from the enterprises in one specific trade area. This then links the amounts spent, as well as any other responses, to specific trade areas and makes recommendations based on this data possible.

#### 4.2.3.2 *Amount available to spend and amount usually spent on street foods per occasion*

The mean  $\pm$  SD for the amount of money customers have available, the amount they usually spend on street foods per occasion and the percentage of the amount available to spend usually spent, is displayed per trade area in Table 27.



**Table 27: Mean  $\pm$  SD of the amount available, the amount usually spent and the percentage of the amount available to spend by trade area**

Trade area	Amount available** n=129	Amount usually spent** n=126*	% of amount available usually spent** n=126*	Paired sample statistics		Pearson correlation	
				t-value	p-value	r-value	p-value
School	R2,77 $\pm$ 1,02 <sup>a</sup>	R1,03 $\pm$ 0,54 <sup>a</sup>	42,01% $\pm$ 26,19 <sup>a</sup>	11,74	0,000	0,021	0,878
Pavement	R6,14 $\pm$ 4,08 <sup>b</sup>	R5,58 $\pm$ 3,78 <sup>b</sup>	92,40% $\pm$ 17,53 <sup>b</sup>	1,98	0,058	0,925	0,000
Taxi rank	R6,38 $\pm$ 3,05 <sup>b</sup>	R3,25 $\pm$ 1,84 <sup>c</sup>	57,10% $\pm$ 28,11 <sup>c</sup>	8,07	0,000	0,567	0,000
Total	R4,65 $\pm$ 3,14	R2,71 $\pm$ 2,69	57,44% $\pm$ 31,59	11,09	0,000	0,776	0,000

\*n<129 as a result of missing values.

\*\*Group means (columns) with the same letters do not differ significantly. Where there is a difference,  $p < 0,05$  (Bonferroni).

From Table 27 it can be seen that the amount customers have available to spend differs at the respective trade areas. This amount is approximately similar for pavement enterprises and those operating at the taxi ranks, but is significantly lower at the schools. The amount usually spent on street foods per purchase is significantly different for all three trade areas.

From the paired sample statistics it can be seen that there is a significant difference at the schools and the taxi rank between the amount available and the amount usually spent on street foods per purchase. The amount usually spent is lower than the amount available to spend at all three trade areas. The customers purchasing at the pavements spend the highest percentage of the available amount and those at the schools the lowest percentage of that amount on street foods. From the Pearson correlation coefficient it can be seen that a positive strong significant correlation exists between the available amount and the amount usually spent at the pavement enterprise and a weaker correlation at the taxi ranks. A significant positive correlation exists between these two amounts for the total sample and it can be seen that there is a significant difference between them.

Although the results indicate that the respondents patronising food micro-enterprises at the taxi rank have the largest amount of money available to spend on street foods, the customers purchasing food at the pavement enterprises usually spend the highest amount on food. The amount customers have available and usually spend at the schools is significantly lower than these two amounts at the other two areas.

#### **4.2.3.3 Customer purchasing behaviour by age and gender**

The amount available and spent per purchase and the number of purchases per week were analysed by gender and age. The correlation between the respondent's age and the above three aspects of purchasing behaviour were also computed. The results are presented in Table 28 to Table 30.



**Table 28: Mean  $\pm$  SD of customer purchasing behaviour variables by gender (n=129\*)**

Gender	Amount available to spend	Amount usually spent	Number of purchases per week
Female n=72	R4,37 $\pm$ 2,94	R2,58 $\pm$ 2,74	2,70 $\pm$ 1,22
Male n=57	R5,05 $\pm$ 3,39	R2,88 $\pm$ 2,67	2,58 $\pm$ 1,03
Total	R4,67 $\pm$ 3,16	R2,72 $\pm$ 2,71	2,65 $\pm$ 1,14
Independent samples t-test: p-value	0,226	0,535	0,552

\*n<129 for some cells as a result of missing values.

**Table 29: Mean  $\pm$  SD of customer purchasing behaviour variables by age group (n=129\*)**

Age group	Amount available to spend**	Amount usually spent**	Number of purchases per week**
6–13 years n=16	R1,97 $\pm$ 0,85 <sup>a</sup>	R1,23 $\pm$ 0,70 <sup>a</sup>	4,07 $\pm$ 1,28 <sup>a</sup>
14–19 years n=65	R3,47 $\pm$ 1,71 <sup>a</sup>	R1,58 $\pm$ 1,22 <sup>a</sup>	2,76 $\pm$ 0,94 <sup>b</sup>
20–29 years n=28	R6,86 $\pm$ 3,09 <sup>b</sup>	R4,46 $\pm$ 3,14 <sup>b</sup>	2,14 $\pm$ 0,93 <sup>c</sup>
30–55 years n=20	R7,53 $\pm$ 3,95 <sup>b</sup>	R4,93 $\pm$ 3,54 <sup>b</sup>	1,90 $\pm$ 0,79 <sup>c</sup>
Total	R4,65 $\pm$ 3,14	R2,71 $\pm$ 2,69	2,64 $\pm$ 1,13

\*n<129 for some cells as a result of missing values.

\*\*Group means (columns) with the same letters do not differ significantly. Where there is a difference,  $p < 0,05$  (Bonferroni).

**Table 30: Pearson correlation matrix for customer purchasing behaviour variables and age (n=129\*)**

Variable	Age of respondent	Amount available to spend	Amount usually spent
Amount available to spend	0,619**		
Amount usually spent	0,466**	0,776**	
Number of purchases per week	-0,452**	-0,420**	-0,367**

\*n<129 for some cells as a result of missing values.

\*\*Correlation is significant at the 0,01 level (2-tailed).

From Table 28 and Table 29 it can be seen that, although not significant, females have a lower amount available and also usually spend a lower amount on street foods per purchase. These amounts increase for both males and females with an increase in age. Consequently, it was also found that a significant positive relationship exists between the amount of money available to spend and age, as well the amount of money usually spent and age (Table 30).

Table 28 and Table 29 also indicate that females make slightly more frequent purchases than males and that the number of purchases per week decreases with an increase in age for all age groups. Consequently, it was also found that a significant negative relationship exists between the number of purchases per week and age (Table 30).



The correlation between the amount of money available to spend, the amount usually spent and the number of purchases per week are all significant at the 0,01 level. The number of purchases per week decreases with an increase in age as well as with an increase in the available amount of money or the amount of money usually spent. Thus the older a customer, the more money he/she would have available for street foods and the more he/she would spend per purchase. However, he/she would also purchase street foods least often.

#### 4.2.3.4 *Reasons for patronage*

Two issues relating to patronage were investigated, namely the reasons for vendor patronage and the reasons for product choice. These results are presented in Table 31 and Table 32 respectively.

**Table 31: Reasons for vendor patronage (Multiple response; Total n=129)**

Reason	n	%*
Friendly vendor	64	50,0%
Filling	39	30,5%
Nice taste	20	15,6%
She gives credit	19	14,8%
Know the vendor	19	14,8%
Value for money	18	14,1%
Food is cheap	10	7,8%
Food is clean	7	5,5%
The food is nutritious	2	1,6%
Close to home	1	0,8%

\*Percentages are based on the number of respondents and not the number of responses.

From Table 31 it can be seen that the main reasons for patronising a specific vendor is the friendliness of the vendor and the satiety value of the food a specific vendor offers. Although fewer responses were recorded, the taste, whether a vendor gives credit, whether the customer knows the vendor and whether the food is seen as value for money are also reasonably important reasons for vendor patronage.

**Table 32: Reasons for product choice (Multiple response; Total n=129)**

Reason	n	%*
Taste	63	48,3%
Cheap	52	40,3%
Filling	16	12,4%
Value for money	13	10,1%
Close to home	5	3,9%

\*Percentages are based on the number of respondents and not the number of responses.

The main reasons for the choice of a specific food item are taste followed by price. It is important to note that the satiety value of the food (“filling”) was rated as an important reason for vendor patronage, but not for product choice.



#### 4.2.3.5 *Degree of non-customer patronage*

Ninety-seven percent of the respondents selected without making a purchase indicated that they do not patronise food micro-enterprises. The ensuing discussion regarding the non-customer survey thus represents, in part, the study population in Duncan Village not patronising food micro-enterprises. The four individuals who do however patronise other food micro-enterprises were left in the analysis as they still complied with the selection criteria set, namely that a purchase should not have been made at the time of the study.

#### 4.2.3.6 *Reasons for non-patronage*

The reasons cited for non-patronage are presented in Table 33. Although it was an open question, respondents gave only one reason each, hence it was not treated as a multiple response question.

**Table 33: Reasons for non-patronage (n=125\*)**

<b>Reasons</b>	<b>n</b>	<b>%</b>
Do not buy off the street	35	28,0%
Not enough money	26	20,8%
Make own food	19	15,2%
Do not like the food	14	11,2%
Not good to eat too often	7	5,6%
Not very hygienic	7	5,6%
Food not fresh	3	2,4%
Buy only fruit/cold drink	3	2,4%
Not properly cooked/baked	2	1,6%
Food not healthy	2	1,6%
Vendor not friendly	2	1,6%
Rather buy while she is preparing it	1	0,8%
Other	4	3,2%

\*Only those consumers who bought street foods less than twice a week were included in this question.

From this table it can be seen that the most important reason cited for purchasing street foods less than twice a week was that the respondents do not buy food off the street. The second most important reason is a lack of purchasing power, as respondents do not have enough money to purchase street foods. Some commented during the interview that they would have liked to purchase more often, but that they were constrained from doing so by a lack of money. The third most important reason was that the respondents preferred to make their own food, either as lunch for school, or in general as they liked their own food better. The fourth most important reason was that respondents do not like the taste of the food.

What is of special interest is that very few non-customers cited health and safety related issues for non-patronage. Only 11,2% included reasons pertaining to hygiene, freshness, degree of cooking and health.



#### 4.2.4 Discussion: Consumer purchasing behaviour

It must be emphasised that this section on the customers of food micro-enterprises is of an exploratory nature. As discussed in Section 2.3, p.35, Tinker (1997) has conducted extensive research on food micro-enterprises in other developing countries but to a lesser degree on the customers thereof. Very little reference could be made to parallel surveys conducted in South Africa or elsewhere on some of these aspects of the customer purchasing behaviour. Although very limited, Tinker's findings, and those of others, are stated where possible in support of this survey's findings.

Street foods are a popular source in meeting food needs in especially developing countries for various reasons. It is available at the locations where consumer demand requires it most, such as schools, transit points and market places. For people working away from home, it is a very accessible source of food that is also in many instances cheaper than home-made food (FAO, 1990: 8). Price considerations were also of importance for food micro-enterprise customers in Duncan Village, as low prices governed product choice to a great extent. The number of non-customers who indicated that they do not purchase food due to unavailability of money, demonstrated the importance of price as well. The price awareness and value orientation of customers could be a possible reason for the small percentage of the money available for street foods spent at certain trade areas. This could possibly lead to customers choosing the cheaper product when a decision has to be made when price is a consideration. Although customers would not necessarily always spend the full amount available, the fact that customers spend a significant percentage less than they have, could be an indication that there is scope for development of the street foods market. This could either entail that better quality, possibly more expensive products would be appropriate for a certain market sector, or a more diverse product range, within the current price structures for the price and value orientated customers. Which of these options would be the most appropriate can however only be determined by conducting further market investigations. Furthermore, as taste was the biggest determinant in product choice for customers, this in combination with price should be regarded as the guidelines for developing new products.

The source of the money available to spend on street foods, reasons for not spending the full amount or reasons for patronage frequency were not determined, therefore no more inferences than the above speculations regarding consumer behaviour can be made based only on these aspects. It does however seem that age and gender are useful predictors in characterising purchasing behaviour in general, i.e. females purchase more often but spend less per purchase than males; and younger customers purchase more often than older ones, but spent less per purchase. The trade area also plays a significant role in purchasing behaviour as it determines to a great extent the type of customer purchasing there, e.g. those at the schools purchase most often, have the least money available for street foods, but spend the greatest percentage thereof per purchase. Food micro-enterprise owners can thus make meaningful



marketing decisions based on this knowledge. If they are able to produce a certain product, and are looking for a product market (product driven), the price range of the product determines the type of customer that can afford the product, where the type of customer differs at the respective trade areas. On the other hand, if owners are market driven or have space available in a specific trade area, knowledge of the customer profile in terms of age and spending power will allow them to choose the most suitable products to attract potential customers and optimise turnover.

The customer's rate of patronage has an obvious effect on the enterprises' turnover in the specific trade areas. Although the enterprises at the schools sell products in a lower price bracket, they potentially have a higher clientele base, patronising more often than in the other trade areas. The converse is true for the other trade areas, i.e. although they have higher prices, a potentially bigger target market and work for longer hours, their customers purchase less often. Knowledge of the characteristics of the customers purchasing at the different trade areas thus allows food micro-enterprise owners to position themselves better in the market in order to optimise turnover.

It would be unwise to base price recommendations only on the available data, as it does not take into account the customers' willingness to spend the whole amount available or the strong competition between vendors. Only a small price deviation on a specific product is possible as a result of the strong competition between vendors, making conventional costing and pricing methods on existing products pointless (Winarno & Allain, 1991: 2). If food micro-enterprise owners want to survive, they have to base their product prices on the existing market price lines. As it was found that taste and price are the most important determinants in product choice, it would be meaningful for vendors to find ways to optimise the taste of their products with the least increase in price, thereby making this their competitive advantage. One possible solution would be for enterprise owners to become more proficient in market investigation techniques, food production skills and costing and pricing to increase profitability.

Bank *et al.* (1996: 47) found that survivalist enterprises in Duncan Village rarely made use of formal marketing methods. It can be speculated either that this is also true for food micro-enterprise owners in Duncan Village or that these more formal methods are ineffective as customers stated that they choose a vendor as a result of their friendliness, which is an informal marketing method. It thus does seem as if friendliness is an effective and cheap way for food micro-enterprise owners to attract and retain customers. This marketing method should be reinforced with the food micro-enterprise owners, while other possibilities are explored.



## 4.2.5 Results: Consumer demand, degree of satisfaction and concerns regarding the operations of food micro-enterprises

### 4.2.5.1 Consumer demand

The frequency distribution of the number of customers and non-customers who would like to purchase additional products from food micro-enterprises is presented in Table 34.

**Table 34: Frequency distribution of customers and non-customers who would like to purchase other food products from food micro-enterprises (n=257)**

Response	Customers n=128*	Non-customers n=129	Fisher's Exact Test (two-tailed) p-value
Demand	16,4%	13,2%	0,487
No demand	83,6%	86,8%	

\*n<129 as a result of missing values.

From Table 34 it can be seen that only a small percentage of respondents of both samples would like to purchase products other than those currently sold by food micro-enterprises. There is a marked difference in the types of products that the customers and non-customers would like to purchase additionally. The customers all indicated that they would like to buy drinks (non-specified) together with their food, while the non-customers indicated a diverse range of food items. The items that the non-customers indicated they would like to purchase additionally are presented in Table 35.

**Table 35: Frequency distribution of additional food products non-customers would like to purchase (n=15\*)**

Product	n
Fresh pies	3
Wrapped bread	2
Fruit	2
Juice	1
Carbonated cold drink	1
Sliced polony	1
Liver	1
Chocolates	1
Chips	1
Fruit and cold drink	1

\*Only those respondents who indicated that they would like to purchase additional products are included.

### 4.2.5.2 Customer satisfaction regarding the operations of food micro-enterprises

The customer satisfaction regarding the operating times, products and business location of food micro-enterprises is presented in Table 36.



**Table 36: Customer satisfaction regarding business operations\* (n=129)**

Satisfaction	Operating times	Location	Products
Satisfied	100,0%	74,2%	96,1%
Dissatisfied	0,0%	25,8%	3,9%
Fisher's Exact Test (two-tailed) p-value for column percentages		0,000	0,000

\*The neutral value and extremely dissatisfied response were never used and responses thus grouped into satisfied and dissatisfied.

From Table 36 it can be seen that the customers were predominantly satisfied with food micro-enterprises, especially with regard to the operating times and products sold. They were least satisfied with the enterprise locations. The main reason given for their dissatisfaction was the dusty environment in which the enterprises operate. Although is still a high degree of satisfaction, but does show some room for improvement. A further discussion of customers' dissatisfaction regarding street foods is presented in Section 4.2.5.3.

As a noteworthy number of consumers were dissatisfied with the locations from where food micro-enterprises operate, this question was also analysed by gender, age and trade area. The results are presented in Table 37 to Table 39.

**Table 37: Column percentages of customer satisfaction regarding the location from where food micro-enterprises operate by gender\* (n=129)**

Satisfaction	Females	Males	Fisher's Exact Test (two-tailed) p-value
Satisfied	70,4%	80,0%	0,302
Dissatisfied	29,6%	20,0%	

\*The neutral value and extremely dissatisfied response were never used. The responses were thus grouped into satisfied and dissatisfied.

**Table 38: Column percentages of customer satisfaction regarding the location from where food micro-enterprises operate by age groups\* (n=129)**

Satisfaction	6-13 years	14-19 years	20-29 years	30-55 years	Chi-square p-value
Satisfied	87,5%	78,1%	78,6%	45,0%	0,006
Dissatisfied	12,5%	21,9%	21,4%	55,0%	

\*The neutral value and extremely dissatisfied response were never used. The responses were thus grouped into satisfied and dissatisfied.

**Table 39: Column percentages of customer satisfaction regarding the location from where food micro-enterprises operate by trade area\* (n=129)**

Satisfaction	Schools	Pavements	Taxi rank	Chi-square p-value
Satisfied	81,4%	66,7%	69,0%	0,227
Dissatisfied	18,6%	33,3%	31,0%	

\*The neutral value and extremely dissatisfied response were never used. The responses were thus grouped into satisfied and dissatisfied.



Even though the difference is not significant, a greater number of females were concerned about the enterprise locations (Table 37). From Table 38 it can clearly be seen that dissatisfaction increases significantly with an increase in age. Customers were least satisfied with the location of pavement enterprises and the most satisfied with the location at schools (not significant).

#### 4.2.5.3 Consumer concerns regarding street foods

The number of respondents concerned about street foods is presented in Table 40. These results were analysed by gender, age group and trade area (customers only) (Table 41 to Table 43).

**Table 40: Columns percentages of customers and non-customers concerned about street foods (n=249)**

Response	Customers n=120*	Non-customers n=129	Fisher's Exact Test (two-tailed) p-value
Concerned	31,3%	63,6%	0,000
Not concerned	68,8%	36,4%	

\*n<129 as a result of missing values.

**Table 41: Row percentages of customers and non-customers concerned about street foods by gender\* (n=121)**

Gender	Customers n=39**		Non-customers n=82	
	Yes	No	Yes	No
Female	36,6%	63,4%	67,1%	32,9%
Male	23,6%	76,4%	58,9%	41,1%
Fisher's Exact Test (two-tailed): p-value			0,126	0,361

\*Only the positive responses of concerned consumer are included.

\*\*n varies as a result of missing values.

**Table 42: Row percentages of customers and non-customers concerned about street foods by age groups\* (n=122)**

Age group	Customers n=40**	Non-customers n=82
6-13 years	12,5%	38,5%
14-19 years	20,3%	59,3%
20-29 years	42,9%	80,6%
30-55 years	65,0%	61,5%
Chi-square (two-tailed) p-value		0,000
		0,037

\*Only the positive responses of concerned consumers are included.

\*\*n varies as a result of missing values.



**Table 43: Column percentages of customers concerned about street foods by trade area\* (n=40)**

Consumer group	School	Pavement	Taxi rank	Chi-square p-value
Customers	13,6%	55,6%	40,5%	0,000

\*Only the positive responses of concerned consumers are included.

From Table 40 it can be seen that there is a significant difference between the two consumer groups regarding the number of respondents concerned about street foods. The non-customers were significantly more inclined to be concerned about street foods. In both groups females were more concerned about street foods than males. Concern also increased with an increase in age in both groups. Primary school-aged children were the least concerned with the lowest level of concern recorded for the customers in this age group. Young adult (20-29 years) non-customers were the most concerned consumer group. Even though approximately two-thirds of the customers were satisfied with street foods, a noteworthy number of them were concerned about certain aspects of it (Table 44). The number of customers concerned about the available food differed significantly between the three trade areas. The greatest concern was indicated at pavement enterprises followed by concern about the enterprises at the taxi rank. The customers selected at the schools were least concerned about street foods. The main issues of concern for both customers and non-customers are presented in Table 44.

**Table 44: Concerns regarding the street foods in Duncan Village (Multiple response\*)**

Concern	Customers n=40**	Non-customers n=82**
Cleanliness	78,0%	65,9%
Food handling	9,8%	34,1%
Food safety	22,0%	26,8%
Price		9,8%
Freshness	2,4%	7,3%
Nutrition	2,4%	

\*Percentages are based on the number of respondents and not the number of responses.

\*\*Only concerned consumers are included.

Table 44 shows cleanliness to be the issue that raised the most concern in both groups. The issues regarding cleanliness are related to the food, the vendor herself and the environment in which the food is sold and/or prepared. The two other important issues are food handling and food safety. Although three other issues, price, freshness and nutritional value were also mentioned, the number of responses was very small.

#### **4.2.6 Discussion: Consumer demands, degree of satisfaction and concerns**

The non-customers of food micro-enterprises in Duncan Village indicated a very diverse, but small demand for additional food products, of which some were observed to be sold at food micro-enterprises during the scouting expedition by Siqhaza (1999: 3). The customers all indicated that they



wanted to buy drinks with their food. This survey on food micro-enterprises only included those enterprises that sold products involving processing by the owner herself and only recorded the processed products. It was therefore not determined which products and drinks, that did not require processing by food micro-enterprises, were sold nearby or by the enterprises themselves. It is thus possible that this requirement might already be met by existing enterprises.

The results concerning the consumer demand should be interpreted with caution, as only a small number of customers and non-customers indicated a demand for a larger range of products. Bearing in mind the restrictions posed by the sampling method, the results could be interpreted as individual preferences and not necessarily as representative of the whole study population. The results therefore cannot indicate with certainty that there is a demand for a more diverse range of street foods, but it does indicate that it could be a viable option to sell drinks from or near the enterprises.

According to the literature, the main reasons why consumers support the informal sector are convenience related, including the business location and trading hours, the quality of goods and services and low prices (Mmakola, Kirsten & Groenewald, 1997: 11-12). The same applies to street foods sold in the informal sector, as consumers are often attracted to street foods by the taste, variety, convenience and the low prices thereof. Customers may consequently overlook certain aspects of hygiene or sanitation among others as a result of a lack of understanding of proper food-handling practices and the potential for food borne diseases (FAO, 1996: 8; Winarno & Allain, 1991: 2). These aspects seem to characterise the customers of food micro-enterprises in Duncan Village to a certain degree. Customers seemed to be reasonably satisfied with the operations of the enterprises with specific reference to trading times and products and to a lesser degree with the locations from where they operate. The dissatisfaction with the locations can possibly be attributed to the lack of cleanliness of the enterprises and dust that is inherent to informal settlements. The FAO (1996: 8) stated that discriminating consumers may look for general cleanliness in enterprises, but this factor may not be a significant consideration when the overall environment in which enterprises operate, is far from satisfactory. Myburgh (1996: 35) also found that the environment, in which fruit and vegetable enterprise owners in Khayelitsha operate, was a problem, but the enterprise owners found creative ways to combat this problem and serve their clients better. Their methods included supplying buckets of water for customers to wash their hands and the bought products, as well as using water to keep the products cool (Myburgh, 1996: 35). Although the environment can be regarded as a factor beyond control, proper food handling skills and storage conditions can improve the current situation and increase customer satisfaction.

The FAO felt that the customers of food micro-enterprises are not aware of and thus not unduly concerned about the safety and nutritional aspects of street foods (FAO, 1996: 8). This is definitely the case for the customers in Duncan Village as two-thirds of the customers were not concerned about



street foods in any way. The non-customers were however significantly more concerned about street foods than the customers. This could be expected in the light of the number of non-customers who indicated that they never purchase from food micro-enterprises. Concern about street foods could therefore be a reason for non-patronage.

As far as specific concerns regarding street foods are concerned, only one customer was concerned about the nutritional value of the food. Food cleanliness seemed to be the major concern for both customers and non-customers with food safety and handling practices rated as high concerns as well. It is interesting to note that none of the customers indicated that the price of the products is of concern to them. Although they usually spent an amount lower than the amount available, they could be willing to spend more if they deem it worthwhile. It must be added that the questionnaire did not test them directly on the price of the products, but it is assumed that if it was a major concern, it would have been mentioned.

Females are more concerned about street foods and less satisfied with the enterprise locations than males. However, they still make more frequent street food purchases, but tend to spend less per purchase. It therefore does not seem as if concern and degree of satisfaction is a significant factor in dictating purchasing behaviour. Furthermore, it does not seem as if customers are currently playing a role in improving street food safety by demanding better quality food and frequenting food micro-enterprises less often.

The results also indicated that customer concern rises with an increase in age. The customers at the schools, the youngest respondents, were also the least concerned about the food sold and most satisfied with the location. However, the different modes of operation utilised by the enterprises in the respective trade areas, could possibly also influence customers' grounds for concern. The enterprises operating at the schools take the ready-made products to the schools just before break time and then trade for only a short period of time. It is easier for them to keep the trade area clean for that short amount of time. In contrast to some of the other trade areas, the food is not kept warm and no serving plates or bowls have to be used for the type of food. It is often the unclean cooking utensils and serving equipment that poses food safety threats (Tinker, 1997: 189). It therefore seems as if the enterprises at the schools could indeed give less rise for concern, overriding the inference that the schoolchildren are oblivious to food safety and cleanliness.

It is an established fact that schoolchildren are major consumers of street foods in many developing countries, including Indonesia and the Philippines (Tinker, 1997: 188). However, the contribution of street foods to the diets of South African schoolchildren is unknown at this stage, but when regarding the high rate of patronage schoolchildren in Duncan Village display, it does seem as if it could constitute a significant proportion of children's daily food intake in this area. As children are the least concerned group of consumers and are primarily satisfied with the food sold, they would potentially



not demand an improvement in the quality of street foods. Hence, the nutritional value and safety of the street foods sold at the schools should be an important consideration for parents, authorities and training organisations (FAO, 1996: 8).

#### **4.2.7 Summary: Profile of street food consumers**

The results obtained from the survey on street food consumers in Duncan Village indicated that the consumer market could be segmented according to the age and gender of consumers and the location where they make their purchases.

Children, purchasing street foods at the schools, make the most purchases per week, while the consumers purchasing at the taxi rank make the least purchases per week. Although children make the most purchases, they have less money available to spend on street foods and also spend less per purchase. However, of all the groups they spend the greatest percentage of the available money. Although the consumers at the taxi ranks have the most money available to spend on street foods, the consumers purchasing from the pavements spend the most on it. Females have less money available and spend less per purchase on street foods, but make slightly more purchases per week than males. With regard to the age characteristic, although the number of purchases per week decreases with an increase in age, both the amount of money available as well as the amount spent per purchase increases with age.

Consumers mostly purchase from friendly vendors and those that sell filling food. They choose products that taste nice and that are inexpensive. The consumers who do not purchase street foods, mostly do not have enough money to do so.

The survey indicated that street food consumers showed very little demand for additional products that are not currently sold by food micro-enterprises. They mostly indicated a need for cold drinks to be sold by the same vendor from whom they purchased food. The non-customers indicated a diverse, but very small product range, all of which were most probably already sold by food micro-enterprises.

Food micro-enterprise customers were overall satisfied with food micro-enterprises, especially with their operating times and the products they sold. They were least satisfied with the locations where the enterprises were situated and the dusty environment was given as a reason for this. Females were overall less satisfied with the location and the 20-29 years age group the least satisfied age group. Those customers purchasing at the pavements were the least satisfied and those at the schools, the youngest, most satisfied with the location from where street foods were sold. Cleanliness was the main issue giving rise for concern for both customers and non-customers. The combination of food safety and food handling practices were also an issue of great concern for the consumer.



In conclusion it can be said that street foods play an important role in the daily food intake of the consumers thereof, especially schoolchildren. Street food consumers are not yet discriminating consumers and as such would not be able to improve the quality of street foods sold in Duncan Village, as they are to a great extent unaware of the hazards that street foods present. It would thus be up to outside agents, such as training organisations or other bodies, to assist in the improvement of street foods sold in Duncan Village.

#### 4.2.8 Implications for training

The implications for the training of food micro-enterprise owners, which were derived from the results and discussions regarding street food consumers are presented in Table 45 and Table 46.

**Table 45: Results regarding consumer purchasing behaviour, importance thereof for food micro-enterprise owners and the implications for training**

Results	Importance for food micro-enterprises	Implications for training
Number of purchases per week differs for the different trade areas, gender and age groups.	<ul style="list-style-type: none"> <li>The potential turnover differs for the respective trade areas.</li> <li>The number of products produced per day should be altered accordingly.</li> </ul>	<ul style="list-style-type: none"> <li>Market investigation regarding different trade areas and consumer profiles.</li> </ul>
<ul style="list-style-type: none"> <li>Amount available to spend and amount actually spent per purchase differ for the different trade areas, gender and age groups.</li> <li>Highest amount is spent at the pavements, followed by the taxi rank and lastly the schools.</li> <li>Children spend the greatest percentage of their available money.</li> </ul>	<ul style="list-style-type: none"> <li>Product prices should be in line with the consumer's spending power at the respective trade areas, i.e. different price structures should be in place at the different trade areas.</li> <li>Children part easiest with their money and marketing efforts should be directed at the them as they also purchase most often, even though for a lower amount.</li> </ul>	<ul style="list-style-type: none"> <li>Market investigation including price investigation and consumer purchasing behaviour.</li> <li>Market positioning</li> </ul>
Friendliness is the main reason for vendor patronage, followed by the satiety value of the food.	Friendliness is an effective marketing method.	Informal marketing methods such as friendliness should be explored and enforced.
Taste and price are the main reasons for the choice of a specific product.	<ul style="list-style-type: none"> <li>Customers are very price conscious and the price they are willing to pay for a certain product should be determined through market investigation rather than pricing methods, though the latter is necessary to determine whether profit is made once a price is determined.</li> <li>Product taste should receive more attention and the product should be tested in the market. Customer input regarding a product should be encouraged and valued and not seen as criticism.</li> </ul>	<ul style="list-style-type: none"> <li>Market investigation to determine the price consumers are willing to pay for street foods.</li> <li>Pricing methods in order to determine profitability.</li> <li>Food production skills.</li> </ul>
The main reasons for non-patronage is that consumers do not buy from the street, followed by a lack of money.	<ul style="list-style-type: none"> <li>The image of street foods has to be improved in order to increase the consumer acceptance thereof.</li> <li>Street foods have to be in a low price range.</li> </ul>	<ul style="list-style-type: none"> <li>Marketing methods to improve the image of street foods.</li> <li>Market investigation to determine the price consumers are willing to pay for street foods.</li> </ul>



**Table 46: Results regarding consumer demands, degree of satisfaction and concerns, the importance thereof for food micro-enterprise owners and the implications for training**

Results	Importance for food micro-enterprises	Implications for training
Very little demand exists for additional food products.	Owners must conduct market investigation before adding new products to their existing product lines.	Market investigation in order to determine the consumer demand for products and enterprise locations.
Customers are somewhat dissatisfied with the locations from where food micro-enterprises operate.	Enterprise owners should be aware of customer complaints and keep their enterprises clean.	<ul style="list-style-type: none"> <li>Marketing methods including the importance of cleanliness.</li> <li>Food safety and hygiene.</li> </ul>
Customers are mostly dissatisfied with the pavements and taxi rank.	Ensure cleanliness of the enterprise itself in these areas.	Include food handling and hygiene as course content.
Non-customers are significantly concerned about street foods, especially with regard to the cleanliness and safety thereof.	Ensure cleanliness of the food and seek help in order to ensure food safety.	<ul style="list-style-type: none"> <li>Food handling practices.</li> <li>Food production skills.</li> <li>Food safety and hygiene.</li> </ul>

### 4.3 A PROFILE OF FEMALE OWNED FOOD MICRO-ENTERPRISES (SUB-OBJECTIVE 3.1)

This section addresses the compilation of a profile of female owned food micro-enterprises in Duncan Village. The profile includes a profile of the owners, the enterprise and the business operations. Table 47 presents a summary of the methodology employed to attain this objective.

**Table 47: Summary of the methodology employed to attain Sub-objective 3.1**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.1: A profile of female owned food micro-enterprises.	Female food micro-enterprise owners in Duncan Village.	Personal interview using a structured questionnaire.	Profile of the owners, enterprise and business operations.	Implications for training food micro-enterprise owners (Sub-objective 3.2).

#### 4.3.1 Results - Owner's profile

##### 4.3.1.1 Gender

It was predetermined that the whole study population should only consist of females operating food micro-enterprises in Duncan Village. This decision was made in view of women's domination of food micro-enterprises operating in Duncan Village (Siqhaza, 1999: 4) (See Section 3.5.2.1, p.73). In addition, the primary aim of the total programme, of which **the awareness programme** is part of, is to increase the caring capacity of women in Duncan Village.



#### 4.3.1.2 Age

The age distribution of the food micro-enterprise owners included in the population sample is presented in Table 48.

**Table 48: Age distribution of food micro-enterprise owners (n=41)**

Age group	n	%
20-29	10	24,4%
30-39	14	34,1%
40-49	9	22,0%
50-59	6	14,6%
60-69	1	2,4%
70-79	1	2,4%

The mean  $\pm$  SD age of the population sample was  $39,66 \pm 11,49$ . The minimum was 26 and the maximum 79 years. As can be seen from the SD, there is a high level of variability in this distribution. Eighty percent of the enterprise owners belonged to the 20-49 years age category, while a third of the sample belonged to the 30-39 years category.

#### 4.3.1.3 Period of residency in Duncan Village

The mean  $\pm$  SD number of years the average enterprise owner had been living in Duncan Village at the time of the study was  $16,92 \pm 9,76$ . The minimum was three and the maximum 48 years. From the SD it can be seen that there is a high level of variability in this distribution.

#### 4.3.1.4 Marital status, household head and dependent children

The frequency distribution of the marital status of enterprise owners is presented in Table 49.

**Table 49: Frequency distribution of the marital status of food micro-enterprise owners (n=41)**

Marital status	n	%
Married	15	36,6%
Single never married	23	56,1%
Married but separated	2	4,9%
Cohabiting	1	2,4%

From Table 49 it can be seen that just over half of the sample was single and had never been married. Just over a third of the enterprise owners were married while cohabiting and separated marriages were less common.

In contrast to this figure for marital status, 95,1% of the sample had dependent children in their households. Furthermore, 68,3% of the sample indicated that they were the head of the household.



#### 4.3.1.5 Educational level and literacy

The frequency distribution of the educational level of food micro-enterprise owners is presented in Table 50.

**Table 50: Frequency distribution of the educational level of food micro-enterprise owners (n=41)**

<b>Educational level</b>	<b>n</b>	<b>%</b>
No formal education	3	7,3%
Grade 1 – 3	2	4,9%
Grade 4 – 7	9	22,0%
Grade 8 – 10	18	43,9%
Grade 11 – 12	7	17,1%
Tertiary education	2	4,9%

The number of years of education ranged from none to tertiary education with the mean  $\pm$  SD years of education being  $8,02 \pm 3,57$ . This placed half of the respondent into the first year of high school. The mode was Grade 8 – 10 into which 43,9% of the enterprise owners were placed.

The data regarding literacy are presented in Table 51.

**Table 51: Literacy skills in Xhosa and English (n=41)**

<b>Literacy skill</b>	<b>Xhosa</b>	<b>English</b>
Can read and write	92,7%	61,0%
Can read but not write	4,9%	14,6%
Cannot read or write	2,4%	24,4%

All owners could speak Xhosa fluently as this is their home language and 92,7% could read and write Xhosa. Only one respondent indicated that she could not read or write Xhosa. These figures differ for English. Although still relatively high, only two thirds can read and write while a quarter of the sample cannot read or write English at all. Only 2,4% of the food micro-enterprise owners included in the sample were totally illiterate.

#### 4.3.1.6 Current and previous employment

None of the enterprise owners in the sample was formally employed at the time of the research. Only 51,2% of the total sample had been previously employed, while the remaining 48,8% had never been employed by somebody else. Although the issue of training could be very subjective, as the activities that are regarded as training could differ between respondents, only seven (30,4%) of those previously employed had received on-the-job training. This included training in operating a gravel machine, draining pineapple, supermarket catering assisting and in-service training at schools.



#### 4.3.1.7 *Previous small business experience and motivation for start-up*

Only five (12,2%) enterprise owners had previous small business experience. Three of these respondents had a business prior to the present business and two had worked in somebody else's business.

The reasons for business start-up can be an indication of the entrepreneurial orientation of enterprise owners according to Morris *et al.* (1996: 67). The motivations for business start-up in the study group are consequently summarised in Table 52.

**Table 52: Motivation for business start-up (Multiple response; n = 41)**

Motivation	n	%*
Unemployed	35	85,4%
Saw an opportunity	3	7,3%
Increase household income	2	4,7%
Be my own boss	1	2,3%
Do enjoyable work	1	2,3%
Had a business before	1	2,3%

\*Percentages were calculated by dividing n by the number of cases (41) and not the number of responses.

From this table it can be seen that unemployment was the biggest motivator for entering the informal sector and starting a food micro-enterprise. The opportunity driven reasons accounted for less than 15% of the responses for the sample of food micro-enterprise owners.

#### 4.3.1.8 *Training needs: Future orientation*

In general the enterprise owners were optimistic about the future of their businesses as almost the whole sample (95,1%) indicated that they had no doubt that their businesses will survive and still generate an income in the next six months. Although none of the respondents knew about any institutions offering micro-enterprise business training in East London, 95,1% of the sample indicated that they would like to receive training, and 90,2% of the enterprise owners thought that this could help them to optimise their businesses and make more money. Three respondents (7,3%) had received micro-enterprise business training before and were still optimistic about the value of training. However, it is interesting that even these respondents indicated that they do not know of any institutions offering micro-enterprise business training in East London.

The two enterprise owners who had doubts regarding their business survival, indicated that they did not think that training would further their businesses and help them to make more money. They also indicated that they would not like to undergo training.

#### 4.3.1.9 *Training needs: Organisational details relating to training provision*

The language respondents indicated would be preferable for training is presented in Table 53.



**Table 53: Language preferable for training (n=39\*)**

Language	n	%
Xhosa	26	66,7%
English	8	20,5%
Xhosa and/or English	5	12,8%

\*Only those respondents interested in training answered this question.

While Xhosa is the home language of the whole sample, a relatively large number of respondents indicated that they would like to receive training in English. One-third of the sample indicated that English or a combination of Xhosa and English would be the most suitable presentation language.

The times food micro-enterprise owners indicated would be most convenient for them to attend training are presented in Table 54 and Table 55 respectively.

**Table 54: Time of the day suitable for training (n=39\*)**

Time	n	%
Day time	15	38,5%
Evenings	20	51,3%
Whole day	4	10,3%

\*Only those respondents interested in training answered this question.

**Table 55: Time of the week training would be suitable (n=38\*)**

Time	n	%
Week	19	50,0%
Weekend	19	50,0%

\*Only those respondents interested in training answered this question, n<39 because of missing values.

The majority of enterprise owners indicated that training would be most convenient in the evenings. Training during the daytime is also convenient as 38,3% of respondents indicated so. An equal number of owners indicated that training would be convenient either during the week or the weekend.

The locations food micro-enterprise owners indicated that would be convenient for training are listed in Table 56.

**Table 56: Locations suitable for training (n=34\*)**

Location	n	%
Gompo Hall	17	48,6%
School where trading	8	22,9%
Gompo Library	4	14,3%
Elsewhere in Duncan Village	3	8,6%
Elsewhere in East London	2	5,7%

\*Only those respondents interested in training answered this question, n<39 because of missing values.

The majority of locations (94,3%) were in Duncan Village. Gompo Hall is the town hall of Duncan Village and would be convenient for almost half of the enterprise owners. The other indicated locations are near the trade site of the food micro-enterprises.



#### 4.3.1.10 Training needs: Specific needs and awareness of training

In an attempt to assess the training needs for specific aspects of their businesses, respondents were asked to rate a number of such aspects according to the perceived need (great, moderate and no need). These results are presented in Table 57.

**Table 57: Rating of training needs (n=38\*)**

Business aspects	Great need	Moderate need	No need
Purchasing	87,2%	12,8%	
Stock Control	95,0%	5,0%	
Cash flow	97,5%	2,5%	
Record keeping	97,5%	2,5%	
Budgeting	95,0%	5,0%	
Debt collecting	95,0%	2,5%	2,5%
Obtaining funds	92,5%	7,5%	
Price establishment	92,5%	7,5%	
Promotion	92,5%	7,5%	
Consumer demand	97,5%	2,5%	
Food production skills	95,0%	5,0%	
Food handling practices	89,2%	10,8%	

\*Only those respondents interested in training answered this question, n<39 because of missing values.

These results indicated that all the respondents perceived a great need for training in all aspects of their businesses. The only aspect that yielded a rating of no need, is debt collecting (only one respondent).

#### 4.3.2 Discussion: Owner's profile

Not much attention has been awarded to the subject area of food micro-enterprises operating in South Africa, and as a result the area is underdeveloped. This study is thus of an exploratory nature. Even though food micro-enterprises and their owners differ between countries due to cultural differences, comparisons are made, where possible, with studies on other micro-enterprises operating in the informal sector of South Africa and food micro-enterprises operating in other developing countries. This serves to determine the possible similarities between these enterprises.

In South Africa it is generally believed that females are more involved in trade activities in the informal sector than males. Other researchers found, especially relating to the black population group, that female representation ranged from 54% to 68%, with the higher percentage pertaining to Duncan Village (Bank *et al.*, 1996: 26; Hirschowitz *et al.*, 1991: 70). The proportion of females involved in food micro-enterprises in Duncan Village is considerably higher than those involved in general trade activities in the rest of South Africa and Duncan Village. The males, who do engage in food trade, operate at a higher level of sophistication and in general do not engage in food hawking activities (trading food from non-formal structures).



When comparing the female involvement in food micro-enterprises in Duncan Village to other countries, the picture is somewhat different. According to Tinker (1997: 152) women's roles in food micro-enterprises vary by country due to cultural and religious reasons. In the countries where surveys on food micro-enterprises selling street foods were conducted (Indonesia, Philippines, Thailand, Bangladesh, Egypt, Senegal and Nigeria), the involvement of women in food micro-enterprises varied from 37% to 92%, while ownership ranged from 1% in Bangladesh to 94% in Nigeria (Tinker, 1997: 153). The proportion of women involved in food micro-enterprises in Duncan Village, is higher than other trade micro-enterprises operating in South Africa. It also differs from other developing countries in general, but is more comparable to African and especially West-African countries. This is a small point of difference, but this gender issue has serious implications when designing training programmes for food micro-enterprise owners.

Bank *et al.* (1996: 27) found that half of the female micro-enterprise owners in Duncan Village were single. This is in accordance with the findings of the present study, where just over half of the sample was single. As Bank *et al.* (1996: 27) observed, as the head of a family, single women in Duncan Village must generate an income. The combination of having dependent children and being the head of their household puts uncalled for strains on the resources that these women have available and limits their time available for activities other than operating the food micro-enterprise. These women most probably also do not have the assistance at home to support their economic activities and ensure optimal childcare. As the greatest motivator for starting an enterprise stems from economic necessity, i.e. unemployment, the importance of a successful food micro-enterprise in the lives of these women becomes apparent when regarding their circumstances.

The mean age of micro-enterprise owners in the informal trade sector in South Africa lies within the 30 to 45 years age category which includes approximately 36% of enterprise owners (Bank *et al.*, 1996: 25; Botha & Claassen, 1985: 10; Hirschowitz *et al.*, 1991: 70; Natrass & Glass, 1986: 7). The mean age category for food micro-enterprise owners in Duncan Village is similar to that of other micro-enterprise owners in South Africa and Duncan Village. Tinker (1997: 155) found that the average age of food vendors falls into the 35 – 40 years age category across other developing countries, which is therefore also comparable to food micro-enterprises operating in Duncan Village.

The number of micro-enterprise owners in the 20-29 years age category is an indication of the level of participation of new entrants to the labour market in self-employment in the informal sector (Bank *et al.*, 1996: 25). The findings of the present study is in accordance with the findings of other researchers on micro-enterprises in South Africa and specifically Duncan Village where it was found that their representation in this age category ranged from 17% to 33% (Bank *et al.*, 1996: 25; Botha & Claassen, 1985: 10; Hirschowitz *et al.*, 1991: 70). Bank *et al.* (1996: 25) previously made the comment that it does not seem as if young adult unemployment in Duncan Village leads to active participation in self-



employment. This could still be the case for food micro-enterprises especially in view of the relative high age of the youngest enterprise owner (26 years). Bank *et al.* (1996: 25) further noted that it is possible that youths still try to secure employment in the formal sector before turning to the informal sector. This is however not only the case for new labour market entrants, but also for almost all food micro-enterprise owners who had not been previously employed and stated unemployment as the main reason for starting the current business. This is supported by findings throughout South Africa where the primary reasons for entering the informal sector stems from economic necessity, i.e. unemployment and the need to supplement an income (Botha & Claassen, 1985: 12-13; Hirschowitz *et al.*, 1991: 79; Morris *et al.*, 1996: 67).

The literacy skills of potential trainees dictate the language in which training can be delivered to ensure ease of understanding. In Duncan Village it seemed that both English and Xhosa would be appropriate delivery mediums. However, Xhosa would be the preferable medium for written material since a quarter of the food micro-enterprise owners could not read or write English and would not be able to complete these programmes on their own. One third of the enterprise owners did indicate that English on its own or in combination with Xhosa is the preferred language for training. This could be explained by the fact that some owners possibly view English as the language of the business world. This is supported by a recent tendency to use English as the delivery medium in especially business oriented training programmes (Wolpe, 1994: 57). In the case of food micro-enterprises, there is not a strong link with the formal business world, which renders the use of the vernacular language, which in this case is Xhosa, more appropriate in situations where literacy is an obstacle. In the event where English has to be used as the delivery language, trainers should use very basic terms and speak the language in the same way as the community does (Wolpe, 1994: 57).

Nattrass and Glass (1986: 96) maintain that many informal sector operators had learnt the skills employed in their businesses during employment in the formal sector. Following this argument, for an enterprise operator to be able to transfer skills learnt in the formal sector, he or she must have been employed in that sector. As the majority of the sample of food micro-enterprise owners had never been formally employed, they must have made use of other sources in order to obtain the knowledge for operating their businesses. Thus, except for the assistant supermarket caterer, it can be speculated that previous employment is not relevant in this sample of food micro-enterprise owners. This is in accordance with the findings of Nattrass and Glass (1986: 97) that the majority of micro-enterprise operators had been self-taught whilst on the job, i.e. they had learnt from experience. Only five percent of their sample transferred the skills learnt in the formal sector to their informal operations. Other than the skills acquired through experience, friends had informally taught a third of their sample to operate the business, indicating the role of friends and relatives in the development of these businesses. The role of friends and family in the business operations of food micro-enterprises



operating in Duncan Village who lack previous formal employment is assessed in Section 4.3.5.1, p.132.

### 4.3.3 Results - Enterprise profile

#### 4.3.3.1 *A qualitative description of food micro-enterprises*

Food micro-enterprises operate in three distinct areas in Duncan Village and East London, including the schools and pavements in Duncan Village and the taxi rank in East London. As the operations at the three trade areas differ, a separate description is given of each trade area.

**SCHOOLS:** The schools were the most popular venues where food micro-enterprise owners operated. The enterprise owners brought their ready-made products to the school and located themselves either on the playground or, if they were not allowed to sell food from the school premises, just outside the gates. The owners went to school just before break time and left again at the end of the lunch break. They thus had a set time during which they traded and this was mostly confined to weekday mornings. Some vendors with small children also brought their children along and they sometimes helped with trading (Figure 5). Most of these enterprise owners operated from non-permanent structures, which they took home or stored nearby after a day's trade. They carried the products to school in plastic containers and buckets, from which it was sold directly. These containers were placed either on the ground, a blanket on the ground, or on empty crates and boxes which they brought along (Figure 6). The enterprises were often located in one area and the whole group would sell similar products at similar prices. Much repetition thus occurred.

**PAVEMENTS:** The display and mode of operations of food micro-enterprises operating from the pavements differed slightly from those operating at the schools. The structure on which they displayed the food was also very simple, often confined to crates, cardboard boxes or flat pieces of cardboard on the ground. They operated mostly in areas of high pedestrian traffic, such as the municipal health clinics, the taxi rank in Duncan Village and at busy crossings near the community centre. These vendors also brought their products to the trade site, although a few prepared their products at the site of operation. They often operated for a full day, continuing even after dark.

**TAXI RANK:** The enterprises operating at the taxi rank, operated from the most sophisticated structures. From Figure 7 and Figure 8 it can be seen that the enterprises operating at the taxi rank displayed their products on tables, mostly covered by tablecloths. Many enterprises also had umbrellas to provide shade for the vendor, the food and the customers. A few enterprises also supplied customers with a place to sit and eat (Figure 9). These enterprise owners worked from early in the morning until dusk when the taxi commuters return home and pedestrian traffic ceases.





**Figure 5: Food micro-enterprise owner with children selling vetkoek at a school**



**Figure 6: Food micro-enterprise owner selling vetkoek at a school**



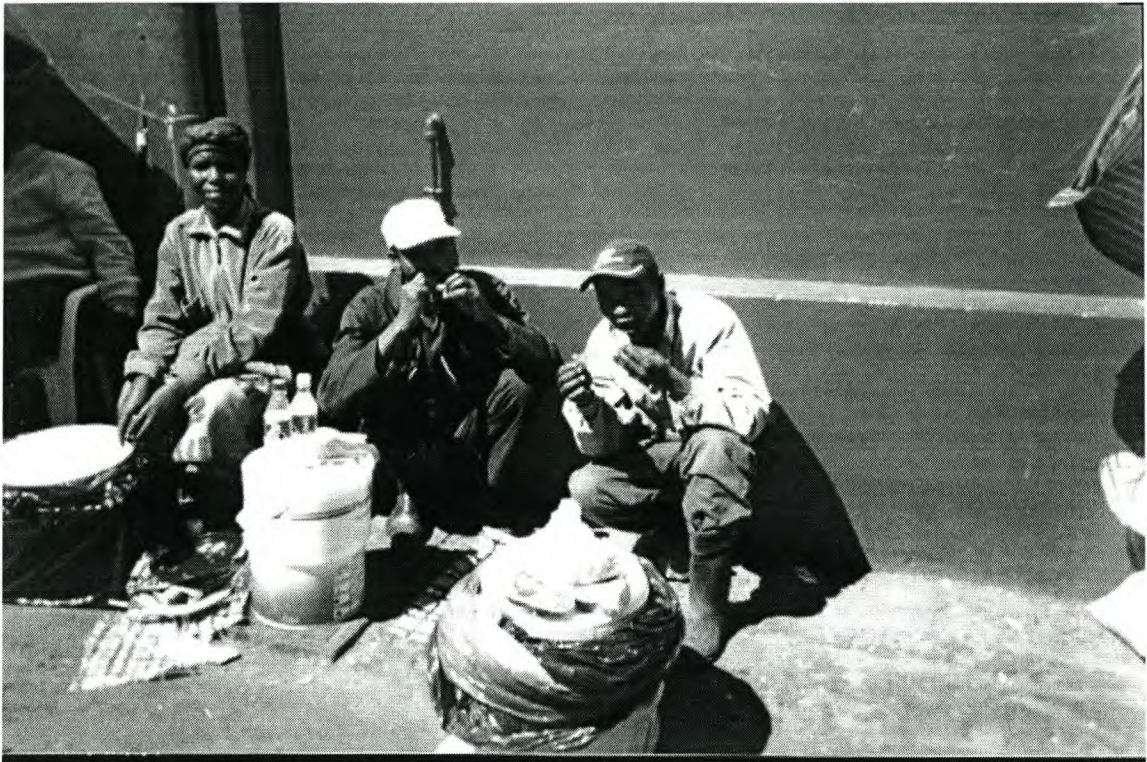


**Figure 7:** Food micro-enterprise owners selling from the taxi rank in East London



**Figure 8:** Food micro-enterprise owners selling from the taxi rank in East London





**Figure 9: Street food consumers at the taxi rank in East London**

#### ***4.3.3.2 Product range***

The products produced and sold by food micro-enterprises in Duncan Village are presented in Table 58. The minimum and maximum prices for each product are also included per trade area.

From this table it can be seen that 17 different products are produced and sold by the 41 food micro-enterprises included in the present survey. The highest quantity of products as well as the widest range of products is sold at the schools. The 19 enterprises operating at the schools have a range of 11 different product types. The eight pavement enterprises have a range of six different products while the 14 enterprises at the taxi rank sell 9 different products. In total 60 products were sold by the 41 enterprises.



**Table 58: Products produced and sold by food micro-enterprises in Duncan Village (n=41)**

Product	School		Pavement		Taxi rank		Total (n=41)
	n=19	Price range	n=8	Price range	n=14	Price range	
Russians (Fried)	10	R1,00 – R2,00	0		0		10
Fish	4	R0,50 – R1,00	2	R1,00 – R1,20	2	R2,00	8
Vetkoek (Deep fried dough buns without filling)	8	R0,50 – R1,00	0		0		8
Skaalkop <sup>7</sup> (Sheep's head – cooked)	0		3	R6,00	2	R6,00 – R25,00	5
Vetkoek with filling (Deep fried dough buns)	4	R1,00	0		0		4
Mealies (Cooked corn on the cob)	0		2	R2,50	2	R2,50	4
Liver (Fried)	1	R3,00	1		2	R3,00	4
Chips (Fried homemade)	3	R0,50 – R1,00	0		0		3
Umhqamulo (Pieces of meat from a cow's head)	0		1	R2,00	2	R7,00	3
Afval (Tripe)	0		1	R2,00	2	R2,00	3
Ginger beer (Homemade)	1	R1,20	0		0		1
Chicken pieces (Kentucky style)	0		0		2	R2,00 – R2,50	2
Chicken giblets	0		0		1	R3,00	1
Cowfeet	0		0		1	R2,50	1
Eggs	1	R0,50	0		0		1
Chicken heads	1	R0,40	0		0		1
Chicken feet	1	R0,40	0		0		1
<b>Total</b>	<b>34</b>		<b>10</b>		<b>16</b>		<b>60</b>

<sup>7</sup> Although the Afrikaans term for sheep's head is "skaapkop", "skaalkop" is used by the consumers in Duncan Village.



### 4.3.3.3 Projected daily turnover

See Section 3.5.5.3, p.83, for the method used in calculating the projected daily turnover. The mean  $\pm$  SD of the projected daily turnover is presented by trade area in Table 59.

**Table 59: Mean  $\pm$  SD total projected daily turnover per trade area (n=29\*)**

Trade area	Mean $\pm$ SD	n
School	R107,20 $\pm$ 54,24	10
Pavement	R 96,43 $\pm$ 48,02	7
Taxi rank	R 98,42 $\pm$ 57,98	12
Total	R100,97 $\pm$ 52,75	29

\* n < 41 because all enterprise owners could not indicate the number of products or units made per day.

The mean  $\pm$  SD for the projected daily turnover is the highest at the schools although the product price range is the lowest. The projected daily turnover for the pavement enterprises and taxi rank is similar. No significant difference was found between the three trade areas. The standard deviation indicated that there is a high level of variability in these values, indicating that some enterprises in a specific trade area have the potential to generate more income than others, depending on the product price and number of units produced per day. It must, however, be stated that these amounts do not include other non-processed food sold by food micro-enterprises. Many of them do sell drinks, sweets and snacks that were not recorded in the survey and thus influence the turnover.

### 4.3.3.4 Trading hours

Three measures relating to trading hours were collected in the questionnaire, namely the number of days the enterprise operated during the week and weekend respectively, and the number of trading hours per day. These were used to calculate the number of hours in a workweek. The mean  $\pm$  SD hours of the workweek are presented per trade area in Table 60.

**Table 60: Mean  $\pm$  SD workweek duration in hours of food micro-enterprise owners (n=41)**

Trade area	Mean $\pm$ SD*	n
School	5,58h $\pm$ 3,14 <sup>a</sup>	19
Pavement	50,89h $\pm$ 16,62 <sup>b</sup>	8
Taxi rank	61,79h $\pm$ 12,38 <sup>c</sup>	14
Total	34,02h $\pm$ 28,40	41

\*Group means (columns) with the same letters do not differ significantly. Where there is a difference,  $p < 0,05$  (Bonferroni).

The food micro-enterprises operating at the schools can only operate during school hours and are consequently limited to trading Monday to Friday. Furthermore, as the trading hours of the enterprises trading at the schools are determined by the break times, it can be expected that the workweek in this area is much shorter than in the case of other enterprises. The enterprises operating at the taxi rank



have the longest workweek. The workweek at the pavement enterprises is more comparable to the taxi rank than schools, since they also have a workweek longer than the generally accepted 40-hour workweek. There is a high level of variability in the duration of the workweek for the taxi rank and pavement enterprises, as is indicated by the high standard deviation.

It must be remembered that this time measure does not indicate the total time spent on the enterprise, as a large amount of preparation usually takes place at home, which was not accounted for. These data are thus only an indication of the number of hours trading at the enterprise location itself during the workweek.

#### 4.3.3.5 *Number of additional people involved in the business*

The frequency distribution of the number of additional people involved in the business is presented in Table 61.

**Table 61: Frequency distribution of the number of additional people involved in the business (n=41)**

Number of people	n	%
Only the owner	20	48,8%
1	12	29,3%
2	5	12,2%
3	3	7,3%
5	1	2,4%

The mean  $\pm$  SD number of additional people involved in food micro-enterprises in Duncan Village was  $0,88 \pm 1,14$  at the time of the study. The minimum was the owner operating singly and the maximum five additional people. From the table it can be seen that half of the food micro-enterprise owners were singly involved in the business while almost a quarter had one other person to help in the business.

#### 4.3.3.6 *Business duration*

The frequency distribution of the number of years food micro-enterprises had been in operation is presented in Table 62.

**Table 62: Frequency distribution of the number of years food micro-enterprises had been in business (n=39\*)**

Number of years	n	%
Less than 2 years	8	20,5%
2 to 5 years	9	23,1%
5 to 10 years	12	30,8%
More than 10 years	10	25,6%

\* n<41 as a result of missing values.



The mean  $\pm$  SD number of years the food micro-enterprises in the sample had been operating is  $7,44 \pm 5,96$ . The standard deviation indicates that there is a high level of variability in this measure. The youngest enterprise was founded in the past year and the most established enterprise had been in operation for 26 years. The frequency distribution shows that the newly established enterprises (less than two years) make up the smallest percentage of the sample. More than half of the sample had been in operation for more than five years.

#### 4.3.3.7 *Start-up capital*

The mean  $\pm$  SD amount of money the average business was started with was  $R54,44 \pm 48,83$  ( $n=39$ ). The smallest amount was R5,00 and the largest R200,00.

The methods of securing the funds for starting the food micro-enterprises are presented in Table 63.

**Table 63: Sources of start-up capital (n=41)**

Source	n	%
Personal saving	14	34,1%
Savings club	9	22,0%
Family loan	7	11,1%
Friends	6	14,6%
Family gift	4	9,8%
Bank loan	1	2,4%

All respondents indicated that they only used one source of start-up capital. It can be seen from the table that the main source of start-up capital seems to be from the owners' own resources i.e. personal savings and a savings club. This accounted for just over half of the respondents. Just under half of the sample used what seemed to be external sources, such as their friends and family, to secure financing for business start-up. Only one respondent indicated that she used a formal institution as source of start-up capital.

#### 4.3.4 **Discussion: Enterprise profile**

A diverse range of products was being sold by food micro-enterprises in Duncan Village at the time of the survey. The products that were not recorded in this survey could however be seen in the photographs that were taken in September 2000. Although only 17 products were recorded in this survey, a previous scouting expedition by Siqhaza (1999: 3) identified a more diverse range of products. The products identified during the survey vary according to the trade area where the enterprise is located. The enterprises operating at the schools sell a cheaper range of food that can be regarded as snacks rather than meals and include products sold in single servings such as russians, fried fish, vetkoek, chicken feet and heads and cooked eggs. The product range at the schools differs markedly from the products sold at the taxi rank and pavements as the products sold at these two areas



were found to be more similar. Products sold at the taxi rank and pavements seem to be more filling and most of them can be regarded as full meals. Through observation it was seen that there were often a number of food micro-enterprises operating in a certain trade area, selling the same products at the same prices. Tinker (1997: 166) reported similar findings, namely that food pricing was seldom competitive as rows of enterprises would sell the same food at the same price.

The differences in the product ranges at the respective trade areas could be related to the amount of money that the customers at a certain trade area have available to spend on street foods, their demands and concerns (discussed in detail in the customer profile, Section 4.2.4, p.104 and Section 4.2.6, p.109). Based on the product range results, it can be said that it seems that there is some degree of market specialisation among food micro-enterprises operating in Duncan Village.

Tinker (1997: 84) found that food micro-enterprises often experienced a lack of consumer demand for a diverse range of products as half of the food micro-enterprise owners sold three items or less. Only a third of the owners sold only what they produced, while 13% sold both self-produced and purchased food items (Tinker, 1997: 84). It was also observed during the scouting expedition and by the researcher that the food micro-enterprises sell additional unprocessed food to that which they produce themselves, as the latter also includes a very limited product range.

It can be speculated that the discrepancy between the results of the scouting expedition and the survey was a result of the sampling method employed. Although a representative sample was drawn at the schools, some schools and the products sold there were excluded, possibly resulting in some products left unaccounted for. It can also be speculated that it could indicate a decline in the product range possibly because of the following three reasons: Firstly, seasonality. Tinker (1997: 85) found that seasonality played an important role in the types of food available at a specific time. In Bangladesh seasonality of street foods was not only revealed in the types of food available in the hot, cold and rainy seasons, but also in the cultural attitudes about what is appropriate to eat at what time. A quarter of the food micro-enterprises in the sample in Manikganj regularly switched foods by season (Tinker, 1997: 85). In Iloilo, Philippines, the only strictly seasonal sellers were those enterprise owners selling grilled mealies for approximately two months during summer. Some of the products recorded during the scouting expedition in Duncan Village, which was carried out during a cold season, could have been seasonal products as well, giving one reason for the decline in products. The product decline was mostly in the meal-type products sold at the taxi rank, which could suffice to show the volatile nature of the informal sector and its ability to change according to the consumer demand. When a product is not successful it is discontinued. Secondly, the advent of the holiday season can also contribute to changes in the types of available foods (Tinker, 1997: 54-55). The third reason could possibly be as a result of a “crackdown” on food micro-enterprises trading in East London, a few weeks before the



survey (Mdoda, 2000: 1). This could have led to a temporary decline in the product range until the owners deemed it safe to start trading again.

Street foods are frequently representative of the traditional tastes of different ethnic groups (FAO, 1990: 8), as was shown in Duncan Village as well. These traditional foods included tripe, umhqamulo (pieces of meat from the cow's head), skaalkop (sheep's head) and cow feet (see Section 4.3.3.2, p.125). In the previous scouting expedition, Siqhaza (1999: 3) found other traditional foods such as samp and amasi (soured milk).

Both the projected daily turnover and the weekly trading hours vary for the respective trade areas. The enterprises operating at the schools have the highest turnover potential although their product price range is the lowest of the three areas. Their workweek is also the shortest. Of the three trade areas, the input (product price and workweek) of the enterprises operating at the schools seems to lead to the highest output (projected daily turnover).

The high determination to succeed and secure an income becomes evident from the long trading hours of the enterprises trading at the taxi rank and pavements. Previous studies on the informal sector found that the number of hours spent on business activities does not differ much from the formal work situation (Botha & Claassen, 1985: 15). This is however not the case for food micro-enterprise owners trading at the taxi rank and pavements. Bank *et al.* (1996: 28) also found that a significant percentage of all owners involved in retail activities in Duncan Village spent more than a full working day working in the enterprise. It can therefore be said that the schools are the best option for single mothers with dependent children, as it requires the lowest input in terms of time for the highest output. Tinker (1997: 54) also found that most of the food micro-enterprise owners in Illoilo, Philippines, were very dedicated to their enterprise's survival and worked seven days a week all year round.

When regarding employment creation, it is important to look at the presence of non-family members in an enterprise as family members are often used as unpaid labour. Even without knowledge of the persons involved in the business (family or paid employees) it can be seen that food micro-enterprises do not contribute significantly to employment creation in Duncan Village. This is a common characteristic of the informal sector that is causing considerable debate regarding the role of micro-enterprises in employment creation in South Africa (Hirschowitz *et al.*, 1991: 78; Natrass & Glass, 1986: 30). It does however serve to the creation of self-employment for the owners and thus parallel employment opportunities where employment is created by copying others.

The time a business has been in operation can be seen as an indication of its future ability to survive. In this sample of food micro-enterprises, there seems to be much variability in their business duration. After categorisation into number of years in operation, four distinct groups of almost equal representation were identified. The main findings of interest are that there is a group of well-



established enterprises (operating more than ten years) and a group of newcomers (operating less than two years) with the rest of the sample distributed between these two groups. The number of established enterprise owners (56%) is high in comparison with the enterprises included in the Qwaqwa survey where 39% were still in business after four years (Botha & Claassen, 1985: 14) and the Durban survey where more than 50% were operating for more than four years (Nattrass & Glass, 1986: 34). The number of years of operation is however comparable to, but potentially still higher than the number of years the general micro-enterprises have been in operation in Duncan Village. Bank *et al.* (1996: 28) found that 57% of the enterprises had been in their current businesses for more than three years. In the present survey it was found that 56% of food micro-enterprise owners had been in operation for more than five years. This could suffice to show that a food micro-enterprise can be a sustainable venture.

It is generally expected that the business practices and projected daily turnover would improve as the enterprise owners obtain more experience in operating the business. Even without formal business training, enterprise owners should have been able to pick up business skills and operating methods, which serves to increase their income. Tinker (1997: 166) thus found in Iloilo that the most important income predictor was the length of time an owner had been in operation. However, in the Duncan Village sample there was no significant correlation between the number of years an enterprise has been in operation and the projected daily turnover. This finding can be explained by a number of possible reasons. Firstly, it could indicate the highly competitive nature of the informal sector where the product range and price are predominantly determined by the market, not allowing sufficient profit margins. Secondly, it could indicate the need for external help in optimising business operations since the owners do not learn these skills in the informal business setting.

The amount of start-up capital was low for all enterprises. This shows the relative ease of entry into the market with regard to the capital resources necessary to start a food micro-enterprise. The finding that most enterprise owners use their own money to start their enterprises is similar to the findings in other studies (Hirschowitz *et al.*, 1991: 81; Morris *et al.*, 1996: 67). Food micro-enterprise owners in Manikganj, Bangladesh mostly used their own savings or help from their family to obtain start-up capital. Only a small number of them used the money from moneylenders or obtained goods on credit to start their business (Tinker, 1997: 83).

### **4.3.5 Results - Business operations profile: Production management**

#### ***4.3.5.1 Ways in which owners learnt to make their products***

The ways in which the enterprise owners learnt to make the products they sell are displayed in Table 64.



**Table 64: Ways in which owners learnt to make the products (Multiple response; Total n=41)**

How owner learnt	n	%*
Learnt by myself	14	34,1%
I saw, I copied	12	29,3%
A family member taught me	10	24,4%
I asked somebody	7	17,1%
Other	3	7,2%

\*Percentages are based on the number of respondents and not the number of responses.

The majority of food micro-enterprise owners taught themselves to make the products they sell. This is followed by copying others, asking a family member or somebody else.

#### 4.3.5.2 Location where and times when products are produced

The location where the products are made depends on the type of product food micro-enterprises sell, and are presented in Table 65.

**Table 65: Location where products are produced in Duncan Village (Multiple response; Total n=41)**

Product	At home	On site	Total
Russians (Fried)	10	0	10
Fish	4	4	8
Vetkoek (Deep fried dough buns without filling)	8	0	8
Skaalkop (Sheep head – cooked)	1	4	5
Vetkoek with filling (Deep fried dough buns)	4	0	4
Mealies (Cooked corn on the cob)	0	4	4
Liver (Fried)	0	4	4
Chips (Fried homemade)	3	0	3
Umhqamulo (Pieces of meat from the cow's head)	3	0	3
Afval (Tripe)	0	3	3
Ginger beer (Homemade)	1	0	1
Chicken pieces	2	0	2
Chicken giblets	0	1	1
Cow feet	1	0	1
Eggs	1	0	1
Chicken heads	1	0	1
Chicken feet	1	0	1
Total	40	20	60

Two thirds of all the products that were produced and sold at the time of the study were made at home. These products were russians, vetkoek, chips, Umhqamulo, ginger beer, chicken pieces, cowfeet, eggs, chicken feet and chicken heads. The products that are made on site are skaalkop, mealies, liver, tripe and chicken giblets.

The time at which the products are made, also depends on the type of product. Products are mostly made early in the morning, before going to the trade area (88,7%), or the previous day (8,1%), or in very few cases, when a customer asks for it (4,9%).



#### 4.3.5.3 *Unsold products*

In the event of products remaining unsold at the end of the day, it is either consumed by the enterprise owner's family (33,3%), given away (5,1%) or in most cases sold at a later stage (61,5%). The products that are sold at a later stage (n=23) are mostly sold from the same location the following day (50%) or at home during the evening (40%) or on credit (10%).

#### 4.3.5.4 *Food hygiene*

The results regarding the methods enterprise owners employ to ensure that the food is clean are presented in Table 66.

**Table 66: Methods used to ensure the cleanliness of the food (Multiple response; Total n=37\*)**

Methods	n	%**
Cover finished products	20	54,1%
Wash the ingredients	9	24,3%
Buy good/clean food	5	13,5%
Use clean utensils	4	10,8%
Cook the food thoroughly	3	8,1%
Wash hands regularly	3	8,1%

\*n<41 because of missing answers.

\*\*Percentages are based on the number of respondents and not the number of responses.

Most vendors regard it as sufficient to cover the finished products in order to ensure cleanliness. The other method frequently used, was to wash the ingredients before use.

#### 4.3.5.5 *Energy sources available for food production*

As indicated in Table 67, fire and paraffin were the main energy sources available. However, gas and electricity were also used to some extent.

**Table 67: Energy sources available to prepare food (Multiple response; Total n=41)**

Energy source	n	%*
Fire	18	43,9%
Paraffin	15	36,6%
Gas	7	17,1%
Electricity	3	7,3%

\*Percentages are based on the number of respondents and not the number of responses.

#### 4.3.5.6 *Procurement of product ingredients*

The enterprise owners purchase the product ingredients from a wide variety of stores in the greater East London area. The main reasons for patronising a specific store are presented in Table 68.



**Table 68: Reasons for purchasing ingredients at the specific outlet (Multiple response; Total n=41)**

Reason	n	%*
Cheapest	21	51,2%
Nearest	9	22,0%
They give credit	4	9,8%
Friend goes there	2	4,9%
Other	8	19,5%

\*Percentages are based on the number of respondents and not the number of responses.

From this table it can be seen that vendors are very price orientated and choose to support the cheapest store when possible. Taking the cost of transport into consideration, it is not surprising that convenience related to location is the other important reason for patronising a specific store. Vendors indicated that they mostly go to the same store and do not shop around for prices after they have established the best-priced store.

#### 4.3.5.7 *Stock control*

The majority of the enterprise owners do not make a distinction between ingredients purchased for the business and those ingredients to be used for home cooking (61%). This could result in a confusion of the real profit made by the business. This issue is further examined in the section on the financial management of the business (see Section 4.3.7, p.137).

### 4.3.6 **Discussion: Production management**

Food production management is an important topic of discussion for two reasons. The first and foremost is food safety as a result of production management. The second focuses on the business practices employed during production in order to optimise business operations and consequently profit.

When regarding food safety, the issues of importance are the combination of the ingredients, food handling practices employed, the time lapsed from the start of food production until the product is consumed, where the products are made and the environment wherein it is made (Ekanem, 1998: 212; Tinker, 1997: 190). Ensuring food safety is thus a complex issue that demands actual knowledge of processes. Indigenous knowledge has also proved its worth in this regard. However, food safety is an issue that most food micro-enterprise owners in Africa and the developing world are largely ignorant of (Ekanem, 1998: 212).

The relatively low level of education of the food micro-enterprise owners operating in Duncan Village, and the ways in which they learnt to make their products (mostly own experience) point to the importance of indigenous knowledge and experience in food preparation. One third of the sample did not reach high school and would probably not have been exposed to food safety issues through the



formal schooling system. Furthermore, only one enterprise owner received any training applicable to operating a food micro-enterprise. The importance of experience, relatives and friends become apparent when regarding the ways in which enterprise owners learnt to make their products, as these were the main sources of information. Hirschowitz *et al.* (1991: 47) documented similar findings, namely that most learning takes place through experience or through contact with others. These food micro-enterprises in Duncan Village thus operate along similar lines as the world-wide tendency that food micro-enterprise owners practice locally acceptable standards of food handling during production (Tinker, 1997: 193). This phenomenon that operational skills are acquired outside the formal education system is a universal characteristic of the informal sector (Charmes, 1990: 13).

Tinker (1997: 84) also found that many food micro-enterprise owners know how to prepare the food they sell as they also consume those foods at home. The present survey's findings regarding the ways in which food micro-enterprise owners learnt to make the products they sell, give rise for concern when considering the products sold by food micro-enterprises. For pure trade enterprises, it is acceptable that no formal skills have been acquired, but as insufficient food handling practices can put human safety in jeopardy, it is important that correct practices be employed by food micro-enterprises. It is therefore important to consider the factors determining food safety, including time-temperature storage considerations, the methods employed to ensure clean food and the environment in which the food is prepared and sold.

The environment in which the food is prepared and sold in Duncan Village is a cause for concern as it can contribute to food contamination if sufficient care is not taken. However, Tinker (1997: 192) found that in some instances the cheapest meals, sold by the poorest vendors in the worst circumstances were slightly less contaminated than the foods one would expect to have a better quality. Hence, although the environment could be a causal factor in inadequate food safety, it does not necessarily lead to unsafe food. Although there are some critical points during preparation when contamination can easily take place, care must be taken throughout the process as food may be contaminated at any step (Tinker, 1997: 192). In this survey, the actual handling practices were not examined, but the finding that covering the food is the main method of ensuring food cleanliness, does give ground for concern. This is a retroactive method that would not prevent food spoilage in already contaminated food or food of poor quality. This method only serves to protect the food from the environment.

Food that is kept for longer than six hours is at a much greater risk for contamination than food served immediately after cooking (Tinker, 1997: 191). With regard to the time-temperature factor in food preparation, the results of this survey indicate that most products were being made early in the morning on the day of sale and were stored until the customer buys it, which was often only in the late afternoon or the following day. In many cases, this storage time thus was more than six hours. The



food that was sold at the schools was not kept warm, but the food sold at the taxi rank and pavements was kept warm over paraffin stoves. Products that remain unsold at the end of the day were mostly sold at a later stage at the same enterprise or sold from home. This again indicates a considerable time lapse, in some cases at temperatures conducive for contaminant growth, rendering the food unsafe to consume.

The internationally recognised common motivator for setting up a food micro-enterprise, namely that it requires no special training other than the domestic experience of preparing food (FAO, 1995: 4), is thus clearly portrayed by the food processing methods the owners of food micro-enterprises in this survey employed. The combination of the inadequate methods of ensuring cleanliness, the time lapse between preparation, cooking and selling, the storage temperature and the potentially unfavourable environment could possibly lead to contamination and contaminant growth and thus potentially hazardous food.

For the evaluation of business practices employed during production, information regarding the energy sources available for preparing food, procurement of ingredients and stock control was obtained. The majority of the enterprises had very limited energy sources for food preparation, as an open fire and paraffin stoves were the main energy sources. These energy sources reduced the product range that can be effectively be used to produce cooked or fried food and excludes baked products to a great extent, as is reflected by the current product range where no baked products were recorded.

The enterprise owners seem to be very price orientated with regard to the outlets where they purchase their products, as low prices seem to be the main reason for choosing an outlet. With regard to stock control, distinction is not made between ingredients purchased for the food micro-enterprise and the ingredients used for home cooking. Bank *et al.* (1996: 32) documented similar findings in Duncan Village. Two-thirds of the food micro-enterprise owners or their families in Manikganj, Bangladesh consumed some of their own street foods they made every day, while 30% of them did so at least once a week. Tinker (1997: 83) estimated that the lack of stock control led to a 7% loss in profit, assuming stable demand. The lack of stock control could result in enterprise owners not being sure of the real profit they make. This issue is discussed in greater detail in Section 4.3.8, p.142.

### **4.3.7 Results - Business operations profile: Financial management practices and marketing**

#### **4.3.7.1 Business records**

The types of records that were kept by the food micro-enterprise owners are listed in Table 69.



**Table 69: Written business records kept by food micro-enterprises (Multiple response; Total n=41)**

Business record	n*	%
Business expenses	4	9,5%
Ingredient cost	7	16,7%
Number of products made	7	16,7%
Total sales	6	14,3%
Credit sales	2	4,8%

\*n indicates the number of respondents keeping a certain business record.

The number of enterprises keeping written records was low in general. The records that were most frequently kept are the cost of ingredients and the number of products made. Although the majority of enterprises did not keep written records of any sort, 42,5% calculated beforehand how much money they should make per day while 34,1% calculated beforehand how much they would spend on product ingredients before shopping.

#### 4.3.7.2 *Estimated daily profit vs. projected daily turnover*

Three quarters of food micro-enterprise owners indicated that they knew how much money they made per day. The amount of money owners indicated that they make per day as well as the projected daily turnover is presented in Table 70.

**Table 70: Means  $\pm$  SD for the projected daily turnover and the estimated profit per day**

Trade area	n	Projected daily turnover	Estimated profit per day	Pearson correlation*		
				n	p-value	r-value
School	n	n=10	n=17	8	0,337	-0,392
Mean $\pm$ SD		R107,20 $\pm$ 54,24	R66,82 $\pm$ 35,35			
Pavements	n	n=6	n=1	1	**	**
Mean $\pm$ SD		R91,67 $\pm$ 50,76	R90,00			
Taxi rank	n	n=12	n=12	10	0,257	0,396
Mean $\pm$ SD		R98,42 $\pm$ 57,98	R97,83 $\pm$ 40,89			
Total	n	n=28	n=30	19	0,949	0,16
Mean $\pm$ SD		R100,11 $\pm$ 53,51	R80,00 $\pm$ 39,51			

\*Only computed for those enterprises for which both the projected daily turnover, as well as the estimated profit per day could be computed.

\*\*n too small to calculate a valid Pearson correlation.

The mean  $\pm$  SD estimated profit made per day and the projected daily turnover are respectively R80,00  $\pm$  39,51 and R100,11  $\pm$  53,51 for the owners who indicated that they knew how much money they make per day as well as the enterprises for which the projected turnover could be calculated.

The correlation coefficients could only be computed for two trade areas, namely the schools and the taxi ranks. The sample size at the pavements was too small to compute the correlation. However, a non-significant correlation between the projected daily turnover and estimated profit per day was



found for both these trade areas, as well as for all three trade areas combined. The projected daily turnover was higher than the estimated profit per day for all three trade areas.

#### 4.3.7.3 *Cash flow and credit*

More than a third (37,5%) of businesses experienced a shortage of cash while they had enough products to sell, more than twice a week, while 15% experienced this situation once to twice a week. Cash flow management looked better for the rest of the sample of whom 27,5% experienced a shortage less than once a week and the remaining 20% almost never.

Almost three-quarters of the sample (71,4%) sold products on credit to customers while only 17,1% had credit at the shops where they purchase. This discrepancy as well as the possibility that the enterprise owners did not separate business income from the household could result in a shortage of cash while the business is operating relatively well. Ninety percent of the enterprises sold only on credit to people they know. The other factors determining to whom they sold on credit are listed in Table 71.

**Table 71: Factors determining whether a customer can buy on credit or not (Multiple response; Total n = 31\*)**

Factors	n	%**
Know them	29	90,6%
Receive a pension	2	6,3%
They look/are honest	2	6,3%
They have a secure job	1	3,1%
They always pay	1	3,1%

\*n<41 because only the enterprise owners who do sell on credit were included in the sample.

\*\*Percentages are based on the number of respondents and not the number of responses.

#### 4.3.7.4 *Awareness of competition*

Three quarters of the sample looked at various aspects of their competitors' business operations. These aspects are presented in Table 72.

**Table 72: Awareness of competitors marketing mix (Multiple response; Total n = 31\*)**

Aspects	n	%**
Price	28	90,3%
Products	5	16,1%
Product display	2	6,5%
Business location	1	3,2%

\*Only the cases that look at their competitors are included in the sample.

\*\*Percentages are based on the number of cases and not the number of responses.

Almost all food micro-enterprise owners looked at their competitors' prices. Although to a much lesser extent, they also looked at their products, display and the location from where they operate.



#### 4.3.7.5 *Marketing mix: product, price, promotion and location identification*

The most widely used method whereby food micro-enterprise owners identified a product idea was to look at others and then copy their products (45,2%). This is followed by reacting on the perceived consumer demand (31%) and the recognition of an opportunity (21,4%).

The most commonly used method for establishing the price of their products was to look at the competitors' prices (76,2%), followed equally by bargaining (11,9%) and in response to consumer demand (11,9%). Only one enterprise owner used the addition of an amount to the ingredient cost to determine the product price.

Three factors seemed to guide the decision pertaining to the choice of the business location, namely: the amount of activity in the area (66,7%), proximity to the home (28,6%) and the availability of free space (11,9%).

The food micro-enterprise owners used a wide variety of promotion methods to attract customers of which friendliness was the most prominent (45,2%). The other methods included selling cheap, affordable food (31%), clean food (16,7%), relying on word of mouth (11,9%), producing nice food (7,1%) and giving credit to customers (2,4%).

#### 4.3.7.6 *Target customer market*

Regarding the age of customers, fifty percent of all enterprises sold to adults and children, 26,2% mostly to children and 23,8 % mostly to adults. Almost all enterprises (95,2%) sold to both sexes.

#### 4.3.7.7 *Subjective evaluation of food micro-enterprises by the interviewer*

During the interview, the interviewer subjectively evaluated the enterprises with regard to customer service and the display of goods. These results are displayed in Table 73 and Table 74 respectively.

**Table 73: Subjective evaluation of product display (n=40\*)**

Display evaluation	n	%
Very attractive	4	10,0%
Mildly attractive	21	52,5%
Neither attractive nor unattractive	7	17,5%
Mildly unattractive	8	20,0%

\*n<41 as a result of missing values.

**Table 74: Subjective evaluation of customer service (n=41)**

Service evaluation	n	%
Very friendly	11	26,8%
Mildly friendly	29	70,7%
Mildly unfriendly	1	2,4%



With regard to the product display evaluation, two thirds of the enterprises were judged as attractive. Of the remaining enterprises, 20% were rated as unattractive.

The service delivered was mostly rated to be mildly to very friendly and only 2,4% of the enterprise owners was evaluated as mildly unfriendly. With regard to customer complaints, only one enterprise owner was aware of customer complaints. This was for undercooked meat.

#### 4.3.7.8 *Operational sophistication*

See Section 3.5.5.2 p.82 for a discussion on the technique used to determine the operational sophistication of an enterprise. The operational sophistication was measured on a scale ranging from 0 (lowest operational sophistication) to 27 (highest operational sophistication). The means  $\pm$  SD for the operational sophistication for the enterprises trading at the respective trade areas are presented in Table 75.

**Table 75: Mean  $\pm$  SD of operational sophistication per trade area (n=41)**

Trade area	Mean $\pm$ SD	n
School	15,68 $\pm$ 4,15	19
Pavement	12,88 $\pm$ 3,48	8
Taxi rank	12,86 $\pm$ 2,71	14
Total	14,17 $\pm$ 3,78	41

From Table 75 it can be seen that the enterprises operating at the schools show the highest level of operational sophistication while the enterprises operating at the taxi rank and pavements had lower but similar levels thereof. However, there were no significant differences between trade areas. The correlation between operational sophistication and a number of other possibly related variables were computed and these results are presented in Table 76.

**Table 76: Spearman correlation coefficients for correlation between a number of variables and operational sophistication**

Variable	Operational sophistication		
	r	Sig (2-tailed)	n
Age	0,194	0,224	41
Time residing in Duncan Village	0,328*	0,041	39
Number of years of schooling	0,207	0,194	41
Number of years of business duration	-0,001	0,995	39
Duration of workweek	-0,449**	0,003	41
Number of people involved in the business	-0,105	0,514	41
Projected daily turnover	-0,008	0,968	29
Estimated daily profit	0,018	0,924	30

\*Correlation is significant at the 0,01 level (2-tailed).

\*\*Correlation is significant at the 0,05 level (2-tailed).



From this table it can be seen that the only significant correlations were between operational sophistication and the number of years the owners have been living in Duncan Village and the duration of their workweek. Thus the longer the enterprise owners have resided in Duncan Village, the higher the operational sophistication; and the longer the workweek, the lower the operational sophistication.

#### **4.3.8 Discussion: Financial management and marketing**

The results seem to indicate that the food micro-enterprise owners operating in Duncan Village are not skilled in formal financial management practices. This conclusion is made in view of the lack of record keeping, the lack of correlation between the projected daily turnover and the estimated profit made per day, and the cash flow problems many owners experience. This finding is in agreement with the findings of Natrass and Glass (1986: 73) who also found that most informal enterprises do not keep written records. Food micro-enterprise owners however do seem to be aware of some management aspects such as knowledge of daily profit and business expenses as well as the number of products produced per day. Tinker (1997: 173) also found that food micro-enterprise owners very seldom keep written records, but most have very clear memories of expenditure and income. In an interview situation their answers were more often meant to conceal their income than to exaggerate it. The absence of bookkeeping as well as the previously noted lack of differentiation between the production unit and the household unit are common features of micro-enterprises operating in the informal sector (Hugon, 1990: 73).

One would normally expect a significant positive correlation between profit and turnover as the turnover should equal the product cost plus profit, but in this case no significant correlation were found at the three trade areas, which could be explained by a number of possibilities. In the cases where the estimated profit was higher than the projected daily turnover, it can be explained as follows: As was noted in Section 4.3.3.2, p.125, the survey did not include all the products sold by food micro-enterprises as only the products that required processing by the enterprise itself were recorded. Some enterprises sold only processed foods, while others included non-processed items as part of their product range as well. The projected daily turnover was based on calculations for the processed foods only and could have resulted in the actual turnover being higher than that indicated by the projected daily turnover for those enterprises selling non-processed foods. This could possibly be one explanation for the lack of correlation with the estimated daily profit. Another possible reason could be that enterprise owners have an inflated perception of their daily profit. However, it is expected that the estimated daily profit should be less than the projected daily turnover, since the latter includes the product and manufacturing expenses as well as the profit. In cases where the estimated profit is much less than the projected daily turnover, it could be as a result of credit sales, that all stock was not sold out or that enterprise owners try to conceal their income.



It appeared as if the enterprises operating at the schools possibly have a more accurate knowledge of their profit. Most enterprises in this group could formulate an estimation of the daily profit and this estimation was less than the calculated projected daily turnover. These enterprises manufacture their products and sell only for a limited time interval during lunch break at the school after which they return home again. Bank *et al.* (1996: 32) found that hawkers were less inclined than other micro-enterprise owners to confuse household and business expenditure because of the physical separation of these activities. This separation of the trade activities of the enterprise owners trading at the schools from the rest of the daily activities, as opposed to the other trade enterprises where trading makes up the whole day, could possibly lead to greater control over and more accurate awareness of their finances. Although this was not evaluated in the current study, Bank *et al.* (1996: 33) also found that hawkers seemed to have greater control over their cash flow than other informal sector operators do and were more aware of the profit structures of their businesses. This is demonstrated in some trade areas by the enterprise owners' awareness of their daily profit.

The awareness of competitors' price lines is an indication of the fierce competitiveness, a characteristic of the informal sector that exists among enterprises (Bank *et al.*, 1996: 33). From Table 58 it can be seen that there is very little variation in the price for a specific product as well for the total product range among enterprises. With the exception of Skaalkop and Umhqamulo, there is little variation in the prices of the products sold at the different trade areas. The competitiveness thus ensures that prices are kept within range of the consumer, but also minimises the profit margins on products. Although enterprise owners indicated that they mainly look at the prices of their competitors, they also turn to their competitors for their product ideas when deciding on the products the enterprise should sell. This results in a duplication of existing products and does not serve to broaden the product range. Over-trading was also seen as a problem in the retail sector in Duncan Village by other researchers (Bank *et al.*, 1996: 33). It seems as if this is still the case as demonstrated by the lack of initiative that food micro-enterprise owners display in product choice. In this manner, the actual choice of products are not market-driven, but rather production driven as the enterprises only produce and sell the products that they are able to produce and that are already being sold to the consumer by other enterprises. Bank *et al.* (1996: 33) further maintains that a lack of demand is not the reason for this over-trading, but rather the inability of enterprise owners to access new market segments. At the time of their study, they noticed that cooked foods were only sold to schoolchildren on a regular basis. They felt that there is considerable scope for growth in the cooked food market if new markets are explored.

"Marketing is the process of creating and delivering goods and services to consumers and involves all of the activities associated with winning and retaining loyal customers" (Scarborough & Zimmerer, 1999: 172). There is some degree of specialisation with regard to the target market food micro-enterprises operating in Duncan Village aim to serve. From Table 58 it can be seen that the price



structures and product lines differ for the respective trade areas. As Bank *et al.* (1996: 33) noticed, the schools are still the main trade area for food micro-enterprises where a wider variety of products are sold at lower prices than the other two trade areas, which are more similar.

Most enterprises know who their customer base is in terms of age and sex and also use specific methods to attract them. The major marketing method is friendliness. Consequently, the majority of enterprise owners were subjectively evaluated as being mildly to very friendly. Bank *et al.* (1996: 33) found that formal marketing methods are seldom used by survivalist enterprises. The most popular methods rely on the informal networks within the township. These included word-of-mouth marketing, offering credit facilities and building friendly relations with customers. The attractiveness of the product display is also an aspect that needs to be considered for customers to keep patronising an enterprise. The product display of the food micro-enterprises in operation in Duncan Village was evaluated somewhat negatively as only 10% were viewed as very attractive, showing scope for improvement. This is one aspect that would not increase the product price significantly, but improving it could increase patronage. Bank *et al.* (1996: 32) found that the hawkers operating in Duncan Village operated with varied success, which mostly depended on the types of products they sold as well as the sites from where they operated. Winarno and Allain (1991: 2) reported similar findings and maintain that the marketing success of food micro-enterprises depends exclusively on location and word-of-mouth promotion. From the two measures that were used to assess the profitability and financial awareness of the enterprises, it also seems as if this variation in success is applicable for food micro-enterprises operating at the different trade areas in Duncan Village.

Scarborough and Zimmerer (1999: 186) state that customer loyalty translates into increased profitability because long-term customers are likely to be willing to pay above-average prices and to tell others about the business. The number of customer complaints is an indication of customers' satisfaction with the operations of the enterprise. The owner's awareness of customer complaints is again a gauge of her customer orientation. The absence of customer complaints in this population sample point to two possible implications— either the owners were not aware of the complaints or they did not want the interviewers to regard their enterprises in a negative light. It would however be beneficial for enterprise owners to familiarise themselves with the customer's views and possible complaints as this could help them to improve their products and attract more customers.

#### **4.3.9 Summary: Profile of food micro-enterprises**

The average owner of a food micro-enterprise in Duncan Village is female, between 39 and 40 years old, has been living in Duncan Village for 18 years, is single and has never been married. She has dependent children and is most likely to be head of her household. On average she would have eight years of formal education, can speak, read and write Xhosa. Only half of the enterprise owners would



be able to speak English, but with less proficiency. She would most probably never have been formally employed and would thus not have received any training relevant to the current enterprise. The majority of owners have not had previous small business experience and started the current business out of economic necessity.

Most food micro-enterprise owners believe that their businesses will still operate in the future. Although almost no enterprise owners had ever received enterprise training and were not aware of any organisation offering such training, they would like to attend and receive training in all areas pertaining to the operation of a food micro-enterprise in order to operate more effectively. Most enterprise owners would like to attend training at a venue in Duncan Village and receive training in Xhosa. With regard to the training times, group input is necessary as there is no consensus between training during the week or weekend. However, most enterprise owners would like to receive training during the evening.

Food micro-enterprise owners' business profile can be summarised as follows: The products that are sold by food micro-enterprises are limited to cooked and fried products as a result of the energy sources available for cooking, which mostly includes paraffin stoves and fire. The products are culturally accepted products that are generally low in cost and easy to prepare. The products, product prices, projected daily turnover and trading hours differs per trade area. The enterprises operating at the schools seem to be the most profitable of the three trade areas when comparing the projected daily turnover with the length of the workweek. The amount of start-up capital is relatively low and most enterprise owners use their own savings to start the business. It does not seem as if food micro-enterprises provide significant employment opportunities other than self-employment for the owner.

The experience of the food micro-enterprise owner and the help of others are the main methods by which they have learnt to make their products. The food is made either at home or at the enterprise location, depending on the type of product produced. Products are mostly made early in the morning of the particular day. Products that remain unsold at the end of the day are mostly sold at a later stage at the same enterprise or sold from home. The main method of ensuring clean food is to cover the food after production.

Most enterprise owners do not make a distinction between the household and the business for income purposes. The owners seems to be very price orientated with regard to the outlets where they purchase their products, as low prices seem to be the main reason for choosing an outlet. It seems as if food micro-enterprise owners are not skilled in formal financial management practices. There is a general lack of record keeping and cash flow seems to be a problem.

Food micro-enterprises in Duncan Village are operating in a very competitive environment. This can be seen by the high awareness of competitors' activities pertaining to their products and prices. There



is some degree of specialisation with regard to the target market these enterprises serve and this also differs according to the trade area. The major marketing method is friendliness, which was positively evaluated by the interviewer.

### **4.3.10 Implications for training**

#### **4.3.10.1 Owner's profile**

The majority of food micro-enterprise owners were optimistic about their future, but recognised that they were not operating optimally. They indicated that they would like to attend training to improve their businesses. The following organisational details relating to training provision for potentially successful training in the Duncan Village area were evident from the results of this section:

**CHILDCARE:** In cases where women have young children, it is important to provide a childcare support system. This is of special importance to the women in the sample who are the heads of their households. The availability of crèches, transport and the time of day at which classes are held, are thus factors to consider when planning and designing training programmes for women (Wolpe, 1994: 55). These organisational details are not only important when recruiting women, but also in ensuring consistent attendance. The optimal organisational setting would be one where there is a childcare facility near to the training venue or at the organisation itself, or where the venue is located in the community where the trainees live.

**TRAINING VENUE:** Govender (1993: 39) found that potential participants often do not attend training when the costs are too high in terms of the distances that has to be travel to attend training courses. The food micro-enterprise owners thus indicated that the venues most suitable for training are either central venues in Duncan Village or venues near the sites where the enterprises operate during the day. For training programmes running continuously for a longer period, such as two weeks, it would be advisable to fix a location of the attendants' choice, but when the training sessions are spaced apart, attendants should occasionally be able to travel the distance to the location. However, the choice of training locations in Duncan Village would make it easier for participants to attend training when considering the cost of travel in time and monetary terms. Technical training for food enterprises would necessitate the use of some equipment, which in turn would make it easier for the training organisations to use their own central venue. In cases where trainees are required to travel the distance frequently to the training venue, it would be advisable for the organisation to provide support with regard to transport.

**TRAINING TIME:** The times indicated by the enterprise owners as most convenient to attend training, varied. When possible, the circumstances and needs of each individual group that seeks training should be assessed prior to training, instead of fixing times for these purposes, especially if training



sessions are held daily for a prolonged period. This recommendation is made in view of the number of enterprise owners who are singly involved in the operation of the enterprise and whose households depend on the money generated by the enterprise on a daily basis. These owners can not afford to neglect their business for the time necessary to attend a full-time training course (Govender, 1991: 324) and can potentially only attend training at the times they are not operating, which include evenings and weekends for the majority of enterprise owners. Govender (1991: 324) also found that enterprise owners in the former Transkei preferred to attend training in the evening, but not over weekends. It is acknowledged that it would be difficult for training organisations to accommodate these times, but perhaps a compromise could be drawn by which the training sessions are less frequently held so that the enterprises would need support less often. In this manner, the enterprise's operations would not come to a complete standstill while the owner attends training.

**LEVEL OF PRESENTATION:** It is important to be aware of the educational level of the trainees so as to provide suitable programmes (Govender, 1991: 324). The educational level of the enterprise owners was relatively high (8 years). This educational level should enable the enterprise owners to perform basic calculations, keep records and receive formal training. The mean level of education was enough to ensure functional literacy for the majority of enterprise owners, but this still depends on the quality of their education and how much it was used since the individual left school (Riley, 1993: 8). The actual ability of the respondents could therefore be much lower than anticipated. Furthermore, it must be kept in mind that one third of the sample had seven or less years of formal school education. This is a substantial amount that could pose a possible obstacle to learning during training. The literacy levels of all future trainees should be borne in mind when designing programmes as well as selecting participants for specific programmes that require a certain level of literacy. It is therefore recommended that participants who are not functionally literate should be able to bring a literate person along to the training sessions to aid in understanding the written material

**COURSE AND MATERIAL LANGUAGE:** The preferred training language presented interesting results. Although all food micro-enterprise owners speak Xhosa as a first language, a third of the respondents indicated that they would like to receive training in English. This could be an indication that the owners see English as the business language and that it would help their businesses if they were more proficient in English. The sample's variation in English proficiency poses difficulty for training as the use of English as delivery method would create differing rates of learning, which could potentially lead to frustration for some trainees. With regard to the delivery language, it would be preferable to Xhosa primarily. Where written material is involved, it would create problems to use English to a too great extent.

**COURSE CONTENT:** The training needs of these enterprise owners included all aspects related to the operation of a food micro-enterprise. Even though a high number of owners indicated that they do not



sell on credit, a higher percentage than expected indicated that they have a need for training in debt collection. The apparent blind indication of a great need for all business aspects by almost all respondents, irrespective of the real relevancy thereof, indicates that there actually is a real demand for training in all aspects relating to operating a successful food micro-enterprise. However, it is recommended that needs assessment of each participant be conducted before training commences in order to determine the general training needs of a specific group.

The implications for the training of food micro-enterprise owners, which were derived from the results and discussions regarding the profile of the owners of food micro-enterprises are presented in Table 77.



**Table 77: Results regarding the owner's profile, importance thereof for food micro-enterprise owners and the implications for training**

Results	Importance for food micro-enterprises	Implications for training
80% of the enterprise owners are between 20 – 49 years of age.		Target population should include women of all ages, but mainly between the ages of 20 – 49.
The average enterprise owner has been living 16,92 years in Duncan Village.	Enterprise owners know the environment in which they operate and should have knowledge of their customer base.	Use indigenous knowledge of enterprise owners.
61% of enterprise owners is either single, not married or separated.	Enterprise owners possibly do not have another household head to support them in the home and business.	Participants should decide on the training time.
95,1% of enterprise owners has dependent children.	It would be difficult for mothers with small children to attend training if they do not have access to childcare.	Childcare facilities should be available near the training venue.
34,2% of enterprise owners is not functionally literate.	Some enterprise owners will not be able to attend training where self-study forms a great proportion of the course.	Facilitators should not rely on written material only and include hands-on training.
39% of enterprise owners cannot read or write in English. 92,7% can read and write in Xhosa.	Most enterprise owners would be able to understand training conducted in Xhosa.	The course and material language should be Xhosa. The trainer should speak Xhosa as mother tongue.
The food micro-enterprise is the owners' only employment.	Enterprise owners are dependent on the income generated from the enterprise. Training should interfere as little as possible with the operation of the business.	<ul style="list-style-type: none"> <li>• Training should rather be conducted during the evening than during the day.</li> <li>• Training should be conducted on non-consecutive days.</li> </ul>
Most enterprise owners do not have previous small business experience.	Enterprise owners learnt through experience.	Use indigenous knowledge of enterprise owners.
None of the enterprise owners knows of business training programmes.	Enterprise owners would not know where to seek formal advise on operating the business.	Training organisations' marketing efforts should be directed at food micro-enterprise owners as well.
Most enterprise owners would like to receive business training.	Enterprise owners have a positive attitude towards training.	Training organisations' marketing efforts should be directed at food micro-enterprise owners.
66,7% of enterprise owners preferred training in Xhosa.		The presentation and material language should be Xhosa.
51,3% of enterprise owners preferred training during the evening.		Training should be conducted in the evening.
No preference for training either during the week or weekend.		Participants should decide on the training time.
A location in Duncan Village is preferable for training.		Participants should decide on a venue, but it is preferable that it is in Duncan Village.
Enterprise owners perceive a need for training in all aspects regarding operating an enterprise.		The course content should include: purchasing, stock control, cash flow, record keeping, budgeting, debt collecting, obtaining funds, price establishment, promotion, consumer demand, food production skills and food handling practices.

#### 4.3.10.2 Enterprise profile

Food micro-enterprises differ from other micro-enterprises because of the combination of trade and production functions. Hirschowitz *et al.* (1991: 64) made the recommendation that different training is



needed for the enterprises operating in different economic sectors, although food micro-enterprises cannot be fully categorised as manufacturing enterprises. Training programmes should recognise this character difference and incorporate course content applicable to both trading and manufacturing enterprises. Although it is necessary to differentiate between technical skills training and training in management skills, it is vital that management and technical skills are combined at every level of training for micro-enterprises (Govender, 1991: 327).

The differences in the business duration resulted in enterprise owners with varying degrees of experience in operating a food micro-enterprise being incorporated in this study. The DTI (1995: 33) therefore recommends that training programmes should focus on the training needs of a specific group of enterprise owners, whether it is survivalist or more sophisticated enterprises. It is unwise to design, develop and conduct a training programme based only on the provider's perception of what is needed (Govender, 1991: 314). The differences in other factors such as the number of people involved in the business, the educational level of the owner, her age and motivation for start-up lead to the suggestion that modular training courses be developed, which can be broken down into various components or various levels, depending on the trainee's needs. A further advantage of modular training courses is that trainees should be able to combine the courses from different institutions to address the needs not met by a particular course. Although a great need was indicated for training in all aspects regarding food micro-enterprise operations, modular courses are recommendable so that the business owner can build up her knowledge and skills when the need arises.

The labour intensity of these food micro-enterprises in relation to the income yield is disconcerting when comparing it to the formal sector. Training programmes should focus on aspects that could reduce the labour intensity of these enterprises. Such aspects could include methods for determining the product price, reducing the product cost and finding a more profitable product range through market research.

The importance of personal savings as a primary method of start-up capital should be emphasised. The capital amounts these businesses were started with are so small that formal institutions will most probably not be willing to grant loans. This relative ease of entry into the market with not much capital needed should consequently be emphasised.

The implications for the training of food micro-enterprise owners, which were derived from the results and discussions regarding the enterprise profile of food micro-enterprises owners are presented in Table 78.



**Table 78: Results regarding the enterprise profile, the importance thereof for food micro-enterprise owners and the implications for training**

<b>Results</b>	<b>Importance for food micro-enterprises</b>	<b>Implications for training</b>
Food micro-enterprises combine trade and manufacturing functions.	Enterprise owners need both trade skills as well as product specific skills.	Include course content on both trade and manufacturing.
Most food micro-enterprises operate at the schools.	Although the schools are the most popular trade area, the market could be saturated.	Include market investigation as course content.
There is a small product range with much duplication.	Enterprise owners should conduct market investigation in order to determine the actual product demand.	Include market investigation and idea generation as course content.
There is little variation in product prices.	There is strong competition between vendors and price variation is not allowed.	Idea generation in order to find new products at different price structures.
The enterprises trading at the schools have the highest projected daily turnover.	As the turnover differs between trade areas, prospective enterprise owners should conduct market investigation in order to determine the potential turnover and customer base at the different trade areas.	Include market investigation as course content.
The enterprises at the taxi rank and pavements operate for a full day and some during the weekend as well.	Enterprise owners are mostly involved with the operation of the enterprise during the day and week and would find it difficult to attend training during the day for prolonged periods.	Training should be conducted during the evening and on non-consecutive days with days open between sessions. However, participants should decide on the time.
In half of the cases, only the owner is involved in the operation of the enterprise.	Enterprise owners who operate the enterprise singly would find it difficult to attend training during operating times.	Training should be conducted when enterprises are not operating and on non-consecutive days with days open between sessions. However, participants should decide on the time.

#### **4.3.10.3 Production management**

It was seen in the preceding discussion that the food production management systems employed by food micro-enterprise owners in Duncan Village and the environment in which they operate give rise for food safety concern. As noted previously, most enterprise owners in Africa are not aware of the health risks associated with street foods and do therefore not take responsibility for training out of own initiative (Ekanem, 1998: 213). Experience has also shown that even when training programmes are in place, it is a difficult task for organisers to persuade vendors to attend training (Tinker, 1997: 193). It is therefore essential that their resources and time constraints should be considered when designing training programmes as it is far from the ideal conditions for food production. A participatory approach to training is recommendable so that the programmes are of practical relevance to the enterprise owners.

Experience has proved that training in simple practices to make products safer and more nutritious, that takes the environment in which the enterprises function into account, have much greater success than punitive laws and regulations (Tinker, 1997: 189). A great deal of attention should be given to innovative, yet effective ways of ensuring food safety in the present environment in which the



enterprise owners function. It was seen that the products that food micro-enterprises sell are culturally accepted products, which are expected to differ among regions. It is therefore important to consider the local practices employed during food production as well as the local foods when developing improved handling and production methods and foods.

The energy sources available limits the products that can be produced and sold by food micro-enterprises. Creative ways should be found to optimise the use of available energy sources in order to create a more diverse product range that keeps the consumer demand in mind.

In order to have greater control over their income, food micro-enterprises should separate the ingredients purchased for the business and that used for home cooking. In this manner they should have a more precise knowledge of the actual turnover and income.

The implications for the training of food micro-enterprise owners, which were derived from the results and discussions regarding the production management practices of food micro-enterprises are presented in **Error! Reference source not found..**

**Table 79: Results regarding production management, the importance thereof for food micro-enterprise owners and the implications for training**

Results	Importance for food micro-enterprises	Implications for training
Most enterprise owners learned to make the products by themselves.	Training can help owners to master new techniques and products.	<ul style="list-style-type: none"> <li>• Include food safety as course content.</li> <li>• Consider local practices.</li> </ul>
Most products are made at home and transported to the trade area.		Include food safety as course content.
Most of the products that remain unsold by the end of the day are sold the following day.	This could lead to consumers becoming ill if insufficient care is taken during product storage and enterprise owners losing their clientele.	Include food handling practices as course content and emphasise the importance of food hygiene.
Insufficient care is taken with food hygiene.	This could lead to consumers becoming ill and enterprise owners losing their clientele.	Include food handling practices as course content and emphasise the importance of food hygiene.
Fire and paraffin are the energy sources mostly used for food preparations.	Products are confined to that which can be cooked. Baked products can only be made with difficulty.	Include food production skills relevant to their means. Idea generation.
Most enterprise owners have insufficient control over their stock.	Enterprise owners could have an inaccurate perception of their turnover and profit generated. They could make losses without realising it.	Include stock control as course content.

#### 4.3.10.4 Financial management and marketing

According to Hirschowitz *et al.* (1991: 65), certain skills are needed in all businesses. These are identifying the need for the product or service in the community, marketing and advertising, quality control of goods and services, establishing good customer relations, keeping count of financial transactions, keeping control of stock, costing and pricing of goods, and services.



A significant number of food micro-enterprise owners in Duncan Village indicated that they do not know how much money they make per day, which is also reflected in the fact that there was no significant correlation between the amount they estimated as daily profit, and the calculated projected daily turnover. Many enterprises experience cash flow problems and fail to distinguish between the household income and business income. Financial management, consisting of buying, stock control, costing and pricing, record keeping, budgeting, debt collecting and cash flow, is therefore identified as an urgent training need in this group.

Hirschowitz *et al.* (1991: 50) advise that careful consideration is necessary when determining the financial management training needs, especially record keeping of informal micro-enterprise owners. The circumstances of enterprise owners operating in the informal sector are different from those operating in the formal sector, and should be kept in mind when designing training programmes. As was seen in the profile of the owners of food micro-enterprises operating in Duncan Village, their educational level was relatively low and a substantial number of owners were illiterate. This makes the implementation of financial management training difficult to implement. Harper (1984: 68-69) is very sceptical about the value of bookkeeping for informal business owners. He warns that record keeping does not automatically enable enterprise owners to manage the business better, but rather only assist them in knowledge of how well or poorly the business is doing. He further believes that formal management systems are not necessarily needed if the owners have their own system, even if it relies on memory. It is therefore acknowledged that financial management for the informal sector does not have to be as strict as in the formal sector, but some degree of control is necessary. As Hirschowitz *et al.* (1991: 66) has concluded, training should be based on what the trainees already know. The current methods used during financial management should not be dismissed out of hand, but should be used as a basis on which to build additional skills.

It is suggested that the importance of financial management should be conveyed to food micro-enterprise owners and where possible simple accounting methods taught. Even though the price lines have to be market and thus competition orientated, it is also suggested that costing and pricing be included in training programmes as it could lead to a better understanding of the profitability of products and eventually to diversification in the product lines. These topics should be specifically targeted at manufacturing enterprises.

It is further suggested that training programmes should emphasise the enterprise as a separate entity, not to be confused with the household. As motivation for this objective, special mention should be made of cash flow issues so that enterprise owners can become more aware of the financial value of separating business and household income and expenses.

Although selling on credit is an all-important factor in product turnover, the role thereof in cash flow problems should be emphasised. Another aspect of business management that is closely related to this



issue, is the production rate per day. Food micro-enterprises should constantly review this if they find that they frequently have products in excess or frequently run out of products.

The most important implications for training regarding the marketing mix food micro-enterprises use, stem from the competitive environment in which these enterprises operate. Training programmes should emphasise the importance of competitor analysis for a business in order to position itself effectively in the market. It should also focus on effective, yet cost minimising marketing methods to attract customers. With regard to the product idea, real effort should be put into investigating the target market to find more diverse products that is in response to a real consumer demand and that could possibly give a competitive edge to an enterprise.

The implications for the training of food micro-enterprise owners, which were derived from the results and discussions regarding the financial management practices and marketing of food micro-enterprises are presented in Table 80.

**Table 80: Results regarding financial management practices and marketing, the importance thereof for food micro-enterprise owners and the implications for training**

<b>Results</b>	<b>Importance for food micro-enterprises</b>	<b>Implications for training</b>
Enterprise owners very seldom keep written business records.	Owners could be confused regarding their actual income and expenses.	Include record keeping as part of the course content.
There is a non-significant correlation between the projected daily turnover and the estimated profit per day.	Enterprise owners do not have an accurate perception of their income and expenses.	Include record keeping and pricing policies as course content.
A third of enterprise owners experience a shortage of cash more than twice a week.	Although most products are sold, owners have not enough cash to purchase more ingredients.	Include cash flow as course content.
Three-quarters of enterprise owners sell products on credit.	This could lead to cash flow problems if they do not receive the money soon enough.	Include debt collecting as course content.
Enterprise owners are mostly aware of competitors' prices.	There is a tough market environment.	Include competitor analysis and pricing policies as course content.
Most enterprise owners decided on their products by copying others.	Enterprise owners are not market driven and potentially do not know what the market wants.	Include market investigation and idea generation as course content.
Most enterprise owners decided on their products prices by looking at their competitors.	Enterprise owners are not market driven and potentially do not know what the market wants.	Include market investigation and idea generation as course content.
Friendliness is the main promotion method.	This promotion method seems to work and is cost-effective as well.	Include other marketing methods that are cost-effective.



#### 4.4 FEATURES OF THE IDEAL TRAINING PROGRAMME (SUB-OBJECTIVE 3.2)

This section addresses the identification of the features of the ideal micro-enterprise training programme for the training of current and prospective female food micro-enterprise owners in Duncan Village. Table 81 presents a summary of the methodology employed to attain this objective.

**Table 81: Summary of the methodology employed to attain Sub-objective 3.2**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.2: Features of ideal training programmes.	Implications for training identified from consumer profile. Implications for training identified from enterprise owner profile.	Compile a list of all the implications for training and identify additional implications through personal communication, a comparison with the profile of clinic attendants and literature reviews.	Features of ideal training programmes.	List of ideal training programme features used to develop a Training Programme Evaluation Framework (Sub-objective 3.4).

##### 4.4.1 Features of the ideal training programme for current food micro-enterprise owners

The features of the ideal training programme for current food micro-enterprise owners in Duncan Village, identified from the street food consumer and food micro-enterprise owner profiles and the implications they have for training, as discussed in Section 4.3, p.114-158, are presented in Table 82.



**Table 82: Features of the ideal micro-enterprise training programme for current food micro-enterprise owners in Duncan Village**

Feature	Features of ideal training programme
<b>Target population</b>	
Gender accessibility	Target population should include women of all ages, but mainly between the ages of 20 – 49.
Public accessibility	Course is open to any individual who would like to attend training.
<b>Participatory requirements</b>	
Presentation language	The presentation language should be Xhosa.
Material language	The material language should be Xhosa.
<b>Organisational details relating to training provision</b>	
Training venue	Participants should decide on a venue, but it is preferable that it is in Duncan Village.
Participation fee	Fee is payable per session.
Training time: time of day	Participants should decide on the training time.
Training time: frequency	Training should be conducted on non-consecutive days with days open between sessions.
<b>Accreditation</b>	<p>Will completion of course lead to loan with the training organisation or any other institution?</p> <p>Successful course completion should enable participants to obtain a loan.</p>
<b>Course features</b>	<p>Needs assessment</p> <p>Should conduct a needs assessment and incorporate participants' stated needs as well as needs established by means of assessment.</p> <p>Course modification</p> <p>Course should be modified according to the training needs of a specific group.</p> <p>Course content</p> <ul style="list-style-type: none"> <li>• Include course content on both trade and manufacturing.</li> <li>• Market investigation</li> <li>• Idea generation and product identification</li> <li>• Business location</li> <li>• Marketing</li> <li>• Buying</li> <li>• Stock control</li> <li>• Production and consumer demand</li> <li>• Costing and pricing</li> <li>• Record keeping</li> <li>• Budgeting</li> <li>• Debt collecting</li> <li>• Finding credit</li> <li>• Cash flow</li> <li>• Saving</li> <li>• Product display</li> <li>• Customer service</li> <li>• Product quality</li> <li>• Food production skills</li> <li>• Food handling and hygiene</li> </ul>

#### 4.4.2 Comparison of the socio-demographic profile of current food micro-enterprise owners with municipal health clinic attendants: implications for ideal training programme

The features of the ideal training programme identified thus far, are only applicable to current food micro-enterprise owners operating in Duncan Village. As the target audience of **the awareness programme** is municipal clinic attendants in Duncan Village, who could be current or prospective enterprise owners, it is important to ascertain whether the socio-demographic profiles of clinic attendants and current food micro-enterprise owners in Duncan Village are comparable.



For these purposes, the following comparison has been made between the demographic profile of the clinic attendants and current food micro-enterprise owners (Table 83). See Addendum D for the complete data on the socio-demographic profile of the clinic attendants.

**Table 83: Comparison of the demographic profile of current food micro-enterprise owners with municipal health clinic attendants**

Food micro-enterprise owners	Clinic attendants
<ul style="list-style-type: none"> <li>• Wide age distribution – ranges from 26 to 79 years</li> <li>• Mean age 39,66 years</li> <li>• Two-thirds were single and never married</li> <li>• Similar marital status distribution</li> <li>• Mostly unmarried</li> <li>• One third attained Grade 7 or less</li> <li>• 95% of the sample had dependant children</li> </ul>	<ul style="list-style-type: none"> <li>• Age distribution concentrated between 20 and 30 years</li> <li>• Mostly unmarried</li> <li>• Greater percentage of respondents are cohabiting</li> <li>• One fifth attained Grade 7 or less</li> <li>• 95% of the sample had dependant children</li> </ul>

It can be concluded that there are some differences between the profiles of the clinic attendants and current food micro-enterprise owners. The clinic attendants were younger and had attained better educational levels than food micro-enterprise owners. Programmes with higher participatory requirements, in terms of educational levels, would thus be more accessible to the clinic attendants than to current food micro-enterprise owners in general. The number of respondents who have dependant children is very high for both groups. As was seen in Section 4.3.10, p.146 this has implications for the organisational details relating to training provision. The marital status distribution of the two groups was similar (mostly unmarried) and points out that these women could be the head of their households, necessitating income securement.

The profile of the clinic attendants could result in more business training programmes being accessible to them as a result of their higher educational level. It can therefore be reasoned that any programme accessible to current food micro-enterprise owners will also be accessible to municipal clinic attendants, as the current food micro-enterprise owners require lower participatory requirements. As it was seen that the current food micro-enterprise owners operate survivalist enterprises, it can be assumed that their training needs are very basic and comparable to prospective enterprise owners who wish to start a business. It is therefore assumed that the ideal training programme features for the training of food micro-enterprise owners would be appropriate for all the municipal clinic attendants.

However, combining current and prospective enterprise owners necessitates an **additional training programme feature** (over and above those mentioned in Table 82) in order to assure the appropriateness of training programmes for both groups. As the amount of business experience of these two groups differs, it would be **preferable not to combine current and prospective enterprise owners in one training group**. Failing to adhere to this recommendation could result in one group holding the other back during training.



#### 4.4.3 Finalisation of the ideal training programme features

The ideal training features for current and prospective food micro-enterprise owners identified thus far were finalised by adding additional features identified through the literature review as well as the evaluation of the identified needs by an expert in the field. The following additional features (over and above those mentioned in Table 82, p.156) were identified:

- **PARTICIPATION FEE:** It is difficult to make recommendations regarding the actual participation fee for prospective participants. Van der Merwe (2001) recommends that the participation fee of a programme should be determined in accordance with the participants, in order to determine what is attainable for them. However, a fee, no matter how small, is necessary to ensure participant commitment. It would be preferable that participants pay a deposit upon registration.
- **NUMBER OF PARTICIPANTS:** Van der Merwe (2001) suggested from experience that 12 – 15 participants per group is the ideal number to ensure adequate facilitator-participant interaction. Even if the number of facilitators increases with an increase in the group size, a group of more than 25 participants is not as manageable as a smaller group (Robinson, 1994: 87);
- **NUMBER OF FACILITATORS:** Van der Merwe (2001) suggested that one to two facilitators should be present for a group of 12 – 15 participants;
- **CERTIFICATION:** Although certification often does not hold that much meaning to any other person than the recipient thereof, it is a recommendable practice to award certification upon the successful completion of a course, even only if to motivate participants and improve their self image. However, it should be as detailed as possible if it is to be recognised by any other institution (Van der Merwe, 2001);
- **ACCREDITATION:** The programme should be accredited by a recognised institution for certification to hold any worth (Van der Merwe, 2001). Bearing the recommendation of Van der Merwe in mind, the ideal would be if the South African Qualifications Authority accredited the course within the National Qualifications Framework;
- **WILL COURSE COMPLETION LEAD TO A LOAN WITH THE TRAINING ORGANISATION OR ANY OTHER INSTITUTION?** It would be beneficial for participants to be able to obtain a loan. They should know which institutions recognise the course they have attended (Van der Merwe, 2001);
- **TRAINING METHODS:** The participants of enterprise training programmes often prefer training methods such as role playing, simulations and small group discussions that lead to active participation (Govender, 1993: 40; Holoviak *et al.*, 1990: 27). Training methods should therefore be as diverse as possible and include a combination of methods that encourage active participant involvement (Robinson, 1994: 105); and



- **SUPPORT OFFERED TO PARTICIPANTS:** Comprehensive support is necessary after course completion in order to help participants with the problems encountered after course completion (Van der Merwe, 2001).

Consequently, the final features of the ideal training programme for current and prospective food micro-enterprise owners in Duncan Village, are summarised in Table 84.

**Table 84: Final features of the ideal micro-enterprise training programme for current and prospective food micro-enterprise owners in Duncan Village**

Feature	Features of ideal training programme	
<b>Accessibility</b>	<b>Target population</b>	
	Gender accessibility	Target population should include women of all ages, but mainly between the ages of 20 – 49.
	Public accessibility	Course is open to any individual who would like to attend training.
	Business ownership	Includes both pre-ventures and established enterprises, but groups should be separated for training.
	<b>Participatory requirements</b>	
	Presentation language	The course should be Xhosa.
	Material language	The material language should be Xhosa.
	Numerical skills	The numerical skills requirements should be very basic.
	<b>Organisational details relating to training provision</b>	
	Training venue	Participants should decide on a venue, but it is preferable that it is in Duncan Village.
	Participation fee	Fee is payable per session.
	Training time: time of day	Participants should decide on the training time.
Training time: frequency	Training should be conducted on non-consecutive days with days open between sessions.	
Number of participants	12 to 15 per class	
Number of facilitators	1 facilitator per 12 to 15 participants	
<b>Accreditation</b>	Certification	Should be awarded and states programme name, modules completed, programme duration and level of competency.
	Accreditation	Accredited by SAQA.
	Will completion of course lead to loan?	Successful course completion should enable participants to obtain a loan with the training organisation or any other institution and should be made known to participants at commencement of training.
<b>Course features</b>	Programme type	Should focus on pre-ventures and/or established enterprises with low levels of operational sophistication
	Needs assessment	Should conduct a needs assessment and incorporate participants stated needs as well as needs established by means of assessment.
	Course modification	Course should be modified according to the training needs of a specific group.
	Course content	<ul style="list-style-type: none"> <li>• Include course content on both trade and manufacturing. Introduction to retailing.</li> <li>• Market investigation</li> <li>• Idea generation and product identification</li> <li>• Business location</li> <li>• Marketing</li> <li>• Buying</li> <li>• Stock control</li> <li>• Production and consumer demand</li> <li>• Costing and pricing</li> <li>• Record keeping</li> <li>• Budgeting</li> <li>• Debt collecting</li> <li>• Finding credit</li> <li>• Cash flow</li> <li>• Saving</li> <li>• Product quality</li> <li>• Product display</li> <li>• Customer service</li> <li>• Food production skills</li> <li>• Food handling and hygiene</li> </ul>
	Training methods	Training methods should include as wide a variety as possible and not rely on written material to a great extent. Methods should encourage active participation.
	Support offered to participants	Follow-up visits should be offered for a period of six months after programme completion. Participants should be able to go to the organisation for advice.



#### **4.4.4 Evaluation Framework**

Although the Evaluation Framework was developed as a technique to assist in the evaluation of the appropriateness of micro-enterprise training programmes available in the greater East London area (Sub-objective 3.4), it is presented at this point as it is a direct result of the preceding sections, which culminated in the identification of the features of the ideal micro-enterprise training programme (Table 84).

##### **4.4.4.1 Research technique**

In order to evaluate the appropriateness of the features of the training programmes, an Evaluation Framework was developed. The results of Objective 3.2, regarding the ideal training programme features (Table 84 p.159) for the training of current and prospective food micro-enterprise owners in Duncan Village were used to develop the framework.

Twenty-two ideal training programme features were identified from Table 84 and included in the Evaluation Framework. These 22 features were allocated to three categories, namely accessibility, accreditation and course features. The accessibility features were further grouped into three sub-categories, namely target population, participatory requirements and organisational details. Six features that were included in the descriptions of the micro-enterprise training programmes available in the greater East London area were not included in the framework as they were deemed not to contribute to the evaluation of the appropriateness of a programme. These included the programme promotion, course duration, the necessity of a business idea, the course objectives and problems experienced by the trainers and trainees respectively.

To facilitate the evaluation process, four different levels of appropriateness were decided upon by an expert panel, namely inappropriate, not very appropriate, moderately appropriate and appropriate. The panel developed the evaluation criteria for each of the 22 features for the four levels of appropriateness. The Evaluation Framework is presented in Table 85.



**Table 85: Evaluation Framework developed for the evaluation of the appropriateness of micro-enterprise training available in the greater East London area for current and prospective food micro-enterprise owners in Duncan Village**

Category	Feature	Appropriateness rating			
		Appropriate (code=3*)	Moderately appropriate (code=2*)	Not very appropriate (code=1*)	Inappropriate (code=0*)
Accessibility	<b>Target population</b>				
	<b>Gender accessibility</b>	Only women	Men and women	Mainly men	Includes only men
	<b>Public accessibility</b>	Organisation offers course to any individual meeting the participatory requirements.	Organisation offers course to any group meeting the participatory requirements.		Not accessible to the public/ Only open to members. Organisations invited to tender for training for a selected group.
	<b>Business ownership</b>	Includes pre-ventures and/or established enterprises.			Either pre-ventures or established enterprises.
	<b>Participatory requirements</b>				
	<b>Presentation language</b>	Xhosa	Xhosa and English to a limited extent.	English and to a limited extent Xhosa.	English
	<b>Course material language</b>	Xhosa	Xhosa with very basic English.	English and to a limited extent Xhosa.	English
	<b>Numerical skills</b>	Grade 6 to 7 Should be able to do basic calculations. Calculator use not a necessity.	Should be able to perform calculations associated with Grades 8 to 9.	Should be able to perform calculations associated with Grade 10.	Should be able to perform calculations associated with Grade 11 and higher.
	<b>Organisational details relating to training provision</b>				
	<b>Training venue</b>	Decided by participants.	At a training organisation in Duncan Village.	Only a venue at the organisation's premises.	
	<b>Training fee</b>	Pay per session/Financial help is available/ Amount payable at one time does not exceed R30.	Deposit when registering and balance before certification.	Fee payable in advance or on registration.	
	<b>Training time: time of day</b>	<u>All owners:</u> Participants decide	<u>Current owners:</u> Evening <u>Prospective owners:</u> Any other time	<u>Current owners:</u> Morning	<u>Current owners:</u> Whole day
	<b>Training time: frequency</b>	<u>All owners:</u> Participants decide.	<u>Current owners:</u> Training on non-consecutive days, include days open between sessions/ <u>Prospective owners:</u> Any other time		<u>Current owners:</u> Daily sessions
	<b>Number of participants</b>	12 to 15	15 to 20	20 to 25	More than 25
	<b>Number of facilitators</b>	1 facilitator per 12 to 15 participants	1 facilitator per 15 to 20 participants	1 facilitator per 20 to 25 participants	1 facilitator for more than 25 participants



Category	Feature	Appropriateness rating			
		Appropriate (code=3*)	Moderately appropriate (code=2*)	Not very appropriate (code=1*)	Inappropriate (code=0*)
Accreditation	Certification	States programme name, modules completed, programme duration and level of competency.	States programme name, programme duration.	States programme name.	No certification
	Accreditation	Accredited by SAQA	Recognised by another institution	No accreditation	
	Will completion of course lead to loan with the training organisation or any other Institution?	Yes Organisation grants loans.	Possibly Organisation does not grant loans, but has previous experience where another organisation has granted a loan.	No	
Course features	Programme type	Small business awareness Enterprise start-up Enterprise management	Growth and expansion: improve your business	Growth and expansion	
	Needs assessment	Should conduct a needs assessment and incorporate participants' stated needs.	Needs assessment using questionnaires.	Only ask participants to state their needs.	No needs assessment.
	Is course modified according to participants needs	Yes	Mostly	To a lesser extent	No
	Course content: Business management skills	Includes more than ¼ of business management skills	Includes between ½ and ¾ of business management skills	Includes between ¼ and ½ of business management skills	Includes less than ¼ of business management skills
	Course content: Cooking skills	Includes cooking skills			Does not include cooking skills
	Training methods	Participants participate to a great extent in the programme. A wide array of participatory methods is used.	Participants participate to a limited extent in the programme. A limited range of participatory methods is used.	Relies mostly on lectures.	Relies mostly on self-instruction.
	Support offered to participants	Yes, follow-up visits for a period of six months.	Yes, follow-up visits for a period of three months.	No follow-up visits, but participants may come in for advice.	No support offered.

\*Appropriateness level code.

For some features, not all four appropriateness criteria were set, as it was not applicable to the appropriateness rating of that specific feature. These cells were left open.



Nine of the features included in the Evaluation Framework were identified as **key features** as they were deemed to be central to the determination of the appropriateness of the total programme for prospective and current food micro-enterprise owners. These features included the following:

#### **Accessibility**

- public accessibility;
- business ownership;
- language of presentation;
- numerical skills requirements;
- training time: time of day; and
- training time: frequency.

#### **Course features**

- programme type;
- course content: cooking skills; and
- course content: business management skills.

The features not identified as key features were deemed to be of secondary importance, as it did not determine appropriateness directly. Only if a programme was rated as appropriate or moderately appropriate based on the key features, was it necessary to distinguish between programmes according to the appropriateness ratings of the additional 13 features.

The Evaluation Framework was subsequently used by the expert panel to evaluate the appropriateness of each programme feature of the different training programmes identified in the greater East London area. The expert panel consisted of:

- The researcher;
- The study leader;
- Williams, M: Internal Auditor (B.Compt), Member of National Society of Internal Auditors (NSIA);
- Van der Merwe, ME: (M.Sc. Home Economics), Lecturer, Department of Consumer Science, University of Stellenbosch; and
- De Villiers, P (M.B.A): Managing Director of Ciskei Bank.

#### **4.4.4.2 Evaluation process**

In order to evaluate the appropriateness of each programme, the following three steps were executed:



**Step one: Evaluation of the 22 programme features**

Each of the 22 features were evaluated using the criteria set in the Evaluation Framework (Table 85). The description of each feature of the 17 programmes, presented in Table 89 to Table 109 in Sections 4.5.3 to 4.5.6, were used by the expert panel to carry out the evaluations. To indicate the appropriateness rating that was allocated to each feature, an appropriateness level code was included in the above-mentioned tables (inappropriate = 0, not very appropriate = 1, moderately appropriate = 2, appropriate = 3). This was done to facilitate the presentation of the results because the space limitations made it impossible to include the rating in text format. These ratings were assigned based on the appropriateness of a feature for current and/or prospective food micro-enterprise owners. Three features presented different results for prospective and current food micro-enterprise owners. These included business ownership and training time: time of day and training time: frequency. The appropriateness results for the two groups are indicated with a “p” for prospective enterprise owners and a “c” for current enterprise owners. For example, a code of 3 indicates that the feature is appropriate for current and prospective owners, while a code of p=1 and c=3 indicates that the feature is not very appropriate for prospective enterprise owners, but appropriate for current owners.

**Step two: Evaluation of the nine key features**

This step entailed the evaluation of the appropriateness of the total programme based on the nine key features. If any one or more of these nine features was given an appropriateness rating of inappropriate or not very appropriate for either prospective or current owners, the total programme was rated as inappropriate for the particular group. In this step, every programme included in the study was thus evaluated as appropriate, moderately appropriate, not very appropriate and inappropriate for a certain target group. Only appropriate and moderately appropriate programmes were considered for inclusion in **the awareness programme**.

**Step three: Final programme ranking**

For the final ranking of the appropriate or moderately appropriate programmes, the appropriateness ratings of the 13 additional features were considered. For example, a programme that was rated to be appropriate/moderately appropriate for current enterprise owners, based on the nine key features, that received the most appropriate or moderately appropriate ratings for the 13 additional features, was rated overall as the most appropriate programme for current enterprise owners.



#### 4.4.4.3 *Validity and reliability*

##### Validity of the research technique

The aim of the development of the Evaluation Framework was to contribute to the meaningful evaluation of the appropriateness of the features of micro-enterprise training programmes in the greater East London area. To ensure face, content and construct validity of the research technique, the input of an expert panel was obtained. Furthermore, the fact that the Evaluation Framework was based on detailed results of the profiles of food micro-enterprises and street food consumers, the implications it had for training, and the identified training needs, ensured content validity.

Internal validity as such could not be determined as there were no comparable studies using a similar research technique. It should also be borne in mind that the Evaluation Framework is not externally valid as it was developed specifically for the Duncan Village target groups and cannot be applied untested in other settings, although it could be used as a point of departure in other research. However, it must be emphasised that the profile and training needs of current food micro-enterprise owners in Duncan Village were comparable to the published profiles and training needs of other micro-enterprises operating in the informal sector in South Africa. The ideal course features, with the exception of cooking skills, should therefore be applicable elsewhere in South Africa.

##### Reliability of the data analysis

The consistent use of the Evaluation Framework and the unambiguous stipulation of the evaluation criteria ensured reliability. As three persons evaluated the programme features and respective programmes, and obtained identical results, the results are deemed to be reliable.

## 4.5 MICRO-ENTERPRISE TRAINING IN THE GREATER EAST LONDON AREA (SUB-OBJECTIVE 3.3)

This section comprises an investigation into the supply of micro-enterprise training in the greater East London area. Table 86 presents a summary of the methodology employed to attain this objective.

**Table 86: Summary of the methodology employed to attain Sub-objective 3.3**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.3: Micro-enterprise training in the greater East London area.	Micro-enterprise training organisations in the greater East London area.	Personal interview using a structured questionnaire.	Profile of micro-enterprise training programmes.	Training programme profiles (Sub-objective 3.4).



#### 4.5.1 Micro-enterprise training programmes available in the greater East London area

The micro-enterprise training organisations in the greater East London area that were included in the sample, and the programmes they offered are presented in Table 87.

**Table 87: Organisations and programmes included in the sample of micro-enterprise training programmes**

<b>Organisation</b>	<b>Programmes</b>
ACETE (Agency for community education, training and empowerment)	SMME Training
Border-Kei Training Centre	Food Processing Course
Disabled People South Africa	Enterprise Development Programme
Get Ahead Development Division	Start Your Own Business Improve Your Business
Ikhewzi	Start Your Own Business
Mdantsane Business Service Centre	Business Management Business Skills Business Practices Bookkeeping and Administration
Singabantu Sewing Project	Cooking and Business Skills
Small Projects Foundation	One-up Business Training
Snowflake	Bake for Profit
Triple Trust	Business Introduction Business Action Plan Business Growth and Expansion Business Restructuring

#### 4.5.2 Classification of micro-enterprise training programmes available in the greater East London area

The system used to classify micro-enterprise training programmes in the greater East London area included in this survey was based on the support strategy these programmes applied as well as the type of programme targeting different growth phases of the enterprises (see Sections 2.6, p.41 and 2.7.2, p.48). The resulting classification is presented in Table 88.



**Table 88: Classification of micro-enterprise training programmes available in the greater East London area**

		TYPE OF SUPPORT		
		Multiple input support: Business management skills	Multiple input support: Cooking and business management skills	
<b>TYPE OF PROGRAMME</b>	<b>Pre-venture enterprises</b>	<b>Small business awareness</b>	Triple Trust Business Introduction	/
		<b>Enterprise start-up</b>	Triple Trust Business Action Plan  Ikhewzi Start Your Own Business  Get Ahead Development Division Start Your Own Business	
	<b>Pre-venture and established enterprises</b>	<b>Enterprise management</b>	Disabled People South Africa Enterprise Development Programme  Small Projects Foundation One-Up Business Training  Mdantsane Business Service Centre Business Management Business Skills Business Practice Bookkeeping and Administration	Singabantu Sewing Project Cooking and Business Skills  Snowflake Bake for Profit  ACETE SMME Training
<b>Established enterprises</b>	<b>Growth and expansion</b>	Triple Trust Business Restructuring Business Growth and Expansion  Get Ahead Development Division Improve Your Business	/	

From the rows of this table it can be seen that three of the programme types (small business awareness, enterprise start-up and growth and expansion programmes) described in the literature review (Section 2.7.2, p.48) could be recognised from the micro-enterprise training programmes available in the greater East London area. These programme types were available either singularly, targeting pre-ventures or established enterprises, or in combination where the target population includes both pre-ventures and established enterprises. This resulted in the creation of a new category, namely, enterprise management, not identified in the literature review. Pre-venture programmes



include small business awareness and enterprise start-up programmes. Established enterprise programmes include growth and expansion programmes. The combined pre-venture and established enterprise programmes include enterprise management programmes as they contained elements of the mentioned two programme types.

The programmes applied either business management skills singularly or in combination with cooking skills as a support strategy (columns in table) (Section 2.6.1, p.41).

As newly established enterprises experience the most operational problems, McMullan and Long (in Hynes, 1996: 12) maintain that micro-enterprise training should be differentiated by the stage of enterprise development, rather than by the economic sector in which the enterprise functions. Hence, for the purposes of this profile discussion, programmes are firstly grouped according to the growth phase of the target enterprise, i.e. pre-ventures and established enterprises, and secondly according to the support strategy they utilise, i.e. business management skills singly or in combination with cooking skills. However, in order to facilitate the profile discussions, the programmes including only business management skills as support strategy were grouped according to the target population: those targeting only pre-ventures and those targeting a combination of pre-ventures and established enterprises while the four programmes including cooking and business management skills as support strategy were grouped together for presentation and discussion purposes. This resulted in the following three broad categories:

- small business awareness and enterprise start-up programmes targeting prospective enterprise owners; and
- enterprise management and growth and expansion programmes targeting prospective enterprise owners and established enterprise owners who wish to improve their businesses or learn about enterprise management; and
- programmes combining cooking and business management skills irrespective of the growth phase of the enterprise.

This grouping is depicted by the three prominent (bordered with thick lines) blocks in Table 88.

The accessibility of (target population, participatory requirements and organisational details), accreditation awarded and course features of the micro-enterprise training programmes available in the greater East London area are discussed in Section 4.5.3 (small business awareness and enterprise start-up programmes), Section 4.5.4 (growth and expansion and enterprise management programmes) and Section 4.5.5 (programmes combining cooking and business management skills).

As was discussed in Section 4.4.4.1, p.160, an Evaluation Framework (Table 85, p.161) was developed according to the results on the ideal course features for female owned food micro-



enterprises in Duncan Village. This framework made it possible to evaluate the appropriateness of each respective programme feature. In order to facilitate the presentation of the training programme features, the results regarding the appropriateness of each feature are represented by a number indicating the level of appropriateness. **Although these levels of appropriateness will only be used to evaluate the appropriateness of the micro-enterprise training programmes in the next section, the codes are presented to the right of each programme feature in the tables to follow.**

### 4.5.3 Small business awareness and enterprise start-up and programmes

#### 4.5.3.1 Accessibility: Target population

The three aspects regarding the target population of small business awareness and enterprise start-up programmes available in the greater East London area are presented in Table 89.

**Table 89: Target population of small business awareness and enterprise start-up programmes available in the greater East London area**

Feature	Triple Trust		Triple Trust		Ikhewzi		GADD	
	Business Introduction	'	Business Action Plan	'	Start Your Own Business	'	Start Your Own Business	'
Target population	People with no training or previous business exposure, low literacy.	2	Mostly youth with a minimum Grade 10 qualification.	2	Women, youth, disabled. People between 40-60 who are determined.	3	The unemployed with skills.	2
	Open to the public.	3	Open to the public.	3	Open to the public.	3	Open to the public.	3
Course promotion	Word of mouth, have brochures available, responds to community needs.	**	Word of mouth, have brochures available, responds to community needs.	**	Workshop once a month, hand out fliers at churches and advertise on radio.	**	Hand out pamphlets, advertise, phone potential participants.	**
Business ownership	Pre-ventures and established enterprises.	3	Pre-ventures and established enterprises.	3	Pre-ventures and established enterprises.	3	Pre-ventures and established enterprises.	3

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

These training programmes mostly target the unemployed or any skilled person who would like to establish a micro-enterprise. All programmes target participants who have not yet started a business, as well as those who are operating established enterprises. The **Business Action Plan** presented by **Triple Trust** is the only programme with participatory requirements, as it requires participants to have a Grade 10 qualification.

Once a month **Ikhewzi** conducts a promotional workshop to introduce the programme to the community and advertises on the radio as well as at churches. The **Get Ahead Development Division** phones potential participants, hands out pamphlets and advertises the programme on radio. **Triple**



Trust mostly relies on word of mouth promotion, distributes brochures and responds to community needs.

#### 4.5.3.2 *Accessibility: Participatory requirements*

The participatory requirements of small business awareness and enterprise start-up programmes available in the greater East London area are summarised and presented in Table 90.

**Table 90: Participatory requirements of small business awareness and enterprise start-up programmes available in the greater East London area**

Feature	Triple Trust		Triple Trust		Ikhewzi		GADD	
	Business Introduction *		Business Action Plan *		Start Your Own Business *		Start Your Own Business *	
Presentation language	Xhosa	3	Xhosa	3	Xhosa or English	3	Xhosa or English	3
Course material language	Xhosa or English	3	English	0	Xhosa and English	2	English	0
Numerical skills	Working numerical knowledge.	3	Working numerical knowledge.	3	Able to add, subtract and multiply. Teach calculator use.	3	Able to add, subtract and multiply. Teach calculator use.	3
Necessity of a business idea	No	2	Yes	1	Yes	1	No	2

\*Appropriateness level code.

From Table 90 it can be seen that all four programmes are presented in Xhosa, while two are presented in English as well. The course material is mostly in English, but Xhosa material is available in two cases.

The required numerical skills necessitate some degree of education and numerical literacy in the participants. Most of the programmes assume that participants would be able to do basic calculations such as addition and subtraction, as well as multiplication. While some programmes necessitate calculator use, it is taught by all of them.

With regard to the necessity of the business idea, the business start-up programmes do not require it, as idea generation is a component of the course. **Ikhewzi** is the only organisation requiring participants to have a business idea before start-up, although idea generation and evaluation are facilitated in the programme.

#### 4.5.3.3 *Accessibility: Organisational details relating to training provision*

The organisational details relating to training provision of small business awareness and enterprise start-up programmes available in the greater East London area are summarised in Table 91.



**Table 91: Organisational details relating to training provision of small business awareness and enterprise start-up programmes available in the greater East London area**

Feature	Triple Trust		Triple Trust		Ikhewzi		GADD	
	Business Introduction *		Business Action Plan *		Start Your Own Business *		Start Your Own Business *	
Training venue	Decided by participants.	3	Decided by participants.	3	A venue at the organisation or decided by participants.	3	Decided by participants.	3
Participation fee	R150 50% payable on registration. Balance before last day.	** 2	R60 50% payable on registration. Balance before last day.	** 2	R30 Some financial help is available. Payable before start.	** 3	R150  Payable by the end of the course.	** 3
Training time: Time of day and frequency	9:00 to 16:30  Daily sessions during the whole week.	p=2 c=0  p=2 c=1	9:00 to 16:30  Daily sessions during the whole week.	p=2 c=0  p=2 c=1	8:30 to 16:00  Daily sessions during the whole week.	p=2 c=0  p=2 c=1	8:30 to 16:30  Daily sessions during the whole week.	p=2 c=0  p=2 c=1
Course duration	2 weeks (10 days)	**	3 weeks (15 days)	**	3 weeks (15 days)	**	4 weeks (20 days)	**
Number of participants	12 per facilitator	2	12 per facilitator	2	15 maximum	3	12 to 15, maximum 25	2
Number of facilitators	Depends on the group size	3	Depends on the group size	3	1 facilitator per 15 participants	3	2	3

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

p=prospective enterprise owners.

c=current enterprise owners.

Table 91 indicates that most organisations allow the participants to decide on the training venue, which is mostly situated in the community. **Ikhewzi** is the only organisation that has its own training facilities.

All of the organisations have a participation fee that ranges from R30 to R150. These programmes are dependent on grants from donor organisations and can therefore afford to charge these minimal participation fees. The organisers themselves refer to these fees as commitment fees. It is regarded that participants take more responsibility for attendance and the successful completion of the programme upon payment of even a nominal amount. Most organisations are very lenient regarding the payment of this fee, as they require only a deposit upon registration and payment of the full amount before the last day of the course

**Ikhewzi** charges the lowest participation fee and also requires that this fee should be paid in full before the start of the course. However, financial help is available if participants cannot afford the full payment.



The course duration for these programmes ranges from 10 days to 20 days resulting, in a possible difference in the intensities of the courses. In all cases raining takes place every day during the week during working hours.

As far as the number of participants per number of facilitators in a course is concerned, there are approximately twelve to fifteen participants per facilitator for all programmes.

#### 4.5.3.4 Accreditation

The accreditation awarded to and by small business awareness and enterprise start-up programmes available in the greater East London area, is presented in Table 92.

**Table 92: Accreditation awarded to and by small business awareness and enterprise start-up programmes available in the greater East London area**

Feature	Triple Trust Business Introduction *	Triple Trust Business Action Plan *	Ikhewzi Start Your Own Business *	GADD Start Your Own Business *
Certification	Attended and successfully completed the relevant course. 1	Attended and successfully completed the relevant course. 1	Successfully completed the relevant course. States the course duration. 2	Attended and successfully completed the relevant course. 1
Accreditation	None 1	None 1	None (Ntsika recognises it) 2	CEFE <sup>8</sup> (a German organisation) 2
Does the organisation grant loans?	No **	No **	No **	Financial division gives loans of R700/person operating in a group of 5. **
Will course completion lead to a loan?	Possibly 2	Possibly 2	Possibly 2	Possibly, if meeting the requirements. 3

\*Appropriateness level code.

\*\*Evaluated in combination with "Will course completion lead to a loan?".

From this table it can be seen that all participants receive some form of certification upon successful programme completion. These certificates state that the participant has attended and/or successfully completed the relevant course. Some certificates also state the duration of the course.

At the time of the study, none of the courses were accredited by SAQA, although some are recognised by the International Labour Organisation, CEFE and Ntsika Enterprise Promotion Agency.

**Get Ahead Organisation** is the only organisation whose financial division offers loans to participants after the successful completion of the course. These loans stipulate that participants should function in a group of five people and allow each group member to borrow R700. Although none of the

<sup>8</sup> Competency-based Economies through the Formation of Entrepreneurs



organisations are sure whether the successful completion of the programme will lead to a loan securement with another organisation in East London, they do indicate that the possibility cannot be overruled.

#### 4.5.3.5 *Course features: Course objectives and needs assessment*

The course objectives and methods of needs assessment of small business awareness and enterprise start-up programmes available in the greater East London area are summarised and presented in Table 93.

**Table 93: Course objectives and needs analysis of small business awareness and enterprise start-up programmes available in the greater East London area**

Feature	Triple Trust Business Introduction *	Triple Trust Business Action Plan *	Ikhewzi Start Your Own Business *	GADD Start Your Own Business *
General course objectives	Unlock potential from participants, give techniques to start and run a business. **	Unlock potential from participants, give techniques to start and run a business. **	Unanswered **	Unanswered **
Needs assessment	No 0	No 0	Yes, with a questionnaire and personal interview. Assess their trainability. 3	Yes, during the promotional workshop where participants are selected for training. 3
Is course modified according to participants needs?	If potential participants show a specific need, the course could be directed towards that need. 2	If potential participants show a specific need, the course could be directed towards that need. 2	Yes 3	Yes 3

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

From this table it can be seen that the facilitators do not have clear objectives for the respective programmes. Triple Trust does not conduct a needs assessment with potential participants and therefore does not alter the programme content according to the needs of the participants.

#### 4.5.3.6 *Course features: Course content*

The course contents of small business awareness and enterprise start-up programmes available in the greater East London area are presented in Table 94. The course content of programmes aimed at growth and expansion and enterprise management programmes (discussed in Section 4.5.4.6, p.180) and those programmes combining cooking and business management skills (discussed in Section 4.5.5.6, p.191) are also included to allow easy comparison between programmes.



The small business awareness programme includes content that indeed only creates awareness of small business, and some basic aspects of small business management, while the programme contents of business start-up programmes cover a more diverse range of topics. The only topics not included in any of these programmes are stock control, debt collecting and customer service.

#### **4.5.3.7     *Course features: Training methods***

The training methods used by small business awareness and enterprise start-up programmes available in the greater East London area are presented Table 94. These include various combinations of the following: lectures, demonstrations, practical sessions, assignments, role-play, group work and counselling.



**Table 94: Course content of micro-enterprise training programmes available in the greater East London area**

Programme type	SBA	Enterprise start-up			Enterprise management					Growth and expansion			Technical skills								
	TT: Business Introduction	TT: Business Action Plan	Ikhwazi: Start Your Own Business	GADD: Start Your Own Business	DPSA: Enterprise Development	SPF: One-Up Business Training	MBCS: Business Management	MBCS: Business Skills	MBCS: Business Practise	MBCS: Bookkeeping and Administration	TT: Business Restructuring	TT: Business Growth and Expansion	GADD: Improve Your Business	ACETE: SMME Training	BKTC: Food Processing Course	SSP: Cooking and Business Skills	Snowflake: Bake for Profit				
<b>Course content</b>																					
Market investigation	✓	✓	✓	✓	✓	✓		✓	Practical course where practices associated with operating a business is explored		Participants work through analyses of their businesses, to help them recognise the causes and effects of problems	Practical programme where participants discuss problems pertaining to growth and expansion and find ways to solve it	✓	✓	✓	✓	✓				
Idea generation and product identification	✓	✓	✓	✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Business location		✓			✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Marketing		✓	✓	✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Buying	✓		✓	✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Stock control					✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Production and consumer demand	✓	✓		✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Costing and pricing	✓	✓	✓	✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Record keeping			✓	✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Budgeting	✓		✓			✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Debt collecting					✓			✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Finding credit			✓										✓	✓	✓	✓	✓	✓	✓	✓	✓
Cash flow	✓	✓	✓	✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
The business plan		✓	✓	✓	✓	✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Saving			✓			✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Product quality		✓				✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓
Product display				✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				
Customer service						✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				
<b>Appropriateness level code: business management skills</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>		<b>3</b>			<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>3</b>				
Food production skills														✓	✓	✓	✓				
Food handling and hygiene														✓	✓	✓	✓				
<b>Appropriateness level code: cooking skills</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>				

**Programme types:** SBA = Small Business Awareness

**Programme names:** TT = Triple Trust, GADD = Get Ahead Development Division; DPSA = Disabled People South Africa; SPF = Small Projects Foundation; MBSC = Mdantsane Business Service Centre; ACETE = Agency for community education, training and empowerment; BKTC = Border-Kei Training Centre; SSP = Singabantu Sewing Project



**Table 95: Training methods used by micro-enterprise training programmes available in the greater East London area**

Programme type	SBA	Enterprise start-up			Enterprise management						Growth and expansion			Technical skills			
	TT: Business Introduction	TT: Business Action Plan	Ikhewzi: Start Your Own Business	GADD: Start Your Own Business	DPSA: Enterprise Development	SPF: One-Up Business Training	MBCS: Business Management	MBCS: Business Skills	MBCS: Business Practise	MBCS: Bookkeeping and Administration	TT: Business Restructuring	TT: Business Growth and Expansion	GADD: Improve Your Business	ACETE: SMME Training	BKTC: Food Processing Course	SSP: Cooking and Business Skills	Snowflake: Bake for Profit
Training method																	
Lecture			✓	✓		✓	✓	✓	✓	✓			✓			✓	✓
Demonstration			✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓
Practical session	✓	✓	✓	✓	✓	✓					✓	✓	✓	✓	✓	✓	✓
Group work			✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓
Role play			✓	✓	✓	✓							✓	✓	✓	✓	✓
Application	✓	✓	✓	✓	✓					✓	✓	✓	✓	✓	✓	✓	✓
Counselling			✓		✓		✓	✓	✓	✓				✓	✓	✓	✓
Assignments	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Appropriateness level code</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

**Programme types**

SBA = Small Business Awareness

**Programme names**

TT = Triple Trust

GADD = Get Ahead Development Division

DPSA = Disabled People South Africa

SPF = Small Projects Foundation

MBCS = Mdantsane Business Service Centre

ACETE = Agency for community education, training and empowerment

BKTC = Border-Kei Training Centre

SSP = Singabantu Sewing Project



#### 4.5.3.8 Course features: Problems experienced and support given

The problems experienced by facilitators and support given to the participants of small business awareness and enterprise start-up programmes available in the greater East London area are presented in Table 96.

**Table 96: Problems experienced and support given by small business awareness and enterprise start-up programmes available in the greater East London area**

Feature	Triple Trust Business Introduction *	Triple Trust Business Action Plan *	Ikhewzi Start Your Own Business *	GADD Start Your Own Business *
Problems experienced by trainers	Big age differences between participants. Do not see the relevance of playing the games. **	Simulation is a new way of learning that takes time to adjust to. **	Do not participate fully. **	Interpreting their problems and needs. **
Problems experienced by participants	Do not see the link between the games and assignments and actual business practices. **	Do not see the link between the games and assignments and actual business practices. **	Have problems at home and then do not attend training. **	Understanding the business language. **
Support offered to participants	No 0	No 0	Evaluate outcomes after training and give advice during follow-up support. 2	Monitors progress for 12 months. Check if knowledge is used. Look at problems after 3 months. 3
Awareness of other training organisations	DPSA IBEC ** IBTT	DPSA IBEC ** IBTT	Unanswered **	MBSC Nikro ** IBEC

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

The problems experienced by facilitators are related to the training methods used during training, participation and interpreting participants' problems and needs. Only **Ikhewzi** and **Get Ahead Development Division** offer support to participants after the completion of the programme.

#### 4.5.4 Growth and expansion and enterprise management programmes

##### 4.5.4.1 Accessibility: Target population

The target population of growth and expansion and enterprise management programmes available in the greater East London area, are presented in Table 97, p.181.

From this table it can be seen that only **Triple Trust** require participants to own a business, as it targets growing and expanding businesses. **Disabled People South Africa** is also very specific with



regards to the target participants as it only includes existing members of the **Disabled People South Africa**. The rest of the training organisations target anybody who wants to start a business or improve an existing business.

The **Small Projects Foundation** does not promote the course to individuals, but tenders to conduct the training when a need has been identified in a community. **Disabled People South Africa** contacts existing members and promotes the course through the media, awareness programmes and promotional workshops, as does **Get Ahead Development Division**. The rest of the organisations rely heavily on word of mouth advertising and uses brochures that are distributed at various places.

#### **4.5.4.2**     *Accessibility: Participatory requirements*

The participatory requirements of growth and expansion and enterprise management programmes available in the greater East London area, are presented in Table 98, p.181. These are very similar to that of enterprise start-up programmes although a bit more strict.

From this table it can be seen that the presentation language is a combination of Xhosa and English. **Triple Trust** is the only organisation that presents the courses predominantly in Xhosa. The language of course material is mostly a combination of English and Xhosa. Only **Triple Trust's Business Growth and Expansion Programme** and the four courses of **Mdantsane Business Service Centre** have material presented exclusively in English

The required numerical skills, and thus educational level of participants, are somewhat higher for this programme type than for the enterprise start-up and awareness programmes. The **Business Restructuring** and **Business Growth and Expansion** programmes of **Triple Trust** require a high numerical skills level of participants while the **One-Up Business Training** of the **Small Projects Foundation** requires that participants have numerical skills equivalent to a Grade 7 level.

As the programmes were classified according to the growth phase of the business, it is expected that the growth and expansion programmes should target only existing businesses. This is the case in all these programme types whereas the enterprise management programmes do not necessitate that the respondents should own a business.

#### **4.5.4.3**     *Accessibility: Organisational details relating to training provision*

The organisational details relating to training provision of growth and expansion and enterprise management programmes available in the greater East London area, are presented in Table 99, p.183.

From this table it can be seen that the participants are consulted in the selection of the training venues for all programmes. Only two organisations have their own facilities where participants can be trained. These are **Mdantsane Business Service Centre** and the **Small Projects Foundation**.



The training fees for these programmes are higher than that for the enterprise start-up programmes. All these organisations charge a fee – either a participation fee or a fee for the training manual in which case training per se is free. The fee for these courses ranges from R150 to R550. **Get Ahead Development Division** requires that the fee be paid in full before the end of the course while **Small Projects Foundation** requires that the fee be paid before the start of the course. The other training organisations only require that the fee be paid before certificates are handed out.

The training course is mostly presented during the week. **Triple Trust** was the only organisation that offers training during the evenings for an hour and a half, three evenings a week. All the other courses were scheduled during the week for either the morning or the whole day. The course duration ranged from five days for short modules to 20 days for the longer ones. There was thus a high level of variability in the course duration.

The number of facilitators per group depends on the group size. One facilitator was assigned per group of twelve to fifteen participants in all the programmes.

#### **4.5.4.4 Accreditation**

The accreditation awarded to and by growth and expansion and enterprise management programmes available in the greater East London area are presented in Table 100, p.184.

From this table it follows that all programmes award some sort of certification that states that the participant has attended and successfully completed the relevant course. **Disabled People South Africa** and **Mdantsane Business Service Centre** also mention the duration of the programme on the certificate. The **Improve Your Business** programme by **Disabled People South Africa**, **Get Ahead Development Division** and **Mdantsane Business Service Centre** are accredited and recognised by the International Labour Organisation.

Only one organisation grants loans to participants after the successful completion of the programme. Although the **Small Projects Foundation** did have a start-up fund, the granting of additional loans was discontinued around the time of the interview. **Get Ahead Development Division** grants loans of R700 per person, organised and operating in a group of five. Although **Disabled People South Africa** does not grant loans to participants, it gives a guarantee of 10% when a loan has been approved by another organisation.

Most organisations are unsure of whether the completion of the programme could aid participants in securing a loan with another organisation. **Disabled People South Africa** has however had previous experiences in which the Eastern Cape Development Corporation has granted loans to successful participants.



#### **4.5.4.5**     *Course features: Course objectives and needs assessments*

The course objectives and methods of needs assessment of growth and expansion and enterprise management programmes available in the greater East London area are presented in Table 101, p.184.

Only **Triple Trust** could give an indication of the programme objectives. This included unlocking potential and giving participants the skills necessary to start and run a business. The programmes offered by the **Mdantsane Business Service Centre** are adapted according to the needs of a specific group of participants.

**Get Ahead Development Division, Disabled People South Africa** and **Mdantsane Business Service Centre** all conduct needs assessments and alter the programme content accordingly.

#### **4.5.4.6**     *Course features: Course content*

The course content of the growth and expansion and enterprise management programmes available in the greater East London area, are presented in Table 94, p.175. From this table it can be seen that these programmes comprise a diverse range of topics.

#### **4.5.4.7**     *Course features: Training methods*

The training methods used during the programme delivery of growth and expansion and enterprise management programmes available in the greater East London area, are presented in Table 95, p.176. The training methods most often used include lectures, demonstrations, group work, counselling and assignments.

#### **4.5.4.8**     *Course features: Problems experienced and support given*

The problems experienced by the trainers as well as their perception of the problems experienced by the participants, the support offered to participants after training and the trainers' awareness of other micro-enterprise training programmes are presented in Table 102, p.186.

The problems most often experienced by the trainers are related to participation, illiteracy and the presentation level.

Four organisations offered support to participants involving on-site visits and giving advice. All organisations knew about other organisations offering micro-enterprise training.



**Table 97: Target population of growth and expansion and enterprise management programmes available in the greater East London area**

Feature	Triple Trust	Triple Trust	GADD	DPSA	Mdantsane Business Service Centre International Labour Organisation – Improve Your Business				SPF
	Business Restructuring*	Business Growth and Expansion*	ILO IYB *	Enterprise Development Programme*	Business Management *	Business Skills *	Business Practice *	Bookkeeping and Administration*	One-Up Business Training *
Target population	People who have been in business for 3-5 years and who have operational problems.  Open to public.	People already in business wanting to expand in terms of size or something new.  Open to public.	The unemployed with skills.  Open to public.	Disabled people, most illiterate with family support.  Only members.	The unemployed, men and women between the ages of 25 to 45 from both rural and urban areas. Open to public.	The unemployed, men and women between the ages of 25 to 45 from both rural and urban areas. Open to public.	The unemployed, men and women between the ages of 25 to 45 from both rural and urban areas. Open to public.	The unemployed, men and women between the ages of 25 to 45 from both rural and urban areas. Open to public.	No specific target population.  Not open to public.
Course promotion	Word of mouth, have brochures available, responds to community needs.	Word of mouth, have brochures available, responds to community needs.	Workshop once a month, hand out fliers at churches and advertise on radio.	Use existing membership base, local press, media, awareness and promotional workshops.	Advertise in the newspaper, have brochures available and leave at other venues, word of mouth.	Advertise in the newspaper, have brochures available and leave at other venues, word of mouth.	Advertise in the newspaper, have brochures available and leave at other venues, word of mouth.	Advertise in the newspaper, have brochures available and leave at other venues, word of mouth.	Tender for training and do not promote the course to individuals.
Business ownership	Only established enterprises.	Only established enterprises.	Only established enterprises.	Pre-ventures and established enterprises.	Pre-ventures and established enterprises.	Pre-ventures and established enterprises.	Pre-ventures and established enterprises.	Pre-ventures and established enterprises.	Pre-ventures and established enterprises.

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

\*\*\*This feature is inappropriate for current and prospective enterprise owners, but appropriate for members of the DPSA.

p=prospective enterprise owners.

c=current enterprise owners.



**Table 98: Participatory requirements of growth and expansion and enterprise management programmes available in the greater East London area**

Feature	Triple Trust	Triple Trust	GADD	DPSA	Mdantsane Business Service Centre International Labour Organisation – Improve Your Business					SPF
	Business Restructuring*	Business Growth and Expansion*	ILO IYB*	Enterprise Development Programme*	Business Management*	Business Skills*	Business Practice*	Bookkeeping and Administration*	One-Up Business Training*	
Presentation language	Xhosa 3	Xhosa 3	Xhosa of English 3	Xhosa or English 3	Xhosa or English 3	Xhosa or English 3	Xhosa or English 3	Xhosa or English 3	Xhosa or English 3	Xhosa or English 3
Course material language	English or Xhosa 3	English 0	English 0	Xhosa or English 3	English 0	English 0	English 0	English 0	English 0	Xhosa or English 3
Numerical skills	High numerical level and skills. 1	High numerical level and skills. 1	Able to add, subtract, multiply and use a calculator. 2	Able to add, subtract, multiply and use a calculator. 2	Able to add, subtract and multiply. Teach calculator use. 3	Able to add, subtract and multiply. Teach calculator use. 3	Add, subtract & multiplication. Teach calculator use. 3	Able to add, subtract and multiply. Teach calculator use. 3	Able to add, subtract and multiply. Teach calculator use. 3	Grade 7. Able to add, subtract and multiply. 3
Necessity of having a business idea	Yes **	Yes **	Yes **	No **	No **	No **	No **	No **	No **	No **

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.



**Table 99: Organisational details relating to training of growth and expansion and enterprise management programmes available in the greater East London area**

Feature	Triple Trust Business Restructuring*		Triple Trust Business Growth and Expansion *		GADD ILO IYB *		DPSA Enterprise Development Programme*		Mdantsane Business Service Centre International Labour Organisation – Improve Your Business				SPF One-Up Business Training *	
									Business Management *	Business Skills *	Business Practice *	Bookkeeping and Administration*		
Training venue	Decided by participants. 3	Decided by participants. 3	Decided by participants. 3	Decided by participants. 3	Decided by participants. 3	Decided by participants. 3	Decided by participants. 3	Decided by participants. 3	A venue at the organisation or decided by participants. 3	A venue at the organisation or decided by participants. 3	A venue at the organisation or decided by participants. 3	A venue at the organisation or decided by participants. 3	A venue at the organisation or decided by participants. 3	A venue at the organisation or decided by participants. 3
Participation fee	R200,00 **  Payable within first two weeks. 2	R200,00 **  Payable within first two weeks. 2	R150,00 **  Payable by the end of the course. 3	R150,00 **  Payable by the end of the course. 3	No fee. **  Training manuals R240. Buy when necessary. 3	No fee. **  Training manuals R240. Buy when necessary. 3	No fee. **  Training manuals R240. Buy when necessary. 3	No fee. **  Training manuals R240. Buy when necessary. 3	R150 per manual. Help available. Payable before certification. 3	R150 per manual. Help available. Payable before certification. 3	R150 per manual. Help available. Payable before certification. 3	R150 per manual. Help available. Payable before certification. 3	R150 per manual. Help available. Payable before certification. 3	R550,00 **  Payable before start of the course. 1
Training time: Time of day and frequency	18:00 – 19:30  3 evenings a week 2	18:00 – 19:30  3 evenings a week 2	8:30 – 4:30 p=2 c=0  During the whole week p=2 c=0	8:30 – 4:30 p=2 c=0  During the whole week p=2 c=0	9:00 – 13:00 p=2 c=1  During the whole week p=2 c=0	9:00 – 13:00 p=2 c=1  During the whole week p=2 c=0	9:00 – 13:00 p=2 c=1  During the whole week p=2 c=0	9:00 – 13:00 p=2 c=1  During the whole week p=2 c=0	9:00 – 16:00 p=2 c=0  During the whole week p=2 c=0	9:00 – 16:00 p=2 c=0  During the whole week p=2 c=0	9:00 – 16:00 p=2 c=0  During the whole week p=2 c=0	9:00 – 16:00 p=2 c=0  During the whole week p=2 c=0	9:00 – 16:00 p=2 c=0  During the whole week p=2 c=0	9:00-16:00 p=2 c=0  During the whole week p=2 c=0
Course duration	5 weeks (15 days) **	5 weeks (15 days) **	2 weeks (10 days) **	2 weeks (10 days) **	4 weeks (20 days) **	4 weeks (20 days) **	4 weeks (20 days) **	4 weeks (20 days) **	5 days **	5 days **	8 days **	8 days **	8 days **	1 week 5 days minimum **
Number of participants	12 per facilitator 3	12 per facilitator 3	12-15 maximum 25 2	12-15 maximum 25 2	5-15 3	5-15 3	5-15 3	5-15 3	12-15 3	12-15 3	12-15 3	12-15 3	12-15 3	15 minimum 10 3
Number of facilitators	1-2 Depending on group size. 3	1-2 Depending on group size. 3	2 3	2 3	1 3	1 3	1 3	1 3	1 3	1 3	1 3	1 3	1 3	1 3

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

p=prospective enterprise owners, c=current enterprise owners.



**Table 100: Accreditation awarded to and by growth and expansion and enterprise management programmes available in the greater East London area**

Feature	Triple Trust	Triple Trust	GADD	DPSA	Mdantsane Business Service Centre International Labour Organisation – Improve Your Business				SPF
	Business Restructuring*	Business Growth and Expansion *	ILO IYB *	Enterprise Development Programme*	Business Management *	Business Skills *	Business Practice *	Bookkeeping and Administration*	One-Up Business Training *
Certification	Attended and successfully completed the relevant course. 1	Attended and successfully completed the relevant course. 1	Attended and successfully completed the relevant course. 1	Successful completion of programme and programme duration. 2	States that the participant has attended the course, the duration of the course and the course modules attended. 3	States that the participant has attended the course, the duration of the course and the course modules attended. 3	States that the participant has attended the course, the duration of the course and the course modules attended. 3	States that the participant has attended the course, the duration of the course and the course modules attended. 3	Successfully completed the One-Up Business Training. 1
Accreditation	None 1	None 1	International Labour Organisation 2	International Labour Organisation 2	International labour organisation 2	International labour organisation 2	International labour organisation 2	International labour organisation 2	No 1
Does Institution grant loans?	No **	No **	Financial division gives loans of R700/person operating in a group of 5. **	No, but gives a guarantee of 10%. Revolving loan guarantee scheme. **	No **	No **	No **	No **	No (discontinued the granting of loans around time of interview). **
Will course completion lead to a loan?	Possibly 2	Possibly 2	Possibly 2	Yes Eastern Cape Development Corporation 3	Possibly 2	Possibly 2	Possibly 2	Possibly 2	Possibly 2

\*Appropriateness level code.

\*\*Evaluated in combination with "Will course completion lead to a loan?".



**Table 101: Course objectives and needs analysis of growth and expansion and enterprise management programmes available in the greater East London area**

Feature	Triple Trust	Triple Trust	GADD	DPSA	Mdantsane Business Service Centre International Labour Organisation – Improve Your Business				SPF
	Business Restructuring*	Business Growth and Expansion *	ILO IYB *	Enterprise Development Programme*	Business Management *	Business Skills *	Business Practice *	Bookkeeping and Administration*	One-Up Business Training *
General course objectives	Unlock potential. Give techniques to start and run a business. **	Unlock potential. Give techniques to start and run a business. **	Unanswered **	Unanswered **	Trainer decides on the objectives for a specific group herself. **	Trainer decides on the objectives for a specific group herself. **	Trainer decides on the objectives for a specific group herself. **	Trainer decides on the objectives for a specific group herself. **	Unanswered **
Needs assessment	No 0	No 0	Yes, through a training needs analysis questionnaire. 3	Yes, they do a pre-training needs analysis, which is part of the Enterprise Development Programme. Fill in a progress report form. 3	Yes, go to business and look at what they are doing, complete a needs analysis questionnaire and then prioritise the training needs and decides on objectives. Participants states needs. 3	Yes, go to business and look at what they are doing, complete a needs analysis questionnaire and then prioritise the training needs and decides on objectives. Participants states needs. 3	Yes, go to business and look at what they are doing, complete a needs analysis questionnaire and then prioritise the training needs and decides on objectives. Participants states needs. 3	Yes, go to business and look at what they are doing, complete a needs analysis questionnaire and then prioritise the training needs and decides on objectives. Participants states needs. 3	No 0
Is course modified according to participants needs?	No 0	No 0	Yes 3	Yes 3	Yes 3	Yes 3	Yes 3	Yes 3	No 0

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.



**Table 102: Problems experienced and support offered by growth and expansion and enterprise management programmes available in the greater East London area**

Feature	Triple Trust	Triple Trust	GADD	DPSA	Mdantsane Business Service Centre International Labour Organisation – Improve Your Business				SPF
	Business Restructuring*	Business Growth and Expansion *	ILO IYB *	Enterprise Development Programme*	Business Management *	Business Skills *	Business Practice *	Bookkeeping and Administration*	One-Up Business Training *
Problems experienced by trainers	Do not open up to the group so that the individual problems could be solved. **	Participants think the content level is too low and are reluctant to participate. **	Interpreting their problems and needs. **	Illiteracy. Inaccessibility of Xhosa manuals Lack of family support. Lack commitment and do not participate. **	Participants do not speak up if there is a problem and do not say everything. Do not talk about problems. **	Participants do not speak up if there is a problem and do not say everything. Do not talk about problems. **	Participants do not speak up if there is a problem and do not say everything. Do not talk about problems. **	Participants do not speak up if there is a problem and do not say everything. Do not talk about problems. **	Different literacy levels. Difficulty with idea generation. Participants do not see opportunities. **
Problems experienced by participants	Criticism breaks participants. **	Do not take responsibility for their learning. Lack exposure and experience. **	Understanding the business language. **	Access to finance. Do not have time to study the manual and practice the principles. **	Think trainers are prescribing what to do when they give ideas. **	Think trainers are prescribing what to do when they give ideas. **	Think trainers are prescribing what to do when they give ideas. **	Think trainers are prescribing what to do when they give ideas. **	Not viable business ideas or the capital to start a business. Do not participate. **
Support offered to participants	No 0	No 0	Monitors progress for 12 months. Look at problems after 3 months. 3	On-site and aftercare visits. Assist in their loan applications. 2	Visit the project. Ask about the problems and give advice. Follow up visits. 2	Visit the project. Ask about the problems and give advice. Follow up visits. 2	Visit the project. Ask about the problems and give advice. Follow up visits. 2	Visit the project. Ask about the problems and give advice. Follow up visits. 2	Monitor progress for 3 months. Participants come in once a month. 2
Awareness of other training organisations	DPSA IBEC IBTT **	DPSA IBEC IBTT **	MBSC Nikro IBEC *	Get Ahead Triple Trust Border-Kei Training Centre **	Ikhewzi Duncan Village Entrepreneur- ial Centre **	Ikhewzi Duncan Village Entrepreneur- ial Centre **	Ikhewzi Duncan Village Entrepreneur- ial Centre **	Ikhewzi Duncan Village Entrepreneur- ial Centre **	Triple Trust Border-Kei Training Centre Get Ahead **

\*Appropriateness level code.

\*\*Appropriateness level code not applicable



## 4.5.5 Programmes combining cooking and business management skills

### 4.5.5.1 Accessibility: Target population

The aspects relating to the target population of programmes available in the greater East London area, combining cooking and business management skills are presented in Table 103.

**Table 103: Target population of programmes available in the greater East London area, combining cooking and business management skills**

Feature	ACETE SMME Training *	Border-Kei Training Centre Food Production Courses *	Singabantu Sewing Project Cooking Course and Business Skills*	Snowflake Bake for Profit *
Target population	Mostly women who are already involved in operating a business. 3  Open to public. 3	Unemployed and those with no chance of being employed. Open to public, but participants are selected. 2	Mostly women who can read and write. 3  Must be organised into a group. 2	Anybody who is unemployed, interested and can read and write. 2  Open to public. 3
Course promotion	Invite anybody with a need. Do a needs analysis. **	Have a full time marketing department and social consultants who work with development projects. **	Promote the courses in the community themselves. **	Advertise in the newspaper and put posters up. **
Business ownership	Only established enterprises p=0 c=3	Pre-ventures and established enterprises 3	Pre-ventures and established enterprises 3	Pre-ventures and established enterprises 3

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

These programmes target people who want to start or improve a food processing or food micro-enterprise. Only the **Border-Kei Training Centre** selects participants based on potential and ability. While any individual may enrol in courses of **ACETE**, **Border-Kei Training Centre** and **Snowflake**, only groups with similar identified needs may participate in the course **Singabantu Sewing Project** offers. For all programmes, except the **SMME training programme** of **ACETE**, respondents do not have to own a business, although established businesses will also benefit from the programme. The **Border-Kei Training Centre** and **Snowflake** promote courses by stating when the next course will be held, while the **Singabantu Sewing Project** promotes the course in a specific community where a need has been identified. **ACETE** invites anybody with a need.

### 4.5.5.2 Accessibility: Participatory requirements

The participatory requirements of programmes available in the greater East London area, combining cooking and business management skills are presented in Table 104.



**Table 104: Participatory requirements of programmes available in the greater East London area, combining cooking and business management skills**

Feature	ACETE		Border-Kei Training Centre		Singabantu Sewing Project		Snowflake	
	SMME Training *		Food Production Courses *		Cooking Course and Business Skills*		Bake for Profit *	
Presentation language	Xhosa English	3	English	0	Xhosa	3	Xhosa	3
Course material language	Xhosa or English	3	Xhosa or English	3	Xhosa	3	English (Trainer makes Xhosa notes)	1
Numerical skills	None	3	Minimum Grade 6 Able to add, subtract, multiply and use a calculator.	2	Able to add, subtract and multiply. Teach calculator use.	3	Able to add, subtract and multiply. Teach calculator use.	3
Necessity of business idea	Yes	**	Yes	**	No	**	No	**

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

From this table it follows that Xhosa is the presentation language used most often. All four programmes have written material available in Xhosa, while one programme has a full Xhosa training manual as well. The course trainer of the **Snowflake: Bake for profit** course compiles her own Xhosa notes for use by participants.

The food production courses of the **Border-Kei Training Centre** have the highest participatory requirements in terms of numerical skills and the necessity of having a business idea before participation. The other three courses are less strict with regard to their participatory requirements. The **Singabantu Sewing Project** and **Snowflake Bake for profit** only requires that participants can add and subtract and teach calculator use during the course. **ACETE** has no educational requirements, but do require that participants own a business.

#### 4.5.5.3 *Accessibility: Organisational details relating to training provision*

The organisational details relating to training provision of programmes available in the greater East London area, combining cooking and business management skills are presented in Table 105.



**Table 105: Organisational details relating to training provision of programmes available in the greater East London area, combining cooking and business management skills**

Feature	ACETE		Border-Kei Training Centre		Singabantu Sewing Project		Snowflake	
	SMME Training	*	Food Production Courses	*	Cooking Course and Business Skills	*	Bake for Profit	*
Training venue	Decided by the participants	3	Border Training Centre	1	Decided by participants	3	Border Technicon (to move)	1
Participation fee	Free	3	Free	3	Free	3	R100 payable on registration	1
Training time: Time of day and frequency	Participants decide	3	7:30 – 16:30 or 7:30 – 1:30, depending on the course.	p=2 c=0	8:00 – 16:00 during the whole week.	p=2 c=0	8:00 – 17:00.	3 ****
	Daily sessions	p=2 c=2 ***	Daily sessions	p=2 c=0	Daily sessions	p=2 c=0	Once every second week	
Course duration	1-2 weeks	**	7 days business skills 3 days practical for all courses except breadmaking 15 days.	**	6 weeks (30 days)	**	10 weeks (6 days)	**
Number of participants	15-31	1	12	3	12	3	12	3
Number of facilitators	1 + help sometimes	2	1	3	1	3	1	3

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

\*\*\*Although daily sessions are evaluated as inappropriate, it is rated as moderately appropriate in this case since participants can decide on the training time.

\*\*\*\*Although training for a whole day is evaluated as inappropriate, the combination of training for a whole day only once every fortnight is rated as appropriate.

From this table it can be seen that the venues used for training differs for the respective programmes. The programmes that necessitate the use of specialised equipment make use of their own venues. The **Bake for profit** course is the only course that requires a participation fee, and this fee includes ingredients for use during business start-up.

The training times of **Snowflake**, **Border-Kei Training Centre** and **Singabantu Sewing Project** are fixed during the daytime. The **Bake for profit** course is the only course that does not run continuously. It allows trainees to carry on with their normal activities and apply the course knowledge between sessions. It is consequently also the programme with the longest duration. The **Singabantu Sewing Project's** cooking course is also a programme of especially long duration. **ACETE** follows a total participatory approach during training as participants decide on the training venue as well as the training times. All four programmes allow twelve to fifteen participants per course facilitator.



#### 4.5.5.4 Accreditation

The accreditation awarded to and by programmes available in the greater East London area, combining cooking and business management skills, is summarised and presented in Table 106.

**Table 106: Accreditation awarded to and by programmes available in the greater East London area, combining cooking and business management skills**

Feature	ACETE	Border-Kei Training Centre	Singabantu Sewing Project	Snowflake
	SMME Training *	Food Production Courses *	Cooking Course and Business Skills *	Bake for Profit *
Certification	None 0	Successful course completion. States competency. 1	Successful completion of cooking and business skills course. 1	Successfully completed course + course content. 1
Accreditation	SAQA – ABET Level 2 upwards 3	No 1	None 1	No 1
Does Institution grant loans?	No **	No **	No **	No **
Will course completion lead to a loan?	Possibly 2	Yes, with Eastern Cape Development Corporation, Commercial banks. 3	Yes, with the department of Health of the local government. 3	Don't know. Do not encourage it. Participants receive a product hamper at registration. 1

\*Appropriateness level code.

\*\*Evaluated in combination with "Will course completion lead to a loan?".

ACETE is the only organisation that does not award certification after programme completion. The SMME Training Programme is accredited by SAQA at ABET Level 2, but none of the other programmes are. None of the institutions grant loans, but on completion of the cooking course of the Singabantu Sewing Project and the food production courses of Border-Kei Training Centre, loans are often granted by other institutions.

#### 4.5.5.5 Course features: Course objectives and needs assessments

The course objectives and needs assessment methods of programmes available in the greater East London area, combining cooking and business management skills, are presented in Table 107.

From this table it can be seen that all programmes have course objectives relating to mastering the technical skills as well as becoming independent. Snowflake is the only organisation that does not conduct needs assessments and therefore also does not alter the programme content according to participants' needs. All other programmes do however conduct needs assessments and alter the programme content according to the outcome thereof.



**Table 107: Objectives and needs assessment of programmes available in the greater East London area, combining cooking and business management skills**

Feature	ACETE SMME Training *	Border-Kei Training Centre Food Production Courses *	Singabantu Sewing Project Cooking Course and Business Skills *	Snowflake Bake for Profit *
General course objectives	Empowerment and capacity building and independence. **	Master and use all the skills included in the course. **	Enable participants to be independent and work for themselves. **	Give participants the business skills through baking. Independency. **
Needs assessment	Yes, using a training questionnaire and test. 2	Yes, on the application form. Community as well as Department of Labour and Small Business Foundation does needs assessment. 3	Yes, by talking to them and asking what their needs are. 1	No 0
Is course modified according to participants needs?	Yes and participants participate in determining the course content. 3	Yes, training is skills specific according to the participants' needs. 3	Yes, and participants have an input in the course content. 3	No 0

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

**4.5.5.6 Course features: Course content**

The course content of programmes available in the greater East London area, combining cooking and business management skills, are presented in Table 94, p.175.

The **Singabantu Sewing Project** offers the most comprehensive programme in terms of content as well as the amount of training. **Snowflake** and **ACETE** also offer a very comprehensive programme, but as these organisations discourage participants to grant credit to customers, it does not cover this topic. **Snowflake** also does not encourage participant to obtain loans or credit. The cooking course offered by **Border-Kei Training Centre** focuses extensively on production and equipment used. The business skills component is consequently not as comprehensive as in the other two courses. Participants have to decide on the product they want to produce before the course commences. Idea generation is consequently not included in the course. The other topics that are also not covered are budgeting, savings, finding credit and debt collecting. All three courses have a practical production component included in the course. The **Border-Kei Training Centre** only teaches participants how to produce one or two products with specific equipment they have to purchase in order to make the product. The **Singabantu Sewing Project** focuses on catering and cooking skills and **Snowflake** teaches participants to produce baked items to sell in their enterprises.



#### 4.5.5.7 *Course features: Training methods*

The training methods of programmes available in the greater East London area, combining cooking and business management skills, are presented in Table 95, p.176.

From this table it can be seen that this programme type includes the widest variety of training methods, including demonstrations, practical sessions, group work, role plays, applications, counselling and assignments. Formal lectures are included to a lesser extent.

#### 4.5.5.8 *Course features: Problems experienced and support given*

The problems experienced by facilitators and support offered to participants of programmes available in the greater East London area, combining cooking and business management skills, are presented in Table 108.

**Table 108: Problems experienced and support given by programmes available in the greater East London area, combining cooking and business management skills**

Feature	ACETE	Border-Kei Training Centre	Singabantu Sewing Project	Snowflake
	SMME Training *	Food Production Courses *	Cooking Course and Business Skills *	Bake for Profit *
Problems experienced by trainers	Participants fall out. Obtaining capital. Some groups are strong, others weak. **	Training and practical skills too short. Illiteracy. **	Absenteeism and literacy skills. **	Illiteracy and dependency. **
Problems experienced by participants	Differs according to the project. **	Too little buying power. Have problems raising funds to establish the business. **	Money for training. **	Lack self-confidence. Cannot do tasks on their own. **
Support offered to participants	Monitor and evaluate the progress once a month. Offer advice and support. 2	Give advice and mentoring on request for 12 months. Assist in equipment installation and maintenance. 3	Follow up and see whether participants make progress. 2	Not yet, planning to assess problems and needs. 0
Awareness of other training organisations	Singabantu Sewing Project **	Small Business Foundation **	No **	Border-Kei Training Centre **

\*Appropriateness level code.

\*\*Appropriateness level code not applicable.

From this table it can be seen that most of the facilitators perceive illiteracy as a problem. The other problems that facilitators experience are absenteeism and group dynamics and learner dependency. Facilitators perceive issues concerning capital availability and buying power as the problems that participants mostly experience.



All programmes, except **Snowflake**, offer support to participants after course completion.

#### 4.5.6 Organisational profile: Description of course trainers

The ways in which the respective course trainers were trained are presented in Table 109.

**Table 109: Manner in which the course trainers were trained**

Organisation	Training the trainer	
ACETE	Consult people with a particular skill as needed. Make use of integrated training. Trainer is skilled.	3
Border Kei Training Centre	Person must be skilled in the discipline. Have a months experience with Rutech to master the equipment and go for follow-up courses once a year.	2
Disabled People South Africa	Send the trainer to the Train the Trainer course and get accreditation.	2
Get Ahead Development Division	Must have Grade 12 and higher qualifications, get exposure in the business and is supported by Services for Enterprise Improvement and Business Start-up Africa (SEIBSA).	3
Ikhewzi	Send the trainer to the Train the Trainer course presented by Ntsika.	2
Mdantsane Business Service Centre	Send the trainer to the Train the Trainer course and provide a trainers manual as well.	2
Singabantu Sewing Project	Sent for training to Ciskei Small Business Skills.	2
Small Projects Foundation	Must have Grade 12 and higher qualifications. Send the trainer to the Independent Business Training Trust's Train the Trainer Course.	3
Snowflake	Sent on a training course at the head office for one week.	2
Triple Trust	Must have Grade 10. Are trained by Triple Trust.	3

From this table it can be seen that all course trainers are qualified trainers and has attended various trainer courses. Some programmes also require trainers to have certain minimum qualifications in order to train as a trainer. They should therefore be appropriate to act as trainers for current and potential food micro-enterprise owners.

#### 4.5.7 Discussion: Micro-enterprise training programmes available in the greater East London area

The aim of this section was only to present profiles of the micro-enterprise training programmes available in the greater East London area in order to evaluate the appropriateness thereof for current and prospective food micro-enterprise owners in Duncan Village. Therefore, only a short discussion regarding general observations is presented.

During the interviews, it became apparent that very little has been done regarding the training of Duncan Village residents and that the trainers also hold negative views regarding this community, the cited reasons being that the Duncan Village residents are not motivated to improve their circumstances, that there is a lack of interest and that it is a difficult community to work in. This is



also reflected in the lack of training organisations active in this community. The training organisations that could be identified were situated either in the East London city centre or outside of East London, in Mdantsane. It therefore seems as if Duncan Village is a neglected area of which the problems are easier to ignore than to assist, resulting in an already deprived community being ignored and falling deeper into poverty. This clearly shows the need for intervention in this community

One very important observation that was also made during the identification of micro-enterprise training programmes in the greater East London area, as well as during the interviews, is that very little communication exists between the providers of training. Training is duplicated in the sense that training organisations offer the same type of programme and in some cases even the same programme in close proximity of each other. Govender (1993: 39) reported similar findings, namely that training organisations often offer training in similar areas, resulting in the inefficient use of resources. In order to address this problem, a training body should be formed, of which all training organisations in the greater East London area should be members.

Garavan and O’Cinneide (1994: 7) reported that trainers often try to accommodate too wide a range of start-up enterprises within a single programme. Furthermore, they cite that it is unusual to group together people who are starting a diverse range of enterprises and to offer them a more or less common skills programme. Doing so often results therein that many who take such classes find them too general. The DTI (1995: 33) therefore recommends that training programmes should focus on the training needs of a specific group of enterprise owners, whether it be survivalist or more sophisticated enterprises. It can be seen from the course content and target population of micro-enterprise training programmes available in the greater East London area that training is very general, and does not focus on a specific target market. Training programmes should therefore be more focused, addressing the needs of a specific group in a specific industry (Govender, 1993: 39). There is obvious value in ready made programmes and course material, but these should be adapted to the needs of a specific group, or a specific component of training should be outsourced if a organisation does not have the expertise in that area.

#### **4.6 APPROPRIATENESS OF MICRO-ENTERPRISE TRAINING PROGRAMMES IN THE GREATER EAST LONDON AREA (SUB-OBJECTIVE 3.4)**

This section addresses the evaluation of the appropriateness of micro-enterprise training programmes available in the greater East London area for current and prospective food micro-enterprise owners (women) in Duncan Village. Table 110 presents a summary of the methodology employed to attain this objective.



**Table 110: Summary of the methodology employed to attain Sub-objective 3.4**

Objective	Study population or data source	Technique	Direct outcome	Applied outcome
Sub-objective 3.4: Appropriateness of micro-enterprise training programmes.	Profile of available programmes.	Evaluation Framework for the evaluation of the appropriateness of the available programmes.	Classification of programme according to appropriateness.	Development of the awareness programme: Appropriate training programmes.

#### 4.6.1 Results: Appropriateness of the programmes

It was established in Section 4.5.2, p.166 that the identified micro-enterprise training programmes available in the greater East London area applied either business management skills singularly or in combination with cooking skills as a support strategy. Furthermore, cooking skills as course content was identified as one of the key features of appropriate programmes for current and prospective food micro-enterprise owners in Duncan Village. As the majority of the identified programmes (13 programmes out of 17) included only business management skills as the course content, these programmes are rated as inappropriate for current and prospective food micro-enterprise right from the start.

However, certain food micro-enterprise owners may wish to acquire only business management skills. The identified programmes are thus rated according to their appropriateness for those groups who wish to acquire only business management skills and those who wish to acquire business management skills in combination with cooking skills. This is indicated in the rating of the course features category.

The appropriateness of the total programme is thus reported for the following five sub-groups:

- Prospective food micro-enterprise owners who wish to acquire only business management skills;
- Prospective food micro-enterprise owners who wish to acquire business management and cooking skills;
- Current food micro-enterprise owners who wish to acquire only business management skills;
- Current food micro-enterprise owners who wish to acquire business management and cooking skills; and
- Members of a particular organisation who wish to acquire business management and/or cooking skills.

If the evaluation of the key features indicated that a total programme is inappropriate or not very appropriate for a particular group, the ratings of the additional programme features are not presented in this section. However, a description as well as the appropriateness ratings of these additional features is presented in Table 89 to Table 108, Section 4.5.3 to 4.5.5.



It is important to remember that the evaluation of the micro-enterprise training programmes available in the greater East London area is only relevant to current and prospective food micro-enterprise owners in Duncan Village.

**4.6.1.1 Triple Trust: Business Introduction**

The overall appropriateness ratings of **Triple Trust: Business Introduction Programme** for the respective sub-groups are presented in Table 111.

**Table 111: Appropriateness ratings of Triple Trust: Business Introduction**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	not very appropriate	inappropriate
Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 112.

**Table 112: Triple Trust: Business Introduction –appropriateness ratings of key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> moderately appropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Programme type	appropriate	<b>Business management skills:</b> not very appropriate  <b>Business management and cooking skills:</b> inappropriate
	Course content: Business management skills	not very appropriate	
Course content: Cooking skills	inappropriate		

**4.6.1.2 Triple Trust: Business Action Plan**

The overall appropriateness ratings of **Triple Trust: Business Action Plan Programme** for the respective sub-groups are presented in Table 113.



**Table 113: Appropriateness ratings of Triple Trust Business Action Plan**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	not very appropriate	inappropriate
Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 114.

**Table 114: Triple Trust: Business Action Plan – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> moderately appropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Programme type	appropriate	<b>Business management skills:</b> not very appropriate
	Course content: Business management skills	not very appropriate	<b>Business management and cooking skills:</b> inappropriate
	Course content: Cooking skills	inappropriate	

#### 4.6.1.3 *Ikhewzi: Start Your Own Business*

The overall appropriateness ratings of **Ikhewzi: Start Your Own Business Programme** for the respective sub-groups are presented in Table 115.

**Table 115: Appropriateness ratings of Ikhewzi: Start Your Own Business**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	moderately appropriate	inappropriate
Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 116.



**Table 116: Ikhwazi: Start Your Own Business – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility</b> (target population, participatory requirements, organisational details)	Public accessibility	appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> moderately appropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate		
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> moderately appropriate
	Course content: Business management skills	moderately appropriate	<b>Business management and cooking skills:</b> inappropriate
	Course content: Cooking skills	inappropriate	

As this programme received a rating of moderately appropriate for prospective enterprise owners who wish to acquire only business management skills, it is necessary to investigate the appropriateness ratings of the additional programme features. The additional features as well as the appropriateness ratings they received are presented in Table 117.

**Table 117: Ikhwazi: Start Your Own Business – appropriateness ratings of additional features**

Category	Feature	Appropriate	Moderately appropriate	Not very appropriate	Inappropriate
<b>Accessibility</b>	<b>Target population</b>				
	Gender accessibility	✓			
	<b>Participatory features</b>				
	Material language		✓		
	<b>Organisational details</b>				
	Training venue	✓			
	Participation fee	✓			
<b>Accreditation</b>	Number of participants		✓		
	Number of facilitators	✓			
	Certification		✓		
<b>Course features</b>	Accreditation		✓		
	Will course completion lead to a loan?		✓		
	Needs assessment	✓			
	Course modification	✓			
<b>Course features</b>	Training methods	✓			
	Support offered		✓		
<b>Total</b>		<b>7</b>	<b>6</b>	<b>0</b>	<b>0</b>

From Table 117 it can be observed that this programme received seven ratings of appropriate and six of moderately appropriate for the additional programme features.



**4.6.1.4 Get Ahead Development Division: Start Your Own Business**

The overall appropriateness ratings of **Get Ahead Development Division: Start Your Own Business** for the respective sub-groups are presented in Table 118.

**Table 118: Total programme appropriateness ratings of Get Ahead Development Division: Start Your Own Business**

Owner subgroup	Business management skills	Business management and cooking skills
<b>Prospective owners</b>	moderately appropriate	inappropriate
<b>Current owners</b>	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 119.

**Table 119: Get Ahead Development Division: Start Your Own Business – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> moderately appropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> moderately appropriate  <b>Business management and cooking skills:</b> inappropriate
	Course content: Business management skills	moderately appropriate	
	Course content: Cooking skills	inappropriate	

As this programme received a rating of moderately appropriate for prospective enterprise owners who wish to acquire only business management skills, it is necessary to investigate the appropriateness ratings of the additional programme features. The additional features as well as the ratings they received are presented in Table 120.



**Table 120: Get Ahead Development Division: Start Your Own Business – appropriateness ratings of additional features**

Category	Feature	Appropriate	Moderately appropriate	Not very appropriate	Inappropriate
Accessibility	Target population				
	Gender accessibility		✓		
	Participatory features				
	Material language				✓
	Organisational details				
	Training venue	✓			
	Participation fee	✓			
Accreditation	Number of participants		✓		
	Number of facilitators	✓			
	Certification			✓	
	Accreditation		✓		
Course features	Will course completion lead to a loan?	✓			
	Needs assessment	✓			
	Course modification	✓			
	Training methods	✓			
Total	Support offered	✓			
		8	3	1	1

From Table 120 it can be observed that this programme received eight ratings of appropriate, three of moderately appropriate, one of not very appropriate and one of inappropriate for the additional programme features.

#### 4.6.1.5 Disabled People South Africa: Enterprise Development Programme

The overall appropriateness ratings of **Disabled People South Africa: Enterprise Development Programme** for the respective sub-groups are presented in Table 121.

**Table 121: Total programme appropriateness ratings of Disabled People South Africa: Enterprise Development Programme**

Subgroup		Business management skills	Business management and cooking skills
Members of Disabled People South Africa	Prospective owners	moderately appropriate	inappropriate
	Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 122.



**Table 122: Disabled People South Africa: Enterprise Development Programme – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	<b>All owners:</b> inappropriate <b>DPSA members:</b> appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> inappropriate
	Business ownership	appropriate	<b>DPSA members – current owners:</b> inappropriate
	Presentation language	appropriate	
	Numerical skills	moderately appropriate	
	Training time – Time of day	<b>Current owners:</b> not very appropriate <b>Prospective owners:</b> moderately appropriate	<b>DPSA members – prospective owners:</b> moderately appropriate
	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> moderately appropriate
	Course content: Business management skills	moderately appropriate	<b>Business management and cooking skills:</b> inappropriate
	Course content: Cooking skills	inappropriate	

As this programme received a rating of moderately appropriate for prospective enterprise owners who are member of DPSA and who wish to acquire only business management skills, it is necessary to investigate the appropriateness ratings of the additional programme features. The additional features as well as the ratings they received are presented in Table 123.



**Table 123: Disabled People South Africa: Enterprise Development Programme – appropriateness ratings of additional features**

Category	Feature	Appropriate	Moderately appropriate	Not very appropriate	Inappropriate
Accessibility	Target population				
	Gender accessibility		✓		
	Participatory features				
	Material language	✓			
	Organisational details				
	Training venue	✓			
	Participation fee	✓			
Accreditation	Number of participants	✓			
	Number of facilitators	✓			
	Certification		✓		
Course features	Accreditation		✓		
	Will course completion lead to a loan?	✓			
	Needs assessment	✓			
	Course modification	✓			
Total	Training methods	✓			
	Support offered		✓		
Total		9	4	0	0

From Table 123 it can be observed that this programme received nine ratings of appropriate and four of moderately appropriate for the additional programme features.

#### 4.6.1.6 *Small Projects Foundation: One-Up Business Training*

The overall appropriateness ratings of **Small Projects Foundation: One-Up Business Training Programme** for the respective sub-groups are presented in Table 124.

**Table 124: Total programme appropriateness ratings of Small Projects Foundation: One-Up Business Training**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	inappropriate	inappropriate
Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 125.



**Table 125: Small Projects Foundation: One-Up Business Training – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	inappropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> inappropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Programme type	appropriate	<b>Business management skills:</b> appropriate
	Course content: Business management skills	appropriate	<b>Business management and cooking skills:</b> inappropriate
	Course content: Cooking skills	inappropriate	

**4.6.1.7 Mdantsane Business Service Centre: ILO Improve Your Business**

As only the course content of the four modules comprising the **ILO Improve Your Business Programme** differs between modules, appropriateness is discussed for the combination of all modules. The **ILO Improve Your Business Programme** is the only programme where the course content is separated into modules. This is regarded as a desirable practice, as it would allow participants to choose programmes according to their specific needs. The DTI (1995: 33) emphasised in the National Strategy for the development and promotion of small business in South Africa that training programmes have to be modular, so that trainees can combine training from different institutions.

The overall appropriateness ratings of **Mdantsane Business Service Centre: ILO Improve Your Business Programme** for the respective sub-groups are presented in Table 126.

**Table 126: Total programme appropriateness ratings of Mdantsane Business Service Centre: ILO Improve Your Business**

Owner subgroup	Business management skills	Business management and cooking skills
<b>Prospective owners</b>	moderately appropriate	inappropriate
<b>Current owners</b>	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 127.



**Table 127: Mdantsane Business Service Centre: ILO Improve Your Business – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility</b> (target population, participatory requirements, organisational details)	Public accessibility	appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> moderately appropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> appropriate
	Course content: Business management skills	appropriate	
	Course content: Cooking skills	inappropriate	<b>Business management and cooking skills:</b> inappropriate

As this programme received a rating of moderately appropriate for prospective enterprise owners who wish to acquire only business management skills, it is necessary to investigate the appropriateness ratings of the additional programme features. The additional features as well as the ratings they received are presented in Table 128.

**Table 128: Mdantsane Business Service Centre: ILO Improve Your Business – appropriateness ratings of additional features**

Category	Feature	Appropriate	Moderately appropriate	Not very appropriate	Inappropriate
<b>Accessibility</b>	<b>Target population</b>				
	Gender accessibility		✓		
	<b>Participatory features</b>				
	Material language				✓
	<b>Organisational details</b>				
	Training venue	✓			
	Participation fee	✓			
<b>Accreditation</b>	Number of participants	✓			
	Number of facilitators	✓			
	Certification	✓			
<b>Course features</b>	Accreditation		✓		
	Will course completion lead to a loan?		✓		
	Needs assessment	✓			
	Course modification	✓			
<b>Total</b>	Training methods	✓			
	Support offered		✓		
<b>Total</b>		<b>8</b>	<b>4</b>	<b>0</b>	<b>1</b>



From Table 128 it can be observed that this programme received eight ratings of appropriate, four of moderately appropriate and one of inappropriate for the additional programme features.

**4.6.1.8 Triple Trust: Business Restructuring**

The overall appropriateness ratings of **Triple Trust: Business Restructuring Programme** for the respective sub-groups are presented in Table 129.

**Table 129: Total programme appropriateness ratings of Triple Trust: Business Restructuring**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	inappropriate	inappropriate
Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 130.

**Table 130: Triple Trust: Business Restructuring – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	appropriate	<b>Current owners:</b> not very appropriate  <b>Prospective owners:</b> inappropriate
	Business ownership	<b>Current owners:</b> appropriate <b>Prospective owners:</b> inappropriate	
	Presentation language	appropriate	
	Numerical skills	not very appropriate	
	Training time – Time of day	<b>Current owners:</b> moderately appropriate <b>Prospective owners:</b> moderately appropriate	
	Training time – Frequency	<b>Current owners:</b> moderately appropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	not very appropriate	<b>Business management skills:</b> inappropriate
	Course content: Business management skills	inappropriate	<b>Business management and cooking skills:</b> inappropriate
	Course content: Cooking skills	inappropriate	

**4.6.1.9 Triple Trust: Growth and Expansion**

The overall appropriateness ratings of **Triple Trust: Growth and Expansion Programme** for the respective sub-groups are presented in Table 131.



**Table 131: Total programme appropriateness ratings of Triple Trust: Growth and Expansion**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	inappropriate	inappropriate
Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 132.

**Table 132: Triple Trust: Growth and Expansion – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	appropriate	<b>Current owners:</b> not very appropriate  <b>Prospective owners:</b> inappropriate
	Business ownership	<b>Current owners:</b> appropriate <b>Prospective owners:</b> inappropriate	
	Presentation language	appropriate	
	Numerical skills	not very appropriate	
	Training time – Time of day	<b>Current owners:</b> moderately appropriate <b>Prospective owners:</b> moderately appropriate	
	Training time – Frequency	<b>Current owners:</b> moderately appropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	not very appropriate	<b>Business management skills:</b> inappropriate
	Course content: Business management skills	inappropriate	<b>Business management and cooking skills:</b> inappropriate
	Course content: Cooking skills	inappropriate	

**4.6.1.10 Get Ahead Development Division: ILO Improve Your Business**

The overall appropriateness ratings of **Get Ahead Development Division: ILO Improve Your Business Programme** for the respective sub-groups are presented in Table 133.

**Table 133: Total programme appropriateness ratings of Get Ahead Development Division: ILO Improve Your Business**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	inappropriate	inappropriate
Current owners	inappropriate	inappropriate



The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 134.

**Table 134: Get Ahead Development Division: ILO Improve Your Business – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility</b> (target population, participatory requirements, organisational details)	Public accessibility	appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> inappropriate
	Business ownership	<b>Current owners:</b> appropriate <b>Prospective owners:</b> inappropriate	
	Presentation language	appropriate	
	Numerical skills	moderately appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	moderately appropriate	<b>Business management skills:</b> moderately appropriate
	Course content: Business management skills	moderately appropriate	<b>Business management and cooking skills:</b> inappropriate
	Course content: Cooking skills	inappropriate	

#### 4.6.1.11 ACETE: SMME Training

The overall appropriateness ratings of ACETE: SMME Training for the respective sub-groups are presented in Table 135.

**Table 135: Total programme appropriateness ratings of ACETE: SMME Training**

Owner subgroup	Business management skills	Business management and cooking skills
<b>Prospective owners</b>	inappropriate	inappropriate
<b>Current owners</b>	moderately appropriate	moderately appropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 136.



**Table 136: ACETE: SMME Training – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility</b> (target population, participatory requirements, organisational details)	Public accessibility	appropriate	<b>Current owners:</b> moderately appropriate  <b>Prospective owners:</b> inappropriate
	Business ownership	<b>Current owners:</b> appropriate <b>Prospective owners:</b> inappropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	moderately appropriate	
	Training time – Frequency	moderately appropriate	
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> appropriate
	Course content: Business management skills	appropriate	<b>Business management and cooking skills:</b> appropriate
	Course content: Cooking skills	appropriate	

As this programme received a rating of moderately appropriate for prospective enterprise owners, it is necessary to investigate the appropriateness ratings of the additional programme features. The additional features as well as the ratings they received are presented in Table 137.

**Table 137: ACETE: SMME Training – appropriateness ratings of additional features**

Category	Feature	Appropriate	Moderately appropriate	Not very appropriate	Inappropriate
<b>Accessibility</b>	<b>Target population</b>				
	Gender accessibility	✓			
	<b>Participatory features</b>				
	Material language	✓			
	<b>Organisational details</b>				
	Training venue	✓			
	Participation fee	✓			
<b>Accreditation</b>	Number of participants			✓	
	Number of facilitators		✓		
	Certification				✓
<b>Course features</b>	Accreditation	✓			
	Will course completion lead to a loan?		✓		
	Needs assessment		✓		
	Course modification	✓			
<b>Course features</b>	Training methods	✓			
	Support offered		✓		
<b>Total</b>		<b>7</b>	<b>4</b>	<b>1</b>	<b>1</b>

From Table 137 it can be observed that this programme received seven ratings of appropriate, four of moderately appropriate, one of not very appropriate and one of inappropriate for the additional programme features.



**4.6.1.12 Border-Kei Training Centre: Food processing courses**

The overall appropriateness ratings of **Border-Kei Training Centre: Food processing courses** for the respective sub-groups are presented in Table 138.

**Table 138: Total programme appropriateness ratings of Border-Kei Training Centre: Food processing courses**

Owner subgroup	Business management skills	Business management and cooking skills
<b>Prospective owners</b>	inappropriate	inappropriate
<b>Current owners</b>	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 139.

**Table 139: Border-Kei Training Centre: Food processing courses – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	moderately appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> inappropriate
	Business ownership	moderately appropriate	
	Presentation language	inappropriate	
	Numerical skills	moderately appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> moderately appropriate  <b>Business management and cooking skills:</b> appropriate
	Course content: Business management skills	moderately appropriate	
	Course content: Cooking skills	appropriate	

**4.6.1.13 Singabantu Sewing Project: Cooking Course and Business Skills**

The overall appropriateness ratings of **Singabantu Sewing Project: Cooking Course and Business Skills Programme** for the respective sub-groups are presented in Table 140.



**Table 140: Total appropriateness ratings of Singabantu Sewing Project: Cooking Course and Business Skills**

Owner subgroup	Business management skills	Business management and cooking skills
Prospective owners	moderately appropriate	moderately appropriate
Current owners	inappropriate	inappropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 141.

**Table 141: Singabantu Sewing Project: Cooking Course and Business Skills – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	moderately appropriate	<b>Current owners:</b> inappropriate  <b>Prospective owners:</b> moderately appropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
	Training time – Frequency	<b>Current owners:</b> inappropriate <b>Prospective owners:</b> moderately appropriate	
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> appropriate
	Course content: Business management skills	appropriate	<b>Business management and cooking skills:</b> appropriate
	Course content: Cooking skills	appropriate	

As this programme received a rating of moderately appropriate for prospective enterprise owners, it is necessary to investigate the appropriateness ratings of the additional programme features. The additional features as well as the ratings they received are presented in Table 142.



**Table 142: Singabantu Sewing Project: Cooking Course and Business Skills – appropriateness ratings of additional features**

Category	Feature	Appropriate	Moderately appropriate	Not very appropriate	Inappropriate
Accessibility	<b>Target population</b>				
	Gender accessibility	✓			
	<b>Participatory features</b>				
	Material language	✓			
	<b>Organisational details</b>				
	Training venue	✓			
	Participation fee	✓			
	Number of participants	✓			
Number of facilitators	✓				
Accreditation	Certification			✓	
	Accreditation			✓	
	Will course completion lead to a loan?	✓			
Course features	Needs assessment			✓	
	Course modification	✓			
	Training methods	✓			
	Support offered		✓		
<b>Total</b>		<b>9</b>	<b>1</b>	<b>3</b>	<b>0</b>

From Table 142 it can be observed that this programme received nine ratings of appropriate, one of moderately appropriate and three of not very appropriate for the additional programme features.

#### 4.6.1.14 *Snowflake: Bake for Profit*

The overall appropriateness ratings of **Snowflake: Bake for Profit** for the respective sub-groups are presented in Table 143.

**Table 143: Total programme appropriateness ratings of Snowflake: Bake for Profit**

Owner subgroup	Business management skills	Business management and cooking skills
<b>Prospective owners</b>	appropriate	appropriate
<b>Current owners</b>	appropriate	appropriate

The appropriateness ratings of the nine key features and the accessibility and course features categories are presented in Table 144.



**Table 144: Snowflake: Bake for Profit – appropriateness ratings according to key features and accessibility and course features categories**

Category	Feature	Appropriateness: Feature	Appropriateness: Category
<b>Accessibility (target population, participatory requirements, organisational details)</b>	Public accessibility	appropriate	<b>Current owners:</b> appropriate  <b>Prospective owners:</b> appropriate
	Business ownership	appropriate	
	Presentation language	appropriate	
	Numerical skills	appropriate	
	Training time – Time of day	appropriate	
	Training time – Frequency	appropriate	
<b>Course features</b>	Programme type	appropriate	<b>Business management skills:</b> appropriate
	Course content: Business management skills	appropriate	
	Course content: Cooking skills	appropriate	<b>Business management and cooking skills:</b> appropriate

As this programme received ratings of appropriate for both current and prospective enterprise owners, it is necessary to evaluate the appropriateness of the additional programme features. The additional features as well as the ratings they received are presented in Table 145.

**Table 145: Snowflake: Bake for Profit – appropriateness ratings of additional features**

Category	Feature	Appropriate	Moderately appropriate	Not very appropriate	Inappropriate
<b>Accessibility</b>	<b>Target population</b>				
	Gender accessibility		✓		
	<b>Participatory features</b>				
	Material language			✓	
	<b>Organisational details</b>				
	Training venue				✓
	Participation fee				✓
	Number of participants	✓			
	Number of facilitators	✓			
<b>Accreditation</b>	Certification			✓	
	Accreditation			✓	
	Will course completion lead to a loan?		✓		
<b>Course features</b>	Needs assessment				✓
	Course modification				✓
	Training methods	✓			
	Support offered				✓
<b>Total</b>		<b>3</b>	<b>2</b>	<b>3</b>	<b>5</b>

From Table 145 it can be observed that this programme received three ratings of appropriate, two of moderately appropriate, three of not very appropriate and five of inappropriate for the additional programme features.



#### 4.6.2 Discussion and conclusion: Appropriateness of the programmes

The results on the appropriateness of micro-enterprise training programmes available in the greater East London area for prospective and current food micro-enterprise owners in Duncan Village indicated that only one programme received a rating of appropriate. This was the **Snowflake: Bake for profit** programme, which can therefore be seen as the most appropriate programme for prospective and current food micro-enterprise owners in Duncan Village who wish to acquire cooking and business management skills.

A number of programmes, including either cooking skills in combination with business management skills, or including only business management skills received ratings of moderately appropriate. In order to determine the ranking of these programmes in terms of appropriateness, they were evaluated according to the appropriateness of their additional programme features. Table 146 presents a summary of the results regarding the appropriate rankings of the programmes for specific target populations.

**Table 146: Programme rankings regarding appropriateness for specific target populations**

Programme	Appropriateness rating	Course content
Prospective and current food micro-enterprise owners		
Snowflake: Bake for Profit	appropriate	cooking and business skills
Current food micro-enterprise owners		
ACETE: SMME Training	moderately appropriate	cooking and business skills
Prospective food micro-enterprise owners		
1. Singabantu Sewing Project: Cooking Course and Business Skills	moderately appropriate	cooking and business skills
2. Mdantsane Business Service Centre: ILO Improve Your Business	moderately appropriate	only business skills
3. Get Ahead Development Division: Start Your Own Business	moderately appropriate	only business skills
4. Ikhewzi: Start Your Own Business	moderately appropriate	only business skills
Prospective food micro-enterprise owners who are members or DPSA		
Disabled People South Africa: Enterprise Development	moderately appropriate	only business skills

The results of the evaluation of the appropriateness of the programmes are discouraging for a number of reasons. Firstly, there were only four programmes available in the greater East London area that included a combination of cooking and business management skills as the course content. Only one of these programmes was completely appropriate for current and prospective food micro-enterprise owners. This programme, **Snowflake: Bake for profit**, included baked products as part of the course content and could thus address a market opening that is not yet filled in Duncan Village, as very few



enterprises sell baked products. However, as the majority of current food micro-enterprise owners sell food prepared through the cooking process, it is suggested that there is a strong need for a training programme that combines cooking and business skills. Such a programme should focus on cooked foods as the technical skill and apply the principles of food hygiene to these foods.

Although a number of enterprise start-up and enterprise management programmes were available in the greater East London area, none of them were optimally geared towards the training needs of Duncan Village residents. Even if the absence of cooking skills as course content is disregarded, it is still clear that most of these programmes are not optimally accessible to current food micro-enterprise owners, the main reason being the training time, which is during the day, five workdays a week. The time that training is conducted is very important for current food micro-enterprise owners since current enterprise owners often rely on the income generated from the business and are the sole owners thereof, resulting in great time demands regarding the operation of the business in order to bring in an income. This is one programme feature that training programme organisers have to bear in mind when designing programmes – enterprise owners cannot stay away from their enterprises for a prolonged period of time.

The profile of food micro-enterprise owners in Duncan Village is similar to the profile of enterprise owners operating at survivalist level in the informal sector of South Africa. The implications that the profile of food micro-enterprise owners has for training could therefore possibly be generalised to micro-enterprise training in general. Many of the programmes that were identified in the greater East London area, are recognised programmes that are presented elsewhere in South Africa as well. The appropriateness of these programmes would therefore most probably receive the same appropriateness ratings for target groups in other areas, as in Duncan Village.



## **CHAPTER 5**

### **CONCLUSION AND RECOMMENDATIONS – DEVELOPMENT OF THE AWARENESS PROGRAMME**

#### **5.1 OVERVIEW OF THE STUDY**

The aim of the study was to develop a programme to increase the awareness of women in Duncan Village of 1) the potential role of food micro-enterprises in the improvement of food security; 2) the consumer demand concerning the operations of food micro-enterprises; and 3) appropriate micro-enterprise training programmes available in the greater East-London area. This was based on an identified need for the inclusion of a module on food security in a comprehensive programme to prevent growth failure in 0 to 24-month-old children who attend municipal clinics in Duncan Village, by improving the capacity of mothers or primary caregivers to care for their children.

The potential role of food micro-enterprises in the improvement of food security was established by a literature review.

The consumer demand concerning the operations (including the products) of food micro-enterprises was determined through personal interviews with the customers and non-customers of food micro-enterprises in Duncan Village, using a structured questionnaire.

The appropriateness of micro-enterprise training programmes available for current and prospective food micro-enterprise owners in Duncan Village in the greater East London area was determined by 1) compiling a profile of food micro-enterprises, their owners and their business operations in Duncan Village; 2) identifying the features of the ideal training programme for current and prospective food micro-enterprise owners in Duncan Village; 3) investigating the supply of micro-enterprise training in the greater East London area; and 4) evaluating the appropriateness of this training.

The profile of food micro-enterprises in Duncan Village included a profile of the owners, the enterprise and the business operations. The data was gathered by means of a personal interview with the owners of food micro-enterprises, using a structured questionnaire. These enterprises were operated by women producing and trading processed foods from non-permanent structures at the schools and on pavements in Duncan Village, as well as at the taxi ranks in East London.

The features of the ideal micro-enterprise training programme for the training of current and prospective female food micro-enterprise owners operating in Duncan Village were based on the profiles of street food consumers and food micro-enterprise owners, discussions with experts and on the appropriate literature. The supply of micro-enterprise training for food micro-enterprise owners in



the greater East London area was investigated using a structured questionnaire, and completed during a personal interview with the training managers of the organisations. All governmental and non-governmental organisations in the area offering micro-enterprise training programmes were included in the study population. Subsequently, the appropriateness of micro-enterprise training programmes available in the greater East London area for current and prospective food micro-enterprise owners in Duncan Village was evaluated using the Evaluation Framework.

## **5.2 LIMITATIONS AND RELEVANCE OF THE STUDY**

Great emphasis has been placed on ensuring the internal validity of the different sections of this research, as was described in the methodology sections.

The only aspect of the research for which the internal validity could only be partially addressed involved the technique employed for the evaluation of the appropriateness of the training programmes available in the greater East London area for current and prospective food micro-enterprise owners in Duncan Village, namely the Evaluation Framework. No studies with similar aims could be traced and the methodology employed in the development and application of the framework in the evaluation of the appropriateness of the micro-enterprise training programmes, was thus of a very exploratory nature. Internal validity as such could not be determined as there were no comparable studies using a similar research technique. However, the Evaluation Framework was based on the detailed results of the profiles of food micro-enterprises and street food consumers, the input of experts in the field and relevant literature, therefore ensuring face, content and construct validity.

It should also be borne in mind that the Evaluation Framework is not externally valid as it was developed specifically for the Duncan Village target groups and cannot be applied in the untested format in other settings. However, it could be used as a point of departure for further research efforts in this hugely underdeveloped field. It must also be emphasised that the profile and training needs of current food micro-enterprise owners in Duncan Village were comparable to the published profiles and training needs of other micro-enterprises operating in the informal sector in South Africa. The Evaluation Framework, with minor modifications and the exclusion of cooking skills, could therefore be applicable elsewhere in South Africa. In addition, it can also be used to evaluate the appropriateness of any new micro-enterprise training programmes that becomes available in the greater East London area.

However, for the Evaluation Framework to hold worth, internal validity and reliability still needs to be established and this could present an interesting study.

Throughout the research report, it has been stressed that the results of this research are limited to the particular study populations, i.e. food micro-enterprise owners and consumers in Duncan Village and



micro-enterprise training organisations in the greater East London area. However, it was also established that the obtained profiles did not differ significantly from international data on street food consumers and food micro-enterprise owners and national data on micro-enterprises operating in the informal sector. Although Duncan Village is only a small part of East London, which is the second largest city in the Eastern Cape, the results of, and methods used during, this research could therefore have wider applications than for Duncan Village and East London alone.

This study, and especially the method used during the evaluation of the appropriateness of the training programmes, could be used as a model for further research in this area and can be used in formulating recommendations for training and small business development in Duncan Village and the Eastern Cape, which can become training policies. This can also be communicated to the higher level of National Government in order to assist in national training policies. These recommendations are discussed in Section 5.5.

## **5.3 CONCLUSIONS AND RECOMMENDATIONS– GENERAL**

### **5.3.1 Consumer issues**

From the results of the surveys concerning the consumers of street foods, it can be concluded that:

- there is a need for consumer education in Duncan Village, with specific reference to food hygiene issues;
- consumers often do not realise the collective power they hold. Attempts to demand more nutritious and safe food could have an impact on the operations of food micro-enterprises, but consumers have to be educated first to know what to demand and how to do it most effectively;
- street foods could constitute a large proportion of the daily food intake of many school children and therefore it is necessary to consider the nutritional value of street foods, especially those sold at the schools;
- to ensure optimal nutritional value, school staff, parents, children and the food micro-enterprise owners themselves should be involved; and
- the role of basic nutrition education as part of an educational programme for school children in order to assist them in choosing the most appropriate foods, should be investigated.



### **5.3.2 Food micro-enterprise owner profile**

From the results of the survey concerning food micro-enterprise owners operating in Duncan Village, it can be concluded that:

- there is a clear need for training food micro-enterprise owners in Duncan Village in all aspects regarding their business operations;
- food micro-enterprise owners reflect a positive attitude towards training and this warrants action from local training and development initiatives;
- training efforts do not seem to be targeted at food micro-enterprise owners; and
- the profile of food micro-enterprises in Duncan Village, including the owner and business operations are similar to the profile of other micro-enterprises operating elsewhere in the informal sector in South Africa. The training needs of food micro-enterprise owners should therefore be similar to the needs of other micro-enterprise owners operating at a survivalist level in South Africa.

### **5.3.3 Appropriateness of micro-enterprise training programmes**

From the results of the appropriateness of micro-enterprise training programmes available in the greater East London area for food micro-enterprise owners operating in Duncan Village, it can be concluded that:

- very few programmes are accessible to current food micro-enterprise owners in Duncan Village;
- very few programmes are one hundred percent appropriate for food micro-enterprise owners operating in Duncan Village;
- the available micro-enterprise training programmes are not specific enough with regard to the target population;
- there is a lack of communication between micro-enterprise training organisations;
- there is duplication of training; and
- many training organisations find it difficult to work in Duncan Village, resulting in an already deprived community being ignored and falling deeper into poverty.

## **5.4 CONCLUSION AND RECOMMENDATIONS: THE AWARENESS PROGRAMME**

The results of this research support the international and South African data on which this research activity for Duncan Village was based, namely that:



- food micro-enterprise owners in Duncan Village are unaware of the **consumer demand** regarding their operations;
- the majority of food micro-enterprises in Duncan Village are **not operating optimally** and would thus profit from interventions that aim to optimise their business operations;
- there are **micro-enterprise training programmes available** in the greater East London area that could potentially play a role in optimising food micro-enterprises' business operations;
- food micro-enterprise owners are **unaware** of these appropriate micro-enterprise training programmes available in the greater East London area.

These results thus affirm the need of an awareness programme to be implemented. The residents of Duncan Village should be made aware of:

- the consumer demand concerning the operations of **food micro-enterprises**; and
- **appropriate micro-enterprise training programmes** available in the greater East London area.

As adults are relevancy-orientated, they must see the reason for learning something. In order to facilitate learning and participation, learning must be applicable to their work or other responsibilities to be of value to them. The best way to motivate adult learners to enrol in a programme is therefore to enhance their reasons for enrolling and to decrease the participation barriers (Lieb, 2000: 1-2). Hence, adults will only seek training and participate therein when they clearly see a need to do so in terms of the benefits it holds for them. These benefits should also outweigh the cost of participating in training.

It is therefore concluded that the **role of food micro-enterprises in the improvement of household food security** should be included in the **awareness programme** to act as motivation for adults to establish a food micro-enterprise and seek the appropriate training necessary to learn the skills to operate this enterprise successfully. Operating a food micro-enterprise has the combined benefits of improved food security within a household as well as the improved nutritional status of children.

The proposed awareness programme, based on the research results and the literature, is presented in the following section.

#### **5.4.1 Development of the awareness programme**

The following concepts should form the basis of the programme that aims to increase the awareness of women in Duncan Village of 1) the potential role of food micro-enterprises in the improvement of food security; 2) the consumer demand concerning the operations of food micro-enterprises; and 3) appropriate micro-enterprise training programmes available in the greater East-London area (Table 147):



**Table 147: Awareness programme content**

Objective	Concept
<p>The potential role of food micro-enterprises and street foods in food security</p> <p>(Objective 1)</p>	<p><b>1. How can I ensure that my child has enough food?</b></p> <ul style="list-style-type: none"> <li>• A child in the home can only be healthy if he/she is adequately fed;</li> <li>• In order to adequately feed a child, nutritious foods of good quality, that is safe to eat and culturally acceptable must be available and the household must have access to these foods at all times; and</li> <li>• In order to improve a household's access to food, household income, and especially that of the mother or primary female caregiver can be increased so that more nutritious food can be provided.</li> </ul>
	<p><b>2. Why start a food micro-enterprise?</b></p> <ul style="list-style-type: none"> <li>• Unemployment is rife and it is therefore difficult to find formal employment. An option is to create self-employment through the establishment of a food micro-enterprise; and</li> <li>• You can start a food micro-enterprise with a small amount of money;</li> <li>• You do not necessarily need a lot of extra equipment; and</li> <li>• The same food produced by the enterprise can also be produced for consumption within the household, thus increasing the available food within the household and reducing the amount of labour.</li> </ul>
<p>The consumer demand concerning the operations of food micro-enterprises</p> <p>(Objective 2)</p>	<p><b>3. What do consumers want from a food micro-enterprise?</b></p> <ul style="list-style-type: none"> <li>• The food must be cheap;</li> <li>• The food must taste nice</li> <li>• The food must be filling;</li> <li>• The food must be clean;</li> <li>• The vendor must be friendly;</li> <li>• The vendor must be clean; and</li> <li>• The trade location must be clean.</li> </ul>
<p>Appropriate micro-enterprise training available in the greater East London area</p> <p>(Objective 3)</p>	<p><b>4. When you start a food micro-enterprise you thus need to:</b></p> <ul style="list-style-type: none"> <li>• find out what products to sell;</li> <li>• know where to sell from;</li> <li>• ensure that the food is clean, healthy and nutritious;</li> <li>• keep customers satisfied in order to keep them coming back;</li> <li>• ensure that you still make a profit while providing cheap food; and</li> <li>• obtain training to be able to do all this.</li> </ul>
	<p><b>5. Where can you get training?</b></p> <ul style="list-style-type: none"> <li>• If you have a business and want to operate more effectively?</li> <li>• If you do not have a business and wish to start one?</li> <li>• If you wish to obtain business management skills?</li> <li>• If you wish to obtain business management skills in combination with cooking skills?</li> <li>• Choose the programme from the following table that best suits your circumstances (Table 148).</li> </ul>



**Table 148: Programmes appropriateness for current and prospective food micro-enterprise owners in Duncan Village\***

Programme	Course content	Participation fee	Training time	Course duration	Course facilitator	Contact number	Address
<b>Prospective and current food micro-enterprise owners</b>							
Snowflake: Bake for Profit	Cooking and business skills	R100 payable on registration	8:00 to 17:00 once every second week	10 weeks (6 sessions)	Ms Nomsa Siquhaza	082 671 0695	Border Technikon, East London
<b>Current food micro-enterprise owners</b>							
ACETE: SMME Training	Cooking and business skills	Free	Participants decide, but sessions are daily	1-2 weeks	Ms Nomsa Mkaza	043 743 7451	24 TecomoStreet, Berea
<b>Prospective food micro-enterprise owners</b>							
Singabantu Sewing Project: Cooking Course and Business Skills	Cooking and business skills	Free	8:00 – 16:00 during the whole week. Daily sessions.	6 weeks	Lizzie & Zoleka	082 9361097	PO Box 5050, Greenfields, 5208
Mdantsane Business Service Centre: ILO Improve Your Business	Only business skills	Buy four training manuals at R150 each before certification. Financial help is available.	9:00 – 16:00 during the whole week. Daily sessions.	Two 5 day courses and two 8 day courses.	Ms Xoliswa Wiki	043 761 2116	Box 361, Mdantsane
Get Ahead Development Division: Start Your Own Business	Only business skills	R150 payable by the end of the course.	8:30 – 16:30 during the whole week. Daily sessions.	4 weeks	Ms Pinky Ggilana Mr Nkosinathi Mbutuma	043 761 5600	Room 15, Madyaka Centre, Mdantsane
Ikhewzi: Start Your Own Business	Only business skills	R30 payable before the start. Financial help is available.	8:30 – 16:00 during the whole week. Daily sessions.	3 weeks	Ms Qabaka	083 654 1386	21 46 NU Service, Mdantsane
<b>Prospective food micro-enterprise owners who are members or DPSA</b>							
Disabled People South Africa: Enterprise Development	Only business skills	Buy four training manuals for R240 when necessary.	9:00 – 13:00 during the whole week. Daily sessions	4 weeks	Mr Luvujo Gazo	043 743 1579	314 Oxford Road, East London

\*This table should be presented in a manner easy to comprehend by people who may not be fully literate.



## 5.4.2 Message development

This research was based on an identified need for the inclusion of a module on food security in a comprehensive programme to prevent growth failure in 0 to 24-month-old children, attending municipal clinics in Duncan Village, by improving the capacity of mothers or primary caregivers to care for their children (De Villiers, 1999: 5). The proposed **awareness programme** was presented in the previous section. To facilitate the final development of the messages by De Villiers as part of the total intervention programme (De Villiers, 1999: 5), the following is recommended:

When designing and implementing programmes to address women's resource constraints, it is necessary that all concerned parties should form part of the developmental process, as well as in monitoring and evaluating the process, outcome and impact of the programme. This could comprise the programme designers, nutrition researchers and the communities who would benefit from the programme (Kurz & Johnson-Welch 2000: 21). A top down approach where the researcher decides on the presentation methods and messages is thus not recommended. Such an approach could lead to misinterpretation of the messages as a result of different perspectives and not bring about the desired behavioural actions. Therefore, considerable research is still necessary in order to establish the format of the messages as well as the presentation and teaching methods necessary to convey the identified content to the target population effectively.

It is suggested that a participatory research approach could be used for these purposes as it is an applied research method that focuses on finding a solution to a local problem in a local setting (Leedy, 1997: 111). Participatory action research involves an active collaboration between the researcher and persons from the community or sector of study throughout the research process – from initial design to final presentation of results and discussion of action implications (Bless & Higson-Smith, 1995: 55). Participatory research uses all the conventional techniques of social research. These are the techniques that acknowledge and value the opinions and thoughts of all people and would include focus groups, in-depth interviews and participant observations (Bless & Higson-Smith, 1995: 56).

However, the full participatory approach may be very time consuming. The use of consultative research methods, where the target group does participate in the developmental process, but not in all phases, can also be appropriate. Consultative research is a form of formative research where several quick, interactive information-gathering methods are used, involving the potential participants in a programme (Dickin, Griffiths, The Manoff Group, Piwoz & SARA/AED, 1997: 1). The goal of consultative research is to identify feasible, acceptable, and effective strategies to improve behaviours, with programme beneficiaries playing an active role in the process. In the Duncan Village scenario, the municipal clinic attendants in Duncan Village would be the beneficiaries. When comparing the



basic principles of these two methods, namely participatory research and consultative research, it would seem that consultative research would be a more viable approach, bearing in mind that the groundwork for the message development was already done in the current research, namely the identification of the message content.

It is recommended that active participation of members of the target population, the municipal clinic attendants in Duncan Village, be encouraged from here onwards during the development of the messages and presentation methods. In addition, the principles of adult education should be borne in mind and incorporated along every step of the developmental process.

## 5.5 FINAL RECOMMENDATIONS

This study is part of the development of a comprehensive programme to increase the capacity of mothers or primary caregivers to care for their children in order to prevent growth failure in 0 to 24-month-old children. It is therefore recommended that:

- the identified content of the awareness programme should be used as basis for the household food security module of the comprehensive intervention programme; and
- the same procedures should be employed for the final message development and implementation of the awareness programme as for the rest of the intervention programme.

Furthermore, since there will still be a time lapse until the total intervention programme is developed and pilot-tested, the **awareness programme** content regarding the availability of appropriate programmes may change. It is recommended that:

- the organisers of the identified micro-enterprise training programmes should be contacted before the implementation of the total programme, to ensure that the programmes are still available and that the appropriateness rating is still valid;
- snowball sampling should be applied to establish whether any new programmes, that may possibly be appropriate, have become available in the greater East London area at that point in time; and
- the Evaluation Framework should be used to rate the appropriateness of any newly identified or modified programmes for current and prospective food micro-enterprise owners.

It was established that women are the predominant owners of food micro-enterprises in Duncan Village. It was furthermore determined through the literature review that efforts to improve the income-earning potential and status of women contributes to improved food security, and in many cases to improved nutrition of the children in the household. It is therefore recommended that:



- training efforts for food micro-enterprise owners should be targeted specifically at women and should follow a holistic approach to empower women and thus improve the household food security at an individual level.

The safety of street foods sold in Duncan Village is an area of concern for the authorities and many consumers alike, but no data on this issue is available. It is therefore recommended that:

- an initiative should be taken to determine the safety of street foods sold in Duncan Village.
- an in-depth survey of food micro-enterprise owners' preparation methods and hygiene practices should be undertaken.
- if necessary, a programme should be developed to enable food micro-enterprise owners to improve the nutritional value and general quality of street foods; and
- it is necessary to include consumer education as part of an integrated programme to improve street foods in Duncan Village and elsewhere in South Africa.

Furthermore, the results of this study clearly indicated that there are currently very few programmes that are appropriate for current or prospective food micro-enterprise owners in Duncan Village. It is therefore recommended that:

- recommendations should be made to training organisations regarding how to improve the appropriateness of their programmes;
- the results of this study should be used as a basis, together with consultative research, to design and implement a programme specifically aimed at current and prospective food micro-enterprise owners in Duncan Village; and
- there is a need for more research regarding micro-enterprise training in South Africa.



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**ADDENDUM A1:**

**CUSTOMER QUESTIONNAIRE**



**CUSTOMER QUESTIONNAIRE****Consumers buying street foods from food micro-enterprises in Duncan Village**

DATE \_\_\_\_\_

ENTERPRISE NUMBER: 1 Sex  0. Male  1. Female Q1 2 Age  Q2 3 How much money do you have available to spend on food from food vendors per day?  Q3 4 Products purchased:  Q4 5 What product do you buy *most often*? Name only one.  Q5.1 Reason:  1. Cheap  2. Tastes nice  3. Close to home  4. Filling  5. Value for money  Q5.2   
Other 6 Why did you purchase at this vendor?  Q6  1. Cheap  2. Tastes nice  3. Filling  4. Value for money  5. Close to home   
 6. Friendly vendor  7. Know the owner  8. Clean vendor  9. She gives credit  10. Looks nutritiousOther 7 How many times a week do you normally buy food from vendors at the following areas in Duncan Village? 

Trade area	#
1 Pavements	<input type="text"/>
2 Taverns	<input type="text"/>
3 Taxi Ranks	<input type="text"/>
4 Schools	<input type="text"/>

 Q7.1 Q7.2 Q7.3 Q7.4 8 How much do you usually spend per purchase on food from these vendors?  Q8 9 Is there any food, currently unavailable at the vendors that you would like to buy in DV?  1. Yes  0. No Q9 10 If yes, what other food would you like to buy?  -1 N/A 

11 Rate your degree of satisfaction with regard to the following operations of food vendors in general.

11.1 Operating times  1. Extremely satisfied  2. Satisfied  3. Neither satisfied nor dissatisfied  4. Dissatisfied  5. Extremely dissatisfied Q11.11 Reason  Q11.12 11.2 Location  1. Extremely satisfied  2. Satisfied  3. Neither satisfied nor dissatisfied  4. Dissatisfied  5. Extremely dissatisfied Q11.21 Reason  Q11.22 11.3 Products  1. Extremely satisfied  2. Satisfied  3. Neither satisfied nor dissatisfied  4. Dissatisfied  5. Extremely dissatisfied Q11.31 Reason  Q11.32 12 Does anything worry you about the food sold from food vendors?  1. Yes  0. No Q12.1 Reason:  1. Food safety  2. Food handling  3. Nutrition  4. Cleanliness  5. Price  Q12.2   
Other **THANK YOU VERY MUCH FOR YOUR CO-OPERATION**



**ADDENDUM A2:**

**NON-CUSTOMER QUESTIONNAIRE**



# CONSUMER QUESTIONNAIRE

## Consumers not buying food products sold by food vendors in Duncan Village

DATE \_\_\_\_\_

ENTERPRISE NUMBER:

Code if subject refuses to answer: -2

Questionnaire number

1. Sex	<input type="checkbox"/> 1. Male <input type="checkbox"/> 2. Female	Q1	<input type="text"/>
2. Age	<input type="text"/>	Q2	<input type="text"/>
3. Do you purchase food from food vendors?	<input type="checkbox"/> 1. Yes <input type="checkbox"/> 0. No	Q3	<input type="text"/>
4. If you purchase food less than twice a week, why do you not purchase more often?		Q4	<input type="text"/> <input type="text"/>
5. Is there any food, currently unavailable at the vendors that you would like to buy in DV?	<input type="checkbox"/> 1. Yes <input type="checkbox"/> 0. No	Q5	<input type="text"/>
6. If yes, what other food would you like to buy?		Q6	<input type="text"/> <input type="text"/>
7. Does anything worry you about the food sold from food vendors?	<input type="checkbox"/> 1. Food safety <input type="checkbox"/> 2. Food handling <input type="checkbox"/> 3. Nutrition <input type="checkbox"/> 4. Cleanliness <input type="checkbox"/> 5. Price	Q7	<input type="text"/>
Other	<input type="text"/>		

Questionnaire number

1. Sex	<input type="checkbox"/> 1. Male <input type="checkbox"/> 2. Female	Q1	<input type="text"/>
2. Age	<input type="text"/>	Q2	<input type="text"/>
3. Do you purchase food from food vendors?	<input type="checkbox"/> 1. Yes <input type="checkbox"/> 0. No	Q3	<input type="text"/>
4. If you purchase food less than twice a week, why do you not purchase more often?		Q4	<input type="text"/> <input type="text"/>
5. Is there any food, currently unavailable at the vendors that you would like to buy in DV?	<input type="checkbox"/> 1. Yes <input type="checkbox"/> 0. No	Q5	<input type="text"/>
6. If yes, what other food would you like to buy?		Q6	<input type="text"/> <input type="text"/>
7. Does anything worry you about the food sold from food vendors?	<input type="checkbox"/> 1. Food safety <input type="checkbox"/> 2. Food handling <input type="checkbox"/> 3. Nutrition <input type="checkbox"/> 4. Cleanliness <input type="checkbox"/> 5. Price	Q7	<input type="text"/>
Other	<input type="text"/>		

Questionnaire number

1. Sex	<input type="checkbox"/> 1. Male <input type="checkbox"/> 2. Female	Q1	<input type="text"/>
2. Age	<input type="text"/>	Q2	<input type="text"/>
3. Do you purchase food from food vendors?	<input type="checkbox"/> 1. Yes <input type="checkbox"/> 0. No	Q3	<input type="text"/>
4. If you purchase food less than twice a week, why do you not purchase more often?		Q4	<input type="text"/> <input type="text"/>
5. Is there any food, currently unavailable at the vendors that you would like to buy in DV?	<input type="checkbox"/> 1. Yes <input type="checkbox"/> 0. No	Q5	<input type="text"/>
6. If yes, what other food would you like to buy?		Q6	<input type="text"/> <input type="text"/>
7. Does anything worry you about the food sold from food vendors?	<input type="checkbox"/> 1. Food safety <input type="checkbox"/> 2. Food handling <input type="checkbox"/> 3. Nutrition <input type="checkbox"/> 4. Cleanliness <input type="checkbox"/> 5. Price	Q7	<input type="text"/>
Other	<input type="text"/>		



**ADDENDUM B:**

**ENTERPRISE QUESTIONNAIRE**



**ENTERPRISE OWNER QUESTIONNAIRE**

FORM 1

Street vendors selling processed food in Duncan Village

DATE \_\_\_\_\_

ENTERPRISE NUMBER: Questionnaire number **A. PROFILE****A.1 Owner's profile****A.1.1. Demographics**1. Do you own this business? 

1.	Yes	0.	No
----	-----	----	----

2. Name \_\_\_\_\_

3. Age  Q3 

4. Where do you live? \_\_\_\_\_

5. If living in Duncan Village, since when have you been living in this community? Give the month and year. 

M	<input type="text"/>	Y	<input type="text"/>	-1.	N/A
---	----------------------	---	----------------------	-----	-----

 Q5 

6. Marital status

1.	Married	2.	Single, never married	3.	Divorced	4.	Married but separated
5.	Cohabiting						

 Q6 
7. Are you the head of your household? 

1.	Yes	0.	No
----	-----	----	----

 Q7 8. Do you have any children dependent on you? 

1.	Yes	0.	No
----	-----	----	----

 Q8 9. What level of schooling did you attain?  Q9 10. What languages do you speak? 

1.	Xhosa	2.	English	3.	Afrikaans
----	-------	----	---------	----	-----------

 Q10   
Other: \_\_\_\_\_11. What are your literacy skills in Xhosa? 

1.	Can read and write	2.	Can read but not write	3.	Cannot read or write
----	--------------------	----	------------------------	----	----------------------

 Q11 12. What are your literacy skills in English? 

1.	Can read and write	2.	Can read but not write	3.	Cannot read or write
----	--------------------	----	------------------------	----	----------------------

 Q12 **A.1.2. Background and motivation for start-up**13. Are you currently employed? 

1.	Yes	0.	No
----	-----	----	----

 Q13 14. If unemployed, since when have you been unemployed? 

M	<input type="text"/>	Y	<input type="text"/>	-1.	N/A
---	----------------------	---	----------------------	-----	-----

 Q14   
Give the month and year.15. If currently or previously employed, in which of the following areas are or have you been formerly employed? 

-1.	N/A
-----	-----

 Q15 

1.	Farming	2.	Factory work	3.	Company work	4.	Housework
5.	Informal sector						

 Q15 

Other: \_\_\_\_\_

16. If previously employed, have you received any training in any of your former jobs? 

1.	Yes	0.	No	-1.	N/A
----	-----	----	----	-----	-----

 Q16 

Code if subject refuses to answer: -2



17. If yes, what did this training entail? Q17

\_\_\_\_\_

\_\_\_\_\_

18. Do you have any previous small business experience? Q18

1.	Yes	0.	No
----	-----	----	----

19. If yes, describe this experience? -1. N/A

1. Had a previous business	2. Family had a business	3. Worked in a business	
----------------------------	--------------------------	-------------------------	--

Other: \_\_\_\_\_

20. Why did you start your current business? Q20

1. Unemployed	2. Better money than job	3. Saw an opportunity	4. Supplement income
5. Be my own boss	6. Able to work from home	7. Do enjoyable work	8. Increase household income

Other: \_\_\_\_\_

**A.2 Enterprise profile**

Use the provided table to answer questions 21 - 25

- 21. What products are you producing and selling? Name only processed products.
- 22. What do you charge per unit?
- 23. How many products do you sell as a unit for that price? (e.g. 1 (vetkoek) or 1 bag (of chips))
- 24. How many individual products do you make per day? Products can be easily counted.

or

- 25. How many units do you make per day? Individual products are not counted (e.g. 15 bags of chips or popcorn)

21 Product	22 Price per unit	23 No of products sold as a unit	24 No of products made	25 No of units made

Use the provided table to answer questions 26–30

- 26. From what specific location/address do you sell the products?
- 27. At what trade area is this location? Fill in the code.
- 28. How many days do you operate at the specific location during the week?
- 29. How many days do you operate at the specific location during the weekend?
- 30. What are your trading hours per day during the week and weekend respectively?

26 Specific Location	27 Trade Area	28 No days Week	29 No days Weekend	30 Trading hours

Key to trade areas:  
 1 = School  
 2 = Pavement  
 3 = Tavern  
 4 = Taxi Rank

31. How many people are involved/working in your business? Q31

32. Since when have you been operating this business? Q32

Give the month and year. -1. N/A

M		Y	
---	--	---	--

33. With how much money did you start your business? Q33

34. How did you obtain these funds? Q34

1. Bank loan	2. NGO	3. Personal savings	4. Family gift
5. Friends	6. Savings club	7. Family loan	

Other: \_\_\_\_\_



**B. BUSINESS OPERATIONS**

**B.1 Production management**

35. Where did you learn to make these products?

1. Training at job	2. Training course	3. School	4. I saw, I copied
5. Learnt by myself	6. Previous job	7. Asked somebody	8. Mother taught me

Q35

Other: \_\_\_\_\_

36. Where do you make your products?

1. At home	2. On site
------------	------------

Q36

Use the following table to answer questions 37-39.

37. What products do you produce and sell?

--	--	--	--

38. When do you make these products?

1. Previous day	1. Previous day	1. Previous day	1. Previous day
2. Early morning	2. Early morning	2. Early morning	2. Early morning
3. When asked for	3. When asked for	3. When asked for	3. When asked for

39. How do you store the products until the customer buys it?

1. In a plastic bag	1. In a plastic bag	1. In a plastic bag	1. In a plastic bag
2. In a container	2. In a container	2. In a container	2. In a container
3. Over the heat	3. Over the heat	3. Over the heat	3. Over the heat

40. What do you do with any products that does not sell?

1. Consume it	2. Give it away	3. Sell it later
---------------	-----------------	------------------

Q40

41. If selling the products later, where do you sell it?

-1.	N/A
-----	-----

Q41

42. How do you ensure the cleanliness of the food?

1. Wash hands regularly	2. Wash ingredients	3. Use clean utensils	4. Cook food thoroughly
5. Wash utensil after tasting	6. Buy good/clean food	7. Cover finished products	8. Good personal hygiene

Q42

Other: \_\_\_\_\_

43. What energy sources do you have to cook with?

1. Paraffin	2. Gas	3. Fire	4. Electricity
-------------	--------	---------	----------------

Q43

Other: \_\_\_\_\_

44. Where do you purchase the ingredients?

Q44

45. Why do you purchase there?

1. Friend goes there	2. Cheapest	3. Nearest	4. They give credit
----------------------	-------------	------------	---------------------

Q45

Other: \_\_\_\_\_

46. Do you use the ingredients purchased for the business for home cooking as well?

1. Yes	0. No
--------	-------

Q46



**B.2 Financial Management**

47. Do you know how much money you make per day? 

1.	Yes	0.	No
----	-----	----	----

 Q47

48. If yes, how much profit do you make on average per day? 

	-1.	N/A
--	-----	-----

 Q48

49. **Record keeping:** Mark what you write down in the following table.

50. Mark how often you keep these if applicable.

	Frequency				
	1. Yes	0. No	1. Daily	2. Weekly	3. Monthly
Business expenses					
Ingredients purchased					
Number of products made					
Total sales and profit					
Credit sales					

51. Do you calculate beforehand how much money you should make per day? 

1.	Yes	0.	No
----	-----	----	----

 Q51

52. Do you calculate beforehand how much you will spend on your business ingredients per occasion? 

1.	Yes	0.	No
----	-----	----	----

 Q52

53. If yes, how much do you spend on your ingredients per day?  Q53

54. How often do you find yourself with enough products and ingredients but no cash?  

1. More than twice a week	2. Once to twice a week	3. Less than once a week	4. Almost never
---------------------------	-------------------------	--------------------------	-----------------

 Q54

55. Do you sell on credit? 

1.	Yes	0.	No
----	-----	----	----

 Q55

56. If yes, how do you decide to whom to sell on credit? 

1. Know them	2. They have a secure job	3. They get a pension	4. Consumer demand
5. They look honest	6. At school every day	7. They always pay	

-1.	N/A
-----	-----

 Q56

57. Do you have any access to credit at the shops where you buy the ingredients? 

1.	Yes	0.	No
----	-----	----	----

 Q57

**B.3 Marketing**

58. Do you look at what your competitors are doing? 

1.	Yes	0.	No
----	-----	----	----

 Q58

59. If yes, at what do you look? 

1. Product	2. Price	3. Place	4. Display
5. Customers			

-1.	N/A
-----	-----

 Q59   
 Other: \_\_\_\_\_

60. To what age do you sell the most products? 

1. Adults	2. Children
-----------	-------------

 Q74

61. To what sex do you sell the most products? 

1. Male	2. Female
---------	-----------

 Q74

62. Where did you find the idea for these products?  

1. I saw I copied	2. Saw an opportunity	3. I like the product	4. Consumer demand
5. Friends like it			

 Q74   
 Other: \_\_\_\_\_



63. How do you establish the price for your product?

1. Looked at competitor	2. Bargaining	3. Add amount to ingredient cost	4. Consumer demand
-------------------------	---------------	----------------------------------	--------------------

Q743

Other: \_\_\_\_\_

64. How did you decide on the location for your business?

1. Looked at competitors	2. Busy area	3. Close to home	4. Space available
--------------------------	--------------	------------------	--------------------

Q74

Other: \_\_\_\_\_

65. What do you do to attract customers?

1. Word of mouth	2. Poster at site	3. Nice food	4. Friendly service
5. Give credit	6. Cheap	7. Clean food	

Q74

Other: \_\_\_\_\_

66. Are you aware of any customer complaints?

1. Yes	0. No
--------	-------

Q74

67. If yes, what are these?

-1. N/A
---------

Q74

\_\_\_\_\_

\_\_\_\_\_

68. Subjective evaluation of display of goods

1. Very attractive	2. Mildly attractive	3. Neither attractive nor unattractive	4. Mildly unattractive	5. Very unattractive
--------------------	----------------------	--	------------------------	----------------------

Q68

69. Subjective evaluation of customer service

1. Very friendly	2. Mildly friendly	3. Don't care	4. Mildly unfriendly	5. Very unfriendly
------------------	--------------------	---------------	----------------------	--------------------

Q74

**C. FUTURE ORIENTATION AND AWARENESS OF TRAINING**

70. Do you think your business will survive and make money in the next 6 months?

1. Yes	0. No	2. Don't know
--------	-------	---------------

Q74

71. Do you think your business will make more money if you receive training?

1. Yes	0. No	2. Don't know
--------	-------	---------------

Q74

72. Have you received any previous business training?

1. Yes	0. No
--------	-------

Q74

73. Would you like to undergo training to improve your business?

1. Yes	0. No	2. Don't know
--------	-------	---------------

Q74

74. If yes, at what times would it be convenient for you?

1. Daytime	2. Evenings	3. Whole day	-1. N/A
------------	-------------	--------------	---------

Q74

75. If yes, would it be convenient during the week or weekend?

1. Week	2. Weekend
---------	------------

-1. N/A
---------

Q75

76. If yes, at what locations would it be suitable for you?

-1. N/A
---------

Q76

\_\_\_\_\_

\_\_\_\_\_

77. If yes, in what language would you prefer it?

1. Xhosa	2. English
----------	------------

-1. N/A
---------

Q77



78. If yes, rate the following business aspects according to your need for training.

-1. N/A Q78

Business Aspects	Description	G	M	N
1. Purchasing	Where and how much to purchase			
2. Stock control	Having enough products and ingredients			
3. Cash flow	Having cash available when needed			
4. Record keeping	Writing down what happens to money in the business			
5. Budgeting	Working out how much you will spend and should make			
6. Debt collecting	Collecting money from the people buying on credit			
7. Obtaining funds	Where and how to obtain financial help			
8. Price establishment	How much to charge for a product so that the customer will buy it and you make a profit			
9. Promotion	Advertising and attracting customers			
10. Consumer demand	Knowing what the customer wants, where they want it and at what price			
11. Food production skills	Ways of making food and better products			
12. Food handling practices	Cleaner food			

Q78.1   
 Q78.2   
 Q78.3   
 Q78.4   
 Q78.5   
 Q78.6   
 Q78.7   
 Q78.8   
 Q78.9   
 Q78.10   
 Q78.11   
 Q78.12

G=Great need, M=Moderate need, N=No need

79.

80. Are there any other specific aspects of your business in which you would like to receive training?

1.	Yes	0.	No

Q80

81. If yes, what are these?

-1. N/A Q81

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82. Do you know of any business training programmes in East London?

1.	Yes	0.	No
----	-----	----	----

Q82

83. If yes, which ones?

-1. N/A Q83

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Thank you very much for your time and co-operation



**ENTERPRISE OWNER QUESTIONNAIRE****Food products sold in Duncan Village****Guidelines for Nomsa Siqhaza****Objectives of the enterprise owners questionnaire**

1. The questionnaire is designed to gather data on the profiles of selected food micro-enterprises in Duncan Village and East London and identify their subsequent training needs with regard to the operation of the enterprise.
2. The data will be gathered during personal interviews with the owner of a food micro-enterprise.
3. The questionnaire items are based on the elements identified in the attached **figure 1**.

**Selection of participants**

1. Only enterprises that were selected for the consumer interviews will be included for the interviews with enterprise owners. This selection will be within certain areas of Duncan Village and the taxi rank in East London.
2. All the enterprise owners at the selected two primary schools and two high schools will be included. The schools nearest to the health clinics where the programme will be implemented will be selected for participation. These will be the primary and secondary schools nearest to each health clinic.
3. All the enterprise owners at the taxi rank in Buffalo Street, East London will be selected.
4. The enterprises trading on the pavements and at the taverns in Duncan Village will be selected within a certain radius of the two health clinics where the programme will be implemented. The number of enterprises should be equal for each area and will be determined by the number of enterprises operating within the specified radius.

**Interview conduction**

1. The questionnaires will be completed during personal interviews with enterprise owners.
2. The questionnaire includes open- and closed-ended questions and requires the interviewer to make subjective observations at some questions.
3. All unmarked questions are regarded as closed-ended questions where the options may be given if necessary.
4. Appropriate symbols have been inserted to guide the interviewer during the process.

**Key to symbols**

A written answer is required to this open-ended question.



Ask the question as an open-ended question, listen and evaluate to determine whether the answers comply with any given option, otherwise, write the answer at **other**. More than one answer is permissible, depending on the given answers.



Make a visual observation and evaluate subjectively.



These calculations will be made at a later stage and not during the interview.



**ADDENDUM C:**

**TRAINING QUESTIONNAIRE**



## **MICRO-ENTERPRISE TRAINING QUESTIONNAIRE**

### **Micro-enterprise training programmes available in and around East-London**

This survey is part of a research project with the aim of developing a programme to increase the awareness of women in Duncan Village regarding aspects of food micro-enterprises as well as the relation thereof to food security. This research project will have as one of the objectives the identification of appropriate training programmes in and around East London for food micro-enterprise owners of the area through a comparison of the training needs of food micro-enterprise owners and the training offered.

This survey on small and micro-enterprise skills training as well as entrepreneurial training offered in and around East London will focus on the following areas:

1. The accessibility of the course to potential participants in term of the participatory requirements and the organisational details relating to training as well as the target population this course aims to include.
2. The potential value of the programme to participants.
3. The programme delivery and design
4. Problems experienced by you, the trainer and the participants and the support given to participants.

Thank you very much for your time and co-operation in this survey. Should you wish to, you are more than welcome to receive a copy of the findings.

**Training organisation:**

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**Address:**

---

**Contact details:**

---

**Interviewee:**

---

**Position:**

---

**Date:**

---



## A. ORGANISATIONAL PROFILE

### A.1 Course Trainers

1. How do you train the course trainers? (Trainee course, qualifications)

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## B. COURSE PROFILE

2. How many small and micro-enterprise skills training or entrepreneurial training programmes does your organisation offer?   
I am specifically looking at programmes following a grass-roots approach and that focus on income generating skills and activities

3. What are the course names?

1. 

---

2. 

---

3. 

---

4. 

---

5. 

---

Could you tell me more about the courses in terms of the accessibility, potential value to participants and the delivery and design of each programme?

Course 1: 

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### B.1 Accessibility

#### B.1.1. Target population

4. How do you promote this course to potential participants? (How do you find potential participants?)

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---

---

5. Describe the target population this programme aims to include:

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---

---

6. Does this programme target participants who already own a business or those who wish to establish a new business?

1.	New	2.	Established
3.	Both		



**B.1.2. Participatory requirements**

7. In what language is the material and course presented?

		Language			
Course	1.	X	2.	E	
Material	1.	X	2.	E	

8. What level of literacy skills do you require of participants?

G = Good  
A = Average  
B = Basic

		X	E	0.	N/A
1.	Speak				
2.	Read				
3.	Write				
4.	Understand				

9. What numerical skills do you require of participants?

1.	Add & Subtract	2.	Use calculator	0.	N/A
----	----------------	----	----------------	----	-----

---



---

10. Are participants required to have a business idea before participation?

1.	Yes	2.	No
----	-----	----	----

11. If yes, are participants required to submit a business plan before participation?

1.	Yes	2.	No	0.	N/A
----	-----	----	----	----	-----

12. Do you focus training on businesses within certain market sectors?

1.	Yes	2.	No
----	-----	----	----

13. If yes, what sectors do you focus on?

Other: \_\_\_\_\_

1.	Retail	2.	Manufacture	0.	N/A
3.	Repair	4.	Service		
5.	Other				

14. At what specific field within this sector do you focus?

--

**B.1.3. Organisational details relating to training**

15. Where is the training course held?

Other: \_\_\_\_\_

1.	A venue at the organisation
2.	Decided by the participants
3.	Other

16. What venues are normally used for Duncan Village residents if training does not take place at the organisation itself?

	0.	N/A

17. What is the full participation fee for this course?

R
---

18. When is this fee payable?

--

19. Is there any financial help regarding the participation fee?

1.	Yes	2.	No
----	-----	----	----

---



20. At what times does training take place?

		Wk	Wknd	Duration
1.	Mornings			
2.	Afternoon			
3.	Evening			
4.	Whole day			
5.	Participants decide			

21. What is the duration of the total course

22. How many different sessions is this course comprised of?

23. How often are these sessions held?

24. How many participants are allowed per course?

25. How many trainers are involved in the training of participants?

## B.2 Acknowledgement

26. Do participants receive a form of certification after successful course completion?

1.	Yes	2.	No
----	-----	----	----

27. If yes, what does this certification entail?

0.	N/A
----	-----

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---

28. Is this course an accredited part of the ABET system?

1.	Yes	2.	No
----	-----	----	----

29. If yes, at what level does it fit in?

		0.	N/A
--	--	----	-----

30. Does your institution grant loans to micro-enterprises?

1.	Yes	2.	No
----	-----	----	----

31. If yes, is the successful completion of this course a prerequisite for a loan with your institution?

1.	Yes	2.	No	0.	N/A
----	-----	----	----	----	-----

32. Will the successful completion of this course lead to the granting of a loan with any other institution?

1.	Yes	2.	No
3.	Possibly	4.	Don't know

33. If yes, which institutions in and around East-London recognise this course as sufficient for the granting of a loan?

0.	N/A
----	-----

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### B.3 Course delivery and design

Would it be possible to look at your course outline or the course content?

Do you have a copy of the course outline available for me?

#### B.3.1. Needs assessment and course objectives

34. What are the objectives of this course?

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---



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---



---

35. Do you assess the training needs of your participants before commencing training?

1.	Yes	2.	No
----	-----	----	----

36. If yes, how do you assess the training needs of the participants?

0.	N/A
----	-----

---



---



---



---



---

37. If conducting a needs assessment, do you alter the programme content according to the needs of the participants?

1.	Yes	2.	No	0.	N/A
----	-----	----	----	----	-----

38. Do participants participate in the determination of the course content?

1.	Yes	2.	No
----	-----	----	----

#### B.3.2. Course content and training methods

39. What content does this course cover?

40. Give a brief description of each content section.

	Course content	✓	Description
1.	Introduction to retailing		
2.	Market investigation		
3.	Idea generation and product identification		
4.	Business location		
5.	Marketing		



6.	Buying		
7.	Stock control		
8.	Production and consumer demand		
9.	Costing and pricing		
10.	Record keeping		
11.	Budgeting		
12.	Debt collecting		
13.	Finding credit		
14.	Cash flow		
15.	The business plan		
16.	Saving		
17.	Quality products		
18.	Product display		
19.	Customer service		
20.	Food production skills		
21.	Food handling practices and hygiene		

41. What training methods do you use during the course?

1.	Lecture	2.	Demonstration	0.	N/A
3.	Practical	4.	Groupwork		
5.	Roleplay	6.	Application		

Other \_\_\_\_\_

42. Does this training course require practical assignments to be completed between sessions in a business itself?

1.	Yes	2.	No
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43. How is the feedback reported?

\_\_\_\_\_

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\_\_\_\_\_



**B.4 Problems experienced and support given**

44. What are the problems that you most often encounter during the training of participants?

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45. What are the problems most frequently cited by participants, that you are aware of?

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46. Do you offer a continuation of support to participants after programme completion?

1.	Yes	2.	No
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47. If yes, what does this support entail?

0.	N/A
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48. Are you aware of any other persons or organisations conducting micro-enterprise

1.	Yes	2.	No
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49. Could you please name these persons/organisations?

0.	N/A
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**ADDENDUM D:**

**SOCIO-DEMOGRAPHIC PROFILE OF MUNICIPAL CLINIC  
ATTENDANTS IN DUNCAN VILLAGE**



## SOCIO-DEMOGRAPHIC PROFILE OF MUNICIPAL CLINIC ATTENDANTS IN DUNCAN VILLAGE

The raw data for the socio-demographic profile of municipal clinic attendants in Duncan Village, were obtained from De Villiers and were gathered during the preliminary phase of her research for the multiple strategy intervention programme.

### 1.1 AGE

The age distribution of the clinic attendants is presented in Table 1.

**Table 1: Age distribution of clinic attendants in Duncan Village (n=80)**

Age group	n	%
15-19	6	7,5%
20-24	25	31,3%
25-30	28	35,0%
30-35	11	13,8%
35 and older	10	12,5%

From this table it can be seen that two-thirds of the clinic attendants were in their twenties and only a quarter of the sample older than 30 years.

### 1.2 MARITAL STATUS AND DEPENDANT CHILDREN

The frequency distribution of the marital status of enterprise owners is presented in Table 2.

**Table 2: Frequency distribution of the marital status of clinic attendants in Duncan Village (n=80)**

Marital status	n	%
Single never married	40	50,0%
Married (including traditional marriages)	27	33,7%
Cohabiting	12	15,0%
Widowed	1	1,3%

From this table it can be seen that half of the clinic attendants were unmarried, while a third of them were married either by traditional marriages or legal marriages. The remaining respondents were cohabiting. Only one respondent was widowed.



Ninety-five percent of the mothers indicated that they had dependent children in their households.

### 1.3 EDUCATIONAL LEVEL AND LITERACY

The frequency distribution of the educational level of clinic attendants is presented in Table 3.

**Table 3: Frequency distribution of the educational level of clinic attendants in Duncan Village (n=80)**

Educational level	n	%
Grade 3 – 4	1	1,3%
Grade 5 – 7	11	13,8%
Grade 8 – 9	22	27,5%
Grade 10 – 12	39	48,8%
Tertiary education	6	7,5%
Skills training	1	1,3%

The number of years of education ranged from three to more than twelve years, including tertiary education. More than half of the respondents had completed high school and less than one fifth less than primary school.

### 1.4 SOURCE OF INCOME

The frequency distribution of the source of income of clinic attendants is presented in Table 4.

**Table 4: Frequency distribution of the source of income of clinic attendants in Duncan Village (n=80)**

Source of income	n	%
No income	50	62,5%
Selling something	13	16,3%
Fulltime job	12	15,0%
Part time job	2	2,5%
Irregular job	2	2,5%
Grant	1	1,3%

From this table it can be seen that almost two-thirds of the sample had no income themselves. Only 17% had a regular income from either a part-time or a fulltime job. The remaining respondents sold something, had an irregular job or received a grant. This source of income was thus not secure.

Only sixteen percent of the respondents indicated that they had no other source of household income than their own and are thus the sole breadwinners.