

THE IMPACT OF THE ECONOMIC ENVIRONMENT ON  
ENTREPRENEURSHIP DEVELOPMENT  
A CASE OF HARED PETROLEUM LIMITED, JINJA  
DISTRICT - UGANDA

BY

CALFOON ABDI MUHAMMED  
BBA/7183/52/DF

A DISSERTATION SUBMITTED TO THE SCHOOL OF  
BUSINESS AND MANAGEMENT IN PARTIAL  
FULFILLMENT FOR THE AWARD OF THE  
DEGREE OF BUSINESS ADMINISTRATION  
KAMPALA INTERNATIONAL  
UNIVERSITY

APRIL, 2009

### DECLARATION:

This proposal on evaluation of impact of economic environment on the entrepreneurship development is my original work and has never been submitted before to an institution of higher learning for an award.

RESEARCHER: CALFOON ABDI MOHAMMED

SIGNATURE:

\_\_\_\_\_

DATE:

21/04/2009

This research proposal has been submitted for examination with my approval as the candidates university supervisor.

SUPERVISOR: WANYERA FRANCIS

SIGNATURE:

\_\_\_\_\_

DATE:

\_\_\_\_\_

## ACKNOWLEDGEMENT:

I am deeply grateful to my supervisor Mr. Wanyela Francis for his professional guidance and support towards the success of this project. To him, I owe a special debt as he even devoted his resting time to reading my drafts, not to mention the burden I added to his busy schedule. I also express my gratitude to Winnie, Mary and other comrades for their valuable contribution.

I wish to thank the management and employees of Hared Petroleum Limited. Particularly, the General Manager Nurudin Yusuf for the release of information that led to success of this project.

Finally, a special thanks to my parents, sister and my dear husband for their financial and moral support in life especially towards my education.

### DEDICATION:

This dissertation is dedicated to my late father Abdirahman Isa Qaraad my mother Rahma Mahamud, my sisters Fatuma, Halima, Nadifa, Katra, my brothers Farah, Omar, Isa and my dear husband Nurudin Yusuf.

## ABSTRACT:

The main purpose of this study was to investigate the impact of the economic environment on the entrepreneurship development. This inspired the researcher to select Hared Petroleum Limited in Jinja as a case study. The research is driven by the quest to find out the main objective of the study. The study aimed at achieving the following objectives:-

1. To identify and examine the impact of economic environment on entrepreneurship development.
2. To determine relationship between economic environment and entrepreneurship development.
3. To examine challenges encountered by entrepreneurs for this case Hared Petroleum Limited.

In summary, research is organized in five summarized chapters. Chapter one covers introduction, background of the study, statement of the problem, objective of the study, research questions, significant of study, Definition of term, scope of the study and limitation of the study.

Chapter two is the literature review, it contains introduction, impact of economic environment on entrepreneurship development, the relationship between economic environment and entrepreneurship development and challenges encountered by entrepreneurs.

Chapter three describes the methodology employed in the study; it describes the information on the methods of data collection, the method and instruments of data collection and analysis. It includes research design, target population, sample size, data collection, data collection instrument, data processing and analysis.

Chapter four covers the findings and conclusion from the respondents regarding the economic environment and entrepreneurship development. It covers the sex respondent, level of education respondent, job title respondent, department respondent length of service respondent, level of education respondent, marital status respondent, distribution of age respondent and data analysis on research objectives which includes; determining the impact of economic environment on entrepreneurship development, determining the relationship between economic

environment and entrepreneurship development and examining the challenges encountered by entrepreneurs of Hared Petroleum Limited.

Chapter five contains the summary of the study, the conclusions and recommendation on the impact of economic environment on the entrepreneurship development. It also suggests area for further research and lastly the reference and appendices.

## TABLE OF CONTENTS

DECLARATION.....	i
ACKNOWLEDGEMENT.....	ii
DEDICATION.....	iii
ABSTRACT.....	iv
TABLE OF CONTENTS .....	vi

### CHAPTER ONE:

1.1	Introduction.....	1
1.2	Background.....	1
1.3	Statement of the problem.....	3
1.4	Objectives of the study.....	3
	1.4.1 General objectives.....	3
	1.4.2 Specific objectives of the study.....	3
1.5	Research questions.....	4
1.6	Significance of the study.....	4
1.7	Conceptual framework.....	5
1.8	Definition of terms .....	6
1.9	Scope of the study .....	7
1.10	Limitation of the study .....	7

### CHAPTER TWO:

2.0	LITERATURE REVIEW.....	9
2.1	Introduction.....	9
2.2	Impact of economic environment on entrepreneurship development.....	10
2.3	The relationship between economic environment and entrepreneurship development.....	11
2.4	Challenges encountered by entrepreneurs .....	12

### CHAPTER THREE:

3.0	METHODOLOGY.....	14
3.1	Introduction.....	14
3.2	Research design.....	14
3.3	Target Population .....	14
3.4	Sample size and strategy .....	14
3.5	Data collection.....	14
3.6	Data collection instruments.....	15

3.6.1	Questionnaire .....	15
3.6.2	Interview .....	15
3.6.3	Observation check list .....	16
3.7	Data Processing and Analyzing .....	16
3.7.1	Editing .....	16
3.7.2	Coding.....	16

#### **CHAPTER FOUR:**

4.0	PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS	
4.1	Introduction .....	17
4.2	Background information of respondents.....	17
4.3	Data analysis based on research objectives .....	21

#### **CHAPTER FIVE**

5.0	SUMMARY, CONCLUSION AND RECOMMENDATIONS	
5.1	Summary.....	32
5.2	Conclusion.....	33
5.3	Recommendation.....	33
5.4	Area of further research.....	34

BIBLIOGRAPHY .....	33
--------------------	----

#### **APPENDICES**

Appendix I.....	34
Appendix II.....	35
Questionnaire .....	35
Appendix III.....	40
Interview Schedule .....	40
Appendix IV.....	41
Time Plan .....	41
Appendix V.....	42
Budget .....	42



# CHAPTER ONE

## 1.1 Introduction:

This study on evaluation on the impact of economic environment on entrepreneurship development was carried out at Hared Petroleum Limited, Jinja District, Uganda. The study was carried out with the aim of evaluating the relationship between economic environment and entrepreneurship development.

The chapter mainly covers the background of the study, statement of the problem, objectives of the study, research questions, significance of the study, conceptual framework, definition of the terms used, the scope of the study and limitation of the study.

## 1.2 Background of the study:

Until recently, the role of economic environment on entrepreneurship development was not understood by most entrepreneurs and businesses as one of the key barriers to entrepreneurship development. Entrepreneur is an Economic Agent who plays a vital role in economic development of a country. Economic development of a country refers to steady growth in the income levels. This growth mainly depends on entrepreneurship development. Entrepreneurship is a dynamic activity which helps the entrepreneur to bring a change on the process of production, innovation, new usage of materials, creators of market. Entrepreneurship is new phenomenon and it is spreading very quickly. It is being taught in many universities around the world. It has become the it thing and it helps many people to set up new ventures

A complex and varying economic environment such as deflation, inflation, low purchasing power, economic instability, determines the development of entrepreneur. The study was carried out at Hared Petroleum Limited. The objectives of Hared Petroleum Limited is to maximize profits, curb urban migration, and create employment to enhance government development strategy of district forecast for rural development and more so to help the government in nation building through supporting education and fight against HIV/AIDS pandemic.

The mission of Hared Petroleum Limited is to be the company of choice in customer service, the most competitive efficient, reliable and personalized suppliers of petroleum products, maximizing returns to employees and stakeholders, while maximizing market growth and profitability through visionary, leadership, creativity and innovation. The vision of Hared Petroleum Limited means being known as people with customer interest at heart, being admired for how to achieve their goals, providing quality energy service and products.

The company was founded by two entrepreneurs; Mr. Nurudin Yusuf and Mr. Yahya Yusuf in 2002. They are the Directors of the company, their aim is to coordinate all activities that are taking place in the company. The structural management of Hared Petroleum Limited comprises of six (6) departments namely:-

Procurement department which deals with getting the product or stock from oil producing countries like Libya, Saudi Arabia and shipping, clearing and forwarding.

Human resource department deals with recruitment section training, employee relations, reward systems, and human resource development.

Finance department deals with the maintenance of the books of accounts and at the end of the year to prepare final accounts of the company. The department also makes payments to creditors. The wages and salaries of the staff are also paid by the finance department and it also maintains statutory books.

Company Secretarial department is headed by a well qualified Secretary whose duties are to arrange for meeting, making appointments for the Managers and dealing with legal matters. This department also deals with insurance of company vehicles.

Sales and marketing department role is to sell product of the company which is mainly petroleum products. It is also responsible for finding market for the products of the company through market research, advertisement or by

having direct contact with customers. General Administration department mainly deals with purchasing security and carrying internal audit.

### **1.3 Statement of the problem:**

Despite the impact of the economic environment on entrepreneurship development, little has been done in this area by many organizations simply because they are not conversant with its importance. This result in poor performance, inefficiency and low productivity because it hinders the developments of entrepreneurship skills.

If this issue is not addressed, it can hinder people from acquiring and practicing entrepreneurial skills, and also entrepreneurs from achieving the full benefit that entrepreneurship has to offer. Economic environment like inflation, deflation, low purchasing power, unemployment, poor infrastructure, lack of access to finance can greatly hinder entrepreneurship process and hence reduces the performance and development. Hared Petroleum Limited, Jinja - Uganda is not exceptional. Thus, this study was designed to analyze and look at the impact of the economic environment on entrepreneurship development using case study Hared Petroleum Limited.

### **1.4 Objectives of the study:**

#### **1.4.1 General Objective:**

The general objective of this study was to examine the impact of the economic environment on entrepreneurship development.

#### **1.4.2 Specific objective of the study:**

1. To identify and examine the impacts of economic environment on entrepreneurship development.
2. To determine relationship between economic environment and entrepreneurship development.
3. To examine challenges encountered by entrepreneurs for this case Hared Petroleum Limited.

### **1.5 Research questions:**

1. What is the impact of economic environment on entrepreneurship development?
2. What is the relationship between economic environment and entrepreneurship development?
3. What are the challenges encountered by entrepreneurs for this case Hared Petroleum limited?

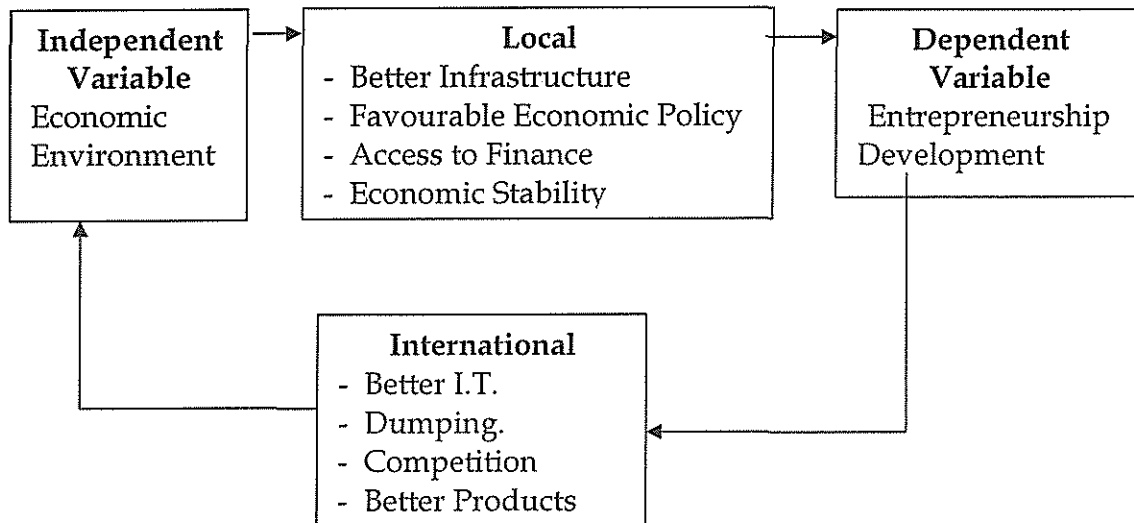
### **1.6 Significance of the study:**

The study of the impact of the economic environment on entrepreneurship development was carried out at Hared Petroleum Limited. The research benefited the following people:-

- The entrepreneurs of Hared Petroleum Limited for example; benefited from this study as they knew how to handle ever changing economic environment like deflation, purchasing powers, income distribution. They stand a better position when it comes to handling this crisis.
- The management of Hared Petroleum Limited stands close to know economic environment that is making difficult for the achievement of set objectives and goals. They also know the role economic environment plays in the business so as they can set strategies to cub this crisis.
- The study help the government of Uganda to recognize the role economic environment plays in the development of entrepreneurship therefore they set favourable economic policy like creation of employment, improvement of infrastructure, making the economy stable.
- The study help other researchers who are interested in the same area of study to use those findings as a basis of this research, thus enabling them to come with more detailed project.

### 1.7 Conceptual framework:

The study has dependent variable as entrepreneurship development and independent variable as economic environment.



**Figure 1: Conceptual framework**

The conceptual framework of the study elaborates the relationship among the variables (dependant and independent variable). It explains the theory underlying their relationship and describes the nature and direction of their relationship. In our case economic environment is independent variable while entrepreneurship development is dependent variable.

Almost every organization needs its entrepreneurs to be more effective so as to achieve its objective. And the only way of doing this is to know how the ever changing economic environment operates. When the infrastructure is well developed and maintained, when the economy is stable, when the financial system like banks, security market, financial instrument like treasury bills, bills of exchange exist and operates efficiently to aid business transaction. When there is favourable Government Economic Policy (Monetary, Fiscal and Regulatory), Expansionary Monetary Policy is more conducive to entrepreneurship development than contractionary. In general, environment that is ideal for business growth is conducive for entrepreneurship. On the other hand when international economies have better I.T, better products, when they conduct unhealth competition and dump their products, it discourages entrepreneurship development.

This makes hard for business in general and entrepreneurs in particular to acquire the necessary economies of scale. Economic instability e.g. deflation, inflation due to over reliance on donor assistance, borrowing, the import bill that far outweighs the export earning and over reliance on import, the Ugandan economy is very fragile. Thus it's upon this conceptual framework that the entire research was be conducted.

#### 1.8 Definition of terms:

In the course of carrying this study on evaluation of impact of economic environment on entrepreneurship development, the researcher used terms that need to be defined therefore, below are the terms that were used in this study:-

- **Entrepreneur:-** This is specially a motivated and talented individual who see potentially profitable opportunities and organize resources in order to exploit them.
- **Entrepreneurship:-** Is a dynamic activity which helps the entrepreneur to bring change in the process of production, innovation, new usage of material, creator of market.
- **Development:-** Is a gradual growth of something so that it becomes advanced, stronger.
- **Fiscal Policy:-** Refers to government revenue and expenditure.
- **Economic Environment:-** This is an environment connected with the trade, industry and development of wealth of a country in an area or society.
- **Respondent:-** This refers to a group of entrepreneurs or people selected to act as information source during the time the researcher will be collecting data.
- **Management:** This refers to people vested with authority to control the organization resources in order to achieve organization goals and objectives efficiently and effectively.

- **Deflation:-** It refers to reduction in amount of money in a country's economy so that prices fall or remain the same.
- **Inflation:-** It's general rise in the prices of services and goods in a particular country resulting in the value of money.
- **Unemployment:-** It is the fact of a number of people not having jobs.
- **Money market:-** It's the bank's and financial institutions that lend or borrow money and buy or sell foreign money.

### 1.9 Scope of the study:-

This study was carried out at Hared Petroleum Limited, Jinja District, Uganda. This is because the business was started by entrepreneurs and it is the fastest growing oil company, it has become one of the largest independent oil company in Uganda.

The duration of the study lasted for six months i.e. between November 2008 to April 2009, although unless otherwise.

This study was carried out in Jinja Municipality. Jinja Municipality is found within Jinja District where Hared Petroleum is located. The inhabitant of Jinja are mainly Lusoga speaking and it covers an area of 10 – 15 sq km with population of 70,000 people. Jinja District is found in Busoga Region which comprises of 8 districts namely:- Jinja, Iganga, Kamuli, Bugiri, Kaliro, Namutumba, Luuka and Mayuge.

### 1.10 Limitation of the Study:

- **Uncooperative respondents:-** The employees felt insecure to reveal some important information, they thought it will be used to measure their performance hence they were skeptical. Some respondents were very busy and failed to respond.
- **Inadequate resources and funds:-** It was very expensive in monetary term because the researcher had to contact respondents, make phone calls, post questionnaires, type, print as well as transport cost to Hared Petroleum Limited.

**Limited Time:-** Due to the nature of the research and respondents, a substantial amount of time was spent on delays which led to the overall shortfall in the time allocated to the research problem.



## CHAPTER TWO

### LITERATURE REVIEW:

#### 2.1 Introduction:

This chapter analyses the existing literature on the subject with an objective of revealing contributions made by other scholars. It would be tailored with according to the theme: economic environment on one hand and entrepreneurship development on the other hand, to reflect objectives, hypotheses, methods and research questions.

While a growing body of literature exists on entrepreneurial economic environment, the literature is highly fragmented. Some scholars have come up with a list of economic environment that may play a role in developing entrepreneurship in a country or region (Bruno and Tyebjee, 1982 and Gartner 1985). Others have a more descriptive approach to show what is out there in a particular country or region (Dana 1987, and Davidson 1981). Thus while, the role of economic environment condition in development of entrepreneurship have been recognized, most of these studies have fragmented, highly descriptive and focused on only a few aspect of economic environment. More importantly, most of the literature has neither paid adequate attention to the need of entrepreneur, (the many beneficiary of economic environment) nor describes environmental conditions in terms of the process of new venture creation.

The gaps are evident in the literature. First a conceptual framework is lacking to integrate the available literature on entrepreneurial economic environment. Secondly, explicit link have not been established between the need of entrepreneurs and how environment can fulfill entrepreneur's need or reinforce their desire to go into business venture creation. Thirdly, limited guidelines exist to conduct empirical research on entrepreneur's economic environment. Finally, a limited body of literature addresses the need of policy makers despite their recognition of their group as an important audience for research on entrepreneurship (Holy 1989).

General environmental condition discussed in the literature include legal and institutional frame work for efficient functioning of private enterprises, present of experienced entrepreneurs, present of skilled labour force,

accessibility to suppliers and financial services, accessibility to customers or new market, high degree of competition among firms, favourable government policies, provision of training and supportive infrastructure inflation, interest rate, surplus (Bruno and Tybjee 1982).

## **2.2 The impact of economic environment on entrepreneurship development.**

The environment, particularly the economic environment is dynamic. It keeps on changing and affects different entrepreneurs to a varying extent. The impact of economic environment on the organization depends largely on the degree to which the organization depends and responds to the environmental changes.

Certain infrastructure elements seem to make substantial impact on entrepreneurial environment. This element includes the existent of universities, research and development programmes, a well educated and technical skilled labour force and modern transport and communication facilities that provide access to suppliers and customers (Bruno & Tybjee 1982)

Entrepreneurs need support services in addition to financial assistance. In particular, entrepreneurs need must assistance in conducting market studies, in preparing business plan and getting loan. Business incubators facilitate, provide office space, common office facilities, faster and efficient means of communication and counseling and advisory services to their tenant at a lower cost. Incubators can be very helpful in places where infrastructure is not well developed or where modern physical facilities are costly.

Entrepreneurs spend nearly half of their time during their start-up phase in making contact and network with other businesses capability. Network provide essential ingredient to entrepreneurship. Support and motivate examples and role models expert opinion and counseling and access to opportunities information and resources. The form of network includes trade fair, entrepreneur fair and so on.

Entrepreneur would have to be aware of state of the economy of the country and how changes affect the proposed business. Viability of the economic environment will be concerned to the entrepreneur.

Economic growth, the interest rate, inflation, monetary policies of the country. Changes in interest rate and inflation will affect consumer behavior for example increase interest rate and inflation can reduce the demand of certain goods and services because they become too expensive, for many people to purchase considering the fact many people in Africa have low purchasing power. This in turn will affect entrepreneurship development. Basically, inflation occurs due to high import and low export. To reverse this, government may adopt deflationary policy by rising the bank rate and restricting credit. Under deflation, prices of domestic goods fall which makes exports attractive and import very costly. Also export item of a country in foreign country becomes relatively cheap and demand for them will rise so export will increase. This helps entrepreneurs since they will be able to set up new ventures and export their products (Dwivedi. DN 2002).

### **2.3. The relationship between economic environment and entrepreneurship development.**

There is no doubt that we live in a world where economic environment plays a major role. For example, what is happening in America and most of developed countries due to crisis of credit crunch, recession is due to the collapse of their economies. Economic factors such as proportion of small firms in the population of firm's extent of economic growth, diversity of economic activities also influences the rate of new venture creation and growth. Research has shown that the greater the percentage of small firms in growing sector, the greater the share of jobs created by small firms in the industries operating in sectors (Phillips 1993). Entrepreneurs are more likely to grow and develop if they are in a highly innovative industries than if they are in less innovative industries (Kirchhoff 1991). Research has shown that cities having large number of economic development programmes achieve higher growth in new venture establishment and entrepreneurship development than having a smaller number of such programmes. Factors such as high sophistication of buyers, strong entrepreneurs to pursue innovation help new venture creation and entrepreneurship development (Portar 1990).

Generally, entrepreneurs require financial assistance for at least one of the three purposes: to diversify or spread the start up risk, to accumulate start up capital and to finance growth and expansion. While availability of financial

resources appear to be a major predictor of new business startups, many lenders seem to be unwilling to invest in a high - risk project or tend to withhold support until the firm has been established successfully (Penning 1982). One out of three businesses in the U.S have resulted to financial loss to venture capital firms.

Consequently, venture capital companies are "simply inappropriate for most start-up firm" (Bhide 1992). In most developing countries and emerging market economies, only a few venture capital companies and commercial banks are available and alternative source of financing are almost non-existent. Thus, a paradox emerges:- entrepreneurs cannot start a business without financial assistance, they do not have access to financial institution aid cannot secure financial assistance if they lack prior business experience.

Most commercial operation such as venture capital firms and commercial banks tend to exhibit greater interest in concentrated urban areas that usually have a well developed infrastructure and concentrated demand for funds, in areas where businesses are easier to supervise and monitor, and in business that demonstrate some potential for success. Also most bankers specially commercial ones, may hesitate to finance start-up firm because of high cost involved in processing and supervising loan. Moreover, most bankers lack the kind of experience and capability needed for understanding and responding to the special need of small entrepreneur. Research has shown that creation of investment companies, provision of low interest loan and availability of credit guarantee schemes for small businesses contribute to entrepreneurship development.

## **2.4 Challenges encountered by entrepreneurs.**

Foreign producers dump their goods in the domestic market in order to capture them. Domestic entrepreneurs in backward countries cannot compete with them due to economies of scale. The government may protect the domestic entrepreneurs by restricting trade or offer protectionism. Government can influence the market mechanism and make them efficiently by removing conditions that create market imperfection and administrative rigidities. They can also create an enterprise culture, that enable firms to take reasonable risk and seek profits.

Entrepreneurs may be discouraged to start a business if they have to follow many rules and procedure requirements, if they have to report to many institutions and have to spend more time and money in fulfilling the procedure requirement.

This intervention was perceived negatively by most merging market economy, and increase already cumbersome procedure requirement entrepreneurs needed to follow (Bruno and Tybjee 1982).

When international economics have better IT, better products, conduct unhealth competition and dump their products. It discourages entrepreneurship development. This makes hard for business in general and entrepreneurs in particular to acquire the necessary economies of scale. Economic instability like deflation, inflation due to over reliance on donor assistants, borrowing, import bill that far out weighs the export earning and ever reliance on import, Uganda's economy is very fragile.

A complex and varying combination of financial institution, culture and personal factors determines the nature and degree of entrepreneurs activity at any time. The interaction between entrepreneur and his environment is on going process. At any given point of time, the entrepreneur derives meaning from the environment prevailing at that time and trying to adopt or change the environment to suit his need.

## CHAPTER THREE

### METHODOLOGY

#### 3.1 Introduction:

This chapter describes the methodology employed in the study, providing descriptive information on methods and instruments of data collection, processing and analysis. It simplifies the area in which the study was conducted, describes the research population, research procedures.

#### 3.2 Research Design:

The research design enabled quick and efficient collection of relevant information. A descriptive survey design is considered the most appropriate by the researcher to collect as much information as possible from the company both officially and at personal level.

#### 3.3. Target Population:

Population is a group of people, units or items under investigation. The questionnaires was administered to a sample of population that comprised of department managers, entrepreneurs, supervisors and subordinates. The entire population of Hared Petroleum Limited Jinja is 120 employees.

#### 3.4 Sample Size and Strategy:

The selection of respondent was based on random and non random sampling method. Department Managers and Entrepreneurs were selected using non-random technique while supervisors and subordinate staff were selected using random technique. The sample size was 50 respondents.

It was projected that the survey received a total of response of six (6) Department Managers, Seven (7) Supervisors, Two (2) Entrepreneurs and thirty five (35) Subordinates hence making a total of fifty (50) respondents which is 42% of the population. It is hoped that the sample will justifiably give equally reliable comprehensive information.

#### 3.5 Data Collection:

##### 3.5.1 Sources of Data Collection:

The data for the study comprised of both primary and secondary data.

### **Primary Data:**

The primary data was obtained through the use of questionnaires, interviews and general observation. Questionnaires were distributed to the various departments in the company.

### **Secondary Data:**

This is data that has already been collected and it has passed through the statistical process. It can be sourced from newspapers, journals, magazines, textbooks and internet. Secondary data can also be drawn from manuals, records and also from the company's annual report. The annual report including purchasing records, procurement order, reverse actions, records for the year and tendering record.

## **3.6 Data collection Instruments:**

### **3.6.1 Questionnaires:**

This is a method of data collection where a questionnaire is sent to the person concerned with a request to answer the questions and return the questionnaires. These techniques helped to collect primary data through a survey based on self administered structured questionnaires. The questionnaire that were used in the study had two parts:- part one and part two.

Part one contained the background information of the respondents and had seven (7) items while part two contained information pertaining to the area of the study i.e. on evaluation of the impact of economic environment on entrepreneurship development, and had twelve (12) items.

### **3.6.2 Interview:**

This is a method of data collection where the investigator is brought into contact with the respondent and ask him / her questions about the subject under study. This method can be used in two ways:- that is face to face and telephone interview. The researcher conducted a face to face interview with entrepreneurs and head of departments in order to obtain more information about the subject matter.

This method was expected to be effective because there were no misinterpretation of items that were given. Also the method was advantageous because the researcher was able to obtain feedback immediately.

The interview will consist of five (5) items that will be directly drawn from the objectives.

### **3.6.3 Observation Checklist Method:**

Under this method, the information is sought away off by the researchers own direct observation without asking the respondents or the sampling unit of interest. Observation was done in two ways:- passive and participant. Therefore the researcher observed the activities taking place in the company then collected and recorded the most important information needed for the research work.

## **3.7 Data Processing and Analysis:**

The data that was collected was analyzed using computer in the form of descriptive statistical method which included tables, bar graphs, histogram, pie charts, continuous prose and percentages. Data processing and analysis was based on the following:-

### **3.7.1 Editing:**

This was done at the end of each work day. This process was carried out to ensure the information given by the respondent was accurate and consistent. Editing was done by the researcher. In this respect, every questionnaire that came from the field was scrutinized, through cross checking wrong entries and standardizing the information while checking on the omissions and inconsistency.

### **3.7.2 Coding:**

This consisted of translating edited responses into numerical figures or terms. Coding was considered as process or classification by the researcher in preparation for tabulation. A complete coding schedule was done to ensure that various responses obtained were classified into meaningful form so as to bring out those essential pattern clearly.



## CHAPTER FOUR

### FINDINGS AND DISCUSSIONS

#### 4.1 Introduction.

This chapter presents the results and analysis of the finding of data collected from questionnaire and interview schedule, in order to provide possible explanation for the finding of the study. Therefore, this chapter contains the data that addresses the objective of the study and method used to present data.

#### 4.2 Background information of the Respondents.

In this section, questionnaire consisted of background information of the respondents and had (7) items which was presented, analyzed and interpreted below.

##### 4.2.1 Distribution of respondents' job title.

The respondents were required to state their job title in term of entrepreneurs, department manager, supervisor or subordinates.

**Table 1. Distribution of respondents' job title.**

Job title	Numbers	Percentages (%)
Entrepreneur	2	4
Department manager	6	12
Supervisor	7	14
Subordinate	35	70
<b>Total</b>	<b>50</b>	<b>100</b>

From the table 1 it is clear that 70% of the respondents were subordinates.

##### 4.2.2 Distribution of respondents department of work.

The respondents were required to indicate their department of work which was chosen from procurement department, human resource department,

finance department, company secretarial department, sales and marketing and general administration department.

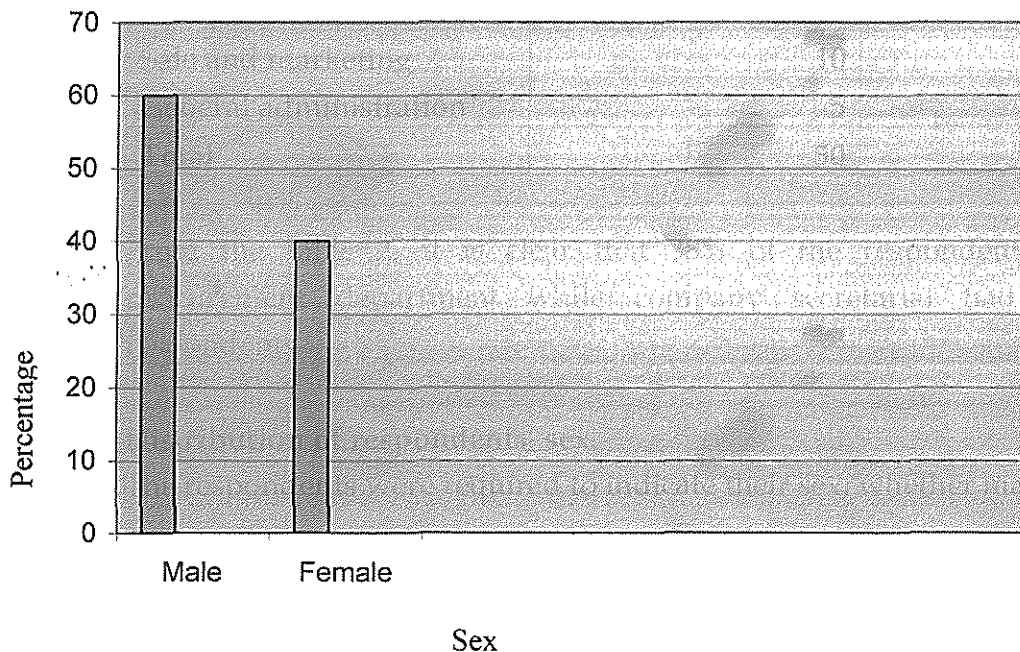
**Table 2. Distribution of respondents' department of work.**

Department	Number	Percentage %
Procurement	19	38
Human resource	6	12
Finance	8	16
Company secretarial	2	4
Sale and marketing	10	20
General administration	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

From the table 2, it is clear that 38% of the respondents were from procurement department while company secretarial had 4% of the respondents.

#### 4.2.3 Distribution of respondents' sex.

The respondents were required to indicate their sex, whether male or female.



**Figure2: Distribution of respondent's sex**

From the bar graph, it is clear that 60% of the respondents were male hence constituting the majority. Females only made 40% of the respondents.

#### 4.2.4. Distribution of respondents' length of service.

The respondents were required to indicate their length of service in the organization ranging from 2 years to 8 years.

**Table 3: Distribution of respondents' length of service.**

Number of respondents	Length of service (years)	Percentage %
4	2-3	8
3	3-4	6
5	4-5	10
7	5-6	14
2	6-7	42
10	7-8	20
<b>Total</b>	<b>50</b>	<b>100</b>

From the table, it is observed that 42% of the respondents have been working in the organization between 6-7 years while 6% have been working between 3-4 years. And out of 50 respondents, 58% worked for 2-3 years.

#### 4.2.5 Distribution of respondents Level of Education.

The respondents were required to indicate their level of education, ranging from primary to university.

**Table 4: Distribution of respondent's level of education.**

Level of Education	Number	Percentage
Primary	4	8
Secondary	25	50
College	10	20
University	11	22
<b>Total</b>	<b>50</b>	<b>100</b>

From the table 50% of the respondents have reached secondary level and 8% primary level only 22% reached University level.

#### 4.2.6 Distribution of respondents' marital status.

The respondents were required to state their marital status which is either

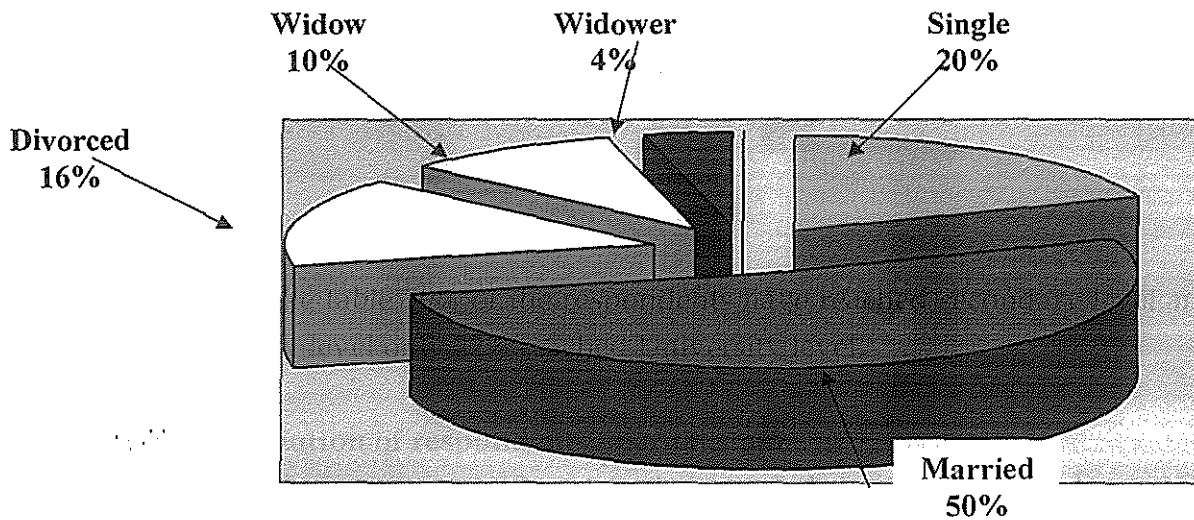


Figure 2: Distribution of respondents' marital status.

From the figure above, it is clear that 50% respondents were married and 4% were widower.

#### 4.2.7 Distribution of respondents' age.

The respondents were required to indicate their age bracket ranging from 21-25 years, 25-30 years, 30-35 years, 35-40 years and 40years and above.

**Table 5: Distribution of respondents' age.**

Age	Number	Percentage (%)
21-25	4	8
25-30	23	46
30-35	13	26
35-40	5	10
40years and above	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

From table 5, it can be observed that 46% of the respondents are between the ages of 25-30 years and 4% are above 40years.

#### **4.3 Data Analysis on Research Objectives.**

This section was divided into three Sub-Sections following the three objectives being evaluated.

##### **The impact of economic environment on entrepreneurship development.**

In this study the impact was looked as the positive and negative effects the economic environment plays to the entrepreneurs

During the interaction with respondents it was discovered that many had divergence but for clarity the study used primary and secondary data in conjunction with the variable. The respondents were asked whether there was any economic environment that affected the entrepreneur. The opinion of the respondents about this issue was analyzed, whether it existed or not.

**Table 6. Analysis on the economic environment that affect the organization.**

Views	Number	Percentage (%)
Yes	38	76
No	12	24
<b>Total</b>	<b>50</b>	<b>100</b>

Table 6, it is observed that 76% of the respondents agreed that the economic environment affected the entrepreneur and its organization. Most

respondents lamented that a complex and varying economic variable such as inflation, deflation, low purchasing power economic instability, taxation, and dumping, unfavorable laws affects entrepreneurship development. Other respondents agreed that better infrastructure, favorable economic policy access to finance, economic stability, improved innovation, help entrepreneurship growth and development.

#### **4.3.1 Analysis on whether the prevailing economic environment is good or Poor.**

The respondents were asked to describe how the prevailing economic environment is.

**Table 7: Analysis of prevailing economic environment.**

<b>Description of Economic Environment</b>	<b>Number</b>	<b>Percentage</b>
Very good	5	10
Good	8	16
Fair	11	22
poor	26	52
<b>Total</b>	<b>50</b>	<b>100</b>

From the Table 7, it is clear that 52% of the respondents agreed that, the prevailing economic environment is poor while 10% of the respondent agreed that prevailing economic environment is very good. Some respondents pointed out that environment is conducive

#### **4.3.2 Strategies to improve economic environment.**

The respondents were required to indicate the best strategy to improve economic environment.

**Table 8: Strategies to improve economic environment.**

Strategy to improve economic environment	Number	Percentage
Involve the entire organization	14	28
Educate and involve employees	8	16
Let the entrepreneur deal with it	6	12
Encourage teamwork	22	44
<b>Total</b>	<b>50</b>	<b>100</b>

Table 8, it is clear that 44% of the respondents agreed that teamwork can improve economic environment where every one contributed in solving the problem in the organisation.

#### **4.3.3. Department that involves with issues relating with economic environment.**

**Table 9: Department that that involves with economic environment**

Department	Number	Percentage (%)
Procurement department	8	16
Human resources department	0	0
General administration department	4	8
Sales and marketing department	10	20
Finance department	25	50
Company Secretary	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

Table 9, it is observed that 50% of the respondents agreed that it is the finance department which is concerned with the issues relating with economic environment, while 8% of the respondents agreed that, it is general administration department that deals with economic environment.

#### **4.3.4 How often is strategies concerning economic environment reviewed.**

The respondents were asked to indicate how often strategies concerning economic environment were reviewed.

**Table 10: Length on which strategies concerning economic environment were reviewed.**

Length	Number	Percentage (%)
Once month	3	6
Half a year	20	40
Once a year	22	44
Rarely	5	10
	50	100

From the table 10, it is observed that, 44% of the respondents agreed that the strategies concerning economic environment is reviewed once a year and only 10% of the respondents said that it is reviewed rarely.

#### **4.3.5 Type of employees who evaluate the economic environment.**

Respondents were required to indicate those employees given the responsibility of reviewing and evaluating the economic environment.

**Table 11: Analysis on the type of employees given responsibility of reviewing and evaluating the economic environment.**

Employees	Number	Percentages
Permanent	42	84
Temporary	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

From the table 11, it is clear that 84% of the respondents agreed that permanent employees were given the responsibility of evaluating and reviewing the economic environment.

#### **4.4 The relationship between economic environment and Entrepreneurship development?**

The respondents were required to indicate whether the prevailing economic environment affected the entrepreneurship development on positive or negative way.



**Table 12**

Effect of prevailing economic Environment on entrepreneurship Development	Number	Percentage
Positive	12	24%
Negative	38	76%
<b>Total</b>	<b>50</b>	<b>100</b>

From the table it is clear that 76% of the respondents said that prevailing economic environments had negative effect on entrepreneurship development.

#### 4.4.1 Analysis on the performance level.

The respondents were asked to present their views about the performance level of Hared petroleum limited and its entrepreneurs in general.

**Table 13: Analysis of the performance level.**

Performance level	Number	Percentage
Excellent	5	10
Very good	6	12
Good	12	24
Fair	24	48
Poor	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

From table, it is clear that 48% of the respondents agreed that the performance level was fair and 10% agreed that the performance level was excellent.

#### 4.4.2. Effect of economic environment on productivity.

The respondents were required to indicate their view whether prevailing economic environment increased productivity or not.

**Table14: Effect of economic environment on productivity.**

Effect of economic environment on productivity.	Number	Percentages
Positive	20	40
Negative	30	60
<b>Total</b>	<b>50</b>	<b>100</b>

From the table 15, it is clear that 60% of the respondents agreed that prevailing economic environment had negative effect on productivity.

#### **4.5. The challenges encountered by entrepreneurs**

**4.5.1 The respondents were asked the challenges encountered by Entrepreneurs of Hared petroleum limited.**

**Table 15: Analysis of the challenges encountered by entrepreneurs.**

Responses	Frequent	Percentage
Unfavorable market fluctuation	18	36
Non cooperative attitude of banks	10	20
Sudden changes in government policy	4	8
Low purchasing power.	18	36
<b>Total</b>	<b>50</b>	<b>100</b>

From table 15: the respondents agreed that unfavorable market fluctuation and low purchasing power were the main challenges faced by entrepreneurs with both responses having 36%.

**4.5.2 The respondents were asked to indicate which environment affects entrepreneurship development the most.**

The respondents were asked to rank the environment which affects entrepreneur the most

**Table 16: Analysis of environment that affects entrepreneurship development.**

Environment	Responses	Percentage
Economic environment	25	50
Political environment	10	20
Structural environment	10	20
Social environment	5	10
<b>TOTAL</b>	<b>50</b>	<b>100</b>

Table 16, 50% of the respondents ranked that economic environment affects entrepreneurship development the most and only 10% ranked that social environment affect the entrepreneurship development the most.

#### **4.5.3 Analysis on how the challenges facing entrepreneurs can be solved**

The respondents were asked how can that challenges facing entrepreneurs be solved.

**Table 18: Analysis on how the challenges facing entrepreneurs be solved.**

Challenges	Responses	Percentage
Government should set favourable policies	10	20
Entrepreneur education	20	40
Co-operative financial Institution	10	20
Better understanding of market	10	20
<b>Total</b>	<b>50</b>	<b>100</b>

Table 18, indicates that 40% of the respondents agreed that in order to solve the problem or challenges encountered by entrepreneurs; entrepreneurs should educate themselves and have better understanding of the situation around them.

## CHAPTER FIVE.

### SUMMARY, CONCLUSION AND RECOMMENDATION.

#### 5.1 Summary:

Economic environment plays a big role in maximizing entrepreneurship development in an organization hence achievement of its goals and objectives. This chapter summarizes the finding of the study, draws conclusion and makes recommendations from the results of data analyzed in previous chapter. The recommendations are aimed at correcting the anomalies unveiled in the study is as to improve the effectiveness and efficiency in achieving organization goals.

The research was done to establish the impact of economic environment on entrepreneurship development. The researcher has presented a comprehensive summary on the background information of the respondent and the research objective being evaluated. From the background information of the respondent, the researcher observed that, most of the respondent were subordinate hence they were more than the department managers, entrepreneurs and their supervisor thus they constituted 70% of the respondents in the sample. Also majority of the respondents who answered the questionnaires were from procurement department as they viewed the subject to be significant to them since they were involved in one of the hardest and core activity of the organization which was getting product or stock from oil producing countries.

Male respondents who constituted 60% also answered the questionnaire very well because they were more co-operative than female who were reluctant in filling the questionnaires. Also the researcher found that, the organization working force constituted of experience employees who understood the subject matter very well.

However, the researcher saw from data presented and analyzed in chapter 3, that the sample constituted of respondents who reached secondary school level and they formed 50% of the respondents.

Married respondents also responded more to the questionnaire administered by the researcher compared to single, widows and divorced respondents.

Finally, the researcher observed that, the organization workforce was made of young employees who were aged between 25-30 years.

The study also evaluated impact of economic environment on entrepreneurship development at Hared Petroleum Limited.

Therefore the specific objective of the study was: To identify impact of economic environment on entrepreneurship development, to determine relationship between economic environment and entrepreneurship development and to examine the challenges encountered by entrepreneurs for this case Hared Petroleum Limited.

Therefore, the data presented and analyzed in chapter 4 revealed that 76% of the respondents agreed that economic environment affects entrepreneurship development and that the prevailing economic environment is very unfavorable with 52% of the respondents saying the economy is poor.

However, the researcher also found from the respondents that finance department was concerned with issues relating to economic environment. Only 8% of the respondents said that it is general administration department that was concerned.

Nevertheless, the researcher found, that, it is the permanent employees who were responsible for reviewing and evaluating the economic environment and these strategies were reviewed once a year.

Consequently, the researcher observed that prevailing economic environment affects entrepreneurship development negatively by 76% of respondents agreeing to this. Also the performance level of the organization was rated fair from the research concluded. Therefore, the organizations should strive hard to reach and attain excellent performance level.

36% of the respondents agreed that unfavorable market fluctuation and low purchasing power were some of the challenges faced by entrepreneurs, 50% of the respondents said that Economic environment affects entrepreneurship development and 40% of the respondents agreed that Entrepreneurs' education can solve most of the problems encountered by the entrepreneurs.

In summary, research is organized in five summarized chapters. Chapter one covers introduction. Background of the study, statement of the problem, objective of the study, research questions, significant of study, definition of term, scope of the study and limitation of the study.

Chapter two is the literature review, it contains introduction, impact of economic environment on entrepreneurship development, the relationship between economic environment and entrepreneurship development and challenges encountered by entrepreneurs.

Chapter three describes the methodology employed in the study; it describes the information on the methods of data collection, the method and instruments of data collection and analysis. It includes research design, target population, sample size, data collection, data collection instrument, data processing and analysis.

Chapter four covers the findings and conclusion from the respondents regarding the economic environment and entrepreneurship development. It covers the sex respondent, level of education respondent, job title respondent, department respondent, length of service respondent, level of education respondent, marital status respondent, distribution of age respondent and data analysis on research objectives which includes; determining the impact of economic environment on entrepreneurship development, determining the relationship between economic environment and entrepreneurship development and examining the challenges encountered by entrepreneurs of Hared Petroleum Limited.

Chapter five contains the summary of the study, the conclusions and recommendation on the impact of economic environment on the

entrepreneurship development. It also suggests area for further research and lastly the reference and appendices.

### **5.3. Conclusion**

From the research findings, it can be concluded that the entrepreneurship development is greatly hindered by the economic environment. Entrepreneurship is to a great extent controlled by the environment. The world surrounding an organization influences, facilitates or hinders the growth and development of entrepreneurship and the viability of the enterprise.

The economic environment had great impact on entrepreneurship development when the economy is poor it hinders the entrepreneurship development and growth, it creates unemployment, people stop buying products and all this leads to reduction of venture creation but when the economy is favorable it helps entrepreneurship development.

There are some challenges faced by entrepreneurs for example lack of finance unhealthy competition, poor infrastructure market fluctuation and lack of favorable policies.

In conclusion, the research confirms that economic environment plays a very vital role in improving entrepreneur's performers and development. When the economy is favorable they stimulate, maintain and strengthen the desire to attain the desired goals. But when the economy is unfavorable it can hinder entrepreneurship development.

### **5.4. Recommendations.**

From the summary and conclusion of the study, the research makes the following recommendation for the organization to implement.

- The company should educate and train their employees on how to deal with ever changing economic environment. The organization should not be biased when it comes to temporary employees and they should be included in solving economic crisis.

- The management should create another department that deals with economic environment issues since other departments have other important obligation.
- The Government should set favourable policies so that they can encourage entrepreneurs to set new ventures. They should not put unnecessary restrictions which will discourage the development of entrepreneurship.
- Hared Petroleum Limited should recruit skilled workers with advanced knowledge on IT and ready to adopt new skills so that they can help in solving the ever changing economic environment.
- Strategies concerning economic environment should be frequently reviewed and evaluated by the concerned party.

## **5.5 Areas of Further Research**

This research was conducted in Jinja town, Uganda and there is need to carry out similar research in urban areas like Kampala. This would help in comparison purposes of research findings. Thus creating avenues for further research since the research findings would not look the same due to different environments and locations. The researcher suggests that research should be conducted in future on how other environmental factors affect entrepreneurship development.



## BIBLIOGRAPHY

1. Aldrich H. (1986). Social Behaviour and Entrepreneurial Networks. First Edition.
2. Auckey, G. (1978) Macroeconomics:- Theory and Policy. Macmillan and Collier Macmillan, New York and London 1978.
3. Bhide, AA. (1992) Bootstrap Finance. The art of start-ups. Harvard Business Review. Second Edition.
4. Brockhaus, R.H. (1980) Risk Taking Propensity of Entrepreneurs. Academy of Management Journal.
5. Bruno, A.V. and Tyebjee, T.T. (1982). The Environment for Entrepreneurship – in C.A Kent, D.L Sexton, and K.H. Vesper E(ds), Encyclopedia of Entrepreneurship, PP 288 – 309. Englewood Cliffs, IVS Prentice V
6. Covin, J.G. and Slevin, D.P. (1991). A Conceptual Model of Entrepreneurship of Firm Behaviour. Entrepreneurship Theory and Practice, 16(1), 7 - 25
7. DN Dwivedi, (2002) Managerial Economics Sixth Revised Edition.
8. Edgmand, Michael R. (1992) Macroeconomics. Theory and Policy, 2<sup>nd</sup> Edition.
9. Hawkins, D.L. (1993). New Business Entrepreneurship Research.
10. Kirchoff B.A (1991) Entrepreneurship Contribution to Economic Entrepreneurship, Theory and Practice. First Edition.

**APPENDICES:**

**APPENDIX 1:**

**P.O. Box 2000  
Kampala.**

**10<sup>th</sup> March 2009**

Dear respondent,

**RE: QUESTIONNAIRE AND INTERVIEW SCHEDULE ON THE IMPACT OF  
ECONOMIC ENVIRONMENT ON ENTREPRENEURSHIP  
DEVELOPMENT. THE CASE STUDY:- HARED PETROLEUM LIMITED,  
JINJA - UGANDA.**

I am a student of Kampala International University (K.I.U) carrying out a research for the purpose of writing dissertation on the above mentioned subject, for the partial fulfillment for the reward of Bachelor's Degree in Business Administration.

I kindly request you to spare some time and fill this questionnaire. The information given will be used for academic purposes only and will be treated with utmost confidentiality.

Your cooperation will highly be appreciated.

Yours faithfully,

.....  
**CALFOON ABDI.**

## APPENDIX II

### QUESTIONNAIRE:

#### PART ONE:

INSTRUCTIONS:- PLEASE TICK (✓) AS APPROPRIATE .

#### Background information of respondents.

1.1. State your job title

- |    |                      |                          |
|----|----------------------|--------------------------|
| 1. | Entrepreneurs        | <input type="checkbox"/> |
| 2. | Departmental Manager | <input type="checkbox"/> |
| 3. | Supervisor           | <input type="checkbox"/> |
| 4. | Subordinate          | <input type="checkbox"/> |

1.2 State the department you work in.

- |    |                                   |                          |
|----|-----------------------------------|--------------------------|
| 1. | Procurement Department            | <input type="checkbox"/> |
| 2. | Human Resources Department        | <input type="checkbox"/> |
| 3. | Finance Department                | <input type="checkbox"/> |
| 4. | Secretarial Department            | <input type="checkbox"/> |
| 5. | Sales Marketing Department        | <input type="checkbox"/> |
| 6. | General Administration Department | <input type="checkbox"/> |

1.3 State your sex.

- |    |        |                          |
|----|--------|--------------------------|
| 1. | Male   | <input type="checkbox"/> |
| 2. | Female | <input type="checkbox"/> |

1.4 State your length of service in the organization.

- |    |             |                          |
|----|-------------|--------------------------|
| 1. | 2 - 3 years | <input type="checkbox"/> |
| 2. | 3 - 4 years | <input type="checkbox"/> |
| 3. | 4 - 5 years | <input type="checkbox"/> |
| 4. | 5 - 6 years | <input type="checkbox"/> |
| 5. | 6 - 7 years | <input type="checkbox"/> |
| 6. | 7 - 8 years | <input type="checkbox"/> |

1.5 State your level of education

1. Primary Level
2. Secondary Level
3. College Level
4. University Level

☐  
☐  
☐  
☐

1.6 State your marital status

1. Single
2. Married
3. Divorced
4. Widow
5. Widower

☐  
☐  
☐  
☐  
☐

1.7 State your age bracket.

1. 21 - 25 years
2. 25 - 30 years
3. 30 - 35 years
4. 35 - 40 years
5. 40 years and above

☐  
☐  
☐  
☐  
☐

**PART TWO:**

**INSTRUCTIONS:- PLEASE TICK (✓) AS APPROPRIATE.**

**Evaluation of the economic environment on entrepreneurship development.**

**Identifying the economic environment that affects Hared Petroleum Limited.**

**1.1 Is there any economic environment that affects your organization?**

- |    |      |                          |
|----|------|--------------------------|
| 1. | Yes. | <input type="checkbox"/> |
| 2. | No.  | <input type="checkbox"/> |

**1.2 How can you describe the economic environment that prevails?**

- |    |            |                          |
|----|------------|--------------------------|
| 1. | Very good. | <input type="checkbox"/> |
| 2. | Good.      | <input type="checkbox"/> |
| 3. | Fair.      | <input type="checkbox"/> |
| 4. | Poor.      | <input type="checkbox"/> |

**1.3 If there is unfavourable economic environment like recession, inflation, dumping, what strategies should be put in place to improve that situation?**

- |    |                                   |                          |
|----|-----------------------------------|--------------------------|
| 1. | Involve the entire organization   | <input type="checkbox"/> |
| 2. | Educate and involve employees     | <input type="checkbox"/> |
| 3. | Let the entrepreneur deal with it | <input type="checkbox"/> |
| 4. | Encourage teamwork                | <input type="checkbox"/> |

**1.4 Which department involves with issues relating economic environment?**

- |    |                                   |                          |
|----|-----------------------------------|--------------------------|
| 1. | Procurement Department            | <input type="checkbox"/> |
| 1  | Human Resources Department        | <input type="checkbox"/> |
| 2  | Finance Department                | <input type="checkbox"/> |
| 3  | Company Secretarial Department    | <input type="checkbox"/> |
| 4  | Sales Marketing Department        | <input type="checkbox"/> |
| 5  | General Administration Department | <input type="checkbox"/> |

1.5 How often is strategies concerning economic environment reviewed and evaluated?

1. Once a month
2. Half a year
3. Once a year
4. Rarely

1.6 Which employee is given the responsibility of reviewing and evaluating ever changing economic environment?

1. Permanent employee
2. Temporary employees

**Determining the relationship between economic environment and entrepreneurship development?**

2.1 What effect does the prevailing economic environment have on entrepreneurship development?

1. Positive
2. Negative

2.2 What is the performance level of Hared Petroleum Limited?

1. Excellent
2. Very good
3. Good
4. Fair
5. Poor

2.3 How does the economic environment affect productivity?

1. Positive
2. Negative

**Examining the challenges encountered by the entrepreneurs of Hared Petroleum Limited.**

**3.1** What are the challenges encountered by entrepreneurs of Hared Petroleum Limited:

1. Unfavourable market fluctuation ☐
2. Non co-operative attitudes of banks ☐
3. Sudden changes in government policy ☐
4. Low purchasing power ☐

**3.2** Which environment affect the entrepreneur the most?

1. Economic environment ☐
2. Political environment ☐
3. Social environment ☐
4. Structural environment ☐

**3.3** How can the challenges facing entrepreneurs be solved?

1. Government should set favourable policies ☐
2. Entrepreneur Education ☐
3. Co-operative banks and financial institutions. ☐
4. Better understanding of the market. ☐

*Thank you very much for your cooperation.*

## APPENDIX III

### INTERVIEW SCHEDULE

The interviewees will include the entrepreneurs and department heads only.

1. What is your understanding on economic environment?
2. What are the challenges faced by the entrepreneurs in your organization?
3. What is the impact of economic environment on the entrepreneurship development?
4. What are the relationship between economic environment and entrepreneurship development?
5. Does the prevailing economic environment enhance entrepreneurs development, performance and productivity?



## APPENDIX IV

### TIME PLAN

	Nov	Dec	Jan	Feb	Mar	Apr
Identification of the research topic						
Identification of the research problem						
Presentation for approval						
Collecting research data						
Analyzing & interpreting research data						
Report writing						

## APPENDIX V

### BUDGET:

ITEMS	UGX
Stationery	15,000
Transport	300,000
Typing and Printing	100,000
Binding	30,000
Photocopying	10,000
Miscellaneous	45,000
<b>Total Cost</b>	<b>500,000</b>