

## SKILLS GAP AMONG THE URBAN STREET VENDORS IN TANZANIA: CASES OF DAR ES SALAAM AND MOROGORO URBAN SETTINGS

Dr. Emmanuel J. Munishi (PhD), Senior Lecturer – Development Studies, College of Business Education (CBE),  
P. O. Box 1968, Dar Es Salaam, Tanzania. E-mail: [e.munishi@cbe.ac.tz](mailto:e.munishi@cbe.ac.tz)

And

Mr. Mubarak Kirumirah, Assistant Lecturer – Development Studies, College of Business Education (CBE),  
P. O. Box 1968, Dar Es Salaam, Tanzania. E-mail: [m.kirumirah@cbe.ac.tz](mailto:m.kirumirah@cbe.ac.tz)

### ABSTRACT

*This paper investigated skills gap among the urban street vendors in Dar es Salaam and Morogoro urban settings in Tanzania. It examined relevant business skills required, constraints to obtain them and appropriate ways of equipping vendors with relevant business skills. The study employed qualitative techniques within which purposive, and snowball sampling were utilized. Key informants including City and municipal officials and community officials participated in the study. Data were collected using in-depth interviews, focus group discussion, and observations coupled with documentary review and analysis. Findings revealed that, vendors lacked various business related skills and could not attend to trainings due to the demanding nature of their operations, negative perception towards public and private sector support among others. It concluded that without important skills vendors will not be successful. The study urges public and private sector to be sensitised on their role to provide skills to the vendors while municipalities should devise plans for empowering vendors on various skills.*

**Keywords:** Skills gap, Street vendors, Dar es Salaam, Morogoro, Tanzania.

### 1.0 INTRODUCTION AND BACKGROUND

Street vending business is increasingly becoming a vital livelihood strategy for millions of urban dwellers in Sub-Saharan Africa owing to its significant contribution to vendors' livelihoods and contribution to governments' incomes (UN-HABITAT, 2014). Studies reveal that informal sector rates are considered the highest in Africa and sub-Saharan African countries in particular pointing that Zimbabwe, Tanzania and Nigeria informal sector were around 58.6 per cent in 1999, 56 per cent in 2004 and 53.7 per cent in 2007 (Buehn & Schneider, 2012; Dell'Anno, AnaMaria, & Balele, 2018; IMF, 2018). Particularly, Tanzania's informal sector economy has been estimated at 52%-61% of GDP in 2013-2015 (Buehn & Schneider, 2012; Dell'Anno, AnaMaria, & Balele, 2018; IMF, 2018).

Specifically, street vending which is a type of business that offers goods and services for sale to the public without having permanent built up structures (Mahadevia, Brown, Lyons, Vyas, & Mishra, 2013) or simply a non-criminal commercial activities that depend on access to public space (Lyons & Alison, 2009; Mramba, 2015; Msoka, 2007). Data on street vending operations is basically inadequate nationally and internationally due to the illegal status ascribed to associated operations as well as the mobile nature of the vendors (Skinner, 2013; Tillerman, 2012). In Tanzania, and specifically in Dar es Salaam, the number of street vendors was estimated at one million (1,000,000) in 2014, and the majority of vendors are said to be young people of around 15- 35 years of age (Mramba, 2015). They are engaged in selling a number of items, including kitchen utensils, fashion items, food items, electronics, and machine parts. One vendor may own or co-own more than one kind of business (Munishi & Casmir, 2019).

Relevant business skills are vital to street informal traders and vendors in particular, given that any kind of business requires certain skills and principles that can guarantee sales, profitability as well as business sustainability (Munishi & Casmir, 2019; Oosthuizen, 2008). Specifically, business knowledge and skills not only inform general business decision making but also facilitate sources of relevant and affordable goods and services and their market (Oosthuizen, 2008). Generally speaking, studies (Oosthuizen, 2008; UN-HABITAT, 2014) remark that, the resources and attributes, notably, knowledge and skills needed for successful street vendors are the same resources and attributes needed for an entrepreneur to successfully start, run and grow a business. The right knowledge and skills for the vendors would guarantee sustainable livelihood to individual's vendors and may become a large contributor to the national GDP and hence relieving unemployment situation (Oosthuizen, 2008). With proper and relevant skills, street vendors can be supported to undergo successful transition from street vending to large business owners (Oosthuizen, 2008). It is important to know the intellectual capabilities and knowledge of the street vendors as well as some of the missing skills since this is one of the biggest reasons for not being able to run any business at its fullest potential (Oosthuizen, 2008). Knowing skills needs of

street vendors will allow the government and private companies to design specific programs and workshops that will address and eliminate the problems. Street vendors need to receive adequate and specifically designed training aimed at different skills levels since not all vendors are on the same level (Skinner, 2013). The training should include programs on financial, marketing, bargaining and management skills (Oosthuizen, 2008).

The Tanzanian government has made several initiatives related to the improvement of entrepreneurship and trade in particular. In 2000s the government introduced an initiative known as ‘Business and Property Formalisation Programme’ in Swahili ‘Mpango wa Kurasimisha Rasilimali na Biashara za Wanyonge’ (MKURABITA). Despite its failure in attaining the intended goals, the initiative aimed at ensuring conducive business environment to informal traders. This would ensure that they are formalised and guaranteed of access to the law and property and business rights. This was intended to be achieved through converting their assets into capital in the formal economy (De Soto, 2001; ILD (Institute for Liberty and Democracy) 2005).

Another initiative has been the introduction of Sustainable Industrial Development Policy - SIDP (1996 – 2020), intended to guide economic and social development efforts of the country (URT, 2001). Moreover, Tanzania has introduced the Tanzania Development Vision 2025, a national development plan, aimed at guiding all development plans in Tanzania including issues of trade (URT, 2003, 2005). More specifically, the country has introduced the Micro, Small and Medium Sized Enterprises (SMEs) that guides the development of entrepreneurs focusing on manufacturing, mining, commerce and services which also includes informal sector traders (URT, 2003). Recently the Government of Tanzania has called for a nation-wide halt to street vendors’ evictions, an order that requires local authorities to provide conducive business environment for informal traders (The Citizen., 2017). These efforts are also complemented by private organizations including PRIDE, a micro financial institution (MFI) that aimed at empowering women food vendors in Dar es Salaam and Shinyanga through provision of micro-finance services and high level of entrepreneurial skills (Marras, 2018; Raphael & Mrema, 2017).

With such strategies, the biggest problem hindering the success of vendors is associated to limited skills especially the youth, most of whom are primary schools and form four graduates who missed a chance to further levels of education (Mubarack, 2018). The National Youth Development Policy clearly articulate that many youth, forming a great segment of street vendors are participating in different economic activities including petty business but mainly lack technical know-how and relevant skills to help them succeed in their economic activities (URT, 1996). Emphasizing the lack of skills and a way of mitigating it, the National employment policy aims at ensuring there is enhancement of skills among the youth of all sex and in the formal and informal sector as well through on job training sessions, prepared seminars conducted both by the government or other private and non-governmental organisations. All these are aimed at improving productivity among the youth who are mostly involved in the informal sector (street vending) (Adams, Johansson de Silva & Razmara, 2013).

Currently, the Tanzanian informal sector traders continue to suffer from various challenges related to lack of relevant business skills. In fact, many street vendors engage in the business prior to any formal training, a situation that jeopardizes their livelihood due to less success in business (Mubarack, 2018). Further, Munishi and Casmir (2019) articulate that, vendors’ capacities to sustain their businesses are impeded by their lack of knowledge about financial institutions, financing procedures, business skills and training, limited access to credit institutions and knowledge in using such credit facilities.

This state of affairs calls for the need to investigate the skills gap among the urban street vendors in Dar es Salaam and Morogoro urban settings in Tanzania and recommend appropriate set of skills and skills provision programmes. The missing gaps in skills, important skills needed and hurdles to achieve these skills were examined as seen in the subsequent part of this study.

## **1.2 Research Aim and Objectives**

The overall aim of this paper is to explore skills gap among urban street vendors in Dar es Salaam and Morogoro urban settings in Tanzania and recommended appropriate set of skills as well as strategies for availing skills to the vendors. Specifically, the paper intended to;

1. To ascertain relevant business skills missing as well as needed by the street vendors;
2. To examine constraints to access and acquisition of relevant business skills by the vendors;
3. To propose appropriate ways of availing relevant business skills to the vendors.

## 2.0 LITERATURE REVIEW

### 2.1 Theoretical Linkage between Street Vending and Skills Gap

Street vending is a worldwide phenomenon that has attracted a number of contradictions among researchers and scholars. A number of schools of thought have emerged to explain, promote or oppose street vending operations in urban settings. This study is based on the neoliberal and structuralists views to build its arguments. They are discussed as follows;

The Neoliberal theory was developed in 1980s by the International Labour Organization (ILO) and was supported by De Soto. It views street vending activities as a rational economic activities developing as a result of the states' failure to develop cheap and friendly services especially to the poor ones (Bhowmik, 2012), who are challenged by state imposed unfriendly regulations (Williams & Gurtoo 2012). A street vendor, under their view, is viewed as a hero whose efforts have overcome state imposed challenges and regulations to acquire a legitimate way of earning a livelihood (Bhowmik, 2012). The theory has been used by different scholars (Mazhambe, 2017; Bhowmik, 2012; London & Hart, 2005; Williams & Gurtoo, 2012) in studying the street vending phenomena in urban settings in different parts of the world.

The structuralists view developed by Castells and Alejandro 1989 observe the informal sector as being linked with the formal sector and thus the two are interdependent (Chen 2007). The informal economy is a combination of various activities including sub-contracted worker, casual labour, and street trade (Mlinga and Lema 2000). They contend that the informal sector is a repository for alternative, vibrant, dynamic and enduring forms of economic activity. Street vending is considered to have greatest potentials in providing employment, fighting against poverty and improving peoples' standards of life especially to the poor and uneducated ones (Gurtoo and Williams 2009).

The two theories discussed consider street vending as a viable economic activity that is capable of helping people involved in it to fight against unemployment, poverty and a river to improving people's standard of life. This being the fact, Skills among vendors is among the important aspects in the sense that once they have skills needed for them to run their business, it will be easy for them to become successful. It was highlighted that among challenges street vendors face include that of inadequate skills that require sustainable intervention by different actors including the government. Such intervention will improve productivity among vendors (Meagher 1995).

### 2.2 The Need for, and Required Skills

Research on the types of business skills required by the street vendors and appropriate ways of equipping the vendors with appropriate skills is somewhat limited. The existing literature contends that the possession of low levels of business skills in all domains of business is a significant hindrance for business as evidenced in Tanzania (Mramba, 2015; Msoka, 2007). Indeed, vendors do not have skills relevant to their various business activities, suggesting that vendors need to be empowered with appropriate skills and knowledge (Munishi & Casmir, 2019). However, these studies have not suggested the specific kinds of skills required by the vendors and appropriate strategies for equipping the vendors with these appropriate skills.

On the other hand, some literature specifies that, street vendors require negotiation skills to enable them cope with the competing interests between them and regulators, fellow vendors, buyers, and regulators (Forkuor, Akuoko, & Yeboah, 2017). Another factor hindering provision of appropriate skills to the vendors is the poor role played by the universities and higher learning institutions. According to Mubarack (2018), universities and other higher learning institutions are not supporting vendors with appropriate skills due to poor link between them and street vendors resulting from budgetary constraints.

Limited participation of the vendors in both policy and political decision-making process mainly owing to their lack of resources to organize and make their voice heard is yet another constraint to vendors' acquisition of relevant skills. (Mahadevia, *et al.*, 2012; Mahadevia, *et al.*, 2013). This denies the vendors an opportunity to penetrate their skills and knowledge matters for inclusion in policy (Mubarack, 2018).

Another constraint is the illegal status ascribed to the street vending (Munishi & Casmir, 2019; Roever. & Skinner, 2016). Planners and urban officials simply believe that they cannot extend business training to informal and illegal groups that are not recognised by the government. Consequently, institutions and policies tended to restrict informal trade, by associating it with unwanted rural-urban migration as well as urban unemployment (De Soto, 2001; ILD (Institute for Liberty and Democracy), 2005; Msoka, 2007; Raphael & Mrema, 2017).

In Tanzania, municipal authorities have tirelessly tried to either evict or relocate the vendors while vendors have been resistant to the eviction and relocation (The Citizen., 2017). During the 1970s and early 1980s, the government discouraged

informal employment which was perceived as unfair competition to formal trade (Maliyamkono and Bagachwa 1990: 32). This saw the deportation of all unemployed residents back to rural areas, sometimes by use of force (Mwaiselage and Mponzi 1999:61). In 1983 another policy known as “Sera ya Nguvu Kazi”, literary meaning Human Resources Deployment Act, was enacted to ensure that all able-bodied persons were engaged in “productive work”. This was enforced through ensuring that all urban residents were issued with labour identification card as well as criminalizing all hawkers and petty traders in Dar es Salaam as “loiterers” which further legalised their arrest and eviction from the city (Shaidi 1984: 85).

With such ascriptions, that has been carried all along since then to present, it was impossible for authorities to create friendly programmes that would help in equipping vendors with skills pertinent to vendors’ business success. However, of recent, a number of ways to provide such skills to vendors have been thought of. Possible appropriate ways of equipping vendors with relevant skills include preparing and facilitating business forums, conducting research related to street vending business and providing business consultations and mentoring street vendors by universities and higher learning institutions (Mubarack, 2018). Moreover, vendors can be provided with relevant skills through structured training, on-site based trainings and online as well as through radio television and other relevant media as suggested by Mubarack (2018). Another way in which the vendors can be equipped with appropriate skills is through business consultations and mentoring as well as more emphasis on entrepreneurship education by universities by making it compulsory to all programmes (Mubarack, 2018).

The surveyed literature provides us with considerable revelation on the above research objectives. However, the literature does not specifically and systematically inform us on types of relevant business skills missing as well as the skills needed by the vendors. It does not also systematically provide factors inhibiting the vendors from accessing and acquiring relevant business skills as well as appropriate ways of availing relevant business skills to the vendors in the context of the vendors in Dar es Salaam and Morogoro, Tanzania as declared in the research objectives.

### 3.0 METHODOLOGY

This research was conducted in Dar es Salaam and Morogoro in Tanzania. Dar es Salaam was chosen because of being a business hub attracts more and more vendors. Thus it has homogeneity of vendors. Morogoro, being in between Dar es Salaam a business capital and Dodoma- an administrative capital attracts a number of vendor and has had an increase in the number of vendors who find it appropriate saving people travelling in between Dar es Salaam and Dodoma. In Dar es Salaam the research was conducted in around 10 street vendors’ hot spots identified from various municipalities of Ilala, Kinondoni and Ubungo. These hot spots include Ubungo Stand, Mwenge Stand/junction, Mawasiliano Bus stand, Buguruni Mataa/junction, Bibi Titi Mohamed road/ Akiba Bus Stop, Posta Bus Stand, Ferry / Magogoni, Makumbuso Bus Stand, Kariakoo shopping centre, Manzese shopping area, Mabibo Bus stand and Tandale market. In Morogoro Municipality, the research was specifically conducted in ten (10) out of the 29 urban and peri-urban Wards in Morogoro Municipality. Wards that were directly involved in this study include Tungi, Chamwino, Mwembesongo, Mafisa, Sabasaba, Mji mpya, Mafiga, Kihonda, Mji Mkuu, Kingo, Uwanja wa Taifa. The focus was specifically on the street vendors of between 15 and 28 years old. *Table1&2 indicates the Sampling frame*. These research areas were selected based on the presence of relatively large number of street vendors compared to other areas in the city.

Qualitative approach was utilised owing to the nature of the study. The study drew on the sample of 200 respondents, 100 from each of the two urban settings of Dar es Salaam and Morogoro. In Dar es Salaam, every vendors’ hotspot gave almost 10 respondents and the same happened in Morogoro. Purposively, we sampled the first respondents from every hotspot. By snow balling, the first interviewee would introduce us to the other respondent of intended criteria until when the intended number was obtained. These techniques helped us to get respondents who had first-hand information and were willing to share the information on the subject matter. The techniques was useful because due to mobile nature of vendors, it was easy for fellow vendors to locate their fellow vendors who had characteristics desired by the study. The table below indicates the sampling frame.

**Table 1: Wards visited and sample size in Morogoro**

S/n	Ward	LC	WEO	CDO	MEO	VENDORS
1	Tungi	1	1	1	2	10
2	Mafisa	-	1	1	2	10
3	Chamwino	-	1	1	2	10
4	Mwembesongo	-	1	1	2	10
5	Sabasaba	-	1	1	2	10
6	Mji Mkuu	-	1	1	3	10
7	Kingo	-	1	1	1	10
8	Kihonda	-	1	1	2	10
9	Uwanja wa Taifa	-	1	1	2	10
10	Mji Mpya	-	1	1	2	10
		-	10	10	20	100
<b>Grand Total</b>		-				<b>140</b>

Source: Field data

**Table 2: Wards visited and sample size in Dar es Salaam**

Data collection points.	District	Ward	No
1. Ubungo Stand	Ubungo	Ubungo	10
2. Mwenge Stand/junction	Ubungo	Kijtonyama	10
3. Mawasiliano Bus stand	Ubungo	Sinza c	10
4. Buguruni Mataa/junction	Ilala	Buguruni	10
5. Bibi Titi Mohamed road/ Akiba Bus Stop	Ilala	Upanga Mashariki	10
6. Posta Bus Stand	Ialala	Kivukoni	10
7. Ferry / Magogoni	Ilala	Kivukoni	10
8. Makumbuso Bus Stand	Kinondoni	Mwananyamala	10
9. Kariakoo shopping centre	Ilala	Mchafukoge	5
10. Manzese,	Kinondoni	Manzese	5
11. Tandale	Kinondoni	Tandale	5
12. Mabibo	Ubungo	Mabibo	5
<b>Total</b>			<b>100</b>

(Source: Field data 2018)

Generally, in-depth interviews, focus group discussion, non-participant observation and review of secondary data were utilised to collect data. Individual in-depth interviews were conducted with around 200 vendors and key informants in all selected wards. This was used to get respondents' inner view and opinions. The interviews mainly focused on skills possessed by vendors and challenges they face trying to acquire them. Moreover, 10 Focus Group Discussions (FGDs), 5 in Dar es Salaam and 5 in Morogoro were conducted with some key vendors in order to validate responses given during the individual in-depth interviews. Similar to interviews, during the FGD, vendors discussed skills they have and other important skills that they think are important for them in running their business. In the process, the local government officials including the Municipal Council Director, Business officer, and economist were interviewed. Further, Ward Executive Officers (WEO), Ward Development Officers (WDO), and Ward Councillors were also interviewed to complement the information collected from the vendors. These were interviewed because they have a lot of information with regard to the street vendors' operations, laws and bylaws governing their operations and support given by the government to vendors especially with regard to skills enhancement. Sources of secondary data that were reviewed included the National SME policy, National Trade policy, Municipal policies and bylaws obtained from private and government institutions and internet sources.

Through non-participant observation, the researcher observed the operations of individual vendors. Vendors' observable skills including customer care, mastery of foreign languages and general communication skills were observed. At first the researcher approached vendors like a customers and through their conversations the researcher assessed the vendors' skills pertaining customer care and communication in general. At times, researchers would halt their interview to allow vendors

to attend to other customers. During such moments researchers observed vendors skills. Before participating in interviews research ethical considerations were made clear to all respondents. Data was analysed by using content analysis of the transcriptions using MAXQDA 10 [VERBI Software, Marburg, Germany] because of its strong ability in handling qualitative data.

Trustworthiness of the data was ensured through the procedures of trustworthiness in qualitative research that entail rigor and credibility. Critical techniques considered in ensuring this state of affairs were triangulation of data collection methods and types of data, member checking, peer debriefing, examining findings from previous research as well as analysis of negative cases (Cohen, L. M., Manion, L. I. & Morrison, 2007; Yin, 2013).

#### 4.0 FINDINGS AND DISCUSSION

##### 4.1 Missing and Required Business Skills by the Vendors

This was the first objective of this study. The objective intended to find out skills missing among street vendors and those that are considered important for the success of their business. Findings indicate that, vendors lack a number of skills which are vital for their success. It was revealed that, because of lacking these skills, vendors fail to graduate from the informal sector to the formal one. Important skills missing among vendors include banking and credit management, business record keeping, finance acquisition and management, customer care and business communication among others. These are discussed in the subsequent section as follows;

##### 4.1.1 Banking and Credit Management Skills

Vendors lacked banking and credit management skills which were necessary for handling their sales, profit and credits. For example, when asked where they kept their money most of vendors attested to have been keeping money at home. Only a handful of vendors saved money in banks and in mobile phones while some of them were indifferent about where they kept money. By indifferent respond means that this category of vendors either remained silent or did not have any clear response at all as shown in the subsequent table.

Table 3: Where vendors keep their money

Bank	Mobile phone	Home	Indifferent
14	31	40	15

Source: field data

##### 4.1.2 Business Records Management

Data collected indicated that, vendors lacked business record keeping and management skills as attested by 78% who did not keep records at all. Only around 22% of the vendors confirmed to have been keeping business records though they did not do it right. Vendors maintained that, they kept the records in the notebooks, exercise books and mobile phones but did not keep it regularly. The table below demonstrates lack of business records keeping and management skills by the vendors.

Table 4: Business recording keeping by vendors

No records keeping	Mobile phones	Diaries	Exercise books
78	11	7	4

Source: Field data 201

##### 4.1.3 Procedures of Acquiring and Managing Finances

Vendors also attested to have been missing skills on procedures of acquiring and managing finances e.g. loans. Indeed, over 80% of the vendors were unaware of, or unwilling to consult financial institutions for financial assistance due to lack of knowledge and awareness, ineligibility, uncalled for fear on procedures involved in acquiring capital. Consequently, vendors were compelled to seek capital from informal and exploitative sources e.g. individuals & groups whose interest is between 50-60% per month. This interest rate is extremely high when compared to the interest rate of between 1-30% commonly charged by most financial institutions in Tanzania. The vendors were specifically confronted with the extreme short time repayment (between 1 and 3 months) of loans obtained from individuals and informal sources.

#### **4.1.4 Customer Care and Business Communication Skills**

Researchers observed that, vendors did not observe customer care and services when extending services to various customers. More often than not, vendors used annoying language and forced people to buy from them. Some vendors would insult or use harsh language to those customers that declined to buy from them due to one reason or the other. At times they charged very high prices that did not correspond with the commodities or services provided.

#### **4.1.5 Lack of Foreign Language Skills**

Vendors increasingly explained that, quite many times they met foreign customers who could not speak Swahili and that the majority of these customers would at least try English language. They lamented that, they missed the opportunity to trade with these customers because of language barrier. In this case they requested to be equipped with such language skills since the urban settings are also home to many people who would not be in the position to speak in the Tanzanian mainstream language notably Kiswahili.

#### **4.1.6 Marketing and Promotion Skills**

This was among the skills that vendors claimed to be missing. Vendors further explained that they also saw the need of marketing and promoting their various goods and services. However, they felt less equipped with necessary skills to do so. They therefore needed to be empowered on how to promote their business to various customers something that they believed would improve their sales and profits.

#### **4.1.7 Business Advancement Skills i.e. Business Registration and Formalisation**

Vendors expressed their genuine need to advance their business. They expressed that, they lack and would like to be equipped with knowledge and skills of undertaking business registration and formalisation an aspect that would take their business to the next level. Their understanding was of limited knowledge on how business registration would aid one into opening gates for his/her business success. Because of such inadequacy of knowledge among vendors on such aspects, they failed to take initiatives in business advancement skills notably business registration and formalisation to mention just a few.

#### **4.1.8 Health and Hygiene Skills**

Another set of skills missing and needed by the vendors were those related to health and hygiene skills most especially for the vendors dealing with food related business. This is because both the law and the customers require vendors to observe reasonable health and hygiene. It was disclosed that most vendors did not understand safe practices for preparing, preserving, serving and disposing the waste. It was observed that some of the food joints were located in health hazardous environment and owners of these joints were not aware of the danger that would result from such environment.

#### **4.1.9 Life, Self-organisation, Awareness, Cognition and Decision Making Skills**

Some vendors were not doing well in business due to their inability to associate well with others as well as engage in socially undesirable practices such as prostitution, fighting, over drinking as well as theft. Such behaviour point to lack of life skills among the vendors something that significantly jeopardise their businesses. Such activities illustrate low level of and inability to determine what, how and where to do what and when it comes to investment, they do not know where to invest their capital due to poor decision making skills. At times they were also caught up between keeping profit and spending it on lavish lifestyle which retarded their businesses.

#### **4.1.10 Knowledge on Taxes, Charges and Fee Payment**

Sometimes vendors ended up paying unjustifiable taxes to some people who took advantage of the vendor's ignorance. Moreover, at times vendors confused between taxes, charges and fee payment. But also some vendors entered into conflicts with some city authorities who demanded from them genuine fees and charges such as cleanliness fee. Vendors reacted negatively because they considered such charges to be taxes which they were not required to pay.

#### **4.1.11 Municipal Policies and By-laws**

It was disclosed that most vendors were ignorant of different city and municipal policies and bylaws. It was further disclosed that at times vendors entered into conflicts with municipal authorities and other organs due to their lack of awareness about Municipal policies and by-laws. They therefore requested to be familiarised with these blue prints. Accordingly, a summary of skills missing and required by street vendors is summarised in the table below:

**Table 5: Skills missing and required by street vendors**

Missing skills & required skills	Frequency
Banking and credit management skills	43
Business records keeping and management	56
Procedures of acquiring and managing finances/loans	67
Customer care and business communication skills	34
Foreign language skills especially English language	44
Marketing, branding and promotion skills	56
Business advancement skills i.e. business registration and formalisation	67
Health and hygiene skills (especially for food related products)	71
Life skills/ self-organisation, awareness and cognition skills	41
Decision making skills	67
Meaning and importance of paying tax	67
Municipal policies and by-laws	61
Business records management	43

(Source, Field data 2018)

Findings show that vendors lack and require business and entrepreneurship skills as testified by nearly all interviewed vendors (200) who attested to have not had any business training before. These results correspond well with some those established by some previous similar works (Mubarack, 2018; Marras, 2018; Munishi & Casmir, 2019). Moreover, local government authorities and non-governmental organisations operating in the surveyed Municipalities attested that they had not provided any kind of business and entrepreneurship skills training to vendors. This was reliably testified by the fact that nearly all interviewed vendors (91) attested to have not had any business training before. Moreover, it was noted that there were no known specific plans for equipping the street vendors with business skills sets required. This was testified by both the Local government authorities and non-governmental organisations operating in Morogoro Municipality. Equally, plans to provide these skills and knowledge to the vendors were unclear. These findings are supported by previous works (Marras, 2018; Munishi & Casmir, 2019; Mubarack, 2018).

#### 4.2 Factors constraining Vendors' Access to and Acquisition of the Business Skills

In the second objective of this study, the study examined constraints to vendors' access to and acquisition of the business related skills. These constraints include vendors' inability to participate in training due to the demanding nature of their work. Others include lack of awareness on the importance of such skills in the context of their work as further discussed below:

##### 4.2.1 Demanding Nature of Vending Activities is one of the Challenge to Organise Training

Respondents affirmed that the provision of skills to the vendors was hard due to the challenge involved in organising them given the nature of their work. They argued that, vendors were not organised in small groups and it took them both time and money to organise them due to the nature of business. Vendors were always on movement and busy with their work. One of the key informant comments:

Honestly, vendors are critically in need of these skills. However, experience shows that vendors cannot easily attend the sessions because of the nature of their work. Vendors are always busy with their business and they regard attending training and seminars as total waste of time. Others were always in movements to the extent that they could be easily approached (*Male Local Government official (45), Morogoro Urban*)

##### 4.2.2 Vendors' Negative Perception towards Public and Private Sector Support

Various vendors looked at or received the support from various stakeholders with a suspicious eye. They always thought that every support extended to them such as training and skills was ultimately geared towards forcing them to pay higher taxes, evict them from their current business places in the city centre and ultimately be confined in remote places where business activities could not be possible. Clarifying this, a street vendor said

The other day they came here and they wanted us to get identity cards and register ourselves with the city authority. We asked ourselves that we have been here for all these days why the formalisation is being initiated at this time. Could there be something wrong that we have done against the government? At times we need to ask ourselves a lot of question and of course resist some of these changes because they will indeed affect us adversely. (*Male Street vendor (30), Ilala, Dar es Salaam*)



### 4.2.3 Actors Negative Attitude towards the Vendors

Some actors especially at local government level seemed to have negative attitude towards street vendors, a fact that impeded them from successively support vendors. Some officials when asked the kind of support they offer to street vendors the following responses were given

We cannot serve them because they are sources of littering the environment where they carry their business activities. Moreover, they work illegally, I am not interested in knowing much about their business. Street vendors do not pay taxes to the authorities, but they are the main cause of environmental dirtiness. Most of them produce garbage that lead to the obstruction of sewerage systems (*Male Local Government official (67), Ilala*).

Supplementing this statement, one of the official at the city hall claimed

Street vendors are the main source of dirtiness in cities. They cause drainage systems to block because they litter everything including plastics in them. They cause congestion to road users. If municipal councils need to evict them, and give them some other places in town though it is hard to get those areas (*Male Local Government official (03), Dar es salaam City Council*).

Such statements indicate that local government officials are not interested in knowing hurdles faced by this group of small business persons and still don't consider them to be of paramount importance to economic development at all. With such notion and arguments, local officials become a constraint toward street vendors' skills acquisition.

It is evident from this study that, the demanding nature of vending activities, negative and suspicious mod of vendors on any assistance from the public, negative perception of local government officials on vending activities, hinder street vendors from acquiring the required skills that can help them to become successful. Such findings echo earlier findings by Mubarack (2018) who makes it clear that every minute counts to a vendor, he/she has to use it effectively to increase his/her sales volume. Moreover, some vendors work in crowded areas and cannot leave their businesses unattended to participate in a training. In such a situation. It make it difficult for vendors to be trained on important skills that they lack. Further studies indicate that, despite all efforts by the government to legalize and formalize the vending activities, different municipal and city officials still have a negative perception on street vendors (Munishi & Casmir, 2019; Roever & Skinner, 2016). With such officials, it is difficult to devote any of the resources in assisting or equipping street vendors with any skills that can assist them to excel in their business activities. Consequently, street vendors' need for training will be dashed because city and municipal officers have negative perception on them, and they have no one as their representative (Mahadevia et al., 2013, 2012).

### 4.3 Appropriate Ways of Availing Relevant Business Skills to the Vendors

The last objective intended to collect respondents' views on the appropriate and relevant ways that can be used to provide vendors with such skills needed. Respondents recommended a number of appropriate ways for availing relevant missing and yet required business skills to the vendors. They include the following:

#### 4.3.1 Sensitizing Vendors on the Importance of Relevant Skills

Vendors suggested that they should be sensitised on the need and importance of acquiring the necessary skills they need. This is because, even though the vendors were critically in need of these skills, experience showed that they could not easily attend the sessions due to their reluctance resulting from their little education on the type and importance of such skills in their business.

#### 4.3.2 Organising Vendors in Relevant Groups

Vendors should be organised in formalised and specialized groups that guarantee them to receive relevant business skills and other kind of support from both public and private sectors stakeholders as suggested by one of the key informants. This is because public and private sectors cannot reach the vendors individually

*The best they can do is to group them and give them training on business running. First they have to sit with the municipal, agree on how the business should be run then they can group vendors and give them loans. In this case vendors can be organised in small groups of around 10 to 20 people depending on their specialisation, nature of business skills they need (Male Local Government official (1), Morogoro Urban).*

#### 4.3.3 Sensitization of the Public and Private Sectors on the Importance of Vendors to the Economy

Moreover, it was deemed critical to sensitize private and public on the need to consider the importance of street vendors in the economy, restrain from taking them to be problematic and empower them with appropriate business skills for their

success. This is because in most of the visited wards it was noted that, various public and private agencies supported other social groups but hardly extended support to street vendors.

#### 4.3.4 Municipalities to Devise Plans for Empowering Vendors on Business Skills

Respondents suggested to municipalities and other local authorities to be actively involved in planning, organising and facilitating the provision of these skills. This is because, the responsibility to ensure the wellbeing of the youth including the street vendors in any corner of Tanzania is entrusted to local government and it starts with the Ward Development Committee (WDC) supervised by the Ward Community Development Officer (WCDO). Table 6 highlights on the summary of the recommended better ways of imparting the required skills to the Street Vendors.

**Table 6: Summary of recommended Better ways of availing skills to vendors**

<b>Recommendation for availing skills</b>	<b>Frequency</b>
Sensitise vendors on the importance of acquiring the necessary skills	43
Organise vendors in groups	56
Sensitize private and public investors/actors	67
Ensure active involvement of municipal and local authorities	71

Street vending is a viable economic activity that has to be supported for its optimal performance. In this regard, the participation of different stakeholders has to be active to make them achieve the required skills. In this study, findings indicate that sensitization of different officials and organizations, grouping vendors and sensitizing them on the importance of gaining skills are among the appropriate means that can be used to provide such required skills to vendors. Such findings are in line with Mubarack (2018) who among other things urges for sensitization and active participation of both local officials and higher learning institutions in helping to equip pertinent skills to vendors. Their active participation will help awakening vendors and leading them to success. Further, a study by Munishi and Casmir, (2019) clarifies the need of grouping vendors in the bid to provide them with assistance.

## 5.0 CONCLUSION

This paper has investigated skills gap among the urban Street vendors in Dar es Salaam and Morogoro in Tanzania, barriers and acquiring them, and recommended appropriate ways of providing the skills to the vendors. Specifically, the research examined type of relevant business skills missing and needed by the street vendors, ascertained factors inhibiting the vendors from acquiring relevant business skills as well as proposed appropriate ways of equipping the vendors with relevant business skills. Findings showed that, vendors lacked skills related to undertaking business records keeping and management, procedures of acquiring and managing finances/loans. Another set of skills comprise customer care and business communication skills, foreign language skills especially English language, marketing, branding and promotion skills, business advancement skills i.e. business registration and formalisation, health and hygiene skills (especially for food related products) life skills/ self-organisation, awareness and cognition skills, decision making skills, meaning and importance of paying tax, municipal policies and bylaws, business records management. A number of constraints impeded the vendors from acquiring the skills. They include the demanding nature of vendor's work which challenge their organization, vendors' negative perception from public and private sector on the street vendors' business, public and private actors' negative attitude towards the vendors. Accordingly, appropriate ways for availing required relevant business skills to the vendors include sensitizing vendors on the importance of relevant skills, organising vendors in relevant groups, sensitisation of the public and private sectors, and sensitizing actors on the importance of providing the skills to vendors. The study recommends the following;

- i. Cities, municipalities and other urban authorities should consider the importance of street vending activities in the economic sphere and thus, devise plans for empowering the vendors on various skills, sensitising public and private sectors to offer skills to the vendors.
- ii. Universities and other higher learning institutions should use their potentials in terms of manpower, expertise and physical infrastructure to provide street vendors with required skills that are important for development of their business and their personal development.
- iii. Because the current government recognizes different activities taken by street vendors, it should enact regulations to local authorities on including street vendors among groups legible for municipal assistance in terms of finance and technical means.
- iv. The study recommends another quantitative study to assess the impact of each of the highlighted skill on economic success of individual street vendors.

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