



Weakness of manufacturing SMEs in employment creation for the youth in Mozambique

Alen Sawaya ^{1*}, Shepherd Bhero ²

¹ Zimbabwe Open university, Harare, Zimbabwe

² Senior Lecturer Department of Chemical, Materials and Metallurgical Engineering, Botswana International University of Science and Technology

Abstract

The problem of youth unemployment has been a scourge on the development potential of Mozambique. To address this problem efforts have been made to promote entrepreneurship among the youth in an effort of forming own small and medium enterprises (SMEs). SMEs can be subdivided into three classifications depending on the type of activities: being manufacturing, services and commerce. The belief is that not all sub-sectors of SMEs exert the same level of influence on employment creation. Manufacturing SMEs are considered as critical in job creation and economic growth of any developing country. This paper attempted to determine why manufacturing SMEs in Mozambique have failed to provide most employment for the youth compared to the services and commerce sub-sectors. Using a study of SMEs in Greater Maputo to represent the country as a whole, the study was carried out following the quantitative methodology and the results showed that manufacturing SMEs operated at very low levels of productivity, had owner-managers who had received less education and training, and functioned using spontaneous operating methods, used obsolete production machinery and tools, and overall had no drive to create additional employment.

Keywords: Manufacturing; Small and Medium Enterprises; Youth unemployment; Mozambique

Published by ISDS LLC, Japan | Copyright © 2017 by the Author(s) | This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.



Cite this article as: Sawaya, A. and Bhero, S. (2017), "Weakness of manufacturing SMEs in employment creation for the youth in Mozambique", *International Journal of Development and Sustainability*, Vol. 6 No. 7, pp. 467-478.

1. Introduction

The question of employment creation especially for the youth has been an important concern for all economies of the world. According to Karkara (2014) the vast majority of the world's youth – some 87 per cent – lives in developing countries and face challenges such as limited access to resources, education, training, employment, and broader economic development opportunities. Thurik et al. (2008) maintain that high youth unemployment rates may lead to start-up activity of self-employed individuals (the refugee effect). On the other hand, higher rates of self-employment may indicate increased entrepreneurial activity reducing unemployment in subsequent periods (the entrepreneurial effect). Small to medium enterprises are important for raising the employment-generating capacity of the economy. The answer to the problem of youth employment lies in increasing the number of SMEs. This paper tends to distinguish the role of the manufacturing SMEs sub-sector in employment creation in Mozambique, compared to the services and commerce sub-sectors. Manufacturing SMEs, even those in the informal sector have an edge in creating jobs in the economy compared to other SMEs; however, manufacturing SMEs as all other SMEs in any economy would need technical support of sorts and material resources. Manning and Mashigo (1993:34) explain, 'because manufacturing activities require some technical skills on the part of the entrepreneur, small scale manufacturers tend to be more skilled than individuals operating in other types of enterprises'. Manufacturing SMEs in Mozambique are fewer than all the other sub-sectors of the economy (commerce and services). In other countries e.g. in Germany the manufacturing SMEs through the 'Mittelstands' outperform other sectors in employment creation (Girotra and Netessine, 2013). In the context of Mozambique the sector seems to have lagged behind in this noble duty of employment creation and in this respect this paper attempts to find out the causes of the manufacturing sector being left behind by the other sectors in employment creation especially for the youth.

2. Review of related literature

2.1. The issue of unemployment

Unemployment in most cases is described as a state of affairs when a person who is actively searching for employment is unable to find work (Malinvaud, 2008). Unemployment is often used as a barometer of the health of an economy. Because unemployment plays such an important role in bolstering the economy, economists have long raised disquiet about some narrow definition of unemployment. Some of these involve unemployment amongst the youth.

2.1.1. Youth unemployment

Youth unemployment is the unemployment of young people defined especially in the United Kingdom as 15 – 28 years old (Furlong, 2012). Unemployment is an important economic feature for a country, but youth unemployment is usually investigated separately because it is normally much higher than unemployment amongst other age groups (Furlong, 2012). Nearly 73 million young people around the world are

unemployed (ILO, 2015). In some developed countries, the youth unemployment rate has soared above 50 per cent of all the youth population.

2.1.2. Youth unemployment in Mozambique

Mozambique has a high population growth rate estimated at 2.8 percent, and an estimated yearly entrant of 300 000 new members in the labour market (AfDB, 2012). According to Mapote (2013), almost 23% of all Mozambicans are unemployed. This is much more acute to young people aged 15 to 30 years who are eligible to enter the job market for the first time. The country's impressive economic growth failed to generate sufficient employment and underemployment is widespread. Reisman and Lalá (2012) claim that the vast majority of Mozambican youth are forced into the informal sector, characterized with few support programs. The UNCDF (2015) report reveals that the annual youth labour entrant into the market is at 40% per year whilst the rate at which new jobs are being created remains unchanged especially within the formal sector; as such, almost 75% of youth end up in the informal sector. Reisman and Lalá (2012) argue that there exists in Mozambique limited specific strategy for promoting youth employment. According to the UNCDF (2015) report, the government has created the National Youth Policy (NYP). The NYP which has been in place as a policy guideline since 2013 aims at intensifying economic opportunities for youth through employment and entrepreneurship promotion. Nonetheless, there are no clear guidelines, or comprehensive strategic plans on how this policy is going to be achieved (UNCDF, 2015).

2.2. Small and medium enterprises and their implications

SMEs are known globally to be effective in creating employment for young people and further enhancing economic development. Berisha and Pula (2015) report that SMEs account for 90% of firms and employ 63% of the workforce in the world. Economists believe that there is no specific definition of SMEs that may be taken as a reference by all economies. Despite the lack of a consensus on the definition of SMEs, the importance of SMEs in employment creation, growth in national income, increase in exports, income distribution and dissemination of appropriate technology and innovation is indisputable. For the purpose of this paper and in the Mozambican context, micro enterprises are those hiring between 1 to 4 workers with an annual turnover of less than US\$ 40,000; small firms being those hiring between 5 to 49 workers or having turnovers of less than US\$ 500,000 and medium enterprises are firms employing between 50 to 100 workers with annual turnovers of less than US\$ 1.000.000 (Zimba, 2013).

2.2.1. The role of SMEs in Mozambique

There is little available literature on the role of SMEs in employment creation or contribution to national income in Mozambique. According to Fox and Sohnesen (2013) out of all registered SMEs in the country, 96% are run by a single person with or without family help, while only 4% of SMEs reported hiring any worker outside the family. Yet, Valá (2007) disclosed that 78% of the total entrepreneurial businesses in the manufacturing and industrial sector in Mozambique pertained to the SMEs, covering about 67% of all the workers employed in this sector. In his assessment of the SMEs in Mozambique, Zimba (2015) revealed that although SMEs represented a larger portion of all businesses in Mozambique employing close to seventy

percent of all working population, they contributed to a modest 24.1% of the National Income. Zimba (2015) assertion however, does not clarify if the seventy percent of labour hired is employed in formal registered SMEs or trapped in the ambiguous informal businesses or still, entangled in the obscurity of underemployment. The UNCDF (2015) report contends that youth unemployment in Mozambique varies by geographic location with the urban areas of Mozambique harbouring 36% of the total. Of all youths in urban areas, 80% are in a state of underemployment. This demonstrates the underdeveloped nature of SMEs in Mozambique and the limited role they play in employment creation and economic growth.

2.2.2. The challenges of SMEs development in Mozambique

According to Omar et al. (2009) the challenges of SMEs development in Mozambique include among others, lack of markets, tight and rigid government tax systems, inadequate infrastructure, low capacity of research and development in technology, globalization and inadequate managerial knowledge and skills. Others include, barrier from global sourcing, poor infrastructure, low productivity, lack of managerial competence and poor enforcement of regulatory legislations (Fox & Sohnesen, 2013). The unfavourable contribution of SMEs into the national wealth had prompted the Mozambican government to constitute the Institute of Promotion of Small and Medium Enterprises (IPEME) under the Ministry of Industry and Trade, whose main mission is to encourage the deployment, consolidation and development of SMEs (Zimba, 2015). Within the IPEME a specialized institution was established known as the national institute of promotion of SMEs or put simply, the Enterprises Incubator (IE). The aim of the IE is to stimulate entrepreneurship and the formation of preliminary training in business management and development of micro and SMEs through the creation of enterprises incubators (Zimba, 2015). The IE strategy however, does not define in details how the planned incubation would assist particular groups especially manufacturing SMEs. This is a serious gap that has been observed and this paper intends to address this important omission pertaining to SMEs development in the Mozambican context.

2.3. The characterization of manufacturing SMEs

Studies on the contribution of SMEs to the economy tend to distinguish SMEs into manufacturing, services and commerce sub-sections. Briefly, manufacturing SMEs would include firms that bring together assorted type of material, being raw, semi-processed or finished product, process them and produce another item out of them. The term manufacturing in this context refers to those SMEs whose nature of activity tends to add a tangible value to a product (Houssein et al., 2013). An example is a carpentry workshop where raw wood is transformed with other materials to produce furniture. Construction firm, garages, panel beating shops are also grouped into this sub-sector. Firms in the services sub-sector are SMEs that offer services such as customs clearing, insurance firms, training colleges and institutions; medical or dentistry services; accounting firm, transport companies, catering services, airline ticketing and sales representation agencies. The commerce sub-sector encompasses commercial activities such as supermarkets and shops selling general goods without adding any tangible value. Hotels, inns, restaurants, laundries, car washing centres, hair and beauty salons, take away shops, guest houses offering accommodation and refectory services may be included into this sub-group (Adlung and Soprana, 2012).

2.3.1. The role of manufacturing SMEs in employment creation

The UNCDF (2015) report mentions that manufacturing is the largest non-agricultural sector of the Mozambican economy, accounting for 11% of the country's GDP in 2013, and about 4% of total employment in the same year. However, the sector is experiencing slow growth—only 2% year on year average since 2007—and its contribution to GDP decreased from 14% in 2007 to 11% in 2013. This paper scrutinizes the role of manufacturing SMEs in tackling the problem of unemployment in Mozambique. Entry into manufacturing business entails the possession of necessary artisan or technical skills. In addition, initial funds are needed to purchase or hire factory space or workshops, acquiring of tools and machinery and the availability of infrastructure such as electricity and water for the manufacturing process to function. Manufacturing SMEs are believed to be the basis of employment creation and economic growth of the economies. Al-Kharusi (2003) observed that in Oman firms in the manufacturing sub-sector, which were well established, generated more employment opportunities than services and commerce sub-sectors. Jayawarna et al. (2007) in their study of Tanzania mentioned that carpentry education obtained from various vocational training colleges in Tanzania had an impact in the formation and growth of manufacturing SMEs. Isaga (2015) also examining the case of Tanzania revealed that policy measures that promoted workshops, role models and previous experiences may have the greatest impact in terms of helping facilitate manufacturing SMEs growth in Tanzania.

The UNCDF (2015) report contends that the building, construction, and extractive sectors offer significant opportunities for youth in both employment and entrepreneurship in Mozambique. However youth lack adequate soft skills, technical knowledge, and business expertise, and face significant barriers to skills development to access into the manufacturing business. Fox and Sorrenson (2013) reveal that manufacturing occupy 25 % of all SME businesses in Mozambique, but added that a large percentage of manufacturing SMEs operated their enterprises from homes; producing goods of low cost such as bricks making, furniture, beer, or charcoal processing. A majority of these SMEs operated in run-down workshops that showed no sign of life and promise as on-going concerns.

Fox and Sohnesen (2013) alert that there are few programs focused on expanding youth economic opportunities in Mozambique especially in supporting emerging manufacturing SMEs. While certain programs such as the National Youth Policy initiative clearly target youth manufacturing as the intended beneficiaries for support, most support is broadly focused on expanding economic and employment opportunities at large. Reisman and Lalá (2012) alert that over the years, technical training institutions in Mozambique which aimed at supporting youth manufacturing entrepreneurs had virtually been abandoned, and attempts by the government to reactivate technical training institutions are at an early stage.

3. Methodology

A total number of 550 samples were selected, out of the population of SMEs in Greater Maputo, taken as a sample for the whole country. The samples were taken from the seven administrative districts of Greater Maputo, including some from the municipal of Matola, that have different levels and indices of economic and

social development. The samples were derived using stratified sampling methods, so as to distinguish between manufacturing, services and commerce SMEs sub-sectors. This is to comply with the research problem that there are significant differences between manufacturing, services and commerce in terms of contribution to employment in Mozambique. A face to face interview was conducted in Maputo city using structured, close-ended questionnaires. The study was carried out basing on quantitative methodology, and the data was analysed employing descriptive statistics that generated frequencies and percentages results of the data relating to each of the three sub-sectors.

4. Results and discussions

4.1. Results from the research in Greater Maputo

Out of the total sample of 550 SMEs selected in Greater Maputo only 485 samples were usable. Table 1 summarizes samples of SMEs selected and sent to respondents and samples that were found useful, mapped according to each of the three sub-sectors from the seven administrative districts of Greater Maputo including the municipality of Matola.

Table 1. SMEs samples according to the three sub-sectors as allocated in Greater Maputo

Administrative district	KaMavota		KaMaxaquene		KaMpfumo		Nhlamankulu	
Type of Sub-sector	Sampled	Useful	Sampled	Useful	Sampled	Useful	Sampled	Useful
Manufacturing	15	10	16	13	56	50	20	16
Services	23	21	39	35	115	108	24	24
Commerce	13	12	22	21	60	50	9	5
Totals	51	43	77	69	231	208	53	45

Administrative district	KaMubukwana		KaNyaka		KaTembe		Municipality of Matola	
Type of Sub-sector	Sampled	Useful	Sampled	Useful	Sampled	Useful	Sampled	Useful
Manufacturing	19	14	0	0	0	0	11	10
Services	22	20	0	0	1	1	64	56
Commerce	13	12	0	0	2	2	6	5

Summary: 550 SMEs were initially sampled; out of these 485 SMEs samples were useful

The results were then processed using the SPSS program, with the aim of churning out descriptive statistics that can be used to interpret the results of the study. This research specifically dwelled on the ability of manufacturing SMEs in employment retention and creation. The research therefore isolated the performance of manufacturing SMEs from the services and commerce SMEs and drew conclusions from the outcomes. Using descriptive statistics, the results from the study offered the characteristics of Mozambican manufacturing SMEs and their impact in employment creation especially amongst the youth.

4.1.1. The ownership structure of manufacturing SMEs

The study revealed that the manufacturing sub-sector had the largest proportion of single proprietor (73.6%) SMEs followed by the services sector with 66.1% and 64.9% of SMEs in the commerce sub-sector. Manufacturing firms tended to be structured around a sole founder who was previously an artisan who employed a few workers, but ownership structure largely remaining unchanged. Secondary data gathered in Mozambique confirms this observation (Kaufmann and Parlmeyer, 2000). The authors asserted that the small manufacturing firms in Mozambique came from the indigenous informal sector using traditional production techniques, and employed a limited number of workers.

4.1.2. The structure of labour hiring and retention by manufacturing SMEs

It was found from the study that about 70% of manufacturing SMEs in Greater Maputo engaged casual labourers whom they would call upon when needed, and released when less needed by the SME. Nearly 50% of commerce SMEs used part time workers whom they sub-contract to sell goods in streets or in informal unregistered stands. Firms in the manufacturing and commerce SMEs would normally not include such sub-contracted hawkers as part of their labour force, even if they have been engaged in these activities for a number of years. The services sub-sector was the least group that engaged casual or part time workers compared to the other sub-sectors. The conclusion is that manufacturing SMEs employed less permanent workers compared to the other sub-sectors, in so doing, nurtured underemployment amongst the youth in Mozambique. Manufacturing firms were generally of sole ownerships construct and although labour-intensive, yet, employed fewer, mostly unskilled workers and engaged in low productivity production.

4.1.3. The inability of manufacturing SMEs in attracting financial support

For any SMEs to get access to funding from a financial institution, the prerequisite is to have a guarantee in the form of collateral (Fox and Sorrenson, 2013). Apart from the guarantee, financial institutions insist on provision of organized accounts and business plans (BCI, 2013). The majority of SMEs surveyed from all the three sub-sectors (manufacturing, services and commerce), had not sourced financial support from banks or micro-financing institutions and reported turnovers below the US \$400 000 classification. Several reasons could have been behind SMEs not sourcing financial support, including inability to secure collateral, not having organized accounts, or submitting badly crafted business plans. Other reasons could have been lack of proper information regarding *modus operandi* of sourcing financial support, or burdening bureaucratic procedures including acts of corruption from unscrupulous officials. From the study, the manufacturing sub-sector was worse; with 86.8% mentioning they did not source financial support while the services and

commerce sub-sectors featured at 81% and 69.3% respectively. In terms of having a business plan the manufacturing sub-sector had an inferior performance compared to the other sub-sectors whereby only 62.8% had business plans. Regarding the other sub-sectors, 73% of the commerce and 69.4% of services SMEs had business plans at the inception of their enterprises. These facts meant that the manufacturing SMEs had little potential of getting financial support to increase production as such portrayed poor performance in workers retention and employment creation.

4.1.4. Low levels of education within the manufacturing SMEs

Gupta et al. (2013) from India, assert that entrepreneurs who want their firms to grow need to have a reasonable levels of education and training and will tend to run manufacturing firms rather than service or commerce firms. This fact is contradicted by the results of the current study in Mozambique. Whilst some owner-managers of manufacturing SMEs had technical training, the technical training was of very low level. The services sub-sector had the highest respondents with university education at 35.1% followed by the commerce sub-sector at 32.5% and the manufacturing sub-sector with a mere 13.2%. There are arguments that running a small business is fundamentally a hands-on activity where formal educational qualifications are less relevant (Nyang'ori, 2010). Others argue that education plays a secondary role in entrepreneurship because entrepreneurs are born and not made. Evidence from Mozambique from organizations like IPEME (2015) insists that formal education is important for the growth and sustainability of SMEs in Mozambique, leading to employment creation.

4.1.5. Lack of initial training amongst the manufacturing SMEs

Overall, more than 50 percent of respondents in all the three sub-sectors had not received any training prior to establishing their businesses. The worst was the manufacturing sector. Respondents in the services sector (41.3%) received prior training, compared to the commerce sector (38.6%) and the manufacturing sector (27.1%). Manufacturing SMEs in Mozambique had management style that was more spontaneous than analytical, more concerned with day-to-day undertakings than long-term issues, and more opportunistic than planned in their concept. Evidence from the study revealed that manufacturing enterprises are run in an *ad hoc* manner without recourse to proper business plans or organized book-keeping. They operated with obsolete tools and machinery, and without properly planned production schedules. None of the owner-managers, in the manufacturing sub-sector ever reported to have been admitted to the incubators, and very few reported that they received specialised training to manage SMEs. Owners of service businesses such as legal practice or accounting professions normally undergo extra training and by law have to serve articles before being registered as attorneys or chartered accountants. There are no such binding legal requirements for individual setting up manufacturing companies. These facts clearly reflect in limited capacity of growth and sustenance of the manufacturing SMEs, as such restricted ability to create employment.

4.1.6. Lack of support from family members

Empirical evidence on SMEs performance indicates that family relationship is an important factor that determines the performance of an SME. The results obtained from the study in Greater Maputo were as

follows: 45% of owner-managers of SMEs in the commerce and 35% in the services sub-sector, compared to only 20% in the manufacturing sub-sector came from parents or relatives who owned businesses. Regarding start-up SMEs the results from the study revealed that overall very few SMEs from all sectors got assistance at the time of starting their businesses. The study unveiled that from this limited results, the ration is distributed as 3.1% for manufacturing, 6.1% and 7% for commerce and services respectively. The inference from these results clearly indicates that the manufacturing sub-sector had fewer owner-managers who came from business related families, and had the lowest percentage of members who received family help when starting their enterprises. Mutalemwa (2005) in a study in Tanzania observed that the variable 'family background' is one of the celebrated aspects in SMEs and suggests that individuals whose parents or close relatives are self-employed are not only likely to operate a business, but also to outperform others.

An interesting observation is that a majority of manufacturing SMEs are owned by indigenous Mozambican citizens whose tradition is ill-disposed to borrowing and lending within family members. It is not a widespread custom amongst the indigenous African business person in Mozambique to run a business with family members. Sometimes little education, superstitious beliefs and inadequate exposure to the world of business, keeps some of these manufacturing SMEs in confined enclosures of the owner-manager working without the inclusion of other family members. Concerning the commerce sub-sector, owners of these SMEs in Greater Maputo are mostly of Asian origin or West African extract. These SMEs are mostly family-run businesses depending significantly on family financial support. The lack of family support to the manufacturing SMEs could have been one of the factors that contributed to the restricted development of this sub-sector as such limiting the sector's ability in creating employment.

5. Conclusion

From this study in Greater Maputo that represented the whole of Mozambique, the manufacturing sub-sector had an ambiguous ownership structure postulating on a single ownership that operated in solitude without the assistance of other members, with whom they could share expertise and innovation or family members who could have assisted in disseminating experience and financial support. Owner managers in the manufacturing sub-sector had less education and were denied of previous work experience in comparison to owner-managers from the services or commerce sub-sectors. Due to lower levels of training, owner-managers of manufacturing SMEs were incapable of elaborating good quality business plans or present organized accounts that could attract financial support from established financial institutions, government organization or even from larger firms. This meant that manufacturing SMEs operated at lower levels of productivity, using run down workshops, employing old and obsolete tools of production, and producing low quality goods abhorred by local consumers who preferred imported products. Summing up, these misfortunes and predicaments singling out the manufacturing SMEs lead to the sub-sector's low levels of survivability and unsustainable growth, putting brakes on manufacturing SMEs ability in creating additional employment especially for the youth.

The strategic thrust for employment creation is therefore to allow for incubation and support large numbers of small manufacturing SMEs. Specialized artisan training should be provided by incubators that

could include organized factory visits by students and younger members of the community. Support should be enhanced from financial institutions, government establishments and even from non-governmental organizations (NGOs). Large manufacturers and industries, could offer technical and innovative support, by sharing production techniques and lending factory space and specialized tools to the manufacturing SMEs. As they grow and become sustainable, they can retain the workers they employ, and add to more employment. Therefore, sustained spawning of large numbers of new manufacturing SMEs is a more plausible approach in employment formation. What large SMEs have in contribution to GDP, small SMEs have in employee creation.

References

- Adlung, R. and Soprana, M. (2012), "World Trade Organization SMEs in Services Trade - A GATS Perspective", staff working paper, World Trade Organization Economic Research and Statistics Division, April, available at: https://www.wto.org/english/res_e/reser_e/ers. (accessed 18 May 2017).
- AfDB (2012), "Mozambique 2012-African Economic Outlook", available at: <http://www.africaneconomicoutlook.org/en/> (accessed 17 May 2017).
- Al-Kharusi, A. (2003), "Financing Small Business in Oman", A Doctoral Thesis Submitted in fulfillment of the requirements for the award of Doctor of philosophy of Loughborough University, November, available: <https://dspace.lboro.ac.uk/dspace-jspui/handle/2134/7597>. (accessed 12 September 2016).
- BCI (2013), "BCI disponibiliza 1.000 milhões de Meticals para as PME moçambicanas: anúncio da renovação da linha BCI negócios PME", Comunicado, Redacção, 12 de Dezembro.
- Berisha, G. and Pula, J. (2015), "Defining Small and Medium Enterprises: a critical review", *Academic Journal of Business, Administration, Law and Social Sciences*, Vol. 1 No.1, pp. 320-341.
- Fox, L. and Sohnesen T. (2013), "Household enterprises in Mozambique key to poverty reduction but not on the development agenda?" Policy Research Working Paper 6570, World Bank Africa Region Office of the Chief Economist, 16 August.
- Furlong, A. (2012), *Youth Studies: An Introduction*, Routledge, New York, pp. 72-97.
- Girotra, K. and Netessine S. (2013), "Extreme focus and the success of Germany's Mittelstand", *Harvard Business Review*, available at: <https://hbr.org/2013/02/good-old-focused-strategy/>. (accessed 7 June 2016).
- Gupta, P., Guha, G. and Krishnaswami, S. (2013), "Firm growth and its determinants", *Journal of Innovation and Entrepreneurship*, Vol.5 No. 5, pp. 2-15.
- Houssein, M., Elswad, A. and Shahudul, M.I. (2013), "Determinants of Manufacturing SMEs Growth", *A Review Journal of Manufacturing Operations Research and Sustainability*, Vol. 1 No. 2, pp. 46-59.
- ILO (2015), "Global Employment Trends for Youth 2015: Scaling up investments in decent jobs for youth", International Labour Office – Geneva, available at: http://www.ilo.org/wcmsp5/groups/public/dgreports/-dcomm/-publ/documents/publication/wcms_412015.pdf. (accessed 11 October 2016).

- IPEME (2015), "Study of Mozambican Small and Medium Sized Enterprises", USAID/SPEED Report, available at: <http://www.speed-program.com/wp-content/uploads/2015/01/2014-SPEED-Presentation-012-Small-and-Medium-Size-Firms-in-Mozambique>. (accessed 15 February 2016).
- Isaga, N. (2015), "Owner-Managers' Demographic Characteristics and the Growth of Tanzanian Small and Medium Enterprises", *International Journal of Business and Management*, Vol. 10 No.5, pp. 168-181.
- Jayawarna, D., Macpherson, A. and Wilson, A. (2007), "Growth of SMEs in the Tanzania manufacturing sector economics", Growth of SMEs in the Tanzania Manufacturing Sector Essay, available at: www.ukessays.com/essays/economics/growth-of-smes-in-the-tanzania. (accessed 15 February 2016).
- Karkara, R. (2014), "Strengthening a Life-Cycle of Intergenerational Dialogue and Partnerships with Youth", World-Conference on Youth, (DIFI), Doha International Family Institute.
- Kaufmann, F. and Parlmeyer, W. (2000), "The Dilemma of Small Business in Mozambique: The Reason to be is the Reason not to Prosper", Documento de Trabalho, No.59, available at: [http://pascal.iseg.utl.pt/~cesa/files/Doc trabalho/59.PDF](http://pascal.iseg.utl.pt/~cesa/files/Doc%20trabalho/59.PDF) (accessed 11 January 2016).
- Malinvaud, E. (2008), *Profitability and Unemployment*, (Ed.), Cambridge University Press.
- Manning, C. and Mashigo, P. (1993), "Manufacturing in Microenterprises in South Africa", Research Report to the Industrial Strategy Project, University of Cape Town.
- Mapote, W. (2013), "ONU Desemprego é problema sério em Moçambique", VOZ de America, September, available at: <http://m.voportugues.com/a/onu-desemprego-e-problema-serio-em-mocambique.html>. (accessed 16 August 2016).
- Mutalemwa, D. K. (2005), "Small and Medium Enterprises in the Manufacturing Sector of Tanzania: Initial Conditions, Networks and the International Environment", Paper in School of Development studies, University of East Anglia, UK.
- Nyang'ori, R. (2010), *Factors influencing performance of micro and small enterprises: a case of Kisumu City Bus Park-Kenya*, Erepository.uonbi.ac.ke. Publications.
- Omar, S., Arokiasamy, L. and Ismail, M. (2009), "The Background and Challenges Faced by the Small Medium Enterprises: A Human Resource Development Perspective", *International Journal of Business and Management*, Vol. 4 No.10, pp. 95-99.
- Reisman, A. and Lalá, A. (2012), "Open Society Foundations Crime and Violence Prevention Initiative (OSF CVPI)", Open Society Initiative for Southern Africa (OSISA) Report, March.
- Thurik, R., Carree, M. and Audretsch, D. (2008), "Does Self-Employment Reduce Unemployment?", *Journal of Business Venturing*, Vol. 23 No. 6, pp. 673-686.
- UNCDF (2015), "Youth start Global Inception Phase—Mozambique youth economic opportunities ecosystem analysis", Mozambican, available at: <https://www.fsdafrica.org/wp-content/uploads/2016/03/16-03-07-Youth-in-Mozambique.pdf>. (accessed 5 March 2017).
- Valá, S. C. (2007), "A Riqueza esta no Campo: Economia Rural, Financiamento às Empresas e o Fortalecimento Institucional em Moçambique", Conference Paper 39, IESE, Maputo.

Zimba, C. (2013), "O papel do IPEME na promoção e assistência inclusão das MPME's na Economia Nacional", Apresentação no 49ª Edição da FACIM, Tenda de Conferências da FACIM, Agosto, Ricatla, Marracuene.

Zimba, C. (2015), "Interview by The Business year", SMEs to You, available at: <https://www.thebusinessyear.com/mozambique-2015/sme-to-you/column> (accessed 15 February 2017).