

ROLE OF HOUSEHOLD ENTERPRISES IN THE CREATION OF EMPLOYMENT AMONG UGANDAN HOUSEHOLDS

PASQUAL JEREMIAH NANGIRO

M23B34/023

**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF BACHELOR OF
SCIENCE IN ECONOMICS AND STATISTICS UGANDA CHRISTIAN UNIVERSITY**

March, 2026



**UGANDA CHRISTIAN
UNIVERSITY**

A Centre of Excellence in the Heart of Africa

DECLARATION

I, Nangiro Pasqual Jeremiah certify that this dissertation report is a personal compilation of my personal exposure and experience in the course of my research project between September, 2025 and December, 2025.

The report is a true reflection of my learning and what I have accomplished during the time of the research. I never plagiarised or copied any materials without the due reference and mention to other sources.


SIGNATURE:.....

DATE:14/04/2026.....

Nangiro Pasqual Jeremiah

APPROVAL

This dissertation titled, "Role of household enterprises in the creation of employment among Ugandan households" has been submitted for examination with the approval of my supervisor.

Signature: 

Date: Tue. 14 April 2026

Simon Peter Mukisa

DEDICATION

In this dissertation report, I am extremely grateful to:

My great parents and sponsors at Uganda Christian University, Mukono, who never gave me second chances and contributed immensely by being supportive and generous to such an experience that helped me to gain so much experience. Their belief in serving and honing academic excellence and professional growth is indeed admirable.

I want to thank you very much Stanbic Bank limited Uganda, because of not being mistaken about my potential and investing in my future. I believe that you have influenced my academic pursuit and career in a great way.

Thank you.

ACKNOWLEDGEMENTS

I would close by saying my lifelong gratitude to the following individuals and organisation who helped me make this research report a reality by their support and guidance.

Organisation Acknowledgement:

I would like to say thank you to the Uganda Bureau of Statistics (UBOS) who gave me a chance to conduct this research. They are all special thanks who gave me permission to use their data in the research.

Supervisor:

I would like to express my gratefulness to Mr. Mukisa Simon Peter, Uganda Christian University, Mukono, for being an experienced guide, and for the effective feedback, and reliable support.

Classmates and Peers:

I would also like to credit my classmates and peers in UCU due to their friendship, exchange of information, and support.

Family and friends:

My family and friends have been helpful to me and supported me unconditionally, patiently, and understandingly, during the research period.

University support:

I like the resources and support offered by the Uganda Christian University, Mukono and especially the School of Business.

Thank you.

Table of Contents

| | |
|---|------|
| DECLARATION..... | i |
| APPROVAL | ii |
| DEDICATION | iii |
| ACKNOWLEDGEMENTS | iv |
| List of Figures..... | viii |
| List of tables | ixx |
| ABSTRACT | x |
| CHAPTER ONE | 1 |
| INTRODUCTION..... | 1 |
| 1.0 Introduction..... | 1 |
| 1.1 Background to the Study..... | 1 |
| 1.2 Statement of the Problem..... | 3 |
| 1.3 Objectives of the Study..... | 4 |
| 1.3.1 Main Objective..... | 4 |
| 1.3.2 Specific Objectives | 4 |
| 1.4 Research Questions..... | 4 |
| 1.5 Hypotheses..... | 4 |
| 1.6 Scope of the Study | 5 |
| 1.6.1 Geographical Scope | 5 |
| 1.6.2 Content Scope | 5 |
| 1.6.3 Time Scope..... | 5 |
| 1.7 Justification..... | 5 |
| 1.8 Significance of the Study | 5 |
| 1.9 Limitations and Delimitations..... | 6 |
| 1.10 Conceptual Framework..... | 7 |
| 1.11 Conclusion | 8 |
| CHAPTER TWO | 9 |
| LITERATURE REVIEW..... | 9 |
| 2.0 Introduction..... | 9 |
| 2.1.1 Theme 1: Extent of Employment Creation amongst Household Enterprises. | 9 |
| 2.1.2 Theme 2: Effects of Enterprise Characteristics on Employment Creation. | 10 |

| | |
|--|----|
| 2.1.3 Theme 3: Role of enterprise scale in shaping employment creation capacity in Uganda. | 11 |
| 2.2 Detailed Exposure to Literature Review. | 13 |
| 2.3 Conclusion | 13 |
| CHAPTER THREE | 14 |
| METHODOLOGY | 14 |
| 3.1 Introduction | 14 |
| 3.2 Research Design | 14 |
| 3.3 Research Area/Size | 14 |
| 3.4 Data Source | 14 |
| 3.5 The study population and sampling | 15 |
| 3.5.1 The population and unit of analysis of the study | 15 |
| 3.5.2 Sample Size and Distribution | 15 |
| 3.6 Data Collection Methods and Instruments | 16 |
| 3.6.1 Data Collection Methods | 16 |
| 3.6.2 Data Collection Instruments | 16 |
| 3.7 Quality Control | 16 |
| 3.7.1 Validity | 16 |
| 3.7.2 Reliability | 16 |
| 3.8 Measurement of Variables | 16 |
| 3.8.1 Dependent Variables | 16 |
| 3.8.2 Independent Variables | 17 |
| 3.9 Data Analysis Techniques | 17 |
| 3.9.1 Descriptive Analysis | 17 |
| 3.9.2 Econometric Analysis | 17 |
| 3.9.3 Robustness Analysis | 18 |
| 3.10 Survey Weights and Estimation Issues. | 18 |
| 3.11 Ethical Considerations | 18 |
| 3.12 Conclusion | 19 |
| CHAPTER FOUR | 20 |
| DATA PRESENTATION, ANALYSIS, INTERPRETATION AND DISCUSSION | 20 |
| 4.0 Introduction | 20 |
| 4.1 Employment Creation by Household Enterprises. | 20 |

| | |
|---|----|
| 4.2 Characteristics of enterprises and Creation of Employment..... | 21 |
| 4.2.1 Enterprise Type and Creation of Employment..... | 21 |
| 4.3 Enterprise Scale and Creation of Employment..... | 22 |
| 4.4 Strongness (Robustness) Analysis: Odds of using Non-Household Labour..... | 23 |
| 4.5 Discussion of Findings..... | 23 |
| 4.6 Conclusion | 24 |
| CHAPTER FIVE..... | 25 |
| CONCLUSION AND RECOMMENDATIONS | 25 |
| 5.1 Introduction..... | 25 |
| 5.2 Summary of the Study | 25 |
| 5.3 Conclusions of the Study | 25 |
| 5.3.1 Load of Household Enterprise Employment Creation..... | 25 |
| 5.3.2 Effect of Enterprise Characteristics on Creation of Employment. | 26 |
| 5.3.3 Relevance of Enterprise Scale in formation of Employment Creation capacity..... | 26 |
| 5.3.4 Robustness of the Findings | 26 |
| 5.4 Policy Implications | 26 |
| 5.5 Limitations of the Study..... | 27 |
| 5.7 Concluding Remarks..... | 28 |
| REFERENCES: | 29 |

List of Figures

| | |
|---|---|
| Figure 1: Shows the conceptual framework..... | 7 |
|---|---|

List of tables

| | |
|--|----|
| Table 1: Enterprise Employment Descriptive Statistics. | 21 |
| Table 2: Negative Binomial Regression Results (IRR) at the Baseline..... | 22 |
| Table 3: Enterprise Scale (IRR)- Negative Binomial Regression. | 22 |
| Table 4: Logit Regression results of any employment. | 23 |

ABSTRACT

Household enterprises continue to be a staple of the Uganda labour market by taking on workers locked out of formal labour and also offering a valuable avenue of livelihood diversification. However, their real contribution to occupations' creation as well as factors that inform this contribution are not well understood. This research analyses the contribution of household enterprises to the creation of employment in Ugandan households on the basis of nationally representative micro data on the Uganda National Household Survey (UNHS) 2023/24. These objectives were to examine whether with household enterprises, the extent of job creation is influenced by individual enterprise characteristics, to examine how household socioeconomic factors influence employment outcomes in household enterprises.

The analytical design used was a cross section and was based on the household and enterprise modules of the UNHS. The research has used econometric models such as Poisson and Negative Binomial regressions to produce the fluctuations in the creation of employment and some of the most important predictors. The estimation was done through the use of Stata whereby careful compliance with the survey design (weights, strata, and primary sampling units) was meticulously followed to guarantee population-representative estimates.

Results showed that as much as household enterprises are common and continue to play an important role in self-employment and additional earnings, they have a small effect of generating employment opportunities, with most enterprises functioning in small, informal entities employing minimal or no extra employees. As implied by the economic endowment, the stronger and better the household had the human capital, the more likely the enterprises operated were able to hire external labour.

This research concludes that household businesses are significant in the employment situation in Uganda but they are limited by structural constraints which do not allow them to generate more employment opportunities. To boost their employment-creating capacity, their employment-generating capacity needs specific interventions to enhance the availability of capital, enterprise capacities, market expansion and spatial disparities in infrastructure and economic opportunities. These findings indicate the relevance of concerted strategies of developing enterprises considering the dual household-enterprise nature of this form of businesses.

The research suggests the growth of the financial inclusion programmes to the micro-enterprises, the introduction of the business development services to the districts, increasing the rural infrastructure, and setting sector-specific upgrades of the high potential categories of enterprises. The ongoing studies can be extended to understand the dynamics of enterprise survival and moving to high productivity segments over time.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter is an introduction to the study in that it outlines the background, statement of the problem, objectives, research questions, hypotheses, scope, justification, significance, limitations and delimitations, and the relevant conceptual framework to be adopted in dealing with the role of household enterprises in employment creation among households in Uganda. The chapter sets the stage from which the whole dissertation is constructed with both conceptual and contextual knowledge as a guide for the methodological, analytical, and empirical direction of the research.

1.1 Background to the Study

Household enterprises constitute a backbone of informal economic activity around the world, and provide livelihood for millions of people who are outside formal wage employment. Globally, the informal sector is responsible for more than 60% of total employment and more than 90% of employment in low-income countries (International Labour Organisation [ILO], 2023). These enterprises are often characterised by their flexibility and small size, ease of entry and are family labour based. Household enterprises play a double role, that is to say, they bring in money while also acting as a vital defense against economic ups and downs, weak social support systems, and issues tied to population shifts.

Across Africa, the informal sector which encompasses the household enterprises accounts for about 85% of the total employment and contributes to the continent's Gross Domestic Product (GDP) by almost 40% (African Development Bank [AfDB], 2022). Household enterprises are particularly common in sub-Saharan Africa where lack of sustained growth in the formal sector, alongside a rapidly swelling labour force and youth unemployment, has led many millions to be forced into self-employment as a survival strategy. They work mostly engaged in trade, services and in small-scale manufacturing and are often absorbing the workers who are excluded from the formal workforce due to low skill levels or geographical barriers or due to their position in a structurally poor economy. Research on Africa's informal economy reveals that these enterprises, although small, cumulatively are major job creating, income generating, and entrepreneurial developing enterprises.

In Uganda, the potential of the informal sector is even more central. According to Uganda Bureau of Statistics (UBOS, 2024), more than three-quarters of all employment in the country

falls under the informal sector. In addition, as per the 2023/24 Uganda National Household Survey (UNHS), the households in Uganda are operating at least one business that is not related to crop farming, with the figure being about 31 percent.

These enterprises are rooted in the socio-economic fabric of Uganda, and play an important role in household welfare as well as income diversification and in constructing social resilience. They range from trade and small-scale manufacturing to transportation and personal services and often involve members of the family in addition to hired workers. Despite their omnipresence and significance, their ability to generate employment differs greatly according to the characteristics of the enterprises and the household characteristics. Available literature highlights the role of such household enterprises in the generation of income and lessening poverty (Fox & Gaal, 2020; UBOS, 2024).

However, most studies focus on productivity, income and enterprise survival rather than labour absorption capacity. As such, while the economic relevance of these enterprises is well-established, the contribution they make to employment creation and the determinants of such employment remains underexplored. This gap becomes particularly significant considering the current unemployment and underemployment problems that Uganda has been facing in particular among the youth in the country.

Out of this found gap, the present study is achieved. By analysing the contribution of household enterprises to employment creation, the study adds to an enhanced understanding of the interplay between characteristics of enterprises, household attributes and context on labour absorption. This type of practical evidence is necessary in the formation of any policies in which the aim is to better the way these businesses perform as well as in development of more inclusive employment opportunities.

The broad objective of the study is to examine the magnitude, the nature and the factors determining employment, especially in household enterprises in Uganda. The methods and ways of analysing data that are discussed in the coming chapters are directly related to this goal.

1.2 Statement of the Problem

In a well-functioning labour market, we would ideally have a vibrant formal sector with individuals searching for a job accessing productive, secure and adequately remunerated jobs. Such a scenario promotes economic growth, takes away vulnerability and contributes to household welfare. In this ideal environment household enterprises would provide complements to formal employment, more economic opportunities rather than serving as primary sources of livelihood.

However, Uganda's labour market is not an ideal situation. Despite sustained economic growth in the past decade, there is still insufficient formal employment opportunities to absorb the rapidly enlarging labour force. Also, UBOS (2024) notes that the jobs of the informal sector, where over 72% of the workers in Uganda work, are unstable, the income potentially low, and more prone to issues.

The high rate of youth unemployment being estimated at over 13% at the national level and even higher in urban areas (ILO, 2023) adds to this challenge. Consequently, it is not uncommon for many households to depend a lot on informal household enterprises as primary sources of income and employment.

The importance of household enterprises in generating employment is recognised, but empirical knowledge is dispersed. Existing studies have established the importance of informal enterprises in terms of income diversification, poverty alleviation and micro-entrepreneurship, while there is little systematic analysis of their labour absorption capacity. While it is known that enterprise characteristics have an impact on performance, the impact that they have on employment creation has not been sufficiently explored in relation with the Ugandan context. To the same extent household level socioeconomic attributes affecting enterprise labour decisions is unclear.

Government initiatives like the Youth Livelihood Programme (YLP), the Parish Development Model (PDM) and the Uganda Women Entrepreneurship Programme (UWEP) have tried to increase enterprise activity and create job opportunities. While the effect of these interventions on employment patterns within household enterprises is not yet fully understood, these interventions do aim to spur job creation. Moreover, these programmes are often focused on enterprise formation and capital injection without analysing the factors that drive employment creation in existing enterprises.

What is not known is the extent to which the household enterprises actually generate employment outside the owner of the household and what factors determine this employment. Without this clarity it is possible that policies may miss important drivers of labour absorption and as a result design interventions that fail to adequately support employment expansion. Therefore, there is an urgent need for empirical evidence that unravels the linkages of employment creation between enterprise characteristics, household attributes, and the factors contextual.

This study fills this gap by showing a detailed empirical study based on nationally representative survey data. The study provides some evidence that can be used to guide more specific and effective policy responses to the employment of the informal sector by explaining the determinants of employment creation.

1.3 Objectives of the Study

1.3.1 Main Objective

The aim of the study was to examine the role of household enterprises in creation of employment among Ugandan households.

1.3.2 Specific Objectives

The objectives particular to the study were to:

- i. Examine the extent of employment creation among household enterprises in Uganda.
- ii. Examine how enterprise characteristics influence employment creation among household enterprises in Uganda.
- iii. Examine the role of enterprise scale in shaping employment creation capacity in Uganda.

1.4 Research Questions

- i. What is the extent of employment creation among household enterprises in Uganda?
- ii. How do enterprise characteristics influence employment creation among household enterprises in Uganda?
- iii. How does enterprise scale shape the capacity of household enterprises to create employment in Uganda?

1.5 Hypotheses

H1: Household enterprises significantly contribute to employment creation among Ugandan households.

H2: Enterprise characteristics have a significant influence on employment creation in Uganda.

H3: Enterprise scale significantly shapes the employment creation of household enterprises.

1.6 Scope of the Study

1.6.1 Geographical Scope

The data regarding the study encompassed the entire areas of Uganda that is to say Central, Eastern, Northern, and Western based on the nationally representative statistics presented in the UNHS 2023/24. It was possible to include rural and urban dynamics of enterprise with this geographic coverage.

1.6.2 Content Scope

The research examined household businesses not dealing in crops and their contribution in the creation of jobs. It looked into features of enterprises, household characteristics and labour involvement without wage labour and large-scale formal firms.

1.6.3 Time Scope

The data utilized to complete the study was a survey that was carried out within the period of the UNHS 2023/24, and it is reflective of enterprise and employment activity over the 12 months prior to conducting the survey.

1.7 Justification

Household businesses get an important role in the informal sector of Uganda and are often the focus of livelihood improvement and youth employment programs. Nevertheless, there is little empirical data concerning their absorption capacity of labour and what drives their capacity to create job opportunities. This research is timely and includes evidence-based information that the policymakers, development practitioners and local governments can take during their intervention design to promote productivity of enterprises and creation of more jobs especially to the vulnerable groups.

1.8 Significance of the Study

The results of this research will be useful to:

Policy makers, through providing empirical data to guide the inclusion employment measures.

The development agencies make information on program design of enterprise development and poverty reduction by making informed program design.

The scholars through creating literature on the dynamics of the informal sector employment.

Societies, by emphasizing how the home-based businesses can enhance lives.

Academics and students by providing a point of reference, to be used in future studies.

1.9 Limitations and Delimitations.

The weakness of the study was due to the cross-sectional nature of UNHS data which limits the causal analysis. The data, that is reported to himself/herself, had the problem of recall bias. The research was confined to the non-crop businesses where agricultural labour relations were not considered. In spite of these, there was a strong opportunity to analyse and strong ability to overcome concerns associated with representativeness due to the use of a large national dataset.

1.10 Conceptual Framework

The conceptual framework reflects relations between the independent and dependent variables in a many to one approach. Household enterprises and household characteristics are interconnected in this scheme in terms of multiple dimensions, which, together, affect one outcome:

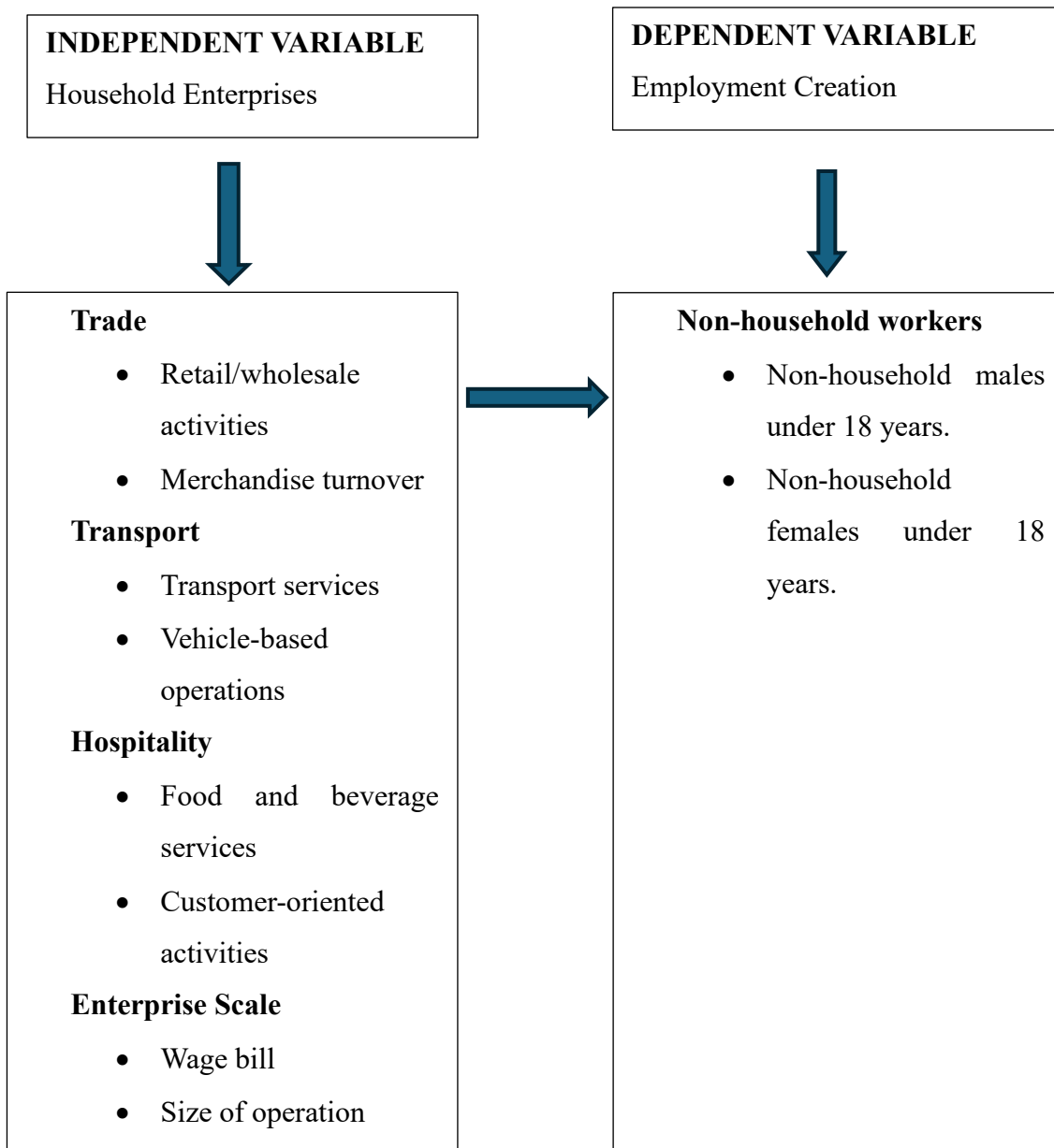


Figure 1: Shows the conceptual framework

1.11 Conclusion

This chapter has given a full introduction of the study, which has set the conceptual and analytical background as well as the contextual background of the study, which addresses the role of household enterprises as a source of employment to the households in Uganda. It has put forward the problem, objectives and guiding hypotheses and explained the scope, justification and importance of the study in the chapter. The following chapter introduces the literature review that justifies and puts this research in its context.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter includes the review of scholarly, institutional, and empirical literature on the topic of household enterprise contribution to employment formation. It extrapolates international, regional, and country data to pillage the job creation processes at household enterprises by citing latest report of the Uganda National Household Survey (UNHS) 2023/24 and other such academic works.

The review is thematically structured based on the objectives of the study. The literature is critically reviewed on each theme, aspects of agreement and disagreement are identified and gaps that led to the current study are clearly expressed. At the end of the chapter, a synthesized summary and an analytical conclusion is given which connects the reviewed literature with the direction and contribution of the current research.

2.1.1 Theme 1: Extent of Employment Creation amongst Household Enterprises.

Household enterprises form part of the most vital forms of employment in developing economies especially in cases where formal labour markets cannot take up the increasing labour force. The informal sector through household enterprises contributes about 61 percent of the total number of employed persons worldwide (ILO, 2023) and has become extremely important in the livelihoods where formal employments are scarce (Chen, 2007). This tendency has been more noticeable in the developing societies, in which the small businesses that are operated by households are the main labour absorber of the workers who were shut out of the formal economy (ILO, 2023).

In sub-Saharan Africa, household enterprises play an important role in creating jobs, with over 80% of non-agricultural jobs in certain countries being based on them (AfDB, 2022; Fox and Gaal, 2020). According to research, now a substantial portion of these businesses uses family labour, though a minor but significant percentage have other hired staff, and thus creates jobs on the grassroots, (Nagler and Naudé, 2017; Filmer and Fox, 2014). They are few in number, and the rate of absorption on labour is high, especially when the level of population increase is higher than the rate of generating formal employment opportunities (AfDB, 2022; ILO, 2023).

Uganda is even more affected by the applicability of household enterprises. The UNHS 2023/24 established that 31 percent of households are having at least one household non-crop household enterprise, indicating their contribution to household income unions (UBOS, 2024).

In addition, over 72 percent of the work in Uganda is informal, making household business the core of job creation in the country (ILO, 2023; UBOS, 2024).

These businesses engage in the manufacturing of small scales and in the retail trade and services, which have become vital in creating employment opportunities both in rural and urban areas (Kiggundu, 2021; UBOS, 2024).

Although there is recognition of the role of household enterprises in offering employment, there is no unanimity on how far the household enterprise offers employment beyond the household owner. According to some research, the majority of household businesses in Uganda are one person efforts with limited hiring capabilities (UBOS, 2024), but some claim that there are industries that in particular are more likely to work with labour (Kiggundu, 2021; Fox and Gaal, 2020).

Although the informal sector employment has become a rich body of research, there are very few studies specifically quantifying the scale of labour absorption between household enterprises in Uganda based on nationally representative data. UNHS 2023/24 offers new and high-quality data that remains under used in the investigation of the employment creation patterns. The present study addresses this gap by undertaking an empirical examination of the magnitude of employment creation on the basis of the latest available data.

2.1.2 Theme 2: Effects of Enterprise Characteristics on Employment Creation.

One important predictor of employment is employment enterprise. Enterprise sector, size, age, capital intensity, and duration of operation have been established repeatedly as vital determination of labour absorption worldwide (ILO, 2023). Trade and services usually have a single-operator business, unlike labour intensive ones like manufacturing and food processing which typically hire more workers (Nagler & Naudé, 2017).

Employment creation is also correlated with age of enterprises, and older enterprises are more stable, have more operational capacity, and probability of recruiting more labour (Bloom et al., 2019; Filmer and Fox, 2014). Equally, financial access affects the size and labour requirements of businesses where capital-confined firms tend to remain small and informal (World Bank, 2020). Credit allows businesses to invest in machinery, hold more stock, boost output, and employ more staff members (Becker, 2018; AfDB, 2022).

The results of developing economies reinforce the idea that the timing of the operational period counts that is to say businesses that have longer months of operations in specific years, in

particular businesses that work all year long are more prone to need the extra labour (Nagler & Naudé, 2017; ILO, 2023). Location is another factor that determines hiring capacity, as urban enterprises usually have a higher labour demand because of greater market size whereas rural enterprises tend to be household-based and labour-constrained (Fox and Gaal, 2020; UBOS, 2024).

Enterprise characteristics within Uganda are similar. There is a noticeable fluctuation of enterprise sectors in the UNHS 2023/24, the top category being trade at 58, followed by services at 27, and the manufacturing industry at the focal point with the largest part of 15 being the most labour-demanding (UBOS, 2024). Research in Uganda shows that household businesses that have access to external funding, those that have physical business locations, and those that subcontract workers to do their manufacturing jobs are much more likely to employ more workers (Kiggundu, 2021). Enterprise age is a positive factor with hiring because businesses that can survive their risky start usually stabilize and grow (Fox & Gaal, 2020).

Though the literature indicates that enterprise traits are critical, there have been only a few undertakings that consider the joint effects of various dimensions of age, capital, sector, and operational months on the transformation of employment opportunities in the Ugandan household business, with strong econometric models and the newest national survey. This research preserves this consideration gap, using count and binary models to demonstrate the joint impact of enterprise features.

2.1.3 Theme 3: Role of enterprise scale in shaping employment creation capacity in Uganda.

The scale of the enterprise, which is usually dictated by the size of the firms in terms of employment, capital investment or output, is a decisive factor in the capability of an economy to create sustainable employment. In Uganda where the micro, small and medium-sized enterprises (MSMEs) are predominant in creating employment opportunities, it is imperative to determine the role of scale in generating employment opportunities to solve the high unemployment level especially amongst the youth and women. Ugandan and other African literature demonstrate that small businesses tend to be the most frequent job creators because of their numbers and ability to adopt more strategies, although they are restricted by the lack of productivity, high turnover, and the inability to develop. The bigger companies although not in number, are more stable and offer better-quality employment and will also transform the economy by providing more access to resources and markets. This chapter is a critical review

of the significant studies, including both empirical evidence, analytical discussions and research gaps within the Ugandan case.

Well-documented statistics have always indicated that small businesses are the driving force of job creation in Uganda where they suck a large size of the workforce as the population grows at lightning speed. As an example, 5 of the 6 small business enterprises in the country generate over 90 percent of the privately provided firms and put more than 3 million Ugandans on wages in 2012 alone, estimating that small firms (5-19 workers) contributed to more than half of all new employment in a society with limited formal sector access (World Bank, 2020).

Critically, however, the literature points out small-scale enterprises tend to produce low-productivity, informal positions that fails to result in growth in the economy in the long term and reduce poverty. In Uganda, this has been made worse by a poor business environment, such as electricity blackouts and lack of finance, that creates a medium-size business size buffer where large firms fail to scale but encourages premature employment growth, which overstates net job expansion when other firms exit the market (Page and Söderbom, 2015). An example is the poor business environment in Uganda and most of Africa, where small productive firms are under scaled but fails to create decent job opportunities due to the lack of a medium remote business size.

Unlike smaller businesses, bigger organisations are more likely to have the capacity to create more jobs by being more productive and stable. The UAE agro-processing and tourism, to name but two, are sectors where government policies have enabled large firms to create over a million jobs directly since 1991, and larger firms account for 38.5 percent of licenced investments and superior FDI-to-GDP ratios (Uganda Investment Authority [UIA], 2025).

The clever pathways such as capital equipment rental market provide a loophole to small company scale constraint. Increasing informal manufacturing firms in urban Uganda capture indivisibilities in machinery by renting the machinery between firms, which in effect increases their scale and mechanisation without owning the machinery, but is analytically constrained to informal networks of firms, addressing scale without systemic barriers such as credit or market access (Bassi et al., 2022). This increases productivity and employment, especially in clusters, but is restricted to informal networks of firms, hence do not deal with systemic barriers such as accessing credit or markets (Lakuma et al., 2019).

The role of scale is further medicated by gender and sectoral aspects. Put differently, the manufacturing and construction MSEs utilise a greater proportion of employment opportunities per firm (7-8 workers) than services (5 workers) in Uganda, but the general growth is inhibited through the lack of finances and excessive rents (National Planning Authority [NPA], 2022).

Sectorally, since manufacture and construction MSEs provide higher employment opportunities per firm (7-8 workers), than services (5 workers), there is need to conduct multi-dimensional analysis, integrations to understand how policies may be holistic.

In short, although the small enterprises are the leading sources of employment in Uganda, they are unable to provide sustainable employment due to their size. The bigger companies provide higher capacity but are not mentioned enough. The literature gaps refer to the lack of data on firm transitions and the effects of digital tools on scaling that this research fills with the recent UNHS 2023/24 data to jointly analyse the scale and household variables.

2.2 Detailed Exposure to Literature Review.

The literature research demonstrates that household businesses contribute highly to job generation in the world, region and country. Factors that affect labour absorption are enterprise factors. Nevertheless, the available research frequently analyses these determinants separately, uses old data bases, or has national imbalances. Utilizing the UNHS 2023/24 means the possibility of one performing a multi-dimensional analysis of the determinants related to employment creation in household enterprises.

2.3 Conclusion

The chapter has critically and analytically reviewed literature pertaining to the role of household enterprises in creation of employment. The review mentions the most significant findings, research methodology shortcomings, and gaps in the evidence that support the importance of the given study. This study will not only make a valuable contribution to the academic literature by filling the gaps that need to be explored (the joint effect of both the enterprise and household factors in creating employment opportunities) but also will be useful in policy intervention geared towards ICTs aimed at generating employment in Uganda through the use of the latest nationally representative dataset. The following chapter clearly elaborates the step-by-step methods that were taken to acquire the data and the research findings too.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

The chapter gives the methodological framework that will be used to explore the role of household enterprises in providing jobs among Ugandan households. It outlines the research design, data source, study population, unit of analysis, measurement of variables and the study analysis method. The methodological decisions are informed by the following study objectives, the design of Uganda National Household Survey (UNHS) 2023/2024 and nature of employment outcome variables that will be analysed in the study.

3.2 Research Design

The study used the non experimental cross-sectional survey design which used secondary data. It was deemed suitable as it enables studying the patterns of employment creation by household enterprises at one time and establishing the statistical relationship between the features of the enterprises and the results of employment.

Quantitative method was especially the applicable method since the study in question was aimed at quantitatively measuring the intensity of the creation of employment and estimating econometric models to estimate the impact of the characteristics of enterprises on the employment outcomes.

3.3 Research Area/Size

Admittedly, the whole geographical theme of Uganda is covered by the UNHS 2023/24 data. The survey was conducted in 135 districts and 11 cities, which covered all regions in Central, Eastern, Northern, and Western Uganda, in rural and urban areas. The national ranges justify the objective of the study that is to analyse the patterns of employment creation in diverse socio-economic and geographical conditions. It is also important to ensure that the results indicate the diversity in the operations of enterprises, availability of infrastructure, market forces, and household features of Uganda.

3.4 Data Source

The study took advantage of the information of the Uganda National Household Survey (UNHS) 2023/ 2024, conducted by Uganda Bureau of Statistics (UBOS). UNHS is a nationally representative survey that was aimed to gather extensive data on demography of the households, labour market activities, welfare indicators, and household enterprises.

Particularly, the modules on household enterprise have been used in the analysis such as the enterprise screening module, which determines households with non-crop enterprises, and the enterprise labour module, which furthermore gives detail of employment in household enterprises. The quality and national coverage of the UNHS data makes them popular in policy analysis and research.

3.5 The study population and sampling

3.5.1 The population and unit of analysis of the study

The target population in the study included all households in operation of one or more households' enterprise which are not involved in crop production at the time the UNHS 2023/2024 was conducted. The reason why household enterprises were chosen is that it constitutes a large proportion of the informal sector in Uganda and is commonly advocated as a possible source of job creation.

Household enterprise was the unit of analysis of this study. A combination of household and enterprise identifier was used in order to uniquely identify each enterprise. Lack of identifiers within enterprises was eliminated so as to have consistency and proper correlations between modules across surveys.

3.5.2 Sample Size and Distribution

Sampling of the 17,350 households in the UNHS 2023/24 was done based on two-stage stratified sampling design.

Probability proportional to size was used to select the EAs and ten households were selected in an organized manner in an EA. The overall sample was around 31 percent (nearly 5,300 households) including the households that had at least one household enterprise running. This subsample is the sample of analysis used in the study. Its heterogeneity in terms of region and urban-rural classification guarantees the heterogeneity in the dataset in terms of enterprise behaviour and labour use. The big sample size increases the level of statistical power and allows elaborate modelling of the econometrics.

3.6 Data Collection Methods and Instruments

3.6.1 Data Collection Methods

Computer-Assisted Personal Interviewing (CAPI) was used to gather data, as a new digital approach has an advantage of maintaining more precise and complete data sets. Face-to-face interviews were carried out by UBOS enumerators by use of structured questionnaires. CAPI permitted real time checking, automated skipping to proper questions and reduced erroneous entries to minimum and basic household and industry traits were recorded accurately.

3.6.2 Data Collection Instruments

Data collection instruments involved the use of structured observations and questionnaires. The information was gathered using structured questionnaires that were split into thematic modules. These were the enterprise module, which involved the sector of the enterprise, the working age, labour, sources of capital, and the location of the enterprise, and the household module, which included demographic, social and welfare variables. These tools are standardized which gives it consistency, comparability, and quantitative and econometric analysis.

3.7 Quality Control

3.7.1 Validity

The validity was ensured by testing of the instruments used, refining them and following the set standards of international surveys. CAPI contributed to validity through the inclusion of consistency checks, detection of logical errors and the capture of enterprise and employment data. Such actions made sure that the variables to be analysed are real conditions that households and their businesses are experiencing.

3.7.2 Reliability

Reliability was also enhanced by thorough training of the enumerators, standardized approaches in interviewing as well as supervision of data collection. The consistency of responses was ensured by UBOS carrying out spot checks and re-interviews. This was done by these steps which ensured that similar data was collected in similar regions giving reliable and repeatable results.

3.8 Measurement of Variables

3.8.1 Dependent Variables

Two indicators were used to measure employment creation; these are:

Employed as a non-household worker how many?

The variable is an indicator of the number of workers that the enterprise employs but they do not belong to the owning family. It was constructed through adding male, female and child non-household workers reported on the enterprise labour module. This has been presented as a variable that measures how strongly employment is being created and is the primary dependent variable in the regression analysis.

Any working (binary indicator) not household.

It created a binary variable that was used to amplify whether an enterprise had at least one non-household worker. This variable is one in case the enterprise has used any external labour and zero otherwise. It captures the wide range of margin of employment creation and was applied in the analysis of robustness.

3.8.2 Independent Variables

Enterprise characteristics were the key independent variables and included:

Enterprise type: Dummy variables were created to identify the operation of an enterprise in trading, transport and hospitality activities. The variables were used to test the hypothesis of whether sectoral affiliation plays any role in employment creation.

Enterprise scale: Enterprise scale was implemented with the logarithm of the enterprise wage bill. The wage bill indicates the size and the ability of the enterprise in question to generate employment and it is anticipated to have positive correlation with employment generation in the enterprise.

3.9 Data Analysis Techniques

The statistical software Stata was used to analyse the data based on the descriptive approach and econometric analysis.

3.9.1 Descriptive Analysis

Employment patterns among the household enterprises were summarised by using descriptive statistics. Indicators like means, proportions, and ranges were used to explain the level of creation of employment and give a first impression of how the employment outcomes are distributed.

3.9.2 Econometric Analysis

As the key dependent variable is a non-negative, count variable with a high rate of zero cases, the standard least squares (OLS) regression could not have been appropriate. There was

significant over-dispersion as preliminary analysis showed that the variance of employment variable was greater than its mean.

Consequently, negative binomial regression model was used as the primary estimation method in the study. The model is quite appropriate in a count data that exhibits over-dispersion and it enables homosexual heterogeneity across enterprises.

The model of the baseline investigated the effect of the type of enterprise on the employment generation. A longer specification was subsequently added that incorporated enterprise level to determine whether disparities in job growth lie in enterprise levels, as opposed to industry membership.

3.9.3 Robustness Analysis

In order to determine the strength of the results, a logit regression model has been approximated in terms of binary employment indicator. The model was such that it investigated the impact of enterprise features in determining the likelihood of having any non-household worker. The robustness analysis is the supplement to the negative binomial findings which will enable its behaviour to remain unbiased to the employment measure of choice.

3.10 Survey Weights and Estimation Issues.

Even though weights are present in the survey in the UNHS they are established at the household screening level and are not always applicable at the enterprise level utilised in this study. As a result, regression population analyses were done without weights (survey weights). The findings are hence understood as conditional relationships as opposed to nationally weighted approximations. All regression models were fitted with robust standard errors to ensure that there was no unaccounted heteroskedasticity.

3.11 Ethical Considerations

The research principle was solely based on secondary data provided by Uganda Bureau of statistics. The information is anonymous and does not contain any personal data. The ethical concerns that were associated with confidentiality and information protection were thus met fully. The research did not break all the provisions regarding use of national survey data in academic studies.

3.12 Conclusion

The methodology mentioned to analyse the role of household enterprises on creation of employment among households in Uganda has been stated in this chapter. The data which was employed to study the level of employment creation and the factors affecting it was based on nationally representative UNHS data using relevant econometric methods. In the following chapter the empirical results obtained by this kind of methodology are given and discussed.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, INTERPRETATION AND DISCUSSION

4.0 Introduction

This is a chapter which outlines, analyses, interprets and discusses the study results of the role of household enterprises in creating employment among Ugandan households. In particular, the chapter includes the description of the analytical sample, the descriptive analysis of employment creation by household enterprises, the econometric analysis of the nature of enterprises and their employment creation, robustness checks, and discussion of the findings based on the purpose of the study and current literature. This analysis is done using enterprise level data, which is in the Uganda National Household Survey (UNHS) 2023/2024 through the household enterprise modules. The household enterprise is the unit of analysis.

4.1 Employment Creation by Household Enterprises.

Following data cleaning and verification which started with exploring the dataset to understand its structure and identify obvious issues, followed by properly handling missing values and correcting data formats so variables were usable in statistical procedures. It also included detecting and fixing errors such as duplicates, inconsistencies, or impossible values, as well as examining outliers to determine whether they were to be retained, adjusted, or removed. In addition, variables were often recoded, transformed, or newly created to better align with the research objectives, while labels and names were refined to improve clarity. The datasets were then filtered to focus only on relevant observations, and finally, all changes were verified to ensure no new errors were introduced before a clean, reliable version was saved.

The initial aim of the research was to examine the extent of job creation in the household business in Uganda. The creation of employment was assessed in total of non-household workers that were employed by a specific enterprise.

Table 1: Enterprise Employment Descriptive Statistics.

| Variable | Mean | Standard deviation | Minimum | Maximum |
|--|------|--------------------|---------|---------|
| Non-household workers number (emp_nonhh) | 0.11 | | 0 | 26 |
| Non-household employment (emp any) | 0.13 | | 0 | 1 |

According to Table 4.1, the enterprises of the households offer very few non-household workers on average. The number of non-household workers per enterprise has a mean of about 0.11 but a median of zero (not illustrated), which implies that most of the enterprises do not have any external labour. Even when it comes to the enterprises, only 13 percent of businesses have at least one non-household worker. Creation of employment is thus very much skewed and concentrated in the hands of few enterprises.

These results indicate that a majority of the household enterprises in Uganda are subsistence based and they are mostly dependent on household labour as opposed to wage employment.

4.2 Characteristics of enterprises and Creation of Employment.

The second aim of the research was to examine the effect of enterprise characteristics on the process of creating employment in household enterprises. To answer this aim, negative binomial regression models were computed because of the nature of the count (dependent) variable and excess of zero and over-dispersion.

4.2.1 Enterprise Type and Creation of Employment.

The control model looked on the effect of enterprise sector (trading, transport, hospitality) on the number of non-household workers employed.

Table 2: Negative Binomial Regression Results (IRR) at the Baseline.

| Variable | IRR | Robust Std. error |
|------------------------|------|-------------------|
| Trading enterprise | 0.79 | (0.29) |
| Transport enterprise | 0.53 | (0.30) |
| Hospitality enterprise | 0.54 | (0.28) |

Observations 584

Dispersion parameter (α) 9.37

Table 4.2 findings show that the effect of enterprise type is not statistically significant to the creation of employment. Whereas the incidence rates ratio of trading, transport, and hospitality businesses are less than unity, none of the coefficients is statistically significant. This implies that sectoral affiliation is not a sufficient reason why household enterprises exhibit different creation of employment. The high heterogeneity in employment results is confirmed by the large parameter of dispersion and it has justified the reason behind using negative binomial model rather than Poisson regression.

4.3 Enterprise Scale and Creation of Employment.

The analysis was furthered to better measure enterprise capacity and add enterprise scale measured as a logarithm of enterprise wage bill. This requirement is the primary paradigm of the research.

Table 3: Enterprise Scale (IRR)- Negative Binomial Regression.

| Variable | IRR | Stable Std. error. |
|------------------------|-------|--------------------|
| Trading enterprise | 1.31 | (0.64) |
| Transport enterprise | 1.23 | (0.86) |
| Hospitality enterprise | 0.43* | (0.20) |
| Log of wage bill | 1.25* | (0.03) |

Observations 578

Dispersion parameter (α) 2.62

** significant at 10 per cent; and **** significant at 1 per cent.

Table 4.3 shows that the model fit has significantly increased over the model fit of the baseline specification. Enterprise scale, based on the wage bill is found to be a powerful significant

determinant of creating employment. Particularly, as the wage bill increases by one percent, the number of expected non-household workers employed increases by about 25 percent.

Conversely, variable of enterprise type does not have any statistical significance even after adjusting the level of enterprise. This means that variations in job creation within business establishments are mainly occasioned by size and not by the sector in which business ventures are based. Further evidence of the dispersion parameter difference to contribute strongly to the heterogeneity that cannot be analysed by controlling the size of the enterprise is also demonstrated by the reduced dispersion parameter.

4.4 Strongness (Robustness) Analysis: Odds of using Non-Household Labour.

A binary logit theology was estimated to test the hypothesis that enterprise type is a predictor of the propensity of hiring at least one non-household worker, as a robustness check.

Table 4: Logit Regression results of any employment.

| Variable | Coefficient | Robust Std. Error |
|------------------------|-------------|-------------------|
| Trading enterprise | 0.22 | (0.28) |
| Transport enterprise | -0.23 | (0.50) |
| Hospitality enterprise | 0.06 | (0.56) |

Observations 584

Pseudo R² 0.002

Table 4.4 results suggest that the type of enterprise is not a significant factor in influencing the likelihood of any employment of non-household worker. The descriptive results are anchored by low baseline probability of using external labour which serves to support the descriptive results that household enterprises are infrequent wage creating. These findings were similar to the ones of the negative binomial models and support the strength of the study key findings.

4.5 Discussion of Findings

This research offers definite evidence that there is a weak contribution made by household enterprises in Uganda to the creation of employment. There are very few non-household workers across most enterprises and the creation of employment is concentrated within fewer enterprises which are relatively large.

Econometric findings reveal that the important determinant of employment creation is the size of the enterprise and not the industry sector. This observation is in line with both theoretical and empirical research around microenterprises, which highlights that job creation and

accumulation of capital is vital to the advancement of the firm, but sectoral dispersion is less significant between small-scale firms.

The low relevance of the type of enterprise implies that sector-specific policies on employment creation could be of little effect without policies on factors limiting the growth of enterprises. Availability of finance, market expansion, and productivity advancing investments are thus deemed likely to play a bigger role in stimulating creation of employment.

4.6 Conclusion

This chapter has shown that in Uganda, household business creates low-non household employment, the employment creation is not greatly affected by the enterprise sector, the prevailing determinant to the creation of job opportunity is the enterprise level, which is proxied by wage bill. The robustness analysis validates that the possibility of the hiring of external labour is independent of enterprise type. These results directly respond to the study aims and have a sound empirical basis on the policy recommendations stated in the final chapter.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the study comes up with the conclusions and recommendations made on the role of household enterprises in the creation of employment among Ugandan households. This is because the conclusions made are based on the empirical evidence found in Chapter Four and are applicable with regard to the methodological approach described in Chapter Three. The policy implications of the findings are also outlined in the chapter; limitations of the study are also noted and recommendations on future research are made.

5.2 Summary of the Study

The research aimed to investigate how household enterprises contribute towards employment among Ugandan households based on Uganda National Household Survey (UNHS) 2023/2024. In particular, the research question was, to examine the extent of job creation by household firms, to examine the effect of enterprise characteristics on the creation of employment, and to examine the contribution of enterprise scale in determining work creation competence.

Based on enterprise-level data through proper application of econometric modelling, i.e., in negative binomial regression and the logit model, the study examined the intensity of the household enterprises and the probability of employment creation by them.

5.3 Conclusions of the Study

According to the existing findings of the research, the study makes the following conclusions.

5.3.1 Load of Household Enterprise Employment Creation.

The researcher concludes that the household businesses in Uganda create low level non-household jobs. Descriptive findings indicate that most of the household enterprises do not hire any non-household workers, and that a small percentage of them hire at least one external worker. This means that there is very little diversification in creation of employment.

This observation shows that the majority of household businesses are more subsistence or survival-based ventures mainly through the use of household labour as compared to wage labour. Consequently, the role of household enterprises in the wider generation of employment is insignificant.

5.3.2 Effect of Enterprise Characteristics on Creation of Employment.

The research further determines that there is no significant effect of enterprise sector or type in creation of employment. The difference in the number of non-household workers prostituted or the propensity to employ external labour was not significant in trading, transport, and hospitality business.

This implies that sectoral affinity is not a condition sufficient in creating employment opportunities among household businesses. The variations in the various enterprises in terms of employment results do not suffice to explicate it in terms of the kind of activity performed.

5.3.3 Relevance of Enterprise Scale in formation of Employment Creation capacity.

One of the main findings of the work is that the magnitude of the enterprise is the most influential factor in the creation of jobs. On the introduction of enterprise scale on the regression model with enterprise wage bill as a proxy it proved to be a predictive of employment creation that is strong and statistically significant.

Larger businesses were also determined to hire a great number of non-household employees compared to smaller businesses. The implication of this finding is that household enterprises focus on creating jobs based on the growth and ability of enterprises as opposed to the peculiarities of the sectors. Sectoral disparities in job creation disappearance is heavily evident once the enterprise scale is factored in.

5.3.4 Robustness of the Findings

The main conclusions of the study were supported with the help of the robustness analysis with a binary logit model. The type of enterprise was also not proven to have a significant impact on the likelihood of any non-household employee; the implication of the result is that household businesses hardly create wage positions and there are few differences in sectors.

In general, the coherence of the results of the study using various model specifications supports the validity of the findings of the study.

5.4 Policy Implications

This research study has some significant policy implications on the employment creation measures in Uganda.

These policies, which are of a narrow scope and aim to advance certain sectors of an enterprise, that is, trading or hospitality, will hardly result in creating any employment rates without

focusing on the limitations to enterprise development as well. Interventions based on sectors alone may not therefore be of much help on job creation.

The robustness of the enterprise scale implies that the policy to promote enterprise growth and expansion will be more prone to stimulate the increase in the number of employees. Such policies may include: enhanced availability to cheap credit to households' enterprises, improving business growth and managerial competencies, facilitating market penetration and value chain, and easing the regulatory and infrastructural hurdles in small businesses.

Since most household enterprises are small and subsistence-driven, a strategy that is created to create more job opportunities should be mindful of the fact that not all household enterprises can ever become a large employer. Interventions that are available to a wide range of enterprises without cause and effect might therefore be less useful than interventions that are focused on the development potential of the enterprise.

5.5 Limitations of the Study

Although the present study contains valuable information, it has some limitations.

The study was based on cross-section data, and this restricts the capacity to make causal conclusions concerning the connection between the characteristic of the enterprises and employment creation. It should be seen that the results are thus relations and not causal.

The research concentrated on enterprise level variables that existed in the household enterprise modules. Complex socioeconomic characteristics at the household level (including education, wealth or consumption) could not be adequately included because of the limitation of the data.

The regression analysis did not use survey weights as they were not always applicable at the enterprise level. Subsequently, the results are supposed to be viewed as conditional relationships as opposed to nationally weighted estimations.

Nevertheless, the study presents sound and policy-based evidence on household self-employment in Uganda as a way of creating employment.

5.6 Future research

It is recommended that future research should focus on a number of areas based on the results and constraints of this study.

Future research opportunities can be used to investigate how the growth of the enterprise and the subsequent creation of employment throughout the years can be followed using panel data. This kind of data could be used to make more confident causal conclusions and understand more clearly how household enterprises move towards growth-oriented operations.

More detailed household-level socioeconomic factors, including education, access to finance, and household wealth, could also be incorporated in future studies in order to gain a better insight into how the household factors inter-relate with enterprise outcomes and employment. Lastly, the qualitative research might supplement the quantitative one by examining the barriers and incentives experienced by the operators of the household enterprises in the process of employing the external labour force.

5.7 Concluding Remarks

Conclusively, this research concludes that household enterprises are highly common in Uganda but they do not contribute considerably to the generation of employment. Creation of employment is mostly dependent on enterprise level other than sectors belongingness. The findings emphasise the relevance of those policies that contribute to the development of the enterprise and the consideration of the heterogeneous character of domestic enterprises.

The research makes a contribution into the existing literature by delivering recent, enterprise level evidence on the creation of employment through national representative data, as well as, practical implications of the research that can be applied by policy makers interested in exploiting household enterprises to create employment in Uganda.

REFERENCES:

- ❖ AfDB. (2022). African Economic Outlook 2022. African Development Bank.
- ❖ Bloom et al. (2019). What is the motivation behind Management Practise differences? *American Economic Review*.
- ❖ Chen, M. (2007). Redefining the informal economy: The connections with the formal economy, as well as with the formal regulatory landscape. United Nations Department of Economic and Social Affairs.
- ❖ Eleanor M. Fox and Michal Gal. (2020). *Making Markets Work in Africa: Competition Law, Markets and Development in Sub-Saharan Africa*. Oxford University Press (OUP USA).
- ❖ Filmer, D. , & Fox, L. (2014). Employment of the youth in sub-Saharan Africa. World Bank.
- ❖ ILO. (2023). The value of essential work. World Employment and social outlook 2023. International Labour Organisation.
- ❖ Kiggundu, M. N. (2021). African post COVID-19 business management education. *Africa Journal of Management*.
- ❖ Nagler, P. & Naudé, W. (2017). New empirical evidence non-farm rural sub-Saharan Africa entrepreneurship. *Journal of Development Studies*, 53 (3), 366-383.
- ❖ UBOS. (2024). Uganda National Household Survey 2023/2024: Main Report. Uganda Bureau of Statistics.
- ❖ World Bank. (2020). Uganda Economic Update, 16 th edition, December 2020: Investing in the Youth in Uganda. World Bank.
- ❖ Bassi, V., Muoio, R., Porzio, T., Sen, R., & Tugume, E. (2022). Achieving scale collectively. *Econometrica*, 90(1), 293–320. <https://doi.org/10.3982/ECTA18773>
- ❖ Bento, P., & Restuccia, D. (2021). On average establishment size across sectors and countries. *Journal of Monetary Economics*, 117, 220–242. <https://doi.org/10.1016/j.jmoneco.2020.01.010>
- ❖ Chen, M. A. (2007). Rethinking the informal economy: Linkages with the formal economy and the formal regulatory environment. United Nations University World Institute for Development Economics Research.
- ❖ Filmer, D., & Fox, L. (2014). Youth employment in Sub-Saharan Africa. World Bank. <https://doi.org/10.1596/978-1-4648-0107-5>

- ❖ Hsieh, C.-T., & Klenow, P. J. (2009). Misallocation and manufacturing TFP in China and India. *Quarterly Journal of Economics*, 124(4), 1403–1448.
<https://doi.org/10.1162/qjec.2009.124.4.1403>
- ❖ Iacovone, L., Ramada-Sarasola, M., & Schmidt, M. (2014). Stunted growth: Why don't African firms create more jobs? (Center for Global Development Working Paper No. 353). <https://www.cgdev.org/publication/stunted-growth-why-dont-african-firms-create-more-jobs-working-paper-353>
- ❖ International Labour Organization. (2019). *Work for a brighter future – Global Commission on the Future of Work*.
https://www.ilo.org/global/publications/books/WCMS_662410/lang--en/index.htm
- ❖ International Labour Organization. (2022). *Job creation in small and medium-sized enterprises: Recommendation No. 189*. https://www.ilo.org/global/standards/applying-and-promoting-international-labour-standards/recommendations/WCMS_185051/lang--en/index.htm
- ❖ Kiranda, Y., Walter, M., & Mugisha, M. (2020). *Employment, entrepreneurship & education in Uganda: Report*. Konrad-Adenauer-Stiftung.
<https://www.kas.de/documents/252038/7995358/Employment+Entrepreneurship+Education+in+Uganda.pdf>
- ❖ Lakuma, C. P., Marty, R., & Muhumuza, F. (2019). *Financial inclusion of small rural producers in Uganda*. Economic Policy Research Centre.
- ❖ Li, Y., & Rama, M. (2015). Firm dynamics, productivity growth, and job creation in developing countries: The role of micro- and small enterprises. *World Bank Research Observer*, 30(1), 3–38. <https://doi.org/10.1093/wbro/lkv002>
- ❖ Ministry of Trade, Industry and Cooperatives. (2019). *State of entrepreneurship in Uganda 2024 report*. https://www.mtic.go.ug/wp-content/uploads/2019/09/Uganda-Entrepreneurship-Index-report_Final.pdf
- ❖ Mohamed, R. M. M. (2019). *Small business enterprises and creation of employment in Uganda: A case study of Owino Market in Kampala*. Kampala International University. <https://ir.kiu.ac.ug/bitstream/20.500.12306/6300/1/1228479417-img04924.pdf>
- ❖ National Planning Authority. (2022). *Employment and skills status report (ESSR 2022)*. <https://www.npa.go.ug/wp-content/uploads/2023/08/FINAL-ESSR-REPORT-2022.pdf>

- ❖ Page, J., & Söderbom, M. (2015). Is small beautiful? Small enterprise, aid and employment in Africa. *African Development Review*, 27(S1), 44–55.
<https://doi.org/10.1111/1467-8268.12138>
- ❖ Uganda Investment Authority. (2025). UIA driving Uganda's industrialization and job creation agenda. <https://ugandainvest.go.ug/uia-driving-ugandas-industrialization-and-job-creation-agenda>
- ❖ Van Biesebroeck, J. (2005). Firm size matters: Growth and productivity growth in African manufacturing. *Economic Development and Cultural Change*, 53(3), 545–583. <https://doi.org/10.1086/426407>
- ❖ World Bank. (2020). Uganda: Private sector development and jobs. <https://documents1.worldbank.org/curated/en/878671589171819966/pdf/Uganda-Private-Sector-Development-and-Jobs.pdf>