

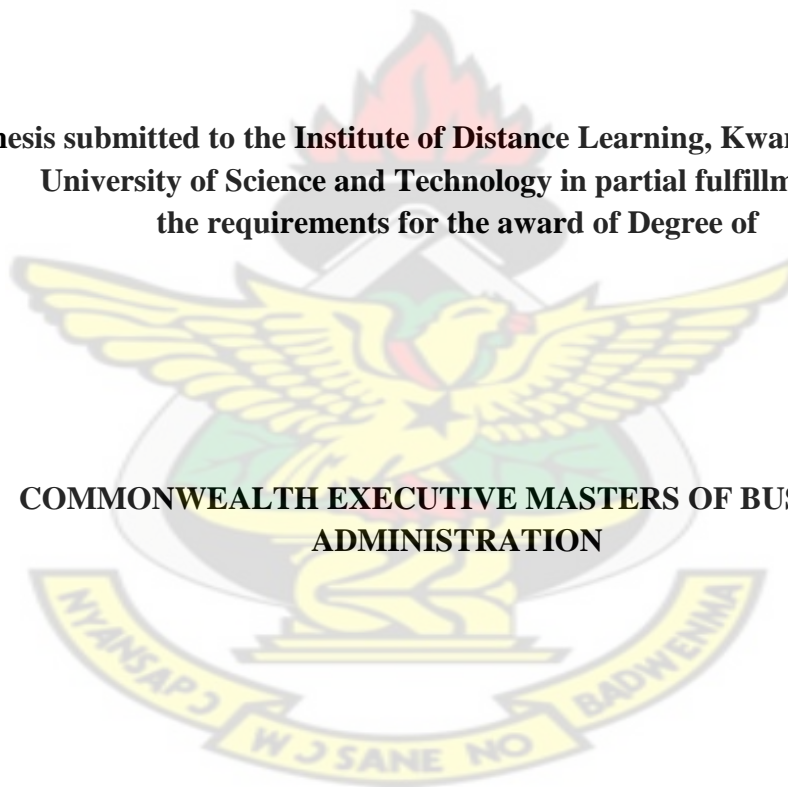
**An Assessment of the Rural Enterprises Project as a Poverty Reduction
Strategy in Rural Ghana: A Case Study of the Asuogyaman District**

by

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**COMMONWEALTH EXECUTIVE MASTERS OF BUSINESS
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DECLARATION

I hereby declare that this submission is my own work towards the Commonwealth Executive Masters in Business Administration and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the university, except where due acknowledge has been made in the text.

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DEDICATION

I dedicate this work to my Husband Mr. Patrick Asare; my Parents Mr. and Mrs.

Augustine Ayerakwa; my sisters Mrs. Patricia Ayerakwa Annor and Miss. Vida Adu Ayerakwa for their love, support and encouragement.

This work is also dedicated to my CEMBA Study Group Members; Annor, Tony, Cynthia, Ike, Prince, Amos and Eric.



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ABSTRACT

Notwithstanding the rapid process of urbanization observed in most transition countries, poverty still remains a predominantly rural phenomenon (IFAD, 2001) as the sternness of their hardship is far greater than in urban areas. In Ghana, the Rural Enterprises Project (REP) is one of such approach to make the Ghana Poverty Reduction Strategy I & II more effective in addressing the needs of the poor. Whilst the comprehensive nature of these pro-poor programmes is the strength to reduce poverty, the problem is that most of them fail to live up to expectation or sufficiently target the poor. Consequently, it is significant to assess approaches and their effectiveness. The study attempted to assess the influence of the REP in employment creation and poverty reduction in the Asuogyaman District. The methodology adopted was a case study using the Asuogyaman District in Eastern Region of Ghana. Data were collected using questionnaires from a sample of 102 respondents selected from the study population of 599. Primary data was analysed using SPSS and the results presented in figures and tables. Findings were that REP was implemented through the collaborative effort of the REP and District Assembly. Interventions to beneficiaries enhanced MSEs through good management practices and improved quality of products and services. The REP is indicated to have created jobs in the Asuogyaman district and brought quite a significant impact on their livelihood. Establishing a Rural Technology Facility is recommended to boost the use of appropriate technology by Micro and Small scale Enterprises. Continuous consultancy services to MSEs are recommended throughout all rural districts to provide advisory services to make enterprises sustainable. Policy direction should be specific and robe in more of the youth to go into entrepreneurial ventures in rural districts to reduce unemployment and poverty

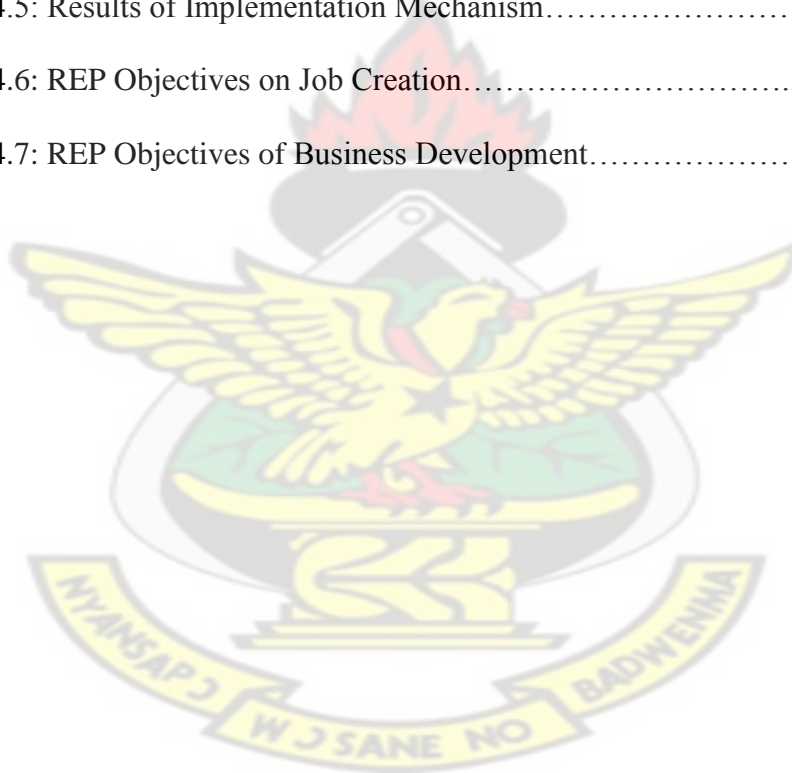
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LIST OF ABBREVIATIONS

AfDB	African Development Bank
BAC	Business Advisory Centre
BDS	Business Development Service
DA	District Assembly
GASF	Graduate Apprentices Support Fund
GLSS	Ghana Living Standards Survey
GoG	Government of Ghana
GPRS	Ghana Poverty Reduction Strategy
GRATIS	Ghana Regional Appropriate Technology Industrial Service
GSS	Ghana Statistical Service
IDGs	International Development Goals
IFAD	International Fund for Agricultural Development
ILO	International Labour Organisation
ISSER	Institute of Statistical, Social and Economic Research
MDGs	Millennium Development Goals
MOTI	Ministry of Trade and Industry
MSEs	Micro and Small Enterprises
NBSSI	National Board for Small Scale Industries
NVTI	National Vocational Training Institute
OECD	Organization for Economic Co-operation and Development (OECD)
PFI	Participating Financial Institutions
PAMSCAD	Programme of Action to Mitigate Social Cost of Adjustment
PRSP	Poverty Reduction Strategy Papers
REDF	Rural Enterprises Development Fund

REP	Rural Enterprises Project
RFS	Rural Financial Services
RTF	Rural Technology Facility
SMEs	Small and Medium Enterprises
SPSS	Statistical Packages for Solutions and Services
TPSAT	Technology Promotion and Support to Apprenticeship Training
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization



CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little (US President Franklin D. Roosevelt, Second Inaugural Address, 1937).

Poverty has been and may probably continue for a long time to be one of the key challenges to confront global civilization. Unless one pretends, poverty can be seen everywhere, although the form and nature of it vary from region to region and country to country (Domfeh and Bawole, 2009). As stated by Juan Somavia (Torado and Smith, 2006), the unfinished business of the twenty-first century is the eradication of poverty, and as a result, the international community, governments and aid agencies will continue to demonstrate an unparalleled commitment and interest in poverty issues. Many donor agencies have produced policy statements prioritizing poverty reduction. At the national level, many countries, including Ghana have developed several Poverty Reduction Strategy Papers (PRSPs) as blueprints for soliciting donor support to combat poverty.

In recent years however, Ghana has been described as one of West Africa's development success stories: the country's growth and poverty reduction rates are among the best in the region. Since 1991, the country's poverty rate has dropped by almost half (International Fund for Agricultural Development [IFAD], 2011). Despite these many successes, Ghana's rural population still faces some challenges. The most recent estimates resulting from provisional results of the 2010 Population and Housing Census indicates nearly 48.5 percent of Ghana's population lived in rural areas. It further suggests that roughly 40 per cent of rural people are poor, while

only 10 per cent of the urban population lives below the poverty line (IFAD report, 2011).

The economy of Ghana just like other Sub-Saharan African countries is agrarian, thus the country depends heavily on agriculture in terms of employment, food security and income. However, the agricultural sector faces a number of challenges. For instance, the seasonality of the sector does not make it possible for farmers to be employed all the year round. Again, post-harvest losses affect the income of farmers making the farming subsector almost unattractive to the youth. This situation continues to affect the poverty situation of the people especially those who live in the rural areas. The attempt to alleviate the poverty of the rural poor by providing alternative sources of livelihood gave birth to the implementation of a number of policies and programmes in Ghana including the Rural Enterprises Project (REP) (Poku-Antwi, 2011)

REP denotes part of the Government of Ghana's development program to create wealth and reduce poverty in rural Ghana. It is an integrated Micro and Small-scale Enterprises (MSEs) development package which combines Business Development Services (BDS), Technology Promotion Support to Apprenticeship Training (TPSAT), Rural Financial Services (RFS), Policy Dialogue and Institutional Partnership Building to encourage the development and growth of small business enterprises and self-employment especially for the women and vulnerable groups in the rural areas. The REP's immediate objective is to promote a competitive rural Micro and Small Enterprise (MSE) sector in participating districts; which is supported by relevant, good quality, easily accessible and sustainable services. The project contributes directly to the Ghana Growth and Poverty Reduction Strategy-two (GPRS II). It is funded mainly by the Government of Ghana (GoG), International

Fund for Agricultural Development (IFAD) and the African Development Bank (AfDB) with the Ministry of Trade and Industry (MOTI) as the Executing Agency for the Project. REP is mainstreamed into the decentralized administrative and planning system and implemented at the district level through a partnership arrangement with participating District Assemblies, the National Board for Small Scale Industries (NBSSI) and the GRATIS Foundation (REP News, 2011). The two key district-based Implementing Units of the Project are the Business Advisory Centres (BACs) and Rural Technology Facilities (RTFs).

The Second Phase of the Project for an eight-year period from June 2003 to 2011 just ended and was implemented in 53 districts in all regions nationwide including the Asuogyaman District. Phase one was implemented from 1995 to 2002 in 13 districts in the eco-transitional zone of the Ashanti and Brong-Ahafo Regions. The anticipated Project impact would be the generation of additional incomes through new jobs, the strengthening of existing ones and the diversification of present income generating activities at the rural and community levels (REP News, 2011).

A Third Phase of the Project has been launched in December 2011 with REP now transformed into a Rural Enterprises Programme. The Programme is expected to cover all the Districts and Municipalities in Ghana with the exception of Metropolitan areas and work towards a sustained development and growth of Micro and Small Scale Enterprises in the Country. The question is, was the REP able to deliver the good-quality, easily accessible and sustainable services towards the development of MSEs in the study area as anticipated throughout the four year run of the project? Was the fundamental objective of using the REP as a tool for poverty reduction among the rural poor achieved? To date, some appraisal and evaluation work on the REP in Ghana has been done. However, none has holistically assessed

the effectiveness of the project as a tool for improving the living conditions of the rural folks. Therefore this research seeks to fill the knowledge gap in literature and provides empirical evidence concerning the impact of REP on poverty reduction in Rural Ghana with emphasis on Asuogyaman district.

1.2 PROBLEM STATEMENT

In contemporary era, poverty reduction has been an agenda for many including governments, international and national institutions and individuals especially when it has become the first itinerary among the Millennium Development Goals (MDGs). Countless strategies, programmes and projects have been designed and continue to target the issue of poverty in developing countries and Ghana is no exception to that. In Ghana however, at project completions it is mostly realised that many of such strategies have either achieved very little in comparison with project projections and expectations or are abandoned and not completed.

There are many reasons advanced for the continuous failure of poverty reduction strategies in Ghana. These include inadequacy of resources, limited policy support and administrative inadequacy in organizing and implementing poverty strategies. Other contributing factors have been identified to include inadequate stakeholder analysis and involvement, unsustainable measures and interventions, corruption and imposition of interventions on beneficiaries (AfDB, 2002). In most cases interventions are provided but no significant outcomes are realised, as a result of inadequate follow-up and monitoring mechanisms. Most Ghanaian businesses are not sustainable in terms of growth and expansion as they remain within the start-up and survival stages of development and by their nature can neither influence income nor reduce poverty.

The REP has been said to be the key to Poverty reduction in Ghana; but how different would it be from earlier projects that failed to live up to expectations? The study is therefore intended to investigate the extent to which the deliverables of the REP have been achieved; ascertaining the actual achievement against the expected outcomes of the project and its implication to poverty reduction in the Asuogyaman district.

1.3 RESEARCH OBJECTIVES

The general objective of the study is to assess the influence of the Rural Enterprises Project in employment creation and poverty reduction in the Asuogyaman District.

The Specific objectives are:

1. To evaluate the implementation mechanism of the REP at the Asuogyaman District.
2. To examine the contributions of REP to job creation in Asuogyaman district.
3. To determine the extent of technology promotion and skills transfer in the Asuogyaman District.
4. To examine the influence of REP on business growth and entrepreneurial skills of beneficiaries in Asuogyaman District.
5. To assess the effects of REP on the livelihood of beneficiaries in the Asuogyaman District.

1.4 RESEARCH QUESTIONS

The study intends to find answers to the following proposed questions:

1. How has the REP been implemented at the Asuogyaman district?

2. What contribution(s) has REP made to job creation in Asuogyaman district?
3. To what extent has there been technology promotion and skills transfer in the Asuogyaman District?
4. How has the Project enhanced the business growth and entrepreneurial skills of the beneficiaries in the Asuogyaman District?
5. What is the impact of REP on the livelihood of beneficiaries in the Asuogyaman District?

1.5 SIGNIFICANCE OF THE STUDY

In Ghana, poverty affects rural dwellers most; this is evidenced by the low standard of living associated with them and low level of developmental projects found in rural areas (UNDP Report, 2010). Successive governments have designed and come out with various intervention programs with the aim of empowering the rural poor but very little had been achieved. A reason for the lack of success is because most of the intervention regimes lack policy vision or become stagnated resulting in the target beneficiaries from the rural sector becoming disappointed (IFAD, 2011). For instance, Cocoa farmers, citrus producers and oil palm farmers embraced the Ministry of Trade and Industry's Rural Development Project which was aimed at providing financial assistance to the Ghanaian farmers; however the outcome of the project showed that key deliverables were not met (IFAD, 2011). This was because the farmers were not getting the money on time to augment their efforts to produce more; the project has since ceased to exist.

Some experts have however, said that the REP holds the key to reducing rural poverty in Ghana. For them, the rural community could not develop without empowering the

people in the community economically by focusing on rural businesses and trading which has the potential of raising the income of the peasant rural dwellers , hence, lifting them above the poverty line (Poku-Antwi, 2011). However, since the inception of REP, there has not been much empirical evidence to support the above believes. This research therefore confirms or denies the various opinions being held by experts that the REP holds the key to reducing rural poverty in Ghana.

The findings of the study will reveal how beneficiaries of the project in the study area perceive the influence of the REP on their livelihood. This would further provide the avenue to identify REP's contributions to poverty reduction. It would also provide an opportunity to address challenges associated with the implementation of the objectives of future project; a knowledge that will aid planners and policy makers to formulate appropriate policies and decisions with respect to poverty reduction. The results of the study will further provide useful information to the District Assembly in its efforts at ensuring sustainability of employment creation. The study will add to the existing knowledge on the relationship between Rural Enterprise Project and poverty reduction strategies and practices.

1.6 THE SCOPE AND LIMITATIONS OF THE STUDY

The study was limited to investigating the influence of the Rural Enterprises Project (REP) in employment creation and reducing poverty in the Asuogyaman District. Since the Asuogyaman District was enrolled unto the REP in June 2007, the study was focused from the mid-2007.

Due to manageability, time and resource constraints, it was not possible to cover all the beneficiaries within the district. This necessitated the selection of sample size

from beneficiary based on defined criteria (refer to Chapter Three for the details of sample selection).

Some SMEs operators were also skeptical in providing information on the operations of their firms either because they might not be in good standing as regard the payment of taxes or simply were unwilling to provide the information with the excuse that they have responded to a lot of such questionnaire in the past. Nevertheless, the required information was gathered upon further persuasion. The study was not affected because information provided in the questionnaires gave the necessary data for analyses.

1.7 ORGANIZATION OF THE THESIS

The study was mainly organized into five chapters. Chapter one deals with the background of the study covering areas such as the problem statement, research questions and objectives, scope, justification and limitations to the study. Chapter two looks at the review of literature available on the topic under study while Chapter three gives the methodology adopted for the study. The results of the study and analyses of data have been presented in chapter four.

Finally, conclusions and recommendations to enhance the implementation of poverty reduction programmes in general and the rural micro enterprise development in the Asuogyaman district have been presented in chapter five. This was based on the major findings with respect to the objectives of the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 POVERTY DEFINITION

It is mostly established that poverty has no unanimous definition but rather seen as multi-dimensional with causal relationships between the dimensions. As a result, many institutions have differently come out with meanings.

The Organization for Economic Co-operation and Development (OECD) in 2001 viewed poverty as an unacceptable human deprivation in terms of economic opportunity, education, health and nutrition, the lack of empowerment and security and argues that poverty is the inability of people to meet economic, social and other standards of wellbeing, whiles The Ghana Poverty Reduction Strategy (GPRS) considers poverty as unacceptable physiological and social deprivation (GPRS I, 2003). For the United Nations (UN) as stated by Gordon (2005), “Fundamentally, poverty is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to; not having the land on which to grow one’s food or a job to earn one’s living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation”. The World Bank (1990) expressing it in terms of the income that a household or individual would require to purchase goods and services deemed necessary to sustain physical and social existence and quoting US\$1 a day as the absolute poverty line in developing countries, has since 2003 adopted a non-

monetary indicators such as vulnerability, voicelessness and powerlessness in its definition of poverty.

Various individuals have also expressed their views on what constitute poverty. Boachie-Danquah (2003) concedes that defining the phenomenon is a controversial exercise and adds that in addition to the terminological inexactitude, we come face-to-face with the grim reality that at least, in some quarters, poverty is regarded as dehumanizing and debilitating. Sen (1987) defines poverty as sense of powerlessness, lacking key capabilities for inadequate income, education, health, security, or self-confidence and the absence of rights and freedom of speech.

Poverty in its most general sense is the lack of necessities. Basic food, shelter, medical care, and safety are generally thought necessary based on shared values of human dignity. However, what is a necessity to one person is not uniformly a necessity to others. Considering these few definitions of poverty, it is clear that poverty is not for the benefit of humankind (Attah-Tutu, 2011).

2.1.1 THEORETICAL DEFINITION OF POVERTY

Islam (2005) argues that the first theory that emerged within sociology and which tried to explain poverty in terms of the behaviour and attitudes of the poor themselves is the Social Darwinian theory of poverty. The theory infers that, among other things, people are poor because they are not hard working and are involved in squandering money on gambling, drinking and unnecessary luxuries. In addition, poor people lack ambition and have no inner call for hard work; they are fatalistic and suffer from stubborn inabilities.

On the other hand, Owusu-Frempong (2004), explains that many economists consider poverty using the human capital theory which argues that the poor are poor

because their economic productivity is low since they do not have the human capital – knowledge, skills, training, work habits and the ability to sell to employers in a free market. Undoubtedly not satisfied with the human capital and Social Darwinian theories, both Owusu-Frempong (2004) and Islam (2005) tried to examine social science models on poverty namely cultural, situational and structural models. The cultural model of poverty explains poverty as a way of life which is learned by the poor and which culminates in indifference, alienation, laziness, irresponsibility, lack of self-discipline to work hard, plan and savings which ultimately prevents the poor from taking advantage of opportunities that are available to them. No matter the strength this theory possesses is rather too basic because it fails to consider the struggles of the poor to get themselves out of the chains of poverty.

The situational model nonetheless conceptualizes poverty as a pool within which people flow in and out and that poverty will disappear when poor people are provided with jobs and other social resources whereas the structural model assumes that poverty is basically a problem of lack of income-generating employment. It depicts poverty as a structural feature of capitalist economies for which cycles of economic expansion and recessions contribute to sharp fluctuations in employment. If this is a case research must focus on understanding that among the poor is structurally positioned to take advantage of new economic opportunities when they become available (Adato et al., 2006).

Shete (2010) identified that poverty has been conceptualized by some as “chronic” and “transitory.” Chronic poverty is defined as lack of assets (land, livestock, etc.) and/or capability (health, finance, and education), which is structural and persistent from year to year. Transient poverty, on other hand, is a temporary situation that happens due to some natural or human-made shocks like drought, war, flood, and so

on. Further, another group contends poverty as “absolute” and “relative.” In absolute poverty, people are considered poor when some absolute needs are not sufficiently satisfied. In relative poverty or relative deprivation, a person is said to be poor if she or he has less than what others have.

In whatever words poverty is described, it remains dehumanizing and must be on the agenda of policy makers and development agents (Domfeh & Bowale, 2009).

2.2 POVERTY REDUCTION

Poverty reduction is now a global agenda. During the 1980s and 1990s when structural adjustment was in mode, there was the general belief that if one could endure the short-run social costs the long-run benefits would be enormous. Never was it reckoned that the long run referred to was a Keynes’ “long-run”, when all may be dead! Nevertheless the call for putting a “human face” on adjustment by some non-governmental organizations and some United Nations agencies was finally heeded to when towards the close of the 1990s consensus was reached between the donor community, the United Nations and the developing countries on the International Development Goals (IDG). The principal objective of the IDG is to reduce by half the proportion of people living in extreme poverty by 2015 (Sowa, 2003)

Asante and Ayee, (2004) define poverty reduction as “designing, implementing and targeting appropriate methods to ensure that scarce resources are allocated to activities that are likely to yield the greatest impact on the poor and decrease their levels of deprivation and vulnerability”. The approaches to achieving this have evolved over the past 50 years in response to deepening understanding of the complexity of development. In the 1950s and 1960s many viewed large investments

in physical capital infrastructure as the primary means of development. In the 1970s awareness grew that physical capital was not enough, and that at least as important were health and education. World Bank (1990) articulated this understanding and argued that improvements in health and education were important not only in their own right but also to promote growth in the incomes of poor people. Though this may be true to some extent one wonders what may happen to the poor who maybe educated through scholarship but has no job and again the poor who could assess free healthcare but has no income to take care of other physiological needs.

Poverty reduction efforts take place at the individual, community, national and international levels. In recent times, Poverty Reduction Strategy Papers (PRSPs) have been adopted as blueprints for poverty reduction in many countries. A PRSP contains an assessment of poverty and describes the macro-economic, structural, and social policies and programs that a country will pursue over several years to promote growth and reduce poverty, as well as external financing needs and the associated sources of financing. They are prepared by governments in low-income countries through a participatory process involving domestic stakeholders and external development partners. PRSPs aim to provide the crucial link between national public actions, donor support, and the development outcomes needed to meet the United Nations' Millennium Development Goals (MDGs).

The principles underpinning the PRSP programmes suggest that for such strategies to be sustainable (World Bank, 2003), they should be country-driven and owned, predicated on broad-based participatory processes for formulation, implementation, and outcome-based progress monitoring and results-oriented. Other features should include focusing on outcomes that would benefit the poor; comprehensive in scope,

recognizing the multidimensional nature of the causes of poverty and measures to attack it; partnership-oriented, providing a basis for the active and coordinated participation of development partners (bilateral, multilateral), recognizing that sustained poverty reduction cannot be achieved overnight.

Commenting on the need for country ownership and participation and other aspects of poverty reduction and sustainable development, Stiglitz (2002) put it that

“Effective change cannot be imposed from the outside. Thus, the key ingredients in a successful development strategy are ownership and participation. We have seen again and again that ownership is essential for successful transformation: policies that are imposed from outside may be grudgingly accepted on a superficial basis, but will rarely be implemented as intended. But to achieve the desired ownership and transformation, the process that leads to that strategy must be participation . . .”

Successful plans to fight poverty require country ownership and broad based support from the public in order to succeed and REP is no exception to that.

2.2.2 SOME PROGRAMMES IN POVERTY REDUCTION IN GHANA

There have been numerous other programmes that have been targeted at poverty reduction in Ghana.

- i) The PAMSCAD (Programme of Actions to Mitigate the Social Costs of Adjustment) was the first programme in Ghana to be explicitly designed to protect the poor from the adverse consequences of the adjustment process (Sowa, 2003).
- ii) Village Infrastructure Project (VIP): The primary objective of the VIP is to enhance the quality of life of Ghana's rural poor through increased transfer of financial and technical resources to develop and sustain basic village-level

infrastructure. Specific project objectives are to: (1) empower local communities and beneficiary groups to identify, plan, implement and maintain small, village-level infrastructure investments; (2) increase rural communities' access to development resources to leverage the implementation of rural development priorities; (3) strengthen institutional capacity at community and district levels in order to improve the efficiency of rural resources transfer and to ensure the sustainability of poverty-reducing interventions; and (4) support the government's strategy of decentralization of development responsibilities to District Assemblies and other local government entities. However, this project presents itself for easy assessment. This is because unlike other projects the VIP has specific goals, indicators and targets that can be used easily for an evaluation (IFAD Website).

- iii) National Poverty Reduction Programme (NPRP) was supported by UNDP and launched in 1997 with a total budget of \$8.1 million. Its global objective was “to contribute to the overall improvement of the living standards of the poor segment of the population in the target districts and communities”. The NPRP chose four known poor districts with Accra as a control district. An assessment report on the NPRP concluded that it was difficult to measure its impact on poverty because “the programme did not provide indicators in the project document.” It was also found that the design did not carry out a needs assessment to provide a basis for the selection of particular programmes for particular districts since the districts are not homogeneous. There were however few success stories (IFAD Website).

- iv) Northern Region Poverty-Reduction Programme: NORPREP is designed to strengthen government institutions and promote a more participatory approach to local development. The programme provides support through a flexible community development fund. Poor rural people who participate are encouraged to analyze their needs and the constraints they face, and to identify possible opportunities and demand. The programme supports training for self-management and places strong emphasis on cost-sharing by those who benefit. The programme focuses on: Empowerment and capacity-building, Sustainable agricultural development, Rural microenterprise and financial support services and Village-level community infrastructure (IFAD Website)
- v) Rural Financial Services Project: Efforts to improve rural competitiveness and productivity are at the forefront of the government's poverty reduction strategy. Through access to credit, savings and other financial services, small-scale farmers can increase their yields and their incomes. Micro-enterprises and other off-farm activities also generate income, especially for women. The goal of this project is to help the Government of Ghana broaden rural financial services and build the capacity of the financial sector to enable the rural poor to improve their incomes (IFAD Website).

2.3 POVERTY PROFILE IN DEVELOPING COUNTRIES

The lack of basic needs such food, clothing, shelter and social services as a result of low incomes simply defines poverty. Developing countries are characterized by low levels of employment, technology, industrial development and incomes and are submerged in poverty. These may apply to different countries in variations. Some

commonly associated characteristic may include: Low standards of living, Low levels of productivity, High levels of unemployment, High dependence on export of primary products, High population growth rates, and Health related issues

Low standards of living: Sub-Sahara Africa is generally classified as a developing world where standard of living of majority of her people is generally very low. This is due to the incidence of extreme poverty that makes people to survive on only \$1 or less a day resulting in incidence of diseases, low life expectancy, inadequate and dilapidated housing, limited education, poor nutrition and high infant mortality (World Bank, 2004).

High levels of unemployment: An economic condition marked by the fact that individuals actively seeking jobs remain unhired. Unemployment is expressed as a percentage of the total available work force. The level of unemployment varies with economic conditions and other circumstances. Unemployment rate is very high in developing countries although is becoming a canker throughout the world. It is a serious economic problem which has a causal relationship with poverty.

High dependence on export of primary products: The majority of people in developing countries are engaged in agriculture but on small-scale basis. They rely on obsolete farming tools; apply outmoded technologies and unimproved planting materials. As a result, they produce very little. According to World Bank (2004), 80% of the populations of the developing countries are based in the rural areas and out of this 60% are engaged in agriculture compared to 21% in the developed world. The exportable commodities such as cocoa, coffee, tea, timber are exported in its raw form without adding value by way of processing them into other products. In Ghana, major exports are cocoa, gold and timber and in 1999, the export of cocoa beans and gold accounted for nearly 58 percent of total exports (ISSER, 2000). Unfortunately

the demand for these commodities is unstable and prices vary at certain periods within the seasons. The consequences are that developing countries become poorer and the living conditions of her people deteriorates.

Health related issues concerning poverty in Ghana: Targets set for 2008 were exceeded for infant mortality rates. It fell from 64 per 1000 live births to 50 per 1000. Under-five mortality rate per 1000 live births also fell from 105 to 80, an indication of an improvement (Attah-Tutu, 2011). According to Mkandawire (2005), about 60% of deaths in the under-five age group are attributed to malnutrition, with minerals, vitamins and protein deficiencies standing out as leading causes.

2.4 MICRO, SMALL & MEDIUM ENTERPRISES, JOB CREATION AND POVERTY REDUCTION

The argument for developing and implementing strategies to reduce poverty by increasing productive employment opportunities in rural areas is compelling. Persistently high level of poverty is attributed partly to the jobless growth of economies, and has led to an emphasis on small businesses development as a catalyst for job creation and poverty reduction (Okpara, 2011) and also as a key strategy for economic growth. More recently, due to the increase in unemployment, there has been a renewed focus on the promotion of small businesses not merely as an engine for growth, but more importantly as the key to job creation and poverty reduction. The World Development Report 2005 argues that “jobs are the main source of income for people and the main pathway out of poverty for the poor” (World Bank, 2004). Further, the ILO notes that: Poverty elimination is impossible unless the economy generates opportunities for investment, entrepreneurship, job creation and sustainable livelihoods. The principal route out of poverty is work (ILO, 2003). As

suggested by Boeh-Ocansey, et al (2009), the Micro and Small Enterprises (MSEs) would play a critical role to the development of the Ghanaian economy with its current support by government, donor partners and trade associations.

Data on employment status of the currently employed indicates that 55 per cent of the adults are own account workers. Another 20.4 percent are contributing family workers while 17.6 per cent are employees. In particular, the proportion of male employees is about three times that of female employees. Apprentices form only 2.3 per cent of the employed population (Ghana Statistical Service, 2008).

In urban areas, employees (34.8%) constitute the second largest category after own account workers (47.2%), whereas in rural areas, contributing family workers (27.5%) are the second most populous group after own account workers (59.4%). The proportion of employees in urban areas is higher (about four times) than in rural areas. However, the proportion of contributing family workers in urban areas (7.6%) is much lower than that in rural areas (27.5%). In urban areas the proportion of female own account workers is much higher (60.3%) than their male counterparts (33.8%). But in rural areas, it is the reverse (64.3% for males and 55.0% for females) (GSS 2008).

The issue of what constitutes a small or medium enterprise is a major concern in the literature (Abor, and Quartey 2010). The most commonly used is the number of employees of the enterprise, which is the criterion used in Ghana. The GSS considers firms with less than 10 employees as small-scale enterprises and those with more than 10 employees as medium and large-sized enterprises. The National Board of Small Scale Industries (NBSSI), on the other hand, uses a criterion based on both the “fixed assets and number of employees”, to define Small and Medium Enterprises.

Under the REP II an MSE is defined as one with not more than 9 workers, has plant and machinery (excluding land, buildings and vehicles) not exceeding the equivalent of GHC 10,000.

According to Mukras (2003), the attraction of the MSEs as an alternative employment generator derives from the very nature and characteristics which have made the enterprises relatively more accessible to the poor, the less skilled and the less sophisticated whereas their average capital cost per job created is considerably smaller. In addition, the attraction and accessibility of the MSEs to the poor, is derived from the fact that the enterprises are characterised by high labour intensity, ease of entry and exit, small start-up and operating capital, low labour skill requirements, and they give motivation for entrepreneurial and indigenous technological development. They are competitive, use mainly local resources and have less foreign exchange requirements. They are easily adapted to customer requirements due to their flexible nature, which enables them to withstand adverse economic conditions. Therefore, promoting MSEs will create more employment opportunities, lead to a more equitable distribution of income and will ensure increased productivity.

It is important to note that small-scale enterprises in rural Ghana rely on the informal sector for credit. The spread of commercial/rural banks is uneven and inadequate between rural and urban areas. The informal financial service providers (susu), although playing a major role in rural financial intermediation, are largely not organised and their scope of activities has not been well documented. The springing up of savings and loans companies which are more formalised could augment the shortage created by the commercial and rural banks in terms of credit availability to

MSEs. Agyapong (2010) opines that “measuring the relationship between MSEs and poverty reduction has proved very difficult due the unavailability of data on such ventures, differences in definition of the key variables (MSEs, and Poverty). In view of this, most researches of this relationship have been theoretical without empirical tests”. Agyapong (2010), states that few others have used econometric model to establish the relationship among MSEs, economic growth and poverty reduction. Citing for example, (Gebremariam, et al 2004), as using an Ordinary Least Square and the Two-Stage Least Squares technique to establish the relationship between MSEs, economic growth and poverty reduction. Agyapong (2010) again cited Anouymous (2004) who however identified the effects of MSEs on poverty as increase in economic growth, removal of bias against labour intensive production, employment to relatively low-skilled workers, linkage to small suppliers, security of employment and payment of tax.

Rural enterprises can be subdivided into “organized” and “unorganised” enterprises. The organized ones tend to have paid employees with a registered office whereas the unorganised ones (about 95%) are mainly made up of artisans who work in open spaces, temporary wooden structures or containers, or at home and employ little or in some cases no salaried workers. They rely on family members or apprentices. Rural enterprises are largely made up of family groups, individual artisans, women engaged in food production from local crops. The major activities within this sector include:- soap and detergents, fabrics, clothing and tailoring, textile and leather, village blacksmiths, tin-smithing, ceramics, timber and mining, bricks and cement, beverages, food processing, bakeries, wood furniture, electronic assembly, agro processing, chemical-based products and mechanics (Kayanula and Quartey, 2000).

In Ghana Micro and small enterprises can be categorized into:

- i. Agro and general food processing to transform primary produce into (semi)-finished products such as: cassava processing into chips, dough, gari, flour, and starch; oil palm processing; palm kernel oil extraction; shea butter production; beer (pito) brewing; and wax production; etc.
- ii. Primary fabrication and repair which includes agro-processing equipment as well as repair services of vehicles auto mobile spraying, welding, auto mechanics, metal works, etc.
- iii. Service Enterprises: This category of clients comprises all rural MSEs engaged in the provision of services to for a living. They included dressmaking, hairdressing and also ‘chop bar’ operators etc.
- iv. Traditional crafts: which refer to activities including textile weaving and dying, woodcarving, pottery, bead manufacturing and Leather works; etc.

2.4.1 CONSTRAINTS TO SMALL-SCALE ENTERPRISES DEVELOPMENT

Despite the wide-range economic reforms instituted in the sub-sector, MSEs face a number of constraints. Several factors are identified to be responsible for hindering small business growth and survival. Among these are financial constraints, management problems, corruption, and lack of infrastructure due to the difficulty of absorbing large fixed costs, the absence of economies of scale and accessing key factors of production (Okpara, 2011). Additionally, MSEs are also limited by Input Constraints, Finance, Equipment and Technology, Undeveloped Market Channels, International Markets, Managerial Constraints, lack of entrepreneurial and business management skills and Institutional Constraints.

2.4.2 POLICIES FOR PROMOTING MICRO AND SMALL-SCALE ENTERPRISES IN GHANA

Rising inflation and falling real wages in the 1980s forced many formal sector employees into secondary self-employment in an attempt to earn a decent income. As the economy declined, large-scale manufacturing employment stagnated. It was in the light of the above that the

Government reviewed the rationale for promoting Small-Scale Enterprises which was viewed as a mechanism through which a transition from state-led economy to a private oriented developmental strategy could be achieved. The Economic Recovery Programme instituted in 1983 broadened the institutional support for Small-Scale Enterprises in Ghana (AfDB, 2002).

The National Board for Small Scale Industries (NBSSI), a non-profit public sector organisation was established within the Ministry of Trade and Industry to address the needs of small businesses in 1985. NBSSI has its Head Office in Accra, secretariats in all the regional capitals and Business Advisory Centres (BACs) in all district capitals (in REP districts, same serve as implementing units of the REP). Services offered by the NBSSI include business development services for micro and small enterprises. The Board was established by Act 434 of 1981.

Again in 1987, Government of Ghana established the Ghana Regional Appropriate Technology Industrial Service (GRATIS) to supervise the operations of Intermediate Technology Transfer Units (ITTUs) in the country and to address small scale and informal industrial concerns through transfer of appropriate technology at the grass root level and ultimately mandated to promote small-scale industrialisation in Ghana. To accomplish this mandate, GRATIS has established Regional Technology

Transfer Centres (RTTCs) in nine regions of Ghana to transfer appropriate technologies to small-scale industrialists through training, manufacturing and the supply of machine tools, plants and equipment. This is to enable the Foundation to play a key role in Ghana's plans to become a middle country by 2020. It is worth noting REP collaborates with GRATIS in the establishment of the Rural Technology Facilities (RTFs) to promote technology in rural Ghana (GRATIS, Website).

2.5 TECHNOLOGY PROMOTION, SKILLS TRANSFER AND POVERTY REDUCTION

There exists a common belief, that small industry could be a prime mode of economic growth if it overcomes some structural problems and assumes a proper industrial role. The World Bank, UNIDO, ILO and a multiple of research forums have explored some of these problems and come away with the conclusion that among other factors, the fragile technological bases of MSEs have proven themselves in a real enterprise mortality rate in unvaryingly all developing countries (El-Namaki, 1990). Addressing the issues consists essentially of the transfer and application of knowledge and technology to promote income generation and employment creation at the grass root. Technology transfer is the process by which basic science research and fundamental discoveries are developed into practical and commercially relevant applications and products. It involves the transfer of knowledge and technical-know-how as well as physical devices and equipment (Nyoni, 2002). It includes establishing a marketing strategy to provide businesses with technology transfer opportunities and the imparting of knowledge, skills and methodologies. Such technology should be appropriate to the social, economic, educational needs and resources of the area and positions of poor people. Put

differently; it should support Local growth, employment and native free enterprise that reinforce local economic progress and involvement of community in the development projects. The challenge is to put poor people more closely in touch with technology, so that technology can empower the poor by enabling them to address their basic needs, alleviate their own poverty and promote sustainable development. Again, developing and supporting an enabling environment is required to strengthen linkages, networks, innovation intermediaries, human resource and institutional development in such areas as technology incubators, transfer and advisory centers in a demand-driven framework. It must be stated emphatically, that when these are made available, the ultimate users must not only assimilate facts relevant to the technology, but also change behavioural patterns that would lead them to use the technology (Nyoni, 2002).

Product improvement, service efficiencies, improved manufacturing processes, joint development to address government and private sector needs, and the development of products are the results of successful technology transfer efforts. MSEs that take advantage of advanced technologies will surely be more competitive. Technologies will therefore place the emerging entrepreneur at a competitive advantage especially with matters related to markets. Small businesses should be encouraged to adopt technologies which enhance the quality and competitiveness of their products (Nyoni, 2002). In this way we shall be making progress to overcome the multiple problems including poverty.

2.6 BUSINESS AND ENTREPRENEURIAL SKILL DEVELOPMENT AND POVERTY REDUCTION

Skills are central to improve employability and livelihood opportunities, reduce poverty, enhance productivity, and promote environmentally sustainable development. Coordinated efforts are needed to develop an integrated approach that improves access to relevant, good quality education and training to all rural women and men. Legum (2006) argues “that entrepreneurship is not easy or natural for most people. It is not something that can be learnt like a computer programme. It involves a competitive, focused, risk-taking mind-set that is not traditional in cultures...” Training outside the formal training system is often the most important source of skills training in developing countries. For example in Benin, Senegal and Cameroon, informal apprenticeships account for almost 90% of all trades training (ILO, 2003). Individual entrepreneurs are a driving force for competitive MSEs as a growth base. However, human capabilities and the right institutional framework are necessary conditions for entrepreneurship to flourish, particularly in rural areas. It is essential to create a business environment that encourages the initiatives of rural, young and women entrepreneurs and to enhance the human and institutional capacities required to foster entrepreneurial dynamism and enhance productivity. Skills development in rural areas requires various types of skills provision, using innovative methods of delivery, and capitalizing on existing social institutions. Combining technical and entrepreneurship training, for example through incorporating business knowledge and skills in developing innovative community-based training programmes ensures skills development.

Policy makers need to complement entrepreneurship training by facilitating rural entrepreneurs’ access to micro-credit schemes, business development services and market information. Promoting apprenticeship systems is a viable option for young women and men to learn a trade. Apprenticeships are a practical and usually cost-

effective way to develop skills, especially for those who do not meet the entry requirements for formal training. There should be an upgrade of traditional and informal apprenticeship systems to offer higher quality training and facilitate technological advances and innovations. Growth in MSEs has been found to have a link with economic growth and poverty alleviation (Gebremariam, et al 2004). Hence, it has been suggested by experts and international bodies as a strategy for reducing poverty in developing economies in order to generate enough income to help minimize the incidence of high level poverty in most developing economies. As noted by Hallberg (2001), the goal of MSEs development programs is to harness the potential human capital and entrepreneurship that already exists in most economies because they account for a large share of firms and employment. Hallberg (2001), further argue that MSEs are the emerging private sector in poor countries, and thus form the base for private sector-led growth required as an instrument of poverty alleviation. If education and skills training is to promote the socio-economic well-being of the poor, it must improve their prospects for 'decent' work and higher earnings. It follows, therefore, that one of the most critical outcomes of education and skillstraining systems is the impact that this system has on employment / self-employment outcomes. There needs to do an examination of the 'enterprise environment' within which skillsdevelopment and education operate. What kind of employment / self-employment outcomes results from skills training in and for the informal economy? What levels and types of education and skills training lead to poverty-reducing as opposed to poverty perpetuating (Palmer, 2005)?

2.7 LIVELIHOOD IMPROVEMENT

The concept of “livelihoods” has become increasingly popular in development thinking as a way of conceptualizing the economic activities poor people undertake in their totalities. It evolved from decades of changing perspectives on poverty, how poor people construct their lives, and the importance of structural and institutional issues. The focus of development thinking in the 1970s on employment and “jobs” has given way to the realization that while job creation in the formal sector continues to be one important strategy for poverty reduction, the reality for poor people is that survival and prosperity depends on the pursuit of diverse and multiple activities simultaneously, by different family members, taking advantage of different opportunities and resources at different time (Adato and Meinzen-Dick, 2002).

A "livelihood" refers to the capabilities, assets and strategies that people use to make a living; that is, to earn enough money to support themselves and their families through a variety of economic activities. In other words a person's livelihood refers to his or her means of securing the necessities of life. Livelihoods improvements cover the range of activities and programs that work towards and enhance self-reliance. Livelihood activities may be composed of, for example, year-round or seasonal formal-sector employment, informal trading or sale of labour, home gardens and food processing and livestock production (Adato and Meinzen-Dick, 2002) as well as vocational and skills training programs, income generation activities, self-employment and job placement programs among others. The goal of any livelihoods strategy is to develop self-reliance. Now, more than ever, rural livelihoods are becoming diversified. Though Agriculture is the main source of livelihoods, an increasing share of rural households' income comes from non-farm activities. Innovative and sustainable adaptation strategies and methods can ensure a secure and

improved lifestyle for its beneficiaries. The poor must be enabled and empowered to cope with, adapt to, and benefit from innovative rural income generation strategies and sustainable livelihood options so that they can enjoy enhanced livelihoods along with increased social and environmental security. For poverty analysis and poverty reduction interventions to be effective, it is important to understand these multiple activities in order to understand the multiple sources of vulnerability faced by the poor, the multiple ways in which their lives are affected by structures and institutions, and the varied ways in which development interventions may strengthen or weaken these livelihood activities. In furtherance to recognizing these activities, using livelihoods approaches requires an attempt to understand the processes that trigger poverty, and the social, cultural, political, and institutional contexts in which poor people live. Although the individual, household, and community are the primary levels of analysis, livelihoods approaches seek out the relevant interactions at micro, intermediate, and macro levels (Adato and Meinzen-Dick, 2002). A key concern is directed at institutional arrangement, policies and interventions that hail the rural poor to achieve more secure livelihoods.

2.8 THE ROLE OF NON-GOVERNMENTAL ORGANISATIONS (NGOS) IN MSES DEVELOPMENT AND POVERTY REDUCTION IN GHANA

Ghana has a large number of active international, national and local NGOs. A substantial number of these are involved in enterprise skills training, agricultural development, community organising and development, and in microcredit. Results of a study carried out in 2001 to review the objectives and activities of 44 NGOs, indicated that only five of them were engaged in the provision of business development services coupled with technology development and transfer and they

include: The Centre for the Development of People (CEDEP) in Kumasi; TechnoServe, an international, USA-based NGO; and Sasakawa-Global 2000 (SG 2000) and the African Centre for Human Development (ACHD) (Sowa, 2003). Others include The Hunger Project (THP) which has been working in Ghana since 1995.

KNUST



CHAPTER THREE

3.0 METHODOLOGY

3.1 INTRODUCTION

This chapter is a presentation of the approach and methodology adopted and used for the study. As a result the following have been discussed: the research design; data requirement and data sources; sampling frame and techniques; the data collection tools and techniques; and the data analysis and presentation methods.

3.2 RESEARCH DESIGN

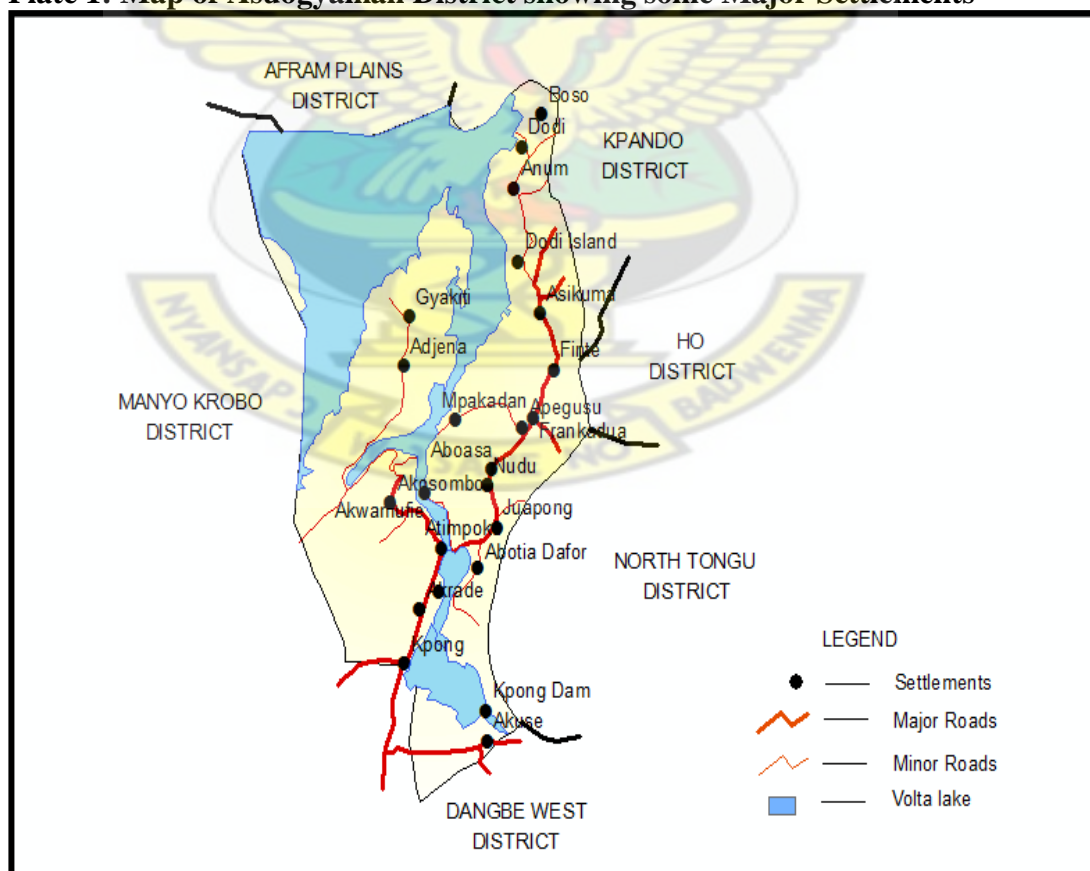
In order to achieve the primary objective of the study, which is to investigate into the influences of the Rural Enterprises Project on job creation and Poverty Reduction in the Asuogyaman District, the case study approach was employed for the study. A case study approach is a comprehensive enquiry into part of a subject with similar attributes to the entire subject under study to obtain an understanding of the whole subject. The advantages of using a case study approach include: obtaining a deeper understanding of the issue being studied irrespective of how complex the issue is; revealing the inter-relationships which exist between groups, policy measures, processes and other factors which the study may focus on and its adaptability to various research objectives. However, the case study approach is notable for its inability to use study results for generalization. For instance, all findings from this study cannot be generalized for all other district in rural Ghana owing to the fact that the Rural Enterprises Project might not have been present in those districts.

3.2.1 SELECTION OF STUDY AREA

The Asuogyaman District was selected for the study based on the fact that, in spite of its proximity to the national capital of Ghana and being a seat of important national

infrastructure and architectural landmarks, such as the country's largest hydro-electric dam providing electricity for the nation, the suspension bridge over the Volta River at Atimpoku which links the eastern parts of the country with the Volta region and again the inland port at Akosombo facilitating transportation of goods and people to and from the northern regions of the country, has high rate of unemployment and is poor with majority of the people engaged in peasant farming (MTDP, 2010). Again, it happens to be one of the 53 district in which the Rural Enterprises Project II was implemented in Ghana. The issues of resource constraints were also considered. Available documents revealed that most communities in the district had benefited from REP interventions; some included Akosombo, Atimpoku, Anum, Frankadua, Boso, Senchi, New Akrade, Asikuma, Apegusu, Akwamufie, Gyakiti, Aboasa, Adjena, Nnudu, Apegusu, New Powmu and Mangoase.

Plate 1: Map of Asuogyaman District showing some Major Settlements



Source: K. Opoku-Antwi, 2011

3.3 POPULATION

The population for the study included all beneficiaries and all other stakeholders of the Rural Enterprises project of the Asuogyaman District in the Eastern Region of Ghana. This population gave the researcher a precise group of people that possesses the characteristic that is questioned in the study. The research identified all the specific qualities that are common to this population.

3.4 SAMPLING AND SAMPLING TECHNIQUES

The sampling unit, the sampling frame, the sample size and the sampling techniques employed in the study have been discussed subsequently.

3.4.1 SAMPLING UNIT AND FRAME

The sampling unit is the registered beneficiaries/clients (active and inactive) of REP. Data on this were obtained from the Business Advisory Centre (BAC) which happens to be the Implementing Unit (IU) of REP in the Asuogyaman District. The most recent client database as at January, 2012 indicates that a total of 571 beneficiaries made up of 441 active clients and 130 inactive clients are registered with the BAC. Twenty-eight (28) stakeholders were also identified bringing the total sampling unit to 599.

Table 3.1: The sampling unit from which samples were drawn

Description		Number
Project Beneficiaries	Active Clients	441
	Inactive Clients	130
Other Stakeholders	District Executive Committee	17
	MSE Development Sub-committee	7
	Project Staff	4
Total		599

Source: Author's Construct 2012

3.4.2 SAMPLING SIZE

The sample size for the study was scientifically calculated with the formula below:

$$\text{Sample size} = \frac{N}{1+N(a)^2} \quad \text{Where,}$$

N = total number of registered beneficiaries and stakeholders in the district or the sampling frame (599)

a = level of precision or margin of error at the selected confidence level

A confidence level of 91% percent was selected in order to obtain data which can fairly represent the beneficiaries and stakeholders.

Margin of error = 100% – 91% = 9%

$$\text{Sample size} = \frac{599}{1+599(0.09)^2} = 102.35$$

Therefore using an error margin of 9% and a population of 599, a sample size of 102 was obtained for the study.

3.4.3 SAMPLING TECHNIQUE

The sampling technique adopted and employed for the study was the multi-stage sampling technique. The multi-stage sampling technique is a combination of two or more sampling techniques. The research combined three different sampling techniques, namely: stratified sampling, purposive and random sampling. The justification for the multi-stage sampling technique is that it combines the advantages of the various sampling techniques and minimizes the associated disadvantages as well. For instance, the random sampling technique gave all members of the population an equal chance to be selected whereas the Stratified sampling enabled all the categories of the beneficiaries in the sample. The purposive

technique gave the researcher the opportunity collect data from respondents who had the information which could lead to the achievement of the research objectives.

First and foremost, the beneficiaries/clients were stratified into five strata using the five trade categories (strata) to ensure that each category had chance to be included in the sample of the study as shown in Table 3.2.

Table 3.2: Total number of clients (by trade type) found in the BAC database

General Trade Types	No. of Beneficiaries
Agro-Processing	135
Services Enterprise	249
Primary Fabrication and Repair	82
Traditional Craft	42
Agricultural and Forest Products	73
Total	571

Source: Author's construct 2012

Secondly, to avoid bias and over concentration in the selection of respondents 15 communities in the district were purposively selected for the data collection to ensure that there were REP beneficiaries in these communities since not all the communities in the district had benefitted from REP.

Finally, 90 beneficiary respondents were selected under each stratum using the simple random technique, from the purposively selected 15 communities.

3.5 DATA AND DATA COLLECTION TOOLS/ PROCEDURES

3.5.1 DATA REQUIREMENTS AND SOURCES

During the field survey, five broad categories of data were required. They included data on the nature of project interventions and implementation mechanisms, data on the job creation aspect of REP, data on technology promotion and skills transfer,

business growth and entrepreneurial skills and data on the livelihood of REP beneficiaries. Data were also collected on number of new businesses established by REP clients and number of employees, the level of involvement of clients in planning of project intervention, the impact of REP activities on businesses and the influences of REP on the livelihoods of beneficiaries/clients.

The study used both primary and secondary data. The primary data were collected from the field using questionnaires as outlined in the next section.

The secondary data consisted of information obtained from the review of previous literature on Poverty reduction, MSEs and official document of Asuogyaman District and REP. These have been discussed mainly in Chapter Two of the study. The analysis of the primary data was relevant in examining the objectives of the study while the discussions of the prior relevant literature was instrumental in confirming or contrasting the findings of the analysis. These would place the current study in its right perspective on poverty reduction strategies.

In addition to beneficiaries, the study collected data from stakeholders concerned with MSEs development and REP implementation in the Asuogyaman District such as the Asuogyaman District Assembly Executive Committee, District Sub-committee on MSE Development, NBSSI and Project staff. This category of respondents were purposively sampled and selected for the study.

3.5.2 DATA COLLECTION TECHNIQUES

The primary data for the study was collected using structured-interviewer administered questionnaires. The questionnaires contained both closed ended and open ended questions. The closed ended questions ensured quick response to the questionnaires while open ended questions afforded the respondents to give other details for which pre-determined answers could not be provided at the time designing

the questionnaires. The interview schedules ensured that the respondents understand the questions being asked since they can ask supplementary questions to clarify the issues that are raised in the questionnaires. It also ensured quick and high rate of response to the questionnaires as the presence of the interviewer compelled some of the respondents to give due attention to the questionnaires. This method of data collection is also convenient for a population of respondent who have low level formal education as in this case. The survey instrument comprised two sets of questionnaires, one for project beneficiaries and the other for the other stakeholders. Specimens of the questionnaires are attached as Appendix. An advantage for using primary data is that, they are more dependable since they come from original sources and are collected especially for the purpose of the study.

3.6 DATA ANALYSIS AND PRESENTATION

The field data were screened and vetted for consistency, accuracy and completeness and analyzed using statistical tools and techniques such as Microsoft Excel Spread Sheets and Statistical Package of Social Sciences (SPSS). The results of the analysis have been presented in descriptive statistics methods such as simple frequency tables, percentage pie charts and line charts to reveal the results of findings.

3.7 PROFILE OF THE ASUOGYAMAN DISTRICT

The Asuogyaman District was created in 1988 as a result of Ghana Government re-demarcation exercise carried out to operationalize decentralisation programme in the country. The size of the District is approximately 1,507 square kilometres (Medium Term Development Plan [MTDP], 2010) and is about 5.7 percent of the total land area of the Eastern Region. It covers a total estimated surface area of 1,507 sq. Km,

constituting 5.7 percent of the total area of the Eastern Region. Manya Krobo District borders it to the north and the Afram Plains to the south and west. Asuogyaman shares borders to the east with Kpando, North Dayi, Ho and the North Tongu Districts of the Volta Region (ADA, 2010). The population of the district, according to the 2010 population census is 98,046 with 48% of the population being males while 52% are females (GSS, 2012).

Labour Force and Dependency Ratio: About 51.29% of the total population in the District falls within the potential labour force (38, 0247); out of this figure 26.20% are females and the rest 25.095 are males. This indicates the need for involving the main stream of women in the development programmes of the District.

Rural – Urban Split: An urban community in Ghana is defined as a community with population of 5,000 people and above. Based on this criterion, few settlements within the district can be classified as urban. The Asuogyaman District is therefore to a large extent rural in character.

Private Sector Competiveness: The major economic sectors and opportunities for private sector are in the areas of agriculture which is the main stay of the District economy, manufacturing, quarrying and commerce as well as the informal small-scale businesses, marketing, finance and tourism.

Agriculture is the major economic activity in terms of employment and rural income generation in the District. About 75 percent of the working population are engaged in this sector which constitutes the main source of household income in the district. There are three (3) prominent types of farming activities in the District. These are livestock farming, food cropping and cash cropping. The most predominant of these is crop cropping with more than 78 percent of the farmers in the District taking to

this type. Livestock farming is carried out on a limited scale employing only about 8 percent of farmers while cash cropping also employs just about 12 percent of the farming population.

Table 3.3 Employment by Sectors

Sector of Economy	Percentage Employed (%)
Agriculture	42
Service	44
Industry	14
TOTAL	100.00

Source: MTDP, 2010.

Energy: The main type of energy utilised in the District are electricity, charcoal, fuel wood and Liquefied Petroleum Gas (LPG). Due to the government's rural electrification project and the proximity of the District to the Akosombo Hydro-electric Plant the numbers of settlements enjoying electricity have increased (MTDP, 2010).

Micro Enterprises in the District: The economy of Asuogyaman district is agrarian. Few Micro enterprises could however be identified in the district to augment the farm produce. The most traditional ones may include dressmaking and tailoring, hairdressing, repairs and fabrication, fish and cassava processing and general trading. The introduction of REP has however introduced new means of livelihoods into the district such as soap making, grass cutter rearing, aqua culture, batik tie and dye and oil palm processing (MTDP, 2010).

A study by Poku-Antwi (2011) on MSEs categorisation reveals that 39.8% and 24.5% respectively belong to the services and agro-processing categories. About 12 people each respectively representing 12.2% were of the traditional craft and

agricultural and forest product categories while 11.3% of them fell in the primary fabrication and repairs category. The implication is that majority of the MSEs in the district were engaged in the services sector which was mainly made up of hairdressers and dressmakers.

3.8 ORIGIN OF THE RURAL ENTERPRISE PROJECT (REP)

Twenty years of economic reforms and development investments in agricultural production have had some positive effect on agriculture and rural development in Ghana. Nonetheless, rural areas are still home to more than 60% of the country's poor. In the period 1991/92 to 1998/99 the incidence of poverty, measured as percentage of population has decreased from 27.5% to 22.8% in urban areas, while for rural areas it has decreased from 62.4% to 51.6%. Further, a review of the social sector indicates that although progress has been made over the past ten years, urban-rural disparities also persist. Government efforts to bridge the equity gap between urban and rural populations have been undermined by the continued depth of poverty in rural areas.

To this end, the Government initiated a number of programmes to promote rural small-scale enterprises. These include programmes, which seek to increase rural production, employment generation and income levels. The GOG is cognisant of the fact that targets cannot be attained by agricultural production activities alone. All economic activities and operators in the rural space need to play a significant role. Furthermore, the GOG has recognized the need to use science and technology as the basis for attaining sustainable development efforts. Consistent with this, the annual Statements of Economic Policy and Budget of the Government has often set poverty reduction as the overarching objective of national economic policy (Sowa, 2003).

Technology accompanied by skills development is critical for obtaining the desired improvement in the socio-economic status of the rural population, especially in the development of rural small-scale enterprises.

Small-scale enterprises, prevalent in rural areas, have the potential to contribute significantly to the transformation of the rural economy in Ghana. Support to small-scale enterprises in Ghana has demonstrated a very rapid payback period, which can help the poor to generate income and bring about improved livelihoods. REP II is part of the development program of the Government of Ghana to create wealth and reduce poverty in rural areas. It contributes directly to the GPRS II. The Project is funded mainly by the Government of Ghana, the International Fund for Agricultural Development (IFAD) and the African Development Bank (AfDB).

Project goal: The goal of the REP-II is to contribute to the reduction of poverty and improvement in the living conditions of the rural poor, and especially increase the incomes of women and vulnerable groups through increased self and wage employment. The immediate project objective is to contribute to the development of competitive rural micro and small-scale enterprises (MSEs) in participating districts backed by good quality, relevant and sustainable support services. The Ministry of Trade & Industry (MOTI) is the Executing Agency for the Project.

On the whole, REP seeks to support the rapid and sustainable promotion of rural small-scale enterprises, which is critical to stimulate growth and reduce poverty in the rural areas. Therefore, the objective of the project was to increase rural productivity, employment and income so as to reduce poverty through the increased output of small-scale non-agricultural activities, rather than from increased agricultural production itself.

Project Period and Coverage: The second phase for an eight-year period from June 2003 to 2011 and was implemented in 53 districts in all regions nationwide. Phase one was implemented from 1995 to 2002 in 13 districts in the eco-transitional zone of the Ashanti and Brong-Ahafo Regions. Eleven of the 13 districts from the first phase were carried over to the current phase and given direct support for the first two years.

Project Implementation Arrangements: REP is mainstreamed into the decentralized administrative and planning system and implemented at the district level through a partnership arrangement with participating District Assemblies, National Board for Small Scale Industries (NBSSI) and the GRATIS Foundation. The two key district-based implementing units of the Project are the Business Advisory Centres (BACs) and Rural Technology Facilities (RTFs).

Project Services: The services provided by the Project include training in: Employable skills for micro and small business creation, Apprentices training, Technology transfer, Rural financial services including credit delivery and savings mobilization in rural areas, Support to Local Business Associations (LBAs), Support to inter-sectoral policy dialogue and Partnership building on Micro and Small scale Enterprises (MSEs) promotion.

The Project services are delivered through four integrated technical components:

Business Development Services (BDS) Component: The BDS Component supports the development of business skills and the improvement in business management capacity and competitiveness of rural small scale entrepreneurs.

Technology Promotion and Support to Apprentices Training (TPSAT) Component: This component supports the adaption and transfer of appropriate technology to improve the efficiency in rural industries through the provision of

engineering-based skills and basic start-up kits to the unemployed youth in order to actively promote youth employment and income generation at the rural level.

Rural Financial Services (RFS) Component: The RFS Component facilitates easier access to sustainable rural financial services for target rural MSEs through the Participating Financial Institution.

Support to Rural Micro and Small Scale Enterprises Organizations and Partnership Building (SMSEOPB): This component provides a platform for inter-sectorial policy dialogue, institutional collaboration and synergy of programmes to improve the policy and operating framework of rural MSEs.

Project Target Groups: The project targets people in rural areas living in poverty, with special attention to the most vulnerable. Project clients include:

- (i) Rural unemployed interested in self-employment but lacking skills, technologies and initial capital.
- (ii) Those with some basic skills who need skills upgrading, entrepreneurship development training and initial capital to set up their businesses, and
- (iii) Existing self-employed and owners of MSEs who want to be assisted through skills or technology upgrading to improve and/or expand their businesses.
- (iv) Needy Graduate Apprentices
- (v) Socially disadvantaged women: as many as 70% of the project clients are expected to be women (REP News, 2011).

Project Coordination and Management Unit (PCMU): The PCMU handles the day-to-day management and co-ordination of project activities under the various components. It is headed by a Project Coordinator, based in Kumasi with two Zonal Offices in Tamale and Koforidua. Each Business Advisory Centre in implementing districts functions under the direction of the PCMU and/or the Zonal office.

3.8.1 Strategic Context of the REP

Governments in Ghana in their bids to address the persistent high levels of rural poverty in an effective manner by supporting mainstream agricultural production have had marginal results on reducing poverty. Support to the Small-Scale Enterprises fits into Government strategy to ensure that economic activities and operators in the rural space play a significant role. A substantial amount of economic activities in rural areas are small-scale enterprises. Therefore support to small-scale enterprises provides a valuable strategic entry point to stimulating the rural economy and increasing incomes of the rural population. The Rural Enterprises Project will therefore directly contribute to the Small-Scale Enterprises sector goal of poverty reduction. At operational level, the strategic approach as articulated in the GPRS I, in addition to the above, places particular emphasis on improving skills, promoting the use of improved appropriate technology, improving access to capital investment resources for the rural entrepreneurs, and building capacity in the processing of agriculture produce. The strategy envisages increasing rural production and employment through inter alia, the establishment of agro-businesses, by providing spatial facilities, and support services for rural small-scale enterprises. In addition, the project strategy is to address other factors that constrain the development of the rural MSEs (AfDB, 2002).

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSIONS OF RESULTS

4.1 INTRODUCTION

This chapter is devoted to the analysis of the field data and discussions of the results. Specifically, the chapter examines the demographic characteristics of the respondents and subsequently analyzes the data from the field. Much emphasis has been placed on the core issues affecting the implementation of REP, such as implementation mechanism, contribution of REP to job creation, technological promotion and skills transfer, influence on business and enterprise skills development and the impact of REP on the livelihood of beneficiaries. Data gathered from officials of REP was also analyzed and compared with responses given by the beneficiary respondents.

4.2 DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

The demographic characteristics of the respondents analyzed were age, gender and educational background. An analysis of these characteristics revealed which group of people dominated the various enterprises supported under REP s in the district. There is the need to find out the role gender plays in the implementation of REP. With reference to Table 4.1, the study revealed that 70% of the respondents involved were females as against 30 males. The indication is that more women (the vulnerable) were targeted and supported to have a means of livelihood

Table 4.1: Gender Characteristics of Respondents (N = 90)

Variable	Response	Frequency	Percentage
Gender	Male	27	30
	Female	63	70

Source: Field data, 2012

With reference to Table 4.2, the survey showed that 63% percent of the respondents were within the productive age of 30-59 with the modal age of clients lying between 30 – 39 years. Respondents below 29 years formed 37%. This shows that rural MSEs have prospects as more youth are getting involved and therefore a distinctive devotion should be placed on its development.

Table 4.2: Age Distribution of Characteristics of Respondents (N=90)

Variable	Response	Frequency	Percentage
Age	18 - 29 years	33	37
	30 – 39 years	44	49
	40 – 49 years	11	12
	50 – 59 years	2	2
	60 years and Above	0	0

Source: Field data, 2012

In table 4.3, it was found out that 88% of beneficiaries had no advanced education as they were either primary or JHS Leavers. An indication of the fact REP was targeted at the rural poor who for poverty and other reason had no high education and therefore could not possibly secure a white colour job.

Table 4.3: Educational Background of Respondents (N=90)

Variable	Response	Frequency	Percentage
Highest Education	Primary	33	37
	Junior High/Middle School	46	51
	Senior High School	11	12

Source: Field data, 2012

A sample of twelve stakeholders was also selected for the study. Their demographic characteristics included their gender, stakeholder status and the length of time the respondent had been in that position. There was only one female stakeholder. There were seven District Executive Members (58%), three MSE Development Committee

Members (25%) and two project staff (17%). The modal working experience was 4 – 6 years as shown on Table 4.4

Table 4.4: Demographic characteristics of Stakeholders (N = 12)

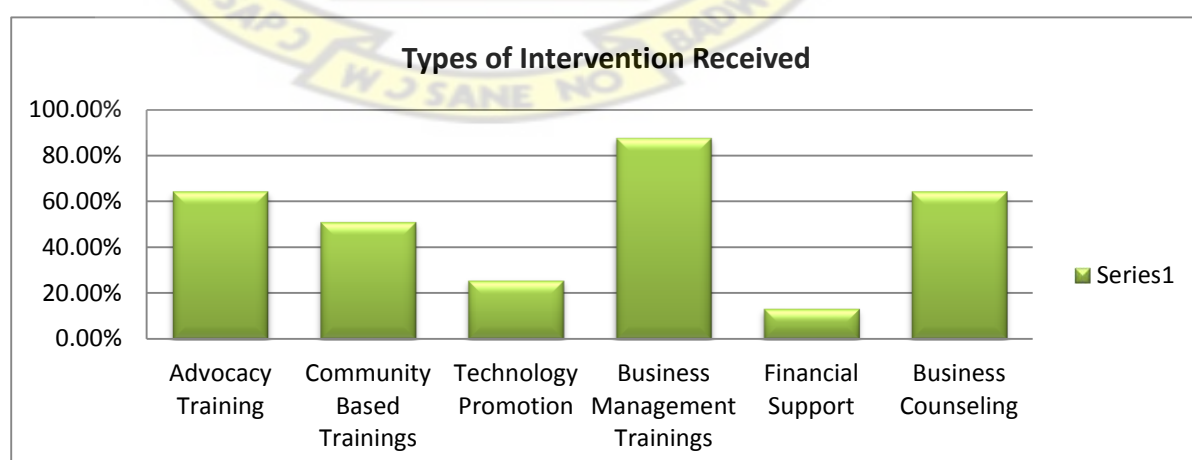
Characteristic	Response	Frequency	Percentage
Gender	Male	11	92
	Female	1	8
Stakeholder Status	District Executive Member	7	58
	MSE Development Sub-Committee Member	3	25
	Project Staff	2	17
Experience	1 – 3 years	4	33
	4 – 6 years	5	42
	7 – 9 years	2	17
	10 years & Above	1	8

Source: Field Data, 2012

4.3 NATURE OF PROJECT INTERVENTIONS

On the nature of interventions clients received from the Rural Enterprise Projects, it was found that several interventions were available to clients. With reference to Figure 1, 64% of clients received advocacy training while 51% received community based training.

Figure 1: Nature of Project Intervention available to Clients



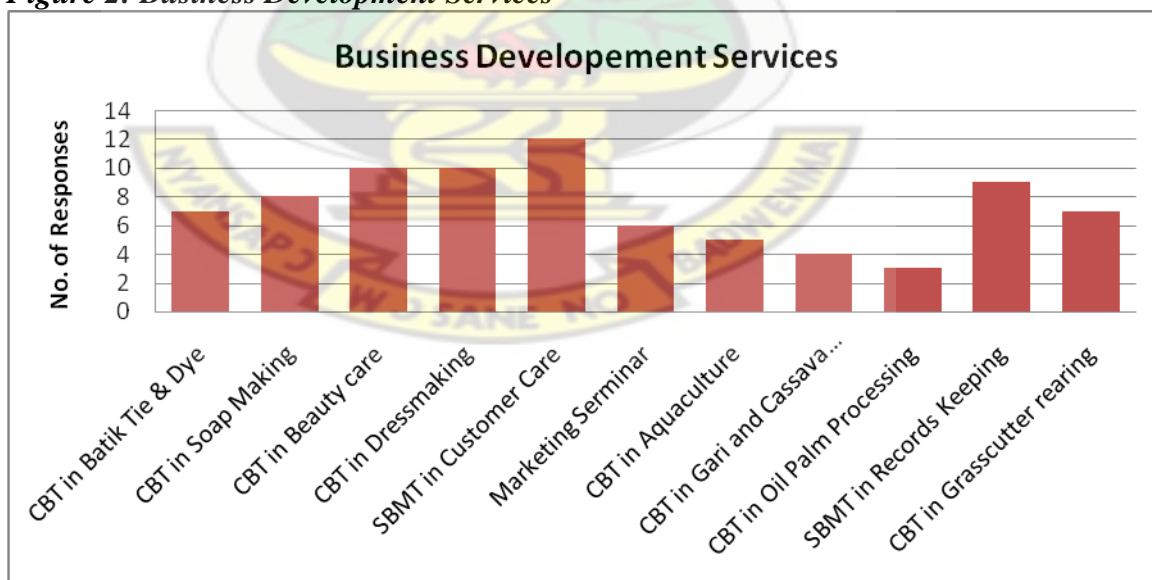
Source: Field Survey, 2012

Others received Management training (87.8%), Business Counseling (64.4%), Technology Promotion (25.6%) and Financial Support (13.3%). It was realized that at least every clients received one intervention, though more than half of the respondents had received more than one intervention. The specific interventions received included tools and equipment, training tours, marketing strategies and financial management and skills training.

At the Stakeholders level, respondents were asked to respond to the nature of project interventions REP provided to beneficiaries under each component of REP. Figure 2 provides the types of business development services REP provided.

Under the BDS component, several interventions were provided. However, all respondents indicated that customer care training, hair dressing, and dressmaking as well as records keeping were very popular. Oil Palm processing, study tour, Gari and Cassava Processing and Aquaculture were the less popular interventions (Figure 2).

Figure 2: Business Development Services

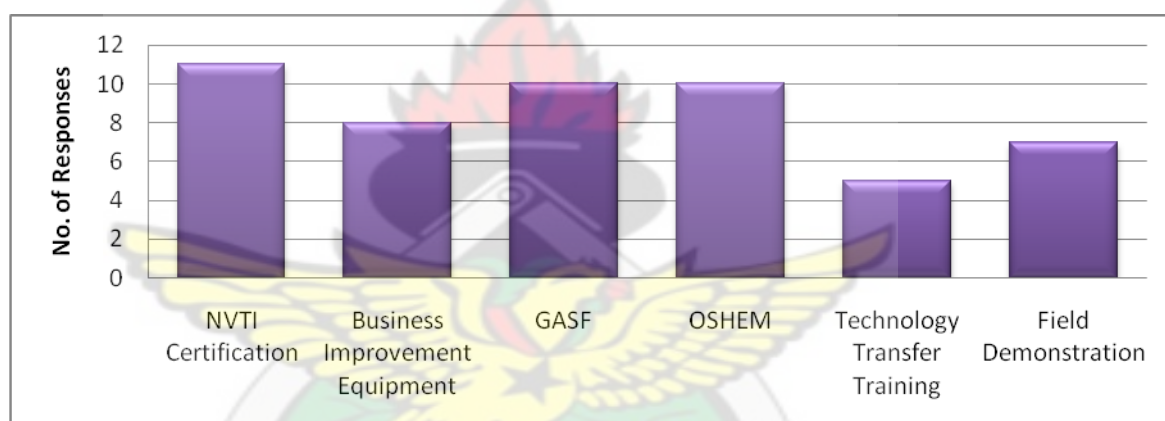


Source: Field Survey, 2012

In terms of Technology promotion, it was found out that the Asuogyaman District had not benefited from the Rural Technology facility (RTF) and indicated that the

district was yet to apply for an RTF. This confirmed why 100% of beneficiaries indicated not to have ever benefited from the services of RTFs. The study revealed through the stake holders that MSEs in the district outsourced service which would otherwise be provided by the RTF from private facilities if they can afford it. NVTI certification, Occupational safety and environmental management and Graduate Apprentices Support Fund (GASF) were the most popular interventions under the TPSAT Component (Figure 3).

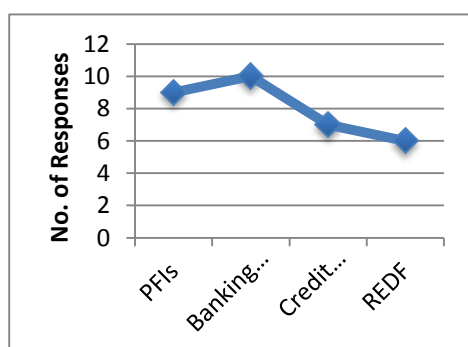
Figure 3: Technology Promotion and Support to Apprentices



Source: Field Survey, 2012

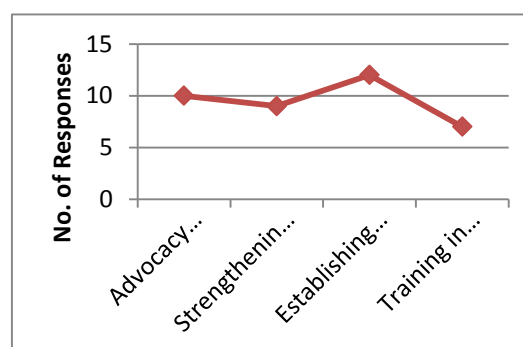
The type of interventions put in place under Rural Financial Services (RFS) Component include Credit management, banking culture, REDF, and PFIs provided financial services to beneficiaries under the REP intervention as shown Figure 4. In Figure 5 below, the types of interventions REP provided to support MSE organizations and Partnership Building component is presented. These interventions include, the establishment of MSE sub-committees, Advocacy training, training in group dynamics and strengthening local business associations.

Figure 4: RFS interventions



Source: Field Survey, 2012

Figure 5: REP support to MSE



Source: Field Survey, 2012

4.4 IMPLEMENTATION MECHANISM OF REP

Respondents were asked to assess the REP implementation mechanism. The indicators used included how long clients have been with REP, how they got to know about REP.

As shown on Table 4.5, 26% of the respondents got involved with REP a year ago. Twenty-one percent of the clients have been with REP for two years while 19% got involved with REP for three years while 23% have been with REP for four years. However, 11% had been involved with REP well over four years.

When clients were asked how they got to know about REP, 34% indicated it was through their own effort, 23% said it was through their local business association, while 14% said it was through their assembly member. Also, 21% said they got to hear about REP through announcement from the District information vans. However, majority of them said they got information about REP through REP staff (40%) as in the Table 4.5 below.

Only 13% of the clients said they were involved in planning REP interventions. Seventeen percent (17%) of these people said they got involved through personal request, while 25% said they got involved through Client Fora and round table

meetings. The rest said it was through Business Orientation Seminars. Forty-nine percent and 40% indicated that REP staff and Assembly Members respectively planned the interventions, which they said was never imposed on them. They further indicated that they paid 10% of the training cost as commitment fees to participate in training programmes which they readily paid in cash or in kind. This token could stem from the fact that people tend to value the importance of things they pay for thereby expressing the legitimacy of interventions.

Table 4.5: Results of Implementation Mechanism (N = 90)

Variable	Response	F	%
Length of time with REP	1 year	23	26
	2 years	19	21
	3 years	17	19
	4 years	21	23
	Above 4 years	10	11
How did you get to Know about REP?	Own effort	31	34
	Local business Ass	21	23
	Assembly member	13	14
	District office	19	21
	REP staff	36	40
Are you involvement in planning of intervention?	Yes	12	13
	No	78	87
How are you involved?	Personal request	2	17
	Client fora	3	25
	Meeting	3	25
	Seminar	4	34
Who are the planners?	Don't know	10	11
	REP Staff	44	49
	Assembly member	36	40

Source: Field Data, 2012

At the stakeholder level, The District Assembly through a proposal to REP got selected for the project after having demonstrated commitment to absorb project

resources into the district. This makes the DA owners of the project in the Asuogyaman District

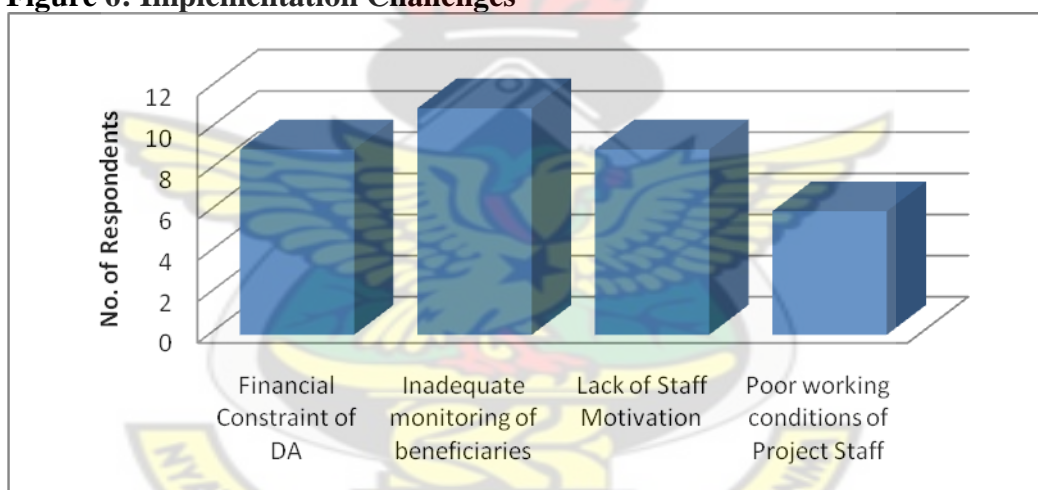
It was also found that the delivery of REP interventions either was on demand or supply with responses of 50% each. According to the stakeholders, REP packages to clients were based on their assessed needs. Some of the beneficiaries, either through their Local Business Associations (LBAs) or the Assemblymen demanded for some packages as well. However, it was clear that some clients were selected based on recommendations from churches, organizations and even the District Assembly who were more or less playing advocacy role. As suggested by Boeh-Ocansey, et al (2009), MSEs would play a critical role to the development of the Ghanaian economy when supported by government, donor partners and trade associations.

The level of participation of stakeholders in the implementation of REP was assessed. Stakeholders were involved mostly in Needs Assessment (42%), Monitoring and evaluation activities (37%) and organizing of training programmes (21%). On the part of the District Assembly (DA), it was found that it was also engaged in Needs Assessment, Planning and Budgeting, Monitoring and Evaluation activities and provision of office accommodation and utilities. Other Collaborating Institutions (CIs) such as NVTI, The Hunger Project, Department of Social Welfare and the Ministries of Women and Children's Affair and Food Agriculture were identified and Participation Financial Institutions were identified to have contributed in the implementation of REP. Therefore, as to the question of how the Rural Enterprise Project (REP) had been implemented at the Asuogyaman district, it is clear that the implementation was through a collaborative effort by the REP, DA and

other CIs with the beneficiaries at the centre of it. Perhaps as said by Stiglitz (2002), participation accounts much to ensure successes in poverty interventions.

However, quite a few implementation challenges of REP were identified by the stakeholders which needed to be overcome. These are in the areas of lack of financial commitment on the part of the District Assembly to pay counterpart funds of the recurrent cost of the BAC (75%). Other areas identified included lack of motivation of staff (75%) and poor working conditions of REP staff (50%), inadequate effective monitoring and evaluation (92%) as shown in Figure 6 below.

Figure 6: Implementation Challenges



Source: Field Survey, 2012

4.5 CONTRIBUTION TO JOB CREATION

The second objective sought to examine the contributions of REP to job creation in Asuogyaman district. It is believed that high unemployment not only brings about poverty, it lowers the living standards of the people as well. As an REP objective, job creation was also at the centre of the Assembly enrolling unto the project. The

study therefore sought to examine to what extent this objective of job creation has been met in the assembly.

Results are that before enrolling with the REP, 18% of clients (16 Clients) were neither employed nor undergoing apprentice training. Forty-seven percent (42 clients) indicated they had some form of employment as shown in Figure 7. Twenty percent were hair dressers, 23% Fabrications and Repairs, 20% dressmakers with 18% into oil processing. The remaining 35% (32 clients) were graduate apprentices of various trades who had no means of establishing their own businesses. With reference to Figure 8, 13% were graduates of dressmaking, 18% electronics, with 32% into Hairdressing.

Figure 7: Employed before REP

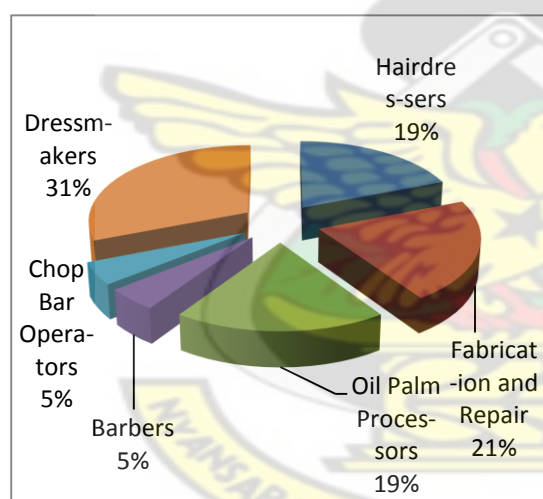
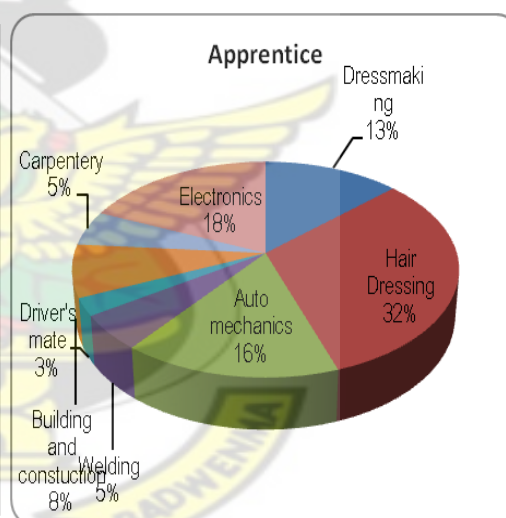


Figure 8: Apprentices



Source: Field Survey, 2012

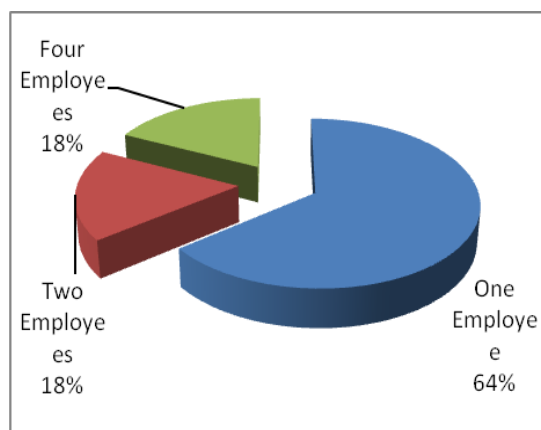
Source: Field Survey, 2012

After enrolling with REP, respondents indicated that they had either expanded their businesses or had added new businesses while the unemployed and graduate apprentices have started their own businesses. Seventy-nine percent of existing MSEs owners said they had their businesses expanded, 39 graduate apprentices and unemployed beneficiaries had started their own businesses, while 10% of

beneficiaries still had no jobs (hereafter referred to as inactive clients/beneficiaries). Fifteen beneficiaries (36%) out of the 42 owners of the existing MSEs have added new businesses or diversified into alternative trades, bringing the number of new businesses to 54. For the new businesses, only the owners could be said to have gained employment. They could not employ other people.

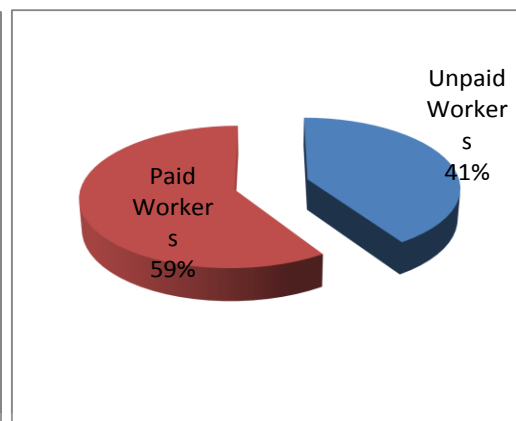
Beneficiaries who had businesses before REP interventions, indicated to have employed other people mostly as assistants whereas others also engaged apprentices. Twenty-nine respondents indicated they have employed people in their businesses. As shown in Figure 9, 5 of them employed a total of 20 employees, four employees each; five others respondents said they employed a total of 10 employees, two employees each, while 19 respondents indicated they employed a total of 19 employees, one employee each. This implies that a total of 49 people were employed. Consequently, after the REP intervention, a total of 103 new jobs were created (49 employees and 54 new business owners). Of the 49 employees, twenty (41%) were unpaid workers while the remaining 59% were paid workers with monthly salaries ranging between GHc 50 and GHc 200 as shown in Figure 10. Most of the unpaid workers were family members or apprentices confirming what was said by Kayanula and Quartey (2000).

Figure 9: No. of Employees employed



Source: Field Survey, 2012

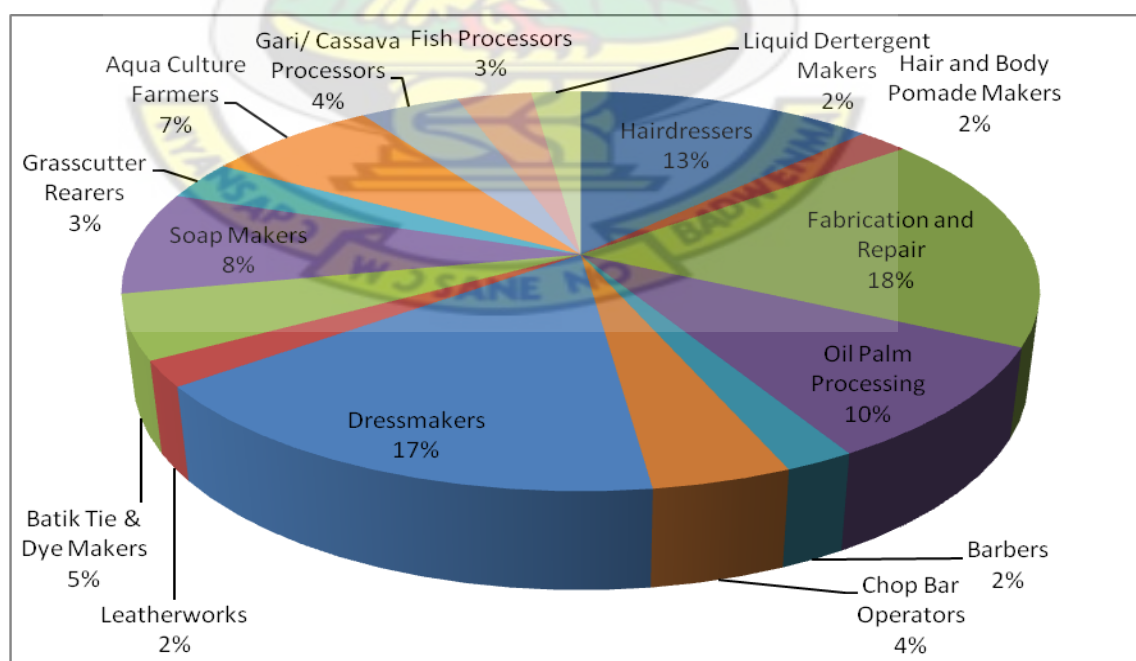
Figure 10: Types of Employees



Source: Field Survey, 2012

Own account owners after REP interventions totalled 96 i.e. 42 existing MSEs plus 54 new businesses. In Figure 11, it is revealed that REP activities trained beneficiaries in quiet a number of alternative sources of income generating activities compared to Figure 7 which was the result of own account owners (existing MSEs before REP interventions).

Figure 11: Types of Own Account Owners after REP Interventions



Source: Field Survey, 2012

Sixty-seven percent of the stakeholders were of the view that REP interventions provide jobs in the district (Table 4.6). Respondents were therefore of the view that REP is an appropriate strategy for job creation and poverty reduction strategy.

Table 4.6: REP Objectives on Job Creation (N = 12)

Objective	Strongly Agree		Agree		Undecided		Disagree	
	F	%	F	%	F	%	F	%
Job creation	8	67	4	33	0	0	0	0

Source: Field work, 2012

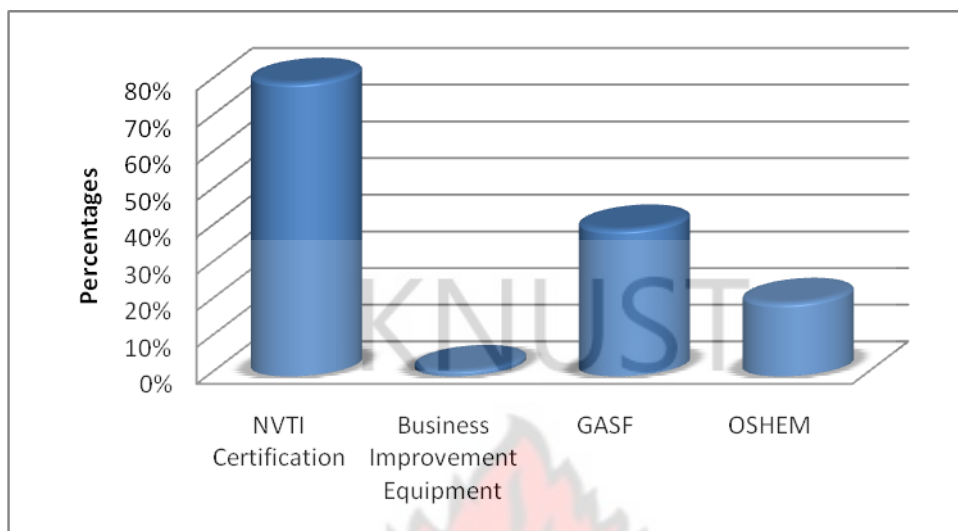
Almost certainly, the study agrees with the ILO (2003) that Poverty elimination is impossible unless the economy generates opportunities for investment, entrepreneurship, job creation and sustainable livelihoods. The principal route out of poverty is work.

4.6 TECHNOLOGY PROMOTION AND SKILLS TRANSFER

With regards to REP and technology promotion, 100% of active beneficiaries indicated there was no Rural Technology Facility (RTF) which is another Implementing Unit (IU) of the REP responsible for promotion of technology through trainings and manufacturing of appropriate technological tools and machinery to meet the technological needs of rural MSEs in the District. It was found out however that, some active beneficiaries (44% representing 36 clients) had benefited from other technology promotion interventions. When the question was posed as to types of technology promotion services they received, 80% of the 36 clients said they had benefited from National Vocational Training Institute (NVTI) Certification, 40% benefited from Graduate Apprentice Support Fund (GASF), 1.6% from Business

Improvement Equipment while 20% has received training in Occupational Safety, Health and Environmental Management (OSHEM) as shown in Figure 12 below

Figure 12: Technology Promotion Interventions Received



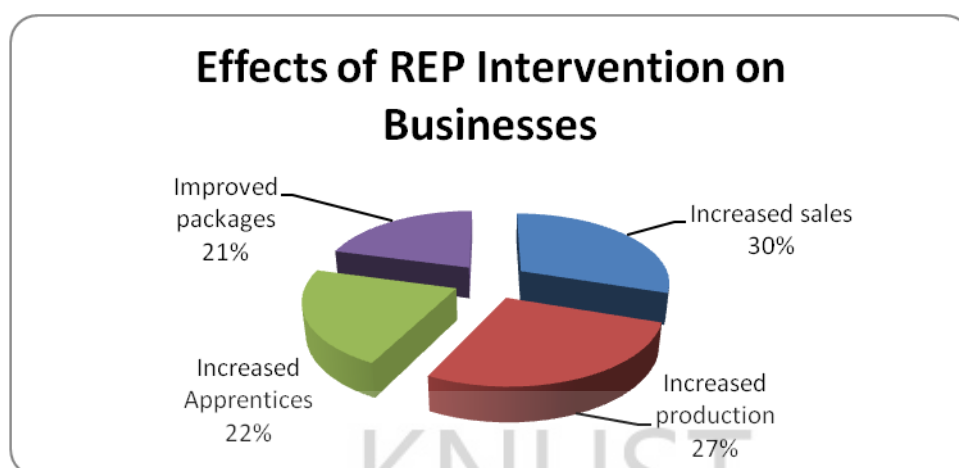
Source: Field Survey, 2012

The stakeholders also gave 100% response confirming the findings from beneficiaries that there is no RTF in the Asuogyaman District. The study revealed further that even though services such as technology transfer training to master craft persons and internship of apprentices were available to be outsourced from other RTFs, the district never organized such training for beneficiaries or took advantage of it. Beneficiaries who needed appropriate technologies and even simple tools and equipment had to outsource it privately if they could afford it. The implication being that simple tools and equipment used by MSEs especially in agro processing and repair and fabrications are not manufactured in Asuogyaman. Quite clearly, the challenge to put poor people more closely in touch with technology, so that technology can empower the poor by enabling them to address their basic needs, alleviate their own poverty and promote sustainable development Nyoni (2002) by the Asuogyaman District Assembly is yet to be done.

4.7 INFLUENCE OF REP ON GROWTH AND ENTREPRENEURIAL SKILL DEVELOPMENT

Skills for the development and growth of small enterprises are crucial as these enterprises are increasingly being recognized as engines of growth in rural economies. To this effect the study sought to find out how the REP had boosted Business Growth and Entrepreneurial Skills of beneficiaries. It was revealed that before clients/beneficiaries got in touch with REP hardly possessed adequate entrepreneurial skills as most had not acquired any training of such nature. However, with REP on board, many of the active clients now use other processes and skills, learnt from REP. Eighty-five percent (85%) of the active clients indicated that they now keep proper records. Sixty-seven percent (65%) indicated they now get a lot of customers as a result of what they learnt about customer care from REP. All the clients indicated that their punctuality, personal neatness and the neatness of their business premises has changed very much. They indicated these interventions have impacted positively on their businesses. Figure 13 shows the effects of REP interventions on businesses. Twenty-one percent (21%) had their packaging improved, 30% indicated sales increase, while 27% indicated increase in production. Twenty-two percent indicated that they now have many apprentices.

Figure 13: Effects of REP Intervention on clients' Businesses



Source: Field Survey, 2012

However, their marketing strategies have not changed much, as 75% of the clients indicated that their main marketing strategy was by word of mouth. Fifteen percent (15%) had free samples as their marketing strategy with 10% now able to advertise on FM Radio.

Eighty-seven percent (78 clients) of the client registered their businesses. Those who indicated that they registered their businesses indicated that they registered with the Registrar General's department, District Assembly, or their Local Business Associations (LBAs). Fifteen percent (15%) of those who registered their businesses (12 clients), registered with the Registrar General Department (RGD); 35% (27 clients) registered with the District Assembly and their LBAs. Fifteen percent (12 clients), registered with their local associations, and the remaining 25% (20 clients) registered with the Assembly only.

Additionally, it was found that 80% of the active clients with businesses now have an active bank account instead of the 37% who indicated they had bank accounts before they got involved with REP. However, only 30% indicated they had access to loan facility. They indicated that they got the loan facility from Participating Financial Institutions (PFIs) (62% of those who got the loan facility) and the

remaining 38% got their loans from Credit unions. The clients who indicated they never had a loan, explained that the process is frustrating. Some did not make the effort to get the facility while others indicated they were afraid of being taken to Courts in case they default in the loan repayment. A clear indication that banking culture among rural entrepreneurs was not well understood and when they have been introduced to it must be conscientized that it is in their own interest to indulge in good banking cultural practices.

When posed with the question of other services they needed to grow their businesses, beneficiaries were also of the view that REP support in the form of finance and provision of tools and equipment would help their businesses very much.

Beneficiaries however indicated that they appreciate REP support in areas like financial management, business management, advanced skill training, business counseling and business registration with the Registrar General's Department.

At the stakeholder level, respondents were asked to indicate their level of agreement with the extent to which key objectives of REP in relation to Business Development has been achieved in the Asuogyaman District. With reference to Table 4.7, 33% of the respondents indicated they strongly agreed that REP strengthened competitive rural MSEs, 33% agreed, while 33% indicated they were undecided about it. It was the same with responses to REP provision of sustainable support services. On strengthening MSEs production techniques, 67% of the respondents agreed with 33% undecided. All the respondents again agreed that REP enhanced the quality, design and packaging of the goods and services produced by rural MSEs. Sixty-seven percent (67%) agreed that REP interventions increased beneficiaries' access to working capital, while 33% disagreed. Respondents also agreed that REP introduced

environmentally friendly production techniques with 33% in strong agreement. However, 33% of them were undecided. It was the same pattern with respondents' responses on the perception that REP empowered trade associations and client organizations, thus increasing their participation in decision making and policy dialogue at local and national levels. Stakeholders however were unanimously in agreement on the fact that REP enhanced the quality services by rural MSEs in the District (100%).

Table 4.7: REP Objectives of Business Development (N = 12)

Objective	Strongly Agree		Agree		Undecided		Disagree		Strongly Disagree	
	F	%	F	%	F	%	F	%	F	%
Strengthen competitive rural MSEs	4	33	4	33	4	33	0	0	0	0
Providing sustainable support services	4	33	4	33	4	33	0	0	0	0
Strengthening MSEs production techniques	0	0	8	67	4	33	0	0	0	0
Enhanced the quality, services by rural MSEs	0	0	12	100	0	0	0	0	0	0
Increased access to working capital	0	0	8	67	0	0	4	33	0	0
Provides environmentally friendly techniques	4	33	4	33	4	33	0	0	0	0
Empower trade associations	4	33	4	33	4	33	0	0	0	0

Source: Field work, 2012

As argued by Legum (2006) entrepreneurship is not easy or natural for most people. It is not something that can be learnt like a computer programme. It involves a competitive, focused, risk-taking mind-set that is not traditional in cultures. Obviously, training outside the formal training system is often the most important source of skills training in developing countries as opined by the ILO (2003). Individual entrepreneurs are a driving force for competitive MSEs as a growth base. Skills development in rural areas requires various types of skills provision, using innovative methods of delivery, and capitalizing on existing social institutions.

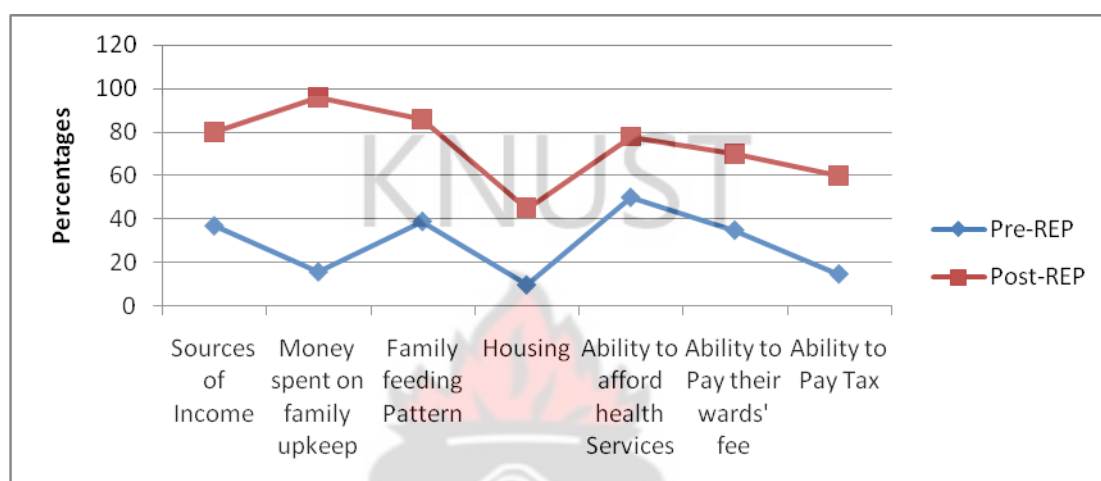
Combining technical and entrepreneurship training, for example through incorporating business knowledge and skills in developing innovative community-based training programmes ensures the growth and sustainability of MSEs.

4.8 EFFECT OF REP ON THE LIVELIHOODS OF PEOPLE

A vibrant private sector creates jobs, provides the goods and services needed to improve living standards, and contributes taxes necessary for public investment in health, education, and other services (World Bank, 2004). Findings on the impact of REP interventions on the livelihoods of beneficiaries indicated that the beneficiaries are better off now, than they were before. Indicators such as beneficiaries' ability to pay their wards' fees, sources of income, money spent on family upkeep, their feeding, housing and their ability to afford health services and pay taxes were used. Figure 14, shows the effect of REP interventions on the livelihoods of beneficiaries. Twenty-three percent (37%) of the beneficiaries indicated their businesses were their sources of income before REP intervention. However, after REP intervention, the number increased to 80%, an increase of 43%. Similarly, 16% of the beneficiaries indicated that they could afford the financial needs of their families before REP intervention. This figure increased to 96% after the Intervention. Thirty-nine percent (39%) could afford an average of three meals a day, but after the intervention 86% can now afford an average of three meals a day. The change in the lives of beneficiaries with regards to the other factors indicated they are better off now than before. Seventy percent (70%) of beneficiaries indicated they are able to pay for school fees of wards as compared with 35% before REP. They indicated that the National Health Insurance has also afforded them the opportunity to access quality health care from health facilities in their communities. Thanks to REP, 78% of the

respondents indicated that they are now registered members of the National Health Insurance Scheme. They also indicated that they have registered their family members too.

Figure 14: Impact of REP interventions on livelihood of beneficiaries



Source: Field Survey, 2012

The inability of citizen to pay taxes retards development in society as it is a main source of funds for investment. Undoubtedly, most people shun away from this obligation. REP activities in Asuogyaman seem to have curbed this menace. 60% percent of beneficiaries are now able to pay taxes to the DA compared to only 15% who paid tax before REP interventions. On the whole, about 80% of beneficiaries responded in the affirmative that their living standards have improved since encountering REP.

At the stakeholders' level, respondents were asked to indicate their level of agreement to the extent to which key objectives of REP with respect to livelihood improvement has been achieved in the District. The respondents were unanimous on the fact that REP increased and provided income for the vulnerable groups in the District (100%). They also agreed that REP brought about an increase in self and

wage employment, with 33% in strong agreement and 67% in agreement. When respondents were asked to indicate if REP interventions improved living standards and consequently reduced poverty in the district, 67% in strong agreement as shown in Table 4.8.

Table 4.8: REP Objectives Livelihood improvement (N = 12)

Objective	Strongly Agree		Agree		Undecided		Disagree		Strongly Disagree	
	F	%	F	%	F	%	F	%	F	%
Increase in income of vulnerable groups	0	0	12	100	0	0	0	0	0	0
Increase in self and wage employment	4	33	8	67	0	0	0	0	0	0
Poverty reduction	8	67	4	33	0	0	0	0	0	0

Source: Field work, 2012

Respondents were therefore of the view that REP is an appropriate strategy for job creation and poverty reduction. They also suggested to NGOs associated with poverty reduction, government agencies and organizations associated with job creation and poverty alleviation be encouraged to emulate the approach used by REP.

Following from this result, the fact remains that beneficiaries now have means of securing the necessities of life from which they have developed self-reliance; the goal of any livelihoods strategy. Indeed this study could not agree less with Adato and Meinzen-Dick (2002) that rural livelihoods are becoming diversified with an increasing share of rural households' income coming from non-farm activities. Innovative and sustainable adaptation strategies and methods can ensure a secure and improved lifestyle for its beneficiaries. The poor must be enabled and empowered to

cope with, adapt to, and benefit from innovative rural income generation strategies and sustainable livelihood options so that they can enjoy enhanced livelihoods along with increased social and environmental security.

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CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATION

5.1 INTRODUCTION

This final chapter focuses on the summary, conclusions and recommendations of the Study; aimed at delving into the measures that could improve future implementation of REP nationwide and other poverty reduction strategies in Ghana.

5.2 SUMMARY OF MAJOR FINDINGS

Support to the Small-Scale Enterprises ensures that economic activities and operators in the rural space play a significant role as it provide a valuable strategic entry point to stimulating the rural economy and increasing incomes of the rural population. The REP contributes to the Small-Scale Enterprises sector goal of poverty reduction. The study therefore made the following revelations:

Implementation mechanism

It was established that the implementation of REP was through a collaborative effort by the REP, the District Assembly (DA) and other Collaborative Institutions, (Research Objective 1) The DA and stakeholders are also involved in needs assessment, monitoring and evaluation of the project. Few beneficiaries are involved in the planning of interventions given to them. It is important to indicate that interventions were never imposed on beneficiaries, though it was never for free. Beneficiaries paid 10% of total training cost to participate in training programmes. This token stem from the fact that people tend to value the importance of things they pay for.

The REP and Job Creation and Employment

As an REP objective, job creation was also at the heart of the Assembly enrolling unto the project. Fifty-four (54) new businesses were established. Forty-nine (49) people were employed by existing MSE beneficiaries. Consequently, after the REP intervention, the study revealed that a total of 103 new jobs were created (49 employees and 54 new business owners). Apprenticeship training is on the increase in beneficiaries establishments. 67% of the stakeholders were of the view that REP interventions provided jobs in the district, though 10% of beneficiary respondents still had no jobs. Beneficiaries were of the view that REP is an appropriate strategy for job creation.

Technology Promotion and Skills Transfer

The findings with regards to achieving the third objective of the study revealed not much of technology transfer has taken place in the Asuogyaman district as both clients and stakeholders unanimously indicated there was no Rural Technology Facility (RTF) in the District. The study revealed that MSEs in the district outsourced services which would otherwise be provided by the RTF from private facilities if they can avoid it. Subsequently it was found that even though services such as technology transfer training to master craft persons and internships for apprentices were available to be outsourced from other RTFs, the district never organized such trainings for beneficiaries or took advantage of it. However, some active beneficiaries (44% representing 36 clients) had benefited from other technology promotion interventions such as NVTI Certification, GASF, Business Improvement Equipment and OSHEM.

Business Growth and Entrepreneurial Skills Development

Giving the required business and entrepreneurial development services, Micro and Small-scale Enterprises, prevalent in rural areas, have the potential to contribute significantly to the transformation of the rural economy in Ghana. As it was found, Entrepreneurial Skills of active beneficiaries had improved as they now keep proper records, practice customer care, kept active bank accounts, are punctuality, practice personal neatness and the neatness of their business premises. Improved packaging, increase in production and sales and increase in apprentices are the impacts of REP on the businesses of beneficiaries. Eighty-seven percent (78 clients) of the client had registered their enterprises. Few though registered with the Registrar General Department. In addition, their marketing strategies have not changed much, as the main marketing strategy was by word of mouth (75%).

Livelihood improvement of the people

REP in Asuogyaman has demonstrated a very rapid payback period, which can help the poor to generate income and bring about improved livelihoods. The findings indicated that 80% of beneficiaries have had significant benefit in their livelihoods following beneficiaries positive responds to indicators such as beneficiaries' ability to pay their wards' fees, sources of income, money spent on family upkeep and their feeding, housing, their ability to afford health services and pay taxes.

5.3 Conclusion

The challenge of creating jobs and reducing poverty in rural Ghana requires for strategies which addresses poverty and its related causes at the grass root level. Beneficiaries admitted that the REP had made great impact in their businesses and means of livelihood. REP had created a platform for the acquisition of skills for diverse income generating activities, skills for promoting and building a more competitive and sustainable MSEs in the Asuogyaman District.

Besides, it has helped provide effective means of creating jobs in the rural area. Apart from the few respondents who still had no jobs after their encounter with REP, the study concedes that new businesses were established while new jobs were created by beneficiaries who also employed others. The multiplier effect of job creation through REP activities is very encouraging. Improved livelihoods of project beneficiaries was heartening as each of the indicators used revealed a change of increment after project interventions in comparison with pre-intervention status. The study has demonstrated that as poverty reduction strategy, the Rural Enterprises Project has the potential of creating jobs and ultimately reducing rural poverty. Ghana's REP demonstrates that with clear-sighted goals, well-defined targets and determined international donor support, a state-driven social intervention can succeed.

However, in order to gain efficient output from such strategy, implementing institutions need to ensure an adequate involvement of all stakeholders so as to achieve its optimum benefits.

5.4 RECOMMENDATIONS

Poverty reduction projects must endeavour to promote beneficiaries ownership of interventions through conscious effort to solicit inputs and active participation of the beneficiaries and all stakeholders throughout the project cycle which is a pre-requisite for adoption and sustainability.

The idea of commitment fees is recommended to all other job creation and poverty reduction strategies to ensure high rate of adoption of interventions given. The implication is that people turn to value things paid for than those acquired free of any charge.

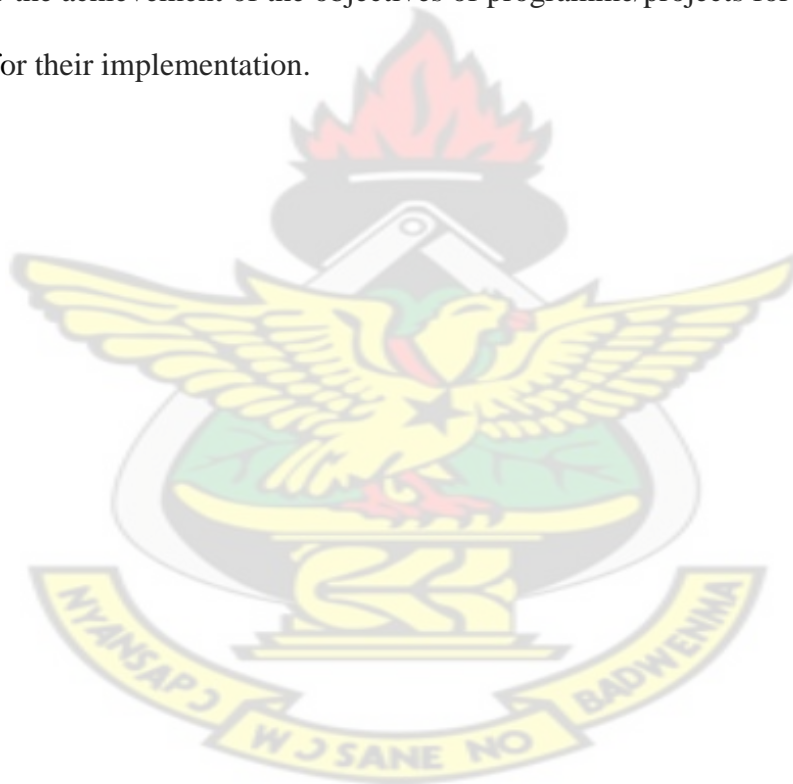
The establishment of an Rural Technology Facilities or a technology service centres to develop and promote technology and skills transfer is recommended to boost the use of appropriate technology by micro and small scale enterprises.

Continuous consultancy (Business Development Services) as being done in the Business Advisory Centre (BAC) in Asuogyaman is recommended throughout all rural districts to create a permanent relationship with small entrepreneurs, a relationship that extends beyond the training programmes and makes enterprises vibrant and sustainable.

It is also recommended that trained beneficiaries should be assisted by the REP to access credit to start their business as most clients who were unable to start a business after training attributed it to lack of start-up capital.

Policy direction should be specific and robe in more of the youth to go into entrepreneurial ventures in rural districts to reduce unemployment and poverty. The spirit of entrepreneurship, together with other potentials of MSEs unearthed by the study leads to the prospects for promoting and developing MSEs to create jobs for the people.

The REP and implementing District Assemblies should ensure that project staffs are well motivated; recognising that human capital (employees) are the most valuable asset to the achievement of the objectives of programme/projects for which funds are voted for their implementation.



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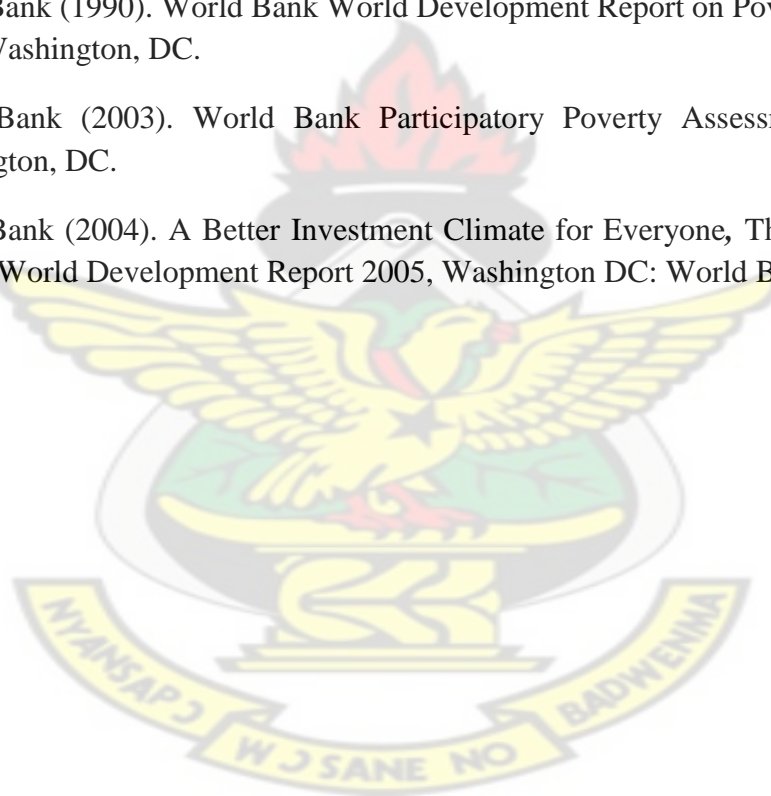
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APPENDICE I

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY COMMONWEALTH EXECUTIVE MASTERS IN BUSINESS ADMINISTRATION

QUESTIONNAIRE FOR REP BENEFICIARIES (CLIENTS) IN THE ASUOGYAMAN DISTRICT

This research is being conducted to reveal the influence of the Rural Enterprises Project on Job Creation and Poverty Reduction in the Asuogyaman District. The main purpose of the study is academic and respondents and participants are assured of anonymity and confidentiality. It would therefore be appreciated if the following questions could be responded to as accurately as possible and to the best of the respondent(s) knowledge.

NB: Please tick in the appropriate box or fill in where spaces are provided.

Code No.....

Personal data

1. Age of Respondent: 18-29 [] 30-39 [] 40-49 [] 50-59 [] 60 and above []
2. Gender: Male [] Female []
3. Educational Level: Primary [] JHS/Middle School [] SSS/SHS [] Tertiary [] other (specify).....
4. Business Activity

Nature Project Intervention

5. What intervention(s) have you received from the Rural Enterprises Project?
Community Based Training [] Management Training [] Business Counseling []
Technology Promotion [] Financial Support [] Advocacy Training []
Other (specify).....
6. State the specific intervention(s)
 - i.....
 - ii.....
 - iii.....
 - iv.....

7. What was the nature of delivery on supply ☐ on Demand ☐

Implementation Mechanism

8. How long have you been in contact with the Rural Enterprises Project?
One ☐ Two ☐ Three ☐ Four ☐ Above Four ☐
9. How did you get to know of the Rural Enterprises Project? Own Efforts ☐
Local Business Association ☐ Assemblyman via 'Kongon' Beater ☐
District Information Van ☐ REP Staff ☐
10. Are you involved in the planning of intervention(s) you receive from REP?
Yes ☐ No ☐
11. How were you involved? Client Fora ☐ Personal Request ☐ Round table
meeting ☐ Business Orientation Seminars ☐
12. Who then planned the interventions you received? Don't Know ☐ REP
Staff ☐ Assembly member ☐
13. In your view, will you say that project interventions are imposed on you? Yes
☐ No ☐
14. What percentage of total training cost do you pay to participate in the training
(Commitment Fee)? 10% ☐ 20% ☐ 30% ☐ 40% ☐ 50% and above ☐
15. a. Are you able to pay Yes ☐ No ☐ b. If No,
why?.....
.....
16. In what forms do you pay your commitment fees? Cash ☐ In Kind ☐
other.....

Job Creation

17. Were you employed before you first got into contact with REP? Yes ☐ No ☐
] If No please go to 18
18. What were you doing then?
.....
19. How many new business have you opened since? One ☐ Two ☐ Three ☐
] Four ☐
20. How many people have your establishment employed so far? One ☐ Two ☐
] Three ☐ Four ☐ Others (Specify).....
21. What type of employees do you have? Paid workers ☐ Family workers ☐

Technology Promotion and Skills transfer

22. What process and skills did you use to carry out your business before REP intervention?
Traditional/ Manual ☐ Mechanical ☐ Automation ☐
23. What types of technology do you current employ in your Business?
Traditional/ Manual ☐ Mechanical ☐ Automation ☐
24. Have you benefited from the services of a Rural Technology Facility (RTF) before? Yes ☐ No ☐
25. How do you acquire appropriate technological equipment/tools or service for your business? Other RTFs ☐ Private Purchase ☐
26. What type of technology promotion interventions have you benefited from under REP? GASF ☐ NVTI Certification ☐ OSHEM ☐ Matching Grant Fund ☐ Technology Transfer Training ☐
27. How has these service(s) affected your business (es) or changed your mode of operation? Business Assets ☐ Increased Production ☐ Increased Sales ☐ improved packaging ☐ Increased customer base ☐

Business Growth and Entrepreneurial Skills

28. What type of administrative and business management methods did you use in your operation before REP? Record/Book Keeping ☐ Customer care ☐ personal neatness ☐
Neat business premises ☐ Punctuality ☐ Proper Costing and Pricing ☐ None ☐
29. In what way(s) would you say your entrepreneurial and business management skills has improved
Record/Book Keeping ☐ Proper Costing and Pricing ☐ Customer care ☐ Personal neatness ☐ Neat business premises ☐ Punctuality ☐ Others specify.....
30. In what ways has your business been improved as a result of REP activities?
Business Assets ☐ Increased Production ☐ Increased Sales ☐ improved packaging ☐

31. What is your means of product promotion/marketing Strategies? Word of Mouth ☐ FM Radio ☐ Free Samples ☐ Trade Shows ☐ others (specify).....
32. Which of these institutions is your business registered with? Registrar General ☐ District Assembly ☐ Local Business Association ☐ None ☐
33. Do operate an Active Bank Account? Pre REP Yes ☐ No ☐ Post-REP Yes ☐ No ☐
34. Do you have access to credit facilities? Yes ☐ No ☐
35. Have you ever applied for loan from a financial institution? Yes ☐ No ☐
(b) If Yes, from which of these institutions? Participating Financial Institutions (PFIs) ☐ Non-PFIs NGO ☐ Credit Union ☐
(c) If No, why?
.....
...
36. In which other ways do you think your business could be supported for enhancement?
Business Management ☐ Advanced Skills Training ☐ Business Counseling ☐ Business Registration ☐ Tools/Equipment ☐ Financial ☐ Financial Management ☐
Others.....
.....
37. In your view do you think the support to your business is yielding the desired impact? Yes ☐ No ☐
(b) Explain your answer
.....
.....
.....

Livelihood of REP beneficiaries

38. Please complete the Table below

No.	Questions	Pre-REP Intervention	Post-REP Intervention
a.	Who is the bread winner of your household	Beneficiary [] Spouse [] other [] family member []	Beneficiary [] Spouse [] other [] family member []
b.	Ability to pay school fees	Yes [] No [] Sometimes []	Yes [] No [] Sometimes []
c.	What is your source of income for your house	Farm [] Business [] Spouse []	Farm [] Business [] Spouse []
d.	On the average how much do you spend on your family daily
e.	How many times do your family feed a day	Once [] Two [] Three []	Once [] Two [] Three []
f.	What is your source of drinking water	Pipe-borne [] Bore-hole [] Stream/River [] Sachet []	Pipe-borne [] Bore-hole [] Stream/River [] Sachet []
g.	What of type of housing arrangement are you using	Own [] Rent [] Family House [] Perching []	Own [] Rent [] Family House [] Perching []
h.	What is the main source of lighting in your household	Lantern [] Candle [] Electricity []	Lantern [] Candle [] Electricity []
i.	How many rooms does your household occupy	One [] Two [] Three [] others []	One [] Two [] Three [] others []
j.	Are you an NHIS member	Yes [] No []	Yes [] No []
k.	How many of your dependents are NHIS members
l.	Ability to pay taxes	Yes [] No []	Yes [] No []

39. Has Your living standard improved since you encountered REP Yes [] No []

Explain your

answer.....

.....

40. Can we say that REP is the appropriate strategy for job creation and poverty reduction

Strongly Agree [] Agree [] Undecided [] Disagree []

Strongly Disagree []

APPENDICE II

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY COMMONWEALTH EXECUTIVE MASTERS IN BUSINESS ADMINISTRATION

QUESTIONNAIRE FOR REP STAKEHOLDERS IN THE ASUOGYAMAN DISTRICT

This research is being conducted to reveal the influence of the Rural Enterprises Project on Job Creation and Poverty Reduction in the Asuogyaman District. The main purpose of the study is academic and respondents and participants are assured of anonymity and confidentiality. It would therefore be appreciated if the following questions could be responded to as accurately as possible and to the best of the respondent(s) knowledge.

NB: Please tick in the appropriate box or fill in where spaces are provided.

Code No.....

Personal data

1. Gender: Male ☐ Female ☐
2. Reporting Stakeholder: Dist. Executive Member ☐ MSE Dev'tC'ttee Member ☐ Project Staff ☐
3. Number of years worked in current position

Nature of Project Intervention

4. State the specific types of intervention that have been provided to beneficiaries under each component of REP

Components	Types of interventions
Business Development Services	Batik tie & dye production <input type="checkbox"/> oil palm processing <input type="checkbox"/> Grass cutter rearing <input type="checkbox"/> Gari/Cassava processing <input type="checkbox"/> Fish farming <input type="checkbox"/> Baking and Confectionery <input type="checkbox"/> Pomade and powder making <input type="checkbox"/> Beads making <input type="checkbox"/>]Snail farming <input type="checkbox"/> Beekeeping <input type="checkbox"/> Hairdressing <input type="checkbox"/> Dressmaking <input type="checkbox"/> SBMT in Records Keeping <input type="checkbox"/> SBMT in Costing and Pricing Business Orientation Seminar <input type="checkbox"/> Customer care <input type="checkbox"/> Study Tour <input type="checkbox"/> Literacy and Numeracy training <input type="checkbox"/> Marketing Seminar <input type="checkbox"/> Trade Shows <input type="checkbox"/> Group

	Dynamic Training [] Business Counseling [] Customer care []
Technology Promotion and Support to Apprentices (TPSAT)	Technology transfer training for mastercraftspersons [] Manufacturing and Field demonstration of appropriate equipment[] Occupational Safety And Environmental Management (OSHEM) Training [] Graduate Apprentice Support Funds (GASF) [] Business Improvement Equipment Support [] NVTI Certification []
Rural Financial Services (RFS)	Credit management [] Banking Culture [] REDF [] Participating Financial Institutions (PFIs) []
Support to MSE Organisations and Partnership Building	Establishment of MSE Sub-Committees [] Training in Group Dynamics [] Strengthening Local Business Associations (LBAs) [] Training in advocacy of LBAs [] Collaboration with other relevant MSE Support Institutions []

5. What was the nature of package delivery? on supply [] on Demand []

Explain your

answer:.....
.....
.....

Implementation Mechanism

6. Why did Asuogyaman apply to be enrolled unto the Rural Enterprises Project?

Low standards of living [] high rate of unemployment [] lack of competitive MSEs []
other

7. How was Asuogyaman district selected to benefit from the Rural Enterprises Project?

.....
.....
.....
.....

8. What role do you as a stakeholder play in the implementation of REP?
Needs Assessment [] Planning and Budgeting of Programmes []
Monitoring and Evaluation Activities [] Training Programmes []
Others.....
9. What role does the Assembly play in the implementation of REP? Needs
Assessment [] Planning and Budgeting of Programmes [] Monitoring and
Evaluation Activities [] Recruitment of Supporting Staff [] Financial
Commitment of Recurrent Budgets of the BAC [] Provision of Office
Accommodation and utilities []
Others.....
10. As a Stakeholder, have you been involved in the implementation of REP II?
Yes [] No []
11. If yes, how were you involved? Needs Assessment [] Planning and
Budgeting of Programmes [] Monitoring and Evaluation Activities []
Training Programmes []
Others(specify).....
12. Are there other stakeholder organisation involved in the implementation of
REP Yes [] No []
13. If yes, indicate the organizations and their role.

ORGANISATION	ROLE

14. How are people made aware of activities of the Rural Enterprises Project? Own
Efforts [] Local Business Association [] Assemblyman via 'Kongon'
Beater [] District Information Van [] REP Staff []
15. What do you think are the challenges in the implementation of the Rural
Enterprises
Project?.....
.....
.....

Job Creation

16. Do you think that all the beneficiaries who were trained in employable skills have been able to established businesses out of it? Yes [☐] No [☐]

17. If no, what factors could account for the failure of project beneficiaries to start the own businesses?

Lack of Start-up Capital [☐] Unavailability of Raw Materials [☐] Inadequate

Monitoring and follow up [☐] Sheer Laziness [☐]

other.....

18. In your opinion do you think REP is a good means of creating employment in Asuogyaman? Yes [☐] No [☐]

Comment on your answer.....

Technology Promotion and Skills transfer

19. Does Asuogyaman have a Rural Technology Facility (RTF)? Yes [☐] No [☐]

b. If no,

why?.....

.....

20. How does the district benefit from the services of the Rural Technology Facility? Outsource from other RTFs [☐] Outsource from other private institutions [☐] Don't Know [☐]

21. What other technology promotion services have the district benefitted from REP? GASF [☐] NVTI Certification [☐] OSHEM [☐] Technology Transfer Training [☐] None [☐]

22. How have these service(s) affected in mode of operation of MSEs in the district? Business Assets [☐] Increased Production [☐] Increased Sales [☐] improved packaging [☐] Increased customer base [☐] increased efficiency [☐] None [☐]

Business Growth and Entrepreneurial Skills

23. In what way(s) would you say beneficiaries' entrepreneurial and business management skills have improved since REP intervention? Record/Book Keeping ☐ Customer care ☐ personal neatness ☐ neat business premises ☐ Punctuality ☐ Others specify.....
24. In what ways has MSEs been improved since REP intervention? Business Assets ☐ Increased Production ☐ Increased Sales ☐ improved packaging ☐ improved quality ☐
25. Do MSEs in Asuogyaman have access to credit facilities? Yes ☐ No ☐
26. Which of these financial institutions are available to give credit to MSEs in Asuogyaman? Participating Financial Institutions (PFIs) ☐ Non-PFIs NGO ☐ Credit Union ☐
27. In your view do you think the support provided by REP to beneficiaries/ MSEs are yielding the desired impact? Yes ☐ No ☐
- (b) Explain your answer
.....
28. On the whole, as a key stakeholder of REP in Asuogyaman, to what extent would you say the following objectives of REP has been achieved in the Asuogyaman District using a scale of 1 – 5 with 1 meaning strongly disagree, 2 disagree, 3 undecided, 4 agree, 5 strongly agree

No.	REP Objectives	Please tick in order of importance				
		5	4	3	2	1
a.	Increase in income of women and vulnerable groups					
b.	Increase in self and wage employment					
c.	Strengthen Competitive rural micro and small-scale enterprises MSEs					
d.	providing relevant and sustainable support services					
e.	Strengthening the production techniques and management practices of existing MSEs					
f.	enhanced the quality, design and packaging of the goods and services produced by rural MSEs;					
g.	increased access to working capital and investment funds;					
h.	introduction environmentally friendly production techniques					
i.	Empowered trade associations and client					

	organizations, thus increasing their participation in decision making and policy dialogue at local and national levels.					
j.	reduction of poverty and improvement in the living conditions					

29. We can say that REP is the appropriate strategy for job creation and poverty reduction

Strongly Agree [] Agree [] Undecided [] Disagree [] Strongly Disagree

b. Comment on your opinion.....



APPENDIX III: RURAL ENTERPRISES PROJECT IN PICTURES



Beneficiaries undergoing SBMT in Records Keeping



A Client Exhibiting her Records Book



Finished Product for the market



A Client exhibiting products at the market for sale



A Hairdressing Client attending to her customers



Oil Palm Processors at works



Improved packaging Palm oil for sale



Stakeholder Participation and needs assessment is key to success



More income generating activities for the people



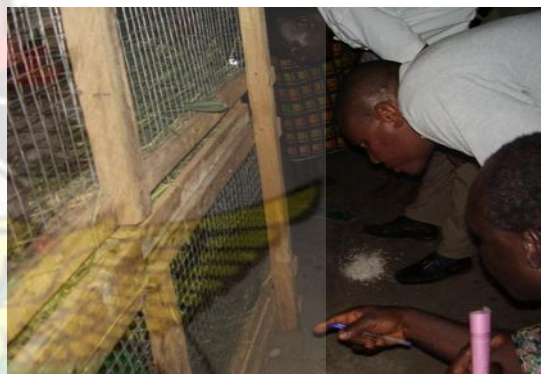
A Batik Tie & Dye Beneficiaries at Work



A beneficiary displays her products



M & E Officers interacting with a Grass cutter Farmer



Some soap makers at work



A picture of an RTF, (insert: staff and customers at work)