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SOCIAL NETWORKING AND ENTERPRISE SURVIVABILITY IN UGANDA: A CASE OF THE MICRO AND SMALL ENTERPRISES IN WAKISO DISTRICT, UGANDA

Micro and Small enterprises (MSEs) in Uganda face survival challenges and many of them collapse before celebrating their first anniversary, and those that manage still show survival challenges. This study sought to examine the influence of social networking on Micro and Small Enterprise survivability. The study employed the cross sectional survey research design and adopted the positivist approach. The population of this study was all licensed MSEs registered with Wakiso district database with accessible population of 1,500 MSEs. Questionnaires were distributed to a sample of 306 owners/managers of MSEs operating in Wakiso district. SPSS version 16 was used as a tool to analyze the data. Linear regression analysis was used to establish the influence of the social networking on the dimensions of Micro and Small Enterprise survivability. Results revealed that social networking had a positive and significant influence on profitability ($r=0.470$, $t=8.89$, $p\text{-value}=0.000 < \alpha=0.05$), stability ($r=0.199$, $t=3.39$, $p\text{-value}=0.001 < \alpha=0.05$) and continuous resource availability ($r=0.317$, $t=5.582$, $p\text{-value}=0.000 < \alpha=0.05$) with a positive and significant influence on the combined effect of enterprise survivability ($r=0.395$, $t=7.184$, $p\text{-value}=0.000 < \alpha=0.05$). Findings also showed that social networking explained 15.3% of the variation in enterprise survivability. This confirms that social networking significantly contributes to MSE survivability. Practical implications are that enterprise survivability can be predicted by social networking. Therefore the study recommends that policies and programs to enhance owner/managers' social networking skills should be implemented to enhance MSE survivability. Government should provide forums to Micro and Small enterprise owners/managers aimed at networking together with other stakeholders to build capacity. Micro and Small enterprise owners/managers also need to establish long-term relationships with customers, suppliers, employees, and other stakeholders involved in order to enhance their enterprise survivability.

Key words: Enterprise survivability, micro and small enterprises, survival challenges, social networking.

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