

# Pathways for Indigenous Entrepreneurs in Mutare City Green Market Industrial Area

Stephen Mwenje\*

*Department of educational Studies, Senior lecturer Zimbabwe Open University, Zimbabwe*

## Abstract

The quest to tackle the unemployment challenge in Zimbabwe is high on the government of Zimbabwe's agenda. The city of Mutare is not spared as it has a high rate of formal unemployment that gave rise to informal artisanal activities in the Green market industrial area. However, majority of start-ups struggle to expand and employ more labour force. It was against the backdrop of these constraints that this study sought to investigate how artisanal entrepreneurs in Mutare's green market industrial area identify opportunities to expand their business ventures. The study was qualitative and used a multiple case study method. The population was 97 entrepreneurs in the green market area categorized into cases of 29 entrepreneurs on serviced industrial stands, 35 on council rented stalls and 33 on open spaces and by the roadside. Purposive sampling was used to select 31 entrepreneurs from three different cases. Participant observations, unstructured interviews and semi-structured interviews were used to generate data to build cases. Thematic analysis was used to analyse data. The study established cases of entrepreneurs at various sites. In each case, opportunities for business expansion was influenced by various dynamics. The study concluded that venture expansion is influenced by entrepreneur prior knowledge, experiences, and social networks. The study recommends that city fathers provide more land and built more industrial sites. Zimbabwe Open University must initiate training to address skills needs of budding entrepreneurs.

**Keywords:** Entrepreneurship pathway • Opportunity recognition

## Background to the Problem

The quest to tackle the unemployment challenge through heritage, innovation and industrialisation Zimbabwe is high on the government of Zimbabwe's agenda [1]. The city of Mutare is not spared as it has a high rate of formal unemployment that gave rise to informal artisanal activities particularly in the Green market industrial area [2,3]. However, this unemployment situation seems to have given birth to a proliferation of informal artisanal activities in various designated and undesignated parts of the city [2]. Of particular note is the Green market industrial area. This green market area has developed into a hub of artisanal small-scale entrepreneurial activities producing in various goods. Despite these developments, majority of the entrepreneurs who started up failed to expand their ventures into competitiveness [2]. The quality of products and services seems to reflect lack of knowledge to move the enterprises into competitiveness. According to Mauchi, Karambakuwa, Gopo, Njanje, Mangwende and Gombarume [4], majority of budding entrepreneurs in the city of Mutare collapse at take off or struggle to expand and employ more labour force. A few that have survived are small ventures that employ very few people. It is not clear why majority of the artisanal entrepreneurs in the city struggle to expand yet the province is endowed with natural resources and is near to the sea.

While it is widely accepted that SMEs that successfully take off must naturally expand into industrialization and employ additional labour force over time, this may not be the case in Zimbabwe as national statistics show that majority of indigenous SMEs struggle to expand into competitiveness. According to ZIMSTAT [5] out of the labour force employed in the informal sector, 28, 3%, work in SMEs operating in homes while 18, 5% work for entrepreneurs whose ventures operate on footpaths or open spaces. Only 17.8% work in SMEs operating in permanent buildings while 32, 3% work in ventures with no fixed locations of work. This trend confirms constraints in securing places of

work and lack of innovativeness among SMEs in venturing into the knowledge economy. Manicaland provincial statistics show that 61,4% of economically active people in the province are own-account workers. However, only 0, 3% of these economically active people are employers [5]. This trend shows that very few entrepreneurs in the province have enterprises that are expanding in terms of labour intake.

The scenario above is in line with a study by Mauchi, Karambakuwa, Gopo, Njanje, Mangwende and Gombarume [4], that established that many SMEs in Zimbabwe are retail oriented, majority employing less than 5 people with business approaches that have limited science and technology orientation, narrow scope of business operation and limited resources for expansion. These variables have a negative influence on their growth and capacity to employ more labour force. However, this perspective seems to focus more on the business environment of the SMEs, and less on the competencies of the entrepreneurs unrecognized and exploiting opportunities available in the local environment.

The quest to capacitate indigenous entrepreneurs to recognise and exploit business opportunities to expand their enterprises into industrialization is a main thrust of the government of Zimbabwe. For the city of Mutare, these heritage based initiatives are supported by a vast array of natural resources in the province and the city's proximity to the sea. This is in addition to proffered growth support strategies targeting indigenous entrepreneurs. For instance, the 2019 national annual budget highlighted policy measures that offered opportunities for budding entrepreneurs to expand into the knowledge economy by producing goods and services for export. The budget provided export driven incentives aimed at capacitating local entrepreneurs to create employment by increasing export oriented activities [1]. Despite the vast opportunities for Mutare's SMEs there could be some underlying challenges hindering indigenous entrepreneurs in Mutare, to recognise and exploit opportunities available.

Some studies have attempted to establish why small businesses in Zimbabwe struggle to expand. For example, a study by Chipangura and Kaseke [6] established that small businesses in Zimbabwe are not expanding and do not survive during the first five years of their inception due to the uncompetitive business environment. Similarly, a study by Sikomwe, Kandufu, Ginga, and Mudzurandende, [7] established that while SMEs account for the bulk of ventures outside the agricultural sector and constitute the major source of employment, majority lack capacity to expand through science, technology innovation. A study by Mutengezama, Gombarume, Njanike and Charikinya

\*Address for Correspondence: Mwenje S, Department of educational Studies, Senior lecturer Zimbabwe Open University, Zimbabwe, Tel: +263772927234, E-mail: stephen.mwenje@gmail.com

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[8] established that the growth of SMEs in Zimbabwe is characterised by higher rates of failure and less equipped human and capital resources to withstand competition. Many entrepreneurs have uncoordinated business plans leading to non-bankable business projects. In the same vein, Mutengezama, Gombarume, Njanike and Charikinya [8] established that major challenges faced by SMEs in Zimbabwe are expensive capital from financial institutions and perceptions by financiers of seeing SMEs as having higher risks. However, these studies focused more on business environments and less on cognitive competencies of entrepreneurs. While these studies confirmed why small businesses in Zimbabwe struggle to expand within their business paths, they highlighted external factors and did not explain entrepreneur competences.

It was in the context of these issues that this study sought to investigate how entrepreneurs in Mutare's green market industrial area recognized and exploited available opportunities for expanding their ventures.

## Research Question

How do artisanal entrepreneurs in Mutare's green market industrial area identify opportunities to expand their business ventures?

### Research questions

1. What type of business paths do entrepreneurs in Mutare's green market industrial area move in?
2. How do entrepreneurs' prior knowledge and experiences influence the entrepreneurs to identify opportunities to expand their ventures?
3. How do entrepreneurs' social networks influence the entrepreneurs to recognize opportunities to expand their ventures?

## Review of Related Literature

Entrepreneurship is a field that studies sources of opportunities and processes by which the opportunities are formed and exploited. However, there are different perspectives that explain what opportunities are and how people recognize them. According to Mc Mullen and Shepherd [9] an opportunity is a perceived means of generating economic value that has not been exploited by others. In turn, Buang [10] sees opportunity recognition as a cognitive process through which entrepreneurs conclude that they have identified an opportunity. In the same vein, Rauch and Frese [11] understand opportunity recognition as a process of perceiving needs and gaps in the market and subsequent discovery and creation of suitable solutions for them. Whatever perspective is taken, opportunity recognition is a critical element in the growth of ventures as opportunities become sources where entrepreneurs get ideas to start or expand their businesses.

The capacity of opportunity recognition enables entrepreneurs to recognize opportunities for expanding their ventures through searching, discovering and creating opportunities [12]. Opportunity recognition enables entrepreneurs to create new ideas to expand within their business paths [13]. Knowledge and skills to identify and develop an opportunity for expanding a business venture is therefore an important characteristics for any budding entrepreneur. However, as pointed out by Munoz, Mosey, and Binks [14] there are knowledge gaps in explaining how opportunity recognition can actually lead an entrepreneur to grow his/her business venture. This led the assumption that while opportunity recognition is critical, there is need to put forward an empirical explanation on how opportunity searching and discovery by budding entrepreneurs can actually contribute to the growth of their businesses.

## Conceptual Framework

The study was guided by the corridor concept [9,12]. The corridor concept is a representation of relationships between an entrepreneur, the business

venture's path and windows of opportunities that come into fold during the business life cycle. The concept explains that the mere act of starting a venture enables an entrepreneur to see other ventures. The concept illustrates that successful entrepreneurs started ventures based on the information and experience they had acquired from starting an earlier venture [9,12]. The concept informs that once an entrepreneur starts a venture and becomes immersed in its industry, the corridor leads to new opportunities which become apparent to the entrepreneur than to someone from outside. Through this concept, successful entrepreneurs start multiple ventures over the course of their careers and their success leads to discovery of more opportunities [9,12]. According to Sub and Gao [12] alertness, social networks and prior knowledge are some of the key drivers to discovery and creation of opportunities. The corridor concept informed this study by illustrating how entrepreneurs expand their ventures or create multiple ventures. The concept illustrated how entrepreneurs open up subsidiary ventures basing on opportunities they had not seen until they started their initial ventures. The concept also informed why some business ventures change their course from the initial path by continuously responding and adapting to market changes.

## Theoretical Framework

One theory that explains the notion of growth of businesses is the theory of innovation by Schumpeter [15]. The theory explains how entrepreneurs perceive opportunities. Opportunities, according to this theory may be in the areas of introduction of new methods of production, opening up new markets, new sources of raw materials and setting up new enterprises. The theory sees an entrepreneur as an inventor and innovator. It sees invention as creation of new things while innovation is application of the new things [16]. Puhaka [13] developed Schumpeter's theory by introducing ways of revolutionizing ventures. This theory contributed to the understanding that as entrepreneurs move along their business paths, they innovate and invent new opportunities to expand their business ventures. In the process they discover and exploit new markets, improve the quality of existing products and expand their methods of production.

Another theory that explains the growth of businesses is Kirzner's theory of entrepreneurial alertness [17]. This theory explains that entrepreneurs can expand their ventures if they are alert to opportunities. Kirzner claims that information gaps exist in the market and people who have entrepreneurial characteristics are alert in identifying the gaps. Alertness is seen by Kirzner as an attribute that helps entrepreneurs to recognise shifts in the market [17]. The theory has many subscribers. Of particular is Obschonka, Silbereisen and Schmitt-Rodermund [18] who explains that alertness is based on cognitive capacities of entrepreneurs such as prior knowledge, skills, experiences, and social networks. Kloosterman [19] extended Kirzner's theory by establishing that an entrepreneur's particular prior knowledge creates a 'knowledge corridor' that allows the entrepreneur to recognise certain opportunities not seen by others. However, the entrepreneur is influenced by his/her experiences, skills and social context. The theory further explains that when entrepreneurs start their ventures, they set off a journey through which windows of opportunities open around them. If they had not started the journey, they would not have been able to see the opportunities. The study was therefore guided by a synthesis of these theories.

## Review of Empirical Studies

A study by Rauch and Fresse [11] established that entrepreneurs who were already in business discovered new opportunities along their business paths in a way that was not planned for but simply because the entrepreneurs were moving in the business path. The study concluded that opportunities cannot come in the entrepreneurs' way when they are not positioned in the business path. This study therefore assumed that all budding entrepreneurs had a potential to discover new knowledge to improve their products and services in line with market demands.

A study by Buang [10] established factors that influence alertness to opportunity recognition namely, prior knowledge and social networks. The study concluded that if an individual identifies information about a particular issue, it will be as a result of previous experiences. With the stock of information and knowledge gained through life experience, some individuals recognise opportunities that are not seen by others. This study therefore explored how increased knowledge in a particular field can give an entrepreneur a competitive advantage within the business path. The study also explored the domain of entrepreneurship activities in the light of social networks which provide linkages for the entrepreneur as a source of resources and opportunities. The assumption was that the social network element enabled the entrepreneur to expand within the business path.

A study by Clear [20] established that entrepreneurs who were alert in scanning and searching for more opportunities developed multiple ventures. The study established that peoples' existing stock of information influences their abilities to be alert to opportunities when encountering challenges. This study therefore sought to establish the characteristics of entrepreneurs in terms of preparedness and sensitivity to new opportunities. The assumption was that with increased knowledge, budding entrepreneurs can develop competencies of scanning and searching for opportunities to expand existing ventures.

A study by Egbert [21] established cases of networks that were associated with new opportunities perceived by entrepreneurs. The study established that entrepreneurs depended on networks they were embedded in and the quantity and nature of social ties were a major source of ideas and opportunities. The study concluded that entrepreneurs make decisions as a result of association, advice and friendship with others. This study therefore subscribed to the logic that sources of new business to expand existing businesses originate from social capital ties of the entrepreneurs.

## Research Methodology

### Research design

The study was qualitative and used a multiple case study method. According to Creswell, [22] the multiple case study method explores real life, systems (cases) over time, through detailed, in-depth data generation from multiple sources of data. The study therefore investigated the problem within the natural business settings of the green market area using multiple sources of data. The multiple case study method enabled the researcher to immensely involve himself in the activities of the entrepreneurs to get a holistic and comprehensive picture of activities [23]. The case study method was intensive and enabled the researcher to explore activities continuously over time. It also enabled the researcher to compare facts emanating from different cases thereby giving the researcher analytical power to synthesise business paths in the cases [24]. However, the method provided limited representativeness due to its narrow focus and lack of generalisation. It was subjective and prone to bias at data collection and interpretation [24].

### Population

The population comprised of all entrepreneurs who operated in the green market area. The population was categorized into cases comprising 29 entrepreneurs who operated in serviced industrial stands ranging from 300m<sup>2</sup> to 1000m<sup>2</sup> each, 35 entrepreneurs who operated in council rented stalls of 30m<sup>2</sup> and 33 entrepreneurs who operated on open spaces or by the road side. In total the population comprised of 97 entrepreneurs in the green market area.

### Sample

The sample was purposive comprising of 31 entrepreneurs from three cases. These entrepreneurs were in business paths available in each of the three cases. The cases were 10 entrepreneurs in steel fabrication, 10 in timber retailing, 5 in wood technology and 6 in timber saw milling business. However, the purposive sample was created based on the researcher's synthesis of data from cases and his judgement and was therefore a subject

of researcher bias.

### Sampling techniques

The researcher used purposive sampling. Purposive sampling enabled the researcher to reach out to cases of business activities within their different places of work. Purposive sampling is a non-probability sampling technique where a sample is selected based on characteristics of a population [25]. Purposive sampling is also known to be judgmental, selective or subjective [26]. The researcher relied on personal judgment to select cases of entrepreneurs. The main goal was to identify and categorise particular characteristics of entrepreneurs that were of interest to the researcher. The sample was therefore subjective, representing characteristics of entrepreneurs in each business category and not representative of the population [22].

## Data generation Instruments

### Participant observation

The researcher started as a participant observer observing how entrepreneurs engaged in their activities. The researcher explored how the entrepreneurs interacted with their customers and suppliers. After the first few visits to the sites, entrepreneurs began to see the researcher as a supporter of their businesses [27]. Repeated visits enabled the researcher to build relationships with the entrepreneurs and to get insight into inside activities. Repeated visits gave the researcher first hand experiences into meanings entrepreneurs attached to their activities. The researcher started with an open mind and interacted with the entrepreneurs while learning new insights. The researcher observed the entrepreneurs and gained experience by taking part in some of the activities [24].

The researcher used a semi-structured template to generate observational data. The researcher organised field notes into categories of the entrepreneurs' business paths, nature of activities and employees. The template recorded how exactly the entrepreneurs and employees did their work and how they characterized what they did. The researcher recorded the assumptions they made, what was going on and new things learnt. Saunders, Lewis and Thornhill [27] While participant observation allowed the researcher to experience and see things through the eyes of entrepreneurs, the researcher took coincidence of shortfalls [24]. For example, the method made entrepreneurs feel that they were observed and modified their operations. In addition, participant observation was unsystematic and could not be replicated.

### Unstructured Interviews

After participant observations, the researcher used unstructured interviews. The researcher came to the green market area with no predetermined questions about the activities of entrepreneurs and realities of their social interactions. Instead, the researcher had broad guidelines on topical issues. The researcher made conversations with the entrepreneurs and generated questions in response to their narrations. The questions naturally flowed from participant observations and were built from social interaction between the researcher and entrepreneurs. This helped the researcher to generate themes and informed insights from the entrepreneurs' perspectives. In this way the researcher generated data from the complex behaviours of the entrepreneurs within their business paths without imposing any prior knowledge, which could have narrowed the scope of the inquiry. However, the researcher took coincidence of shortfalls of this instrument such as the effect of its flexibility and unreliability.

### Semi-structured interviews

Semi-structured interviews were used after data from the cases had been synthesised. The purpose was to generate data on each business path synthesised from the cases. The researcher focused on identical questions on the business paths. The semi-structured interviews had features of both open and closed questions [22]. Questions were constant across



all entrepreneurs in the categorized business paths [23]. Semi structured interviews had the advantage of generating data that were fairly flexible and easy to analyse. Open ended questions allowed the entrepreneurs to express their opinions freely [23]. Open ended questions also allowed probing for data on complex issues. While it was difficult to standardize interviews across all entrepreneurs, the technique enabled variation of questions to suit different contexts [22]. However, the researcher took coincidence of shortfalls of semi- structured interviews such as generation of responses difficult to compare [26].

### Data generation techniques

The researcher started by observing activities and interacting with the entrepreneurs, asking questions and listening to their views. After generating broad themes, the researcher used un-structured interviews to build on the observational data. The researcher then used the data to categories cases. Synthesis of data from the cases enabled the researcher to identify generic business paths from with semi-structured interviews were used to generate data for further research questions.

### Data analysis techniques

Data analysis involved thematic analysis. This involved breaking the data into manageable units, coding, and synthesizing it to categories cases and to produce emerging themes from each case of entrepreneurs.

### Ethical considerations

During the first phase, the researcher was cleared by council authorities to see the chair person of a committee of entrepreneurs in the green market area. The chairperson became the gate keeper and introduced the researcher to other subcommittee members. The members then networked with other entrepreneurs informing them of the study's scope and intended methods of data generation. During subsequent visits, the researcher guaranteed all entrepreneurs that their businesses could not be harmed from participation. The researcher ensured that confidentiality and anonymity of entrepreneurs was secured through removal of elements of identity. Participation was voluntary with no coercion to participate [27]. Overt observation allowed the researcher to avoid the ethical problem of being suspected to be deceitful.

## Research Findings

### Distribution of entrepreneurs by business path, place of work and number of employees

Through participant observation, the researcher generated themes that categorized cases of entrepreneurs according to business path, place of work and number of employees.

#### Case one: Entrepreneurs on serviced premises

The researcher observed business paths of steel fabrication, motor vehicle spare parts dealers, panel beaters, car repairing, timber saw milling, scrap metal dealers, steel merchandising, coffin manufacturing, timber retailing and wood technology. Altogether there were 29 entrepreneurs in this case. Majority of entrepreneurs in serviced premises were in steel selling. However, there were only four employees altogether. The entrepreneurs did not see any opportunities for adding value to the steel they were selling.

The researcher observed that three entrepreneurs were in the path of selling motor vehicle spare parts with only three employees. The entrepreneurs had no plans for innovating new technologies for repairing vehicles. The researcher observed three entrepreneurs in cargo transport who had six employees and three entrepreneurs in car repairing with three employees. While the entrepreneurs expressed desire to procure bigger trucks, they had no capacity to acquire haulage trucks. There were three entrepreneurs in timber saw milling with six employees. The saw milers did not see it feasible to expand their activities by procuring high-tech equipment.

The researcher observed that on average the employer/ employee ratio was one to one implying that the entrepreneurs in serviced premises lacked

innovativeness such as bringing in high tech labour to utilize available resources from the local environment. These findings are an extension to Schumpeter's [15] that says that entrepreneurs who are innovative, expand their ventures through new methods of production, sources of raw material and markets [13,16].

#### Case 2: Entrepreneurs in rented council stalls

Data from researcher's observation established business paths of steel fabrication, wood technology, furniture upholstery, steel merchandising, timber retailing, timber saw milling, general dealers (lubricants, bolts, nuts, tools), sheet metal fabrication, coffin manufacturing and small scale engineering. Altogether there were 35 entrepreneurs in this case. The researcher observed that eight entrepreneurs who operated in rented stalls sold lubricants, bolts and nuts. However, only two employees in this business were identified. The entrepreneurs had not ambitions for starting hardware shops. There were seven entrepreneurs in small scale manufacturing of farming, construction and industrial products with six employees. The entrepreneurs had not knowledge and skills to compete against similar products flooding the market from neighboring countries. There were five entrepreneurs in sheet metal fabrication with no employees. The entrepreneurs had no prior knowledge and skills acquired before venture into the sheet metal business and could not express plans for technological innovations.

In the main, the entrepreneurs in council rented stalls lacked competencies in expanding their operations and acquiring high-tech labour force. These findings built on to the theory Kirzner [17]. that says alertness to opportunities and gaps in the market are influenced by prior knowledge and skills and together lead to business expansion [18,19].

#### Case 3: Entrepreneurs on open space and by road side

Data from researcher's observation of entrepreneurs on open space and by road side show motor repairing, car accessories, steel fabrication, tyre mending and selling, timber retailing, wood technology, sign writing, gas filling, transport, spray painting, timber saw milling. The researcher observed that five entrepreneurs were in steel fabrication, five in transport and four in motor repairing. However, there were no employees. Employees were identified in wood technology; timber saw milling and timber retailing. In total there were 33 entrepreneurs in various business paths with 6 employees in total. All entrepreneurs demonstrated previous knowledge and experience acquired through mentorship before their startups. However, they did not see any immediate opportunities for acquiring additional capital and larger spaces. This implies that while entrepreneurs operating on open space were attracted into these sites through previous knowledge and experiences, they lacked knowledge and skills to identify new windows for expansion [9,12].

### Synthesis of business paths

Data from cases of entrepreneurs on serviced premises, rented stalls, open space and road sides show that dominant business corridors were of steel fabrication, wood technology, timber retailing and saw milling. However, there was very little labour intake. One average the employer/ employee ratio was 1:1. Data confirmed that these business corridors were pioneer ventures in the green market area. However, the entrepreneurs fell short in innovating new methods of production, raw materials and product competitiveness. The entrepreneurs lacked competences of alertness to new opportunities and to gaps in markets [9,12,19]. These cases became unit of analysis on how entrepreneur prior knowledge and experience led to start ups and how social networks influenced the entrepreneurs to expand their ventures.

### The influence of prior knowledge on opportunity identification.

All entrepreneurs in steel fabrication had 'O' level qualifications as their highest qualifications. However, the academic knowledge had no influence on their startups. Before getting into steel fabrication the entrepreneurs got mentorship from experienced steel fabrication artisans from which new opportunities for startups emerged. One entrepreneur on serviced stands

said "I saw market opportunities and developed techniques of manufacturing building materials through joint ventures with experienced artisans." However, none of the entrepreneurs later on acquired further skills to venture into full scale industrialization. This is contrary to Buang's [10] findings that higher level of education increases individuals' knowledge base which in turn lead to increased recognition of more opportunities.

Entrepreneurs in wood technology were influenced by their prior knowledge in wood industry. One entrepreneur had a diploma in carpentry from vocational training college. The other had been inspired by 'O' level wood technology. One of the entrepreneur said "I did vocational training in carpentry and got employed in timber industries in Mutare. However, further in-service training opened opportunities for startup" These findings confirm that prior knowledge and subsequent experiences lead to venture startups which in turn lead to discovery of new opportunities in the business path [9,12,19].

Data show that in the saw milling business, all entrepreneurs had previous knowledge of working in mainstream industries. One of the entrepreneurs said "before joining the industry, I worked in timber factories. However, when the industries closed, I bought a small saw mill". Another entrepreneur said "I worked in timber plantations and decided to buy raw timber for sawing and selling in Mutare". The entrepreneurs had not idea on how to develop their ventures into full scale enterprise and had received no further training in managing saw milling business. These findings are in line with Baung and Clear [10,20]. Who established that prior knowledge contributes to scoring for opportunities provided it is utilized and developed.

However, there were some entrepreneurs who started without any qualification in the trade but utilized their knowledge and acquired skills as the enterprise grew. For example, one of the entrepreneurs in furniture making discovered new markets and improved product range overtime. The entrepreneur said, "I developed skills in making furniture by responding to the needs of Indian furniture clients". This is in line with Rauch and Fresse [11] who established that entrepreneurs who were already in business discovered new opportunities along their business paths.

One entrepreneur in timber retailing said that he was inspired by working in a family business. The entrepreneur said "I had no other knowledge in timber selling except that from my father who left me running the business. However, I perfected my skills of buying and selling timber from sawmills and this contributed to the start-up." A female entrepreneur who was a widow said the knowledge and experience during her husband's tenure contributed to her ability to open up new markets when she took over. Her husband had started by making household furniture at a backyard cottage. The widow acquired further skills through technical vocational training. This improved products and enabled her to acquire bigger contracts in making beds, doors and kitchen units. However, the widow lacked lifelong training to keep abreast with demands in the business path. This is in line with Baung [10] who established that increased knowledge contributes to alertness and competitive advantage.

### **How previous experiences influence opportunity identification and business expansion.**

Entrepreneurs in steel fabrication narrated their experiences in metal work at secondary school as an initial source of interest. One of the entrepreneurs said that "My secondary school experiences in metal fabrication inspired me to get into the business". I have no other qualification but I survive in the business through improving my products". One started as a young apprentice of a mentor who manufactured water tins, small watering equipment, utensils, chicken feeding equipment and gutters and kitchen utensils and graduated into window frames, door frames and gates. All entrepreneurs acknowledged the role of previous experience in surviving and growing the business [10,11].

However, data show that some entrepreneurs were in businesses they had not trained in but were influenced by the technical skills they acquired over the years. For example, one entrepreneur had a degree in social sciences while the other had a diploma in human resources. Both said they were motivated by the works of entrepreneurs they worked for. They had moved

on to start their own ventures. One entrepreneur said "I got the passion for upholstery business through working for various carpentry industries over theyears". These findings show that experiences can create passion and alertness that in turn lead to opportunity search and discovery [10,20].

An entrepreneur in the coffin making business was a seasoned broker in the funeral pallor business. The entrepreneur moved into the coffin business due to increase in demand for coffins and due to breakthrough into markets of funeral palars. The entrepreneur said "there are many opportunities in sight for expansion as long as the palours continue to give me contracts and new coffin designs [10,11,20]. However, judging by the manufacturing process and type of labour used, the entrepreneur lacked knowledge and skills to venture into high tech production.

### **The role of social networks on opportunity identification and business expansion**

Entrepreneurs in the steel fabrication said that they did not belong to associations or unions. However, they stocked up all types of steel and offered credit terms to steel fabricators in green market area. The merchants procured steel from dealers in Harare on contractual terms. In some cases, some merchants supplied steel to artisans who in turn manufactured products that the merchants supplied to established hardware dealers. However, the artisans said the arrangements were not in their favour but had no other network options.

Entrepreneurs in the wood technology were contracted by Indian dealers to supply products that the dealers paid for after selling. Some artisans were affiliated to cooperatives organized by the Ministry of Small Enterprise development where the entrepreneurs attended workshops and business expos and learnt about new markets [21].

Entrepreneurs in timber retailing business networked with timber dealers in other towns who provided them with timber markets. One timber dealer in serviced premises said "we deliver timber to dealers Masvingo and Bulawayo where the timber is sold to Zambia, Botswana and Namibia [21].

Timber saw millers acquired raw timber from timber plantations in new resettlement farms on credit terms. In some cases, the saw millers acted as agents for merchants who acquired large quantities of raw timber for saw mills in different parts of the country. One saw miller said, "I assist plantation owners to sell raw timber in Mozambique and South Africa [21]. This confirms findings by Egbert that entrepreneurs depended on the networks which they were embedded in. However they lacked the necessary competencies to take off into full scale industrialization.

## **Conclusion**

### **Types of business paths entrepreneurs move in**

1. Budding entrepreneurs in Mutare Green Market area are in pathways of steel fabrication, motor vehicle repair, car accessories, scrap metal, steel merchandising, timber technology, and saw-milling.
2. The entrepreneurs occupying serviced are unable recognize opportunities for value addition through new technologies and innovation.
3. Entrepreneurs on council rented premises lack competencies for upgrading the rented stalls into modern showrooms
4. Entrepreneurs on open space and by road side lacked knowledge for securing capital for constructing modern work spaces and equipment.
5. Steel fabrication, saw milling, timber retailing, and wood technology are dominant paths. However, outdated production methods are in use and products that lack competitiveness are on sale.

### **Influence of prior knowledge and experiences on entrepreneurs**

1. Entrepreneurs are driven into their business paths through mentorship and experiences in working in firms. However, they lack knowledge and skills

for further opportunity search and discovery.

2. Entrepreneurs have no work site training opportunities to build on the knowledge and experiences acquired before startup.

3. Entrepreneurs have ordinary level and vocational education and training. However, it is not developed to capacitate the entrepreneurs to search and discover expansion opportunities.

4. Knowledge and previous experience in factories and family business contributes to start ups. However, no further training is sought to expand the start ups

### How social networks influence entrepreneurs to recognize opportunities

1. There are no associations or unions to support entrepreneurs acquire new knowledge, skills and technologies in respective business paths.

2. There are cartels of middle dealers who take advantage by contracting some artisans to make products for selling to markets outside the city.

3. Trading arrangements between artisans and merchants favour merchants and agents at the expense of entrepreneurs.

4. Entrepreneurs have no direct links with export markets. Instead, some contractors supply raw materials to entrepreneurs on credit and later on acquire finished products for export from the artisans.

## Recommendations

1. Zimbabwe Open University (ZOU) must provide consultancy services of capacitating associations or unions that support entrepreneurs with new knowledge, skills and technologies in respective business disciplines.

2. The Mutare city council and ZOU must provide training and consultancy services to artisans on open spaces and entrepreneurs in rented stalls to capacitate them to upgrade their operations in line with new technologies.

3. The Mutare city council and ZOU must provide monitoring and evaluation services to entrepreneurs on serviced premises to capacitate the entrepreneurs to expand their operations through new technologies.

4. The ministry of SMEs development and ZOU must develop training programmes that capacitate entrepreneurs to take off in their business paths in terms of knowledge, skills, equipment and raw materials and product development.

5. ZOU must conduct lifelong onsite training programmes to capacitate all budding enterprises with business management and technical skills to expand.

6. ZOU must conduct e-learning training programmes in various business paths to enable the budding entrepreneurs to keep abreast with new production and management practices.

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**How to cite this article:** Stephen Mwenje. "Pathways for Indigenous Entrepreneurs in Mutare City Green Market Industrial Area." *J Entrepren Organiz Manag* 10 (2021): 316.