



ISSN: 0976-3031

Available Online at <http://www.recentscientific.com>

CODEN: IJRSFP (USA)

International Journal of Recent Scientific Research
Vol. 8, Issue, 9, pp. 19944-19949, September, 2017

**International Journal of
Recent Scientific
Research**

DOI: 10.24327/IJRSR

Research Article

START-UP SMEs POTENCY IN EMPLOYMENT CREATION FOR YOUTH IN MOZAMBIQUE

SAWAYA Alen¹ and BHERO Shepherd²

¹Zimbabwe Open University (ZOU)

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

DOI: <http://dx.doi.org/10.24327/ijrsr.2017.0809.0792>

ARTICLE INFO

Article History:

Received 15th June, 2017
Received in revised form 25th
July, 2017
Accepted 23rd August, 2017
Published online 28th September, 2017

Key Words:

Manufacturing, Small and Medium
Enterprises, SMEs, Youth Unemployment,
Trading.

ABSTRACT

Youth unemployment is an endemic problem that threatens the stability, social fabric and economic progress of Mozambique. The belief of the leadership and stakeholders in Mozambique is that youths are unemployed because of low levels of entrepreneurship amongst this crucial group in Mozambique. Through entrepreneurship, youths can create small and medium enterprises (SMEs), manage them, earn income and alleviate themselves from poverty. Although policy makers are well aware of the need and importance of SMEs as employment generators, little is known on how or at what stage are SMEs crucial at employment creation especially for the youth. The objective of this study was to evaluate the performance of SMEs in Greater Maputo and to determine how they impact in employment creation. A research using quantitative methodology was carried involving 550 SMEs in Maputo city. Maputo the capital of Mozambique was chosen as the centre of the study to represent the country as a whole, because Maputo is the main centre of economic activities of the country. The sample was chosen using stratified random sampling strategy. A face to face interview was conducted using structured, close-ended questionnaires to collect the primary data. The study found that it was actually start-up SMEs that were more prone to create new employment among the youth in Mozambique, rather than existing and mature SMEs. It was recommended that an overhaul of the whole support system was required in Mozambique, especially targeted at start-up SMEs.

Copyright © SAWAYA Alen and BHERO Shepherd, 2017, this is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution and reproduction in any medium, provided the original work is properly cited.

INTRODUCTION

This paper brings into perspective the role of Small and Medium Enterprises (SMEs) in addressing the problem of unemployment in Mozambique. The Youth Challenge International Report (2009) declared that 39 percent of over 6 million youth in Mozambique, are in a state of non-employment (meaning they are either unemployed or in school). According to Podesta (2013), having unchecked youth unemployment tended to increase social ills such as rise in criminality, prostitution and drug use. In Mozambique, unemployment is increasing because the labour market is unable to absorb the hundreds of thousands of young people entering the market every year. Existing literature has not addressed fully the reasons for SMEs failure in both the developed and especially the developing countries. But one thing for sure that is evident is the need of support to sustain and maintain the SMEs at birth, and during the time of growth (Okpara, 2011). The objective of this paper is to analyze the concept of youth unemployment in Mozambique, taking the city of Maputo as a study point and then proceed to evaluate

the formation and importance of SMEs in the economy, especially their role as employment generators. The paper will attempt to prove that SMEs at start-up are decisive for solving the problem of youth unemployment in Mozambique. This study will also look at the necessary support structures that are available to strengthen the SMEs.

Review of Related Literature

SMEs: Their definition and role in the economy

Nkuah *et al.* (2013) assert that the main factors determining whether a company is an SME include number of employees and either turnover or balance sheet total. On the other hand, the OECD (2005) report describes SMEs as non-subsidiary, independent firms, which employ less than a given number of employees. For the purpose of this study and in the Mozambican context, micro enterprises are those hiring between 1 to 4 workers with an annual turnover of less than US\$ 40,000; small firms being those hiring between 5 to 49 workers or having turnovers of less than US\$ 500,000 and medium enterprises are firms employing between 50 to 100

*Corresponding author: SAWAYA Alen
Zimbabwe Open University (ZOU)

workers with annual turnovers of less than US\$ 1.000.000 (Zimba, 2013).

Omar *et al.* (2009) argue that the main characteristic that distinguishes SMEs from larger firms other than size itself is that of uncertainty. According to the authors, additional challenges include among others, lack of markets, tight and rigid government tax systems, inadequate infrastructure, low capacity of research and development in technology, globalization and inadequate managerial knowledge and skills. Others include, barrier from global sourcing, poor infrastructure, low productivity, lack of managerial competence and poor enforcement of regulatory legislations (Berisha & Pula, 2015; Chimucheka & Mandipaka, 2015). In order to incite the creation of entrepreneurship and formation of SMEs, some external intervention may be necessary and are advocated by many governments all over the world. Storey (2008) distinguishes between SMEs policy and entrepreneurship policy. The author does it by arguing that because there are different parameters between start-up SMEs and established enterprises, policies aimed at supporting start-up enterprises should differ to those aimed at already established and ongoing SMEs. One important catalyst for SMEs formation is through the creation and promotion of incubators. Whereas Musewe (2012) argues that an incubator supports a business through its "infancy" by giving basic services and resources, such as networks, finance, office space and mentorship to local start-up firms, Rubin *et al.* (2015) in their studies in Israel and Australia challenges the role of incubators claiming that they were not as effective as start-up initiators because their role in nurturing start-ups were rather contradictory.

SMEs in Mozambique

SMEs are recognized as an engine of growth in Mozambique but the number of registered SMEs and their productivity is still low. Most SMEs were formed in the last five years, and about 25 percent were less than one year old (Fox & Sohnesen, 2013). A notable observation by Fox and Sohnesen (2013) revealed that many new jobs come about from start-up micro, small and medium enterprises rather than hiring within the existing SMEs. According to Fox and Sohnesen (2013) out of all registered SMEs in Mozambique, ninety-six percent are run by a single person with or without family help, while only 4% of SMEs reported hiring any worker outside the family. In his assessment of SMEs in Mozambique, Zimba (2015) reveals that although SMEs represented a larger portion of all registered businesses in Mozambique employing close to 70% of all working population, they contributed to a modest 24.1% of the National Income. The scenario in Mozambique where start-ups are funded almost entirely from personal funds tends to keep the SMEs in the shadows of informal sector, where business activity remains unknown (Sawaya & Bhero, 2017). This may encourage tax evasion because one may feel that no assistance came from the state, hence there is no obligation to be rendered to the state.

The little support rendered to SMEs in Mozambique has left the SMEs vulnerable to the ills of underemployment and disguised unemployment (Jones & Tarp, 2012). A large number of SMEs are not able to hire full time employees, preferring alternatively to use part-time workers who do not work for full working schedule, or hiring workers who do not use their full potential

consequently creating the situation of underemployment (Jones & Tarp, 2012). In other circumstances SMEs mass together more people than necessary in stores or shops, doing limited contribution to the jobs and paid miserable wages. As most of these workers are unregistered, they have no supporting bodies to turn to, but remain overcrowded in production or services areas where their productivity is negligible. Data made available by UK-Essays (2017) reveal that a medium company in Mozambique employed only 2 workers and almost 78% have fewer than five workers. These are known workers; any other workers engaged in such enterprises would be either part-time employees.

Youth Unemployment in Mozambique

Unemployment in most cases is described as a state of affairs when a person who is actively searching for employment is unable to find work (Furlong, 2012). According to Mapote (2013), almost 23 percent of all Mozambicans are unemployed. This is much more acute to young people aged 15 to 30 years who are eligible to enter the job market for the first time (Chimela, 2013). The country's impressive economic growth failed to generate sufficient employment and underemployment is widespread (AfDB, 2012). Jones and Tarp (2012) claim that the vast majority of Mozambican youth are forced into the informal sector, characterized with few support programs. Reisman & Lalá (2012) reiterate that there is no specific strategy for promoting youth employment. The limited government strategy ever implemented included a 5-year poverty reducing action plan known as PARP (2011-14) and Urban Poverty Reduction Strategy (2010-14) where employment was a priority (Reisman and Lalá, 2012). This program however, has not met the desired objectives of fostering more employment amongst the youth in Mozambique.

METHODOLOGY

This study will concentrate on formal registered SMEs pertaining to the population of Maputo city to represent the country as a whole. A total of 550 SMEs were selected from the identified population of SMEs of Maputo city. In order to achieve a thorough analysis of the study it was decided to divide SMEs businesses, into two separate groups, namely the manufacturing, and trading sub-sectors. The objective was to study five variables that were considered crucial in answering the problem that start-up SMEs were fundamental in alleviating the problem of employment amongst the youth in Mozambique. The variables analysed included the reasons that prompted the owner to start business, age of the owner-manager, age of the firm, number of employees and annual turnovers. The samples were derived using stratified sampling methods, so as to distinguish between manufacturing, and the trading sub-sectors. This is to comply with the research problem that there are significant differences between manufacturing and trading sectors in terms of contribution to employment creation in Mozambique. The term manufacturing in this context refers to SMEs whose nature of activity tends to add a tangible value to a product (Houssein *et al.* 2013). Garages, panel beating shops and construction firm are included into this sub-sector. Firms in the trading sub-sector are SMEs that offer services such as customs clearing, insurance firms, training colleges and institutions; medical or dentistry services; accounting firm, transport companies, catering

services, airline ticketing and sales representation agencies. Additionally, trading firms include supermarkets and shops selling general goods without adding any tangible value.

A face to face interview was conducted in Maputo city using structured, close-ended questionnaires. The study was carried out basing on quantitative methodology, and the data was analysed employing descriptive statistics that generated frequencies and percentages results relating to each of the two sub-sectors.

Results and Interpretation

The study took into consideration 550 samples from Maputo city, and after an exhaustive face-to-face survey, only 485 samples were good enough to be used for the study. The data was processed using the SPSS program. The following are the results and discussions from the analysis of the five variables under consideration.

Reason for starting own business

In order to ascertain the significance of start-up SMEs as the main driver for employment creation, the first exercise was to determine why young people formed their own enterprises. From the survey in Maputo city respondents were asked the reasons they launched own businesses. Table 1 summarises the outcome of the questionnaires.

Table 1 Reasons for entrepreneurs starting their own businesses

Reasons for starting own Business	Manufacturing		Trading	
	Frequency	Percent	Frequency	Percent
Family Influence	14	10.9	33	9.2
Personal wish to be own boss	79	61.2	221	62.1
Incentive from Clients	1	0.8	12	3.4
Attractive Market incentives	9	7	34	9.6
Following appropriate training	26	20.1	47	13.2
Unemployed or Retirement	0	0	4	1.1
Missing	0	0	5	1.4
Total	129	100	356	100

The results shown that 61.2% of the manufacturing SMEs and 62.1% of SMEs in the trading sector answered that they wished to be their own bosses. Results regarding other motives for example, family influence were insignificant. Such significant number of entrepreneurs citing self esteem and independence as the reason for starting own business, proved that there is a high level of entrepreneurship amongst the young people in Maputo city. Elevated levels of entrepreneurship in Maputo means that more youths can engage in launching start-up SMEs and alleviate the problem of unemployment. What is at stake however, is the necessary support to the SMEs, especially at start up in order to thrive and survive. Support can come from financial institutions, in the form of specialized financial packages, with less insistence on collateral; from government organizations such as taxation relief and improvement in infrastructure including reliable electricity and roads. Support could be derived from large firms by offering manufacturing SMEs access to their workshop or tools and especially SMEs subcontracting. NGOs can also offer support in the form of training of owner-managers and their staff members.

Age of Owner

The age of owner-manager is viewed as an important factor in the performance of SMEs. The results outlined in Table 2 show that 29.5% of owner-managers in the manufacturing sub-sector were between 51 to 60 years. More owner-managers were in this classification than in other age groups. Within the trading sub-sector the majority of the respondents 37.4% were in the 31 to 40 age groups.

Table 2 Age of the owner-manager of SMEs

Age of owner/manager	Manufacturing		Trading	
	Frequency	Percent	Frequency	Percent
Below 20 years	0	0	2	0.6
21 to 30 years	16	12.4	61	17.1
31 to 40 years	32	24.8	133	37.4
41 to 50 years	28	21.7	93	26.1
51 to 60 years	38	29.5	47	13.2
Over 60 years	13	10.1	18	5
Missing	2	1.5	2	0.6
Total	129	100	356	100

There is controversy on the extent to which the performance and survival of an SME is influence by the owner’s age. Most start-up SMEs in Mozambique are launched by young entrepreneurs below the age of 30 years. Some studies suggest that younger entrepreneurs are less risk-averse and hence may dare to venture into business thus gaining first mover advantage than older folk (Ouimet, 2013). From the study in Maputo city, only 12.4 % of respondents in the manufacturing sub-sector and 17.1% in the trading sub-sector were below the age of 30 respectively. This implies that there are few start-up SMEs especially from manufacturing SMEs in Maputo city because many young people don’t take the challenge of entrepreneurship. This fact can be better scrutinized by looking into the next variable, being the age of the firm.

Age of Firm

It is assumed that older firms that have been in operation for over 10 years have weathered the storm and have greater chances for survival than younger firms. From the research in Maputo city 54.2% of firms in the manufacturing SMEs sub-sector responded to be older than 10 years. Within the trading sub-sector only 28.7% were more than ten years. This is shown in Table 3.

Table 3 Age of firms comparing to the Manufacturing and Trading sectors

Range of age of Firms	Manufacturing		Trading	
	Frequency	Percent	Frequency	Percent
0-3 years	18	14	108	30.3
4-10 years	41	31.8	143	40.2
More than 10 years	70	54.2	102	28.7
Missing	0	0	3	0.8
Total	129	100	356	100

In addition, merely 14% of firms in the manufacturing sub-sector had been in operation for less than 3 years compared to 30.3% in the trading sector. The implication is that firms in the manufacturing sector were older and that fewer younger people were forming manufacturing firms compared to trading firms. The reasons could be that to start manufacturing businesses entailed more investment than trading businesses, or conversely younger people foresaw more returns within the trading area than from the manufacturing sector. However, Ouimet (2013) argues that younger firms enjoyed higher growth rates than

older firms. The author attributed the higher growth rates observed in younger firms to the motivation of new entrepreneur for success. From the study in Maputo city, smaller enterprises tended to be younger than medium sized firms. It is therefore imperative to establish institutional structures that will nurture and support SMEs past the first three of their formative years and ensure that they survive the vagaries of metaphorical “infant mortality.” This observation leads to the supposition that newly established and smallest segment of SMEs create more employment.

Number of employees

In a further concerted effort of determining the impact of start-up SMEs in employment creation respondents were asked to reveal the number of workers they employed. The results are given in Table 4 below.

Table 4 Number of employees employed per each sub-sector

Number of workers	Manufacturing		Trading	
	Frequency	Percent	Frequency	Percent
1 to 4 workers	54	41.9	141	39.6
5 to 15 workers	47	36.4	153	43
15 to 25 workers	12	9.3	32	9
26 to 50 workers	7	5.4	17	4.8
50 to 100 workers	7	5.4	9	2.5
over 100 workers	2	1.6	4	1.1
Total	129	100	356	100

About 41.9% of respondents representing the manufacturing sub-sector and 39.6% belonging to the trading sub-sector reported to be hiring less than 4 employees. The interesting fact is that a considerable number of SMEs especially the manufacturing sector had survived for over 10 years (54.2%), yet the same SMEs reported to be hiring the minimum number of workers. The implication is that these firms had failed to grow over this period, as such would not hire any additional workers. The other possibility is that no matter how long the firms survived no new employment is created because owner-managers had no new innovative ideas of growth. This is a clear proof that the only way of encouraging new employment is through the creation of new enterprises. More jobs are formed by start-up SMEs than from SMEs that have been in the market for a long time.

Annual turnovers

Another factor considered in the study was annual turnovers. A total of 86.8% of firms in the manufacturing sub-sector and 77.2% in the trading sub-sector reported to be making less than \$400 000 as their annual turnovers. This is demonstrated in Table 5.

Table 5 Annual turnovers of SMEs

Turnover (‘000’ US \$)	Manufacturing		Trading	
	Frequency	Percent	Frequency	Percent
Below \$400	112	86.8	275	77.2
\$400 to 800	13	10	41	11.5
\$800 to 1,000	0	0	15	4.2
\$1,000 to 2,500	2	1.6	4	1.2
\$2,500 to 3,500	1	0.8	2	0.6
Over \$ 3,500	0	0	5	1.4
Missing	1	0.8	14	3.9
Total	129	100	356	100

The same intriguing feature observed in Table 4, regarding number of employees, is also vivid in this section, whereby manufacturing firms that have been in operation for more than ten years reported the least turnovers. It might be assumed that this sector failed to grow over this period of time. The trading sector also gave high results of firms earning less than \$400 000, but at least this sub-sector had more younger firms, and had literally employed more workers per unit compared to the manufacturing sub-sector. A scrutiny of the ownership set-up of the two sub-sectors may reveal more facts concerning this quandary.

Ownership structures

The last variable to be considered was the ownership structure of the manufacturing and trading SMEs in Maputo city. The results are summarized in Table 6.

Table 6 Ownership structure of the SMEs

Ownership structure	Manufacturing		Trading	
	Frequency	Percent	Frequency	Percent
Sole Proprietor	95	73.6	234	65.8
Community/Family	32	24.8	107	30
Multiple shareholders	2	1.6	11	3
Missing	0	0	4	1.2
Total	129	100	356	100

Out of all SMEs surveyed, 73.6% of manufacturing SMEs belonged to single proprietors compared to 65.8% of the trading sector. The implication from these results is that owner-managers of the manufacturing SMEs operated alone, with limited staff members, without the assistance of family members or any other supporting body. All decisions concerning production, marketing, accounts organization and firm’s security depended on the single person. The sole ownership model of the manufacturing SMEs in Maputo city suggests that the culture within the SME will evolve from the character, competence and emotional intelligence of the owner-manager. Thus the success or failure of the SMEs and mental fortitude will largely depend on the mental fortitude of the owner, i.e. how critically he wants to succeed and how resilient he is in the face of enormous challenges of running business. Manufacturing SMEs in Maputo have remained static over the years with little interest in stimulating growth. The owner-manager of the manufacturing firm would operate the firm when they foresee a business opportunity, but suspend operations to attend to other activities such as subsistence farming during the rainy season. This resulted in limited expansion and ability to add employment of the manufacturing SMEs besides their longevity. The only hope for new employment can only come from newly formed manufacturing enterprises, by younger entrepreneurs with fresh operative and organizational ideas.

CONCLUSIONS AND RECOMMENDATION

After analyzing the results and discussions from the previous section the following section gives the conclusion and recommendations.

Conclusions

The paper looked at the problem of youth unemployment in Maputo and Mozambique as a whole. The role of SMEs as a possible solution to alleviate youth unemployment in the country was evaluated. The study carried out in Maputo

showed that SMEs especially manufacturing ones were not employing more people besides being in operation for many years. The reality was that these SMEs were characterised with older owner-managers, who were not keen on adopting new methods of production or innovation in order to expand and add to new jobs. The firms had survived for over ten years but still reported low turnovers meaning little production was being realized with limited or zero demand for new employees. The ownership structures of these firms were organized mostly around a single proprietor who did not even receive help from family members. The owner-managers spontaneously operated their firm and even shut down if they had to attend to other issues such as farming during the rainy season. This sole ownership structure insinuated that there was little scope of growth as such limited employment opportunities. The solution was for the creation of new SMEs by younger entrepreneurs. It was deemed that SMEs on the own especially at start-up were not capable of solving the problem of youth unemployment without necessary support structures that can be put at their disposal.

Recommendations

Support is crucial to give the existing SMEs a push in order to thrive, grow and conceive more employment. Nonetheless, as little can be done to change the mentality of the existing SMEs, especially manufacturing SMEs that have been in operation for many years and stuck with outdated ideas of production, efforts have to be made to bolster new SMEs that will be run by the youth, which is a plentiful asset in Maputo and Mozambique as a whole. In order to encourage more start-up SMEs support is needed at all levels. Financial support from banks and micro-finance groups could help start-up SMEs to get off the ground. With disposable funds, manufacturing SMEs could purchase machinery and tools, and hire manufacturing space. Trading SMEs could rent office space and purchase stock of merchandise for their shops. Government intervention in the form of lessened bureaucratic procedures regarding firms' registration can give incentives to entrepreneurial youth to start their own businesses. SMEs need to be relieved from burdening taxation regimes from the government. The government could also support SMEs by improving infrastructure such electricity supply or pavement of new access roads. Large firms could offer support in the form of outsourcing, to ensure manufacturing SMEs a secure market for their goods. Large firms should make available factories and assembly lines as bases for apprenticeship to young people; those still in schools or colleges and those already on the onset of entering into businesses. Non-governmental organizations (NGOs) could offer support in training on firm's management and on skills of conceiving business plans aimed at loans applications. More start-up SMEs could be launched to contribute in alleviation of youth unemployment if support from various sources is rendered to them.

References

- AfDB 2012. Mozambique 2012-African Economic Outlook, available at: <http://www.africaneconomicoutlook.org/en/> (accessed 17 May 2017).
- AIM 2015. German Aid in Mozambique, Mozambique News Agency, available at: <http://www.poptel.org.uk/>

- mozambique-news/newsletter/aim511.pdf. (accessed 07 April 2017).
- Ajaari A. 2007. Managing Small and Medium Enterprises: a Case Study of Northern Ghana, *A Thesis* Submitted to the University of Manchester for the Degree of Doctor of Philosophy in the Faculty of Humanities, available at: <http://docs.lib.purdue.edu/dissertations/>. (accessed 22 November 2016)
- AMB, Apresentaã Radiografia do Sector Bancário em Moçambique – (Dezembro, 2014), Boletim Informativo da Associação Moçambicana de Bancos, Editor: Ed. Nº 01, available at: ambancos@teledata.mz www.amb.co.mz. (accessed 21 November 2016).
- Berisha G, Pula J. 2015. Defining Small and Medium Enterprises: a critical review, *Academic Journal of Business, Administration, Law and Social Sciences*, 1:1, 320-341.
- Chatzimarkakis J. 2013. Opinion of the Committee on the Internal Market and Consumer Protection, on improving access to finance for SMEs, available at: <http://www.europarl.europa.eu/sides/getDoc.do?> (accessed 09 May 2017).
- Chimela E. 2013. Taxa de desemprego em Moçambique é de 22,5%, *Portuguese Independent News Network*, available at: <http://portugueseindependentnews.com/>. (accessed 18 May 2016).
- Chimucheka T, Mandipaka F. 2015. Challenges Faced By Small, Medium And Micro Enterprises In The Nkonkobe Municipality, *International Business & Economics Research Journal*, 14: 2, 309-315.
- Chittithaworn C I, Keawchana T, Yusuf D. 2011. Factors Affecting Business Success of Small & Medium Enterprises (SMEs) in Thailand, *Journal of Asian Social Science*, 7: 5,180 -190.
- Costy A. 1995. Donor Dollar and Mozambique's NGOs, *Southern Africa Report Journal*, 10: 5,15
- Financiamento Para PME: Banco Africano concede fundos ao Moza Banco Publicado: *Noticias*, Segunda-feira, (November 17th, 2014), available at: <http://www.jornalnoticias.co.mz/index.php/economia/26769-financiamento-para-pme-banco-africano-concede-fundos-ao-moza-banco.html>. (accessed 02 November 2016).
- Fox L, Sohnesen T. 2012. Household Enterprise in Sub-Saharan Africa, - Why they matter for growth, jobs and livelihoods, Policy Research working paper no. WPS.
- Furlong A. 2012. *Youth Studies: An Introduction*, Routledge, New York, 72-97.
- Houssein M, Elasad A, Shahudul M I. 2013. Determinants of Manufacturing SMEs Growth, *A Review Journal of Manufacturing Operations Research and Sustainability*, 1: 2, 46-59.
- IPEME 2015. Study of Mozambican Small and Medium Sized Enterprises, USAID/SPEED Report, available at: <http://www.speed-program.com/wp-content/uploads/2015/01/2014-SPEED-Presentation-012-Small-and-Medium-Size-Firms-in-Mozambique>. (accessed 15 February 2016).
- Jones S, Tarp F. 2012. Jobs and welfare in Mozambique: Country case study for the 2013 World

- Development Report, 15 August, available at: http://siteresources.worldbank.org/EXTNWDR2013/Resources/8258024-1320950747192/8260293-1320950747192/8261091-1348683883703/WDR2013_bp_Jobs_and_Welfare_in_Mozambique.pdf. (accessed 05 July 2017).
- Langa E, Mandlate O. 2013. Questões á volta de ligações a montante com Mozal, Desafios para Moçambique, IESE, December, available at: https://www.academia.edu/8668425/IESE_Des2013_7_Lig_Mont_Moz. (accessed 28 June 2017).
- Mapote W. 2013. ONU Desemprego é problema sério em Moçambique, VOZ de America, September, available at: <http://m.voaportugues.com/a/ONU-desemprego-e-problema-serio-em-mocambique.html>. (accessed 16 August 2016).
- Musewe T. 2012. Birth of the SME Board, *Beijing Review*, 17 June, available at: <http://www.china.org.cn/english/BAT/98543.htm>. (accessed 20 June 2017).
- Mutalemwa D K. 2005. Small and Medium Enterprises in the Manufacturing Sector of Tanzania: Initial Conditions, Networks and the International Environment, *Paper in School of Development studies*, University of East Anglia, UK.
- Mwanza P. 2012. Mozambique Business Linkages Review an Overview of Key Experience, Issues and Lessons, Sponsoring USAID Office, USAID/Mozambique DAI and Nathan Associates, October, available at: <http://www.speed-program.com/wp-content/uploads>. (accessed 05 April 2017).
- Nkuah J, Tanyeh J, Gaeten K. 2013. Financing Small And Medium Enterprises (SMES) in Ghana: Challenges And Determinants In Accessing Bank Credit, *International Journal of Research In Social Sciences*, 2:3, 12-25.
- OECD 2004. Towards a More Responsible and Inclusive Globalization: Facilitating SMEs Access to International Markets Organization for Economic Co-operation and Development, 2nd Conference of Ministers Responsible for (SMEs) promoting entrepreneurship and innovative SMEs in a global economy, 3-5 June, Istanbul, Turkey.
- Okpara J. 2011. Factors constraining the growth and survival of SMEs in Nigeria, *Management Research Review*, 34: 2, 156-171.
- Ouimet P. 2013. Who Works for Startups? The relation between Firm Age, Employee Age, and Growth, University of North Carolina debate, Chapel Hill.
- Ong'olo D, Awino S. 2013. Small and Medium Enterprises and Devolved Government System: an Assessment of the Regulatory and Institutional Challenges Affecting the SMEs Development in Kenya, Research Report No. 71/13, Centre for International Trade Economics and Environment (CUTS CITEE), Nairobi.
- Podesta J. 2013. Relentlessly high youth unemployment is a global time bomb: Center for American Progress, *The Guardian*, available at: <http://www.theguardian.com/commentisfree/2013/jul/09/youth-unemployment-long-term-effects>. (accessed 15 February 2017).
- Reisman A, Lalá A. 2012. Open Society Foundations Crime and Violence Prevention Initiative (OSF- CVPI), Open Society Initiative for Southern Africa (OSISA) Report.
- Roberts B. 2003. Small and Medium Enterprise (SME) Mapping Mozambique, Product of the World Bank Group Small and Medium Enterprise Department, Maputo, Mozambique, February, available at: http://www.tipmoz.com/library/resources/tipmoz_media/cat3_link_1115667066.pdf. (accessed 13 June 2017).
- Robu M. 2013. The Dynamic and Importance of SMEs in Economy, *The USV Annals of Economics and Public Administration*, 13: 1, 17.
- Rubin T H, Aas T H, Stead A. 2015. Knowledge flow in Technological Business Incubators: Evidence from Australia and Israel, *Technovation*, 41:42, 11-24.
- Sawaya A, Bhero S. 2017. Are There More Bad Jobs Than Good Jobs For The Youth In Mozambique? *International Journal of Management and Commerce Innovations*, 5:1, 669-678.
- Storey D J. 2008. Entrepreneurship and SMEs Policy, World Entrepreneurship Forum, available at: <http://www.world-entrepreneurship-forum.com/Storey>, (accessed 22 November 2016).
- UK –Essays 2013. Influence of Microfinance to the Growth of SMEs, Economics Essay, available at: <http://www.ukessays.com/essays/economics/influence-of-microfinance-to-the-growth-of-smes-economics-essay.php?cref=1>, (accessed 16 December 2015).
- Umar MN. 2010. (NBS) National Bureau of Statistics, NBS National MSME Collaborative Survey.
- Youth Challenge International 2009. Youth Challenge Report, International Centre for Social Innovation, Ontario, Canada, Registered Charitable: 11906 9078 RR000.
- Zimba C. 2013. O papel do IPEME na promoção e assistência inclusão das MPME's na Economia Nacional, Apresentação no 49ª Edição da FACIM, Tenda de Conferências da FACIM, Agosto, Ricatla, Marracuene.
- Zimba C. 2015. Interview, by The Business year, SMEs to You, available at: <https://www.thebusinessyear.com/mozambique-2015/sme-to-you/column>, (accessed 13 December 2016).

How to cite this article:

SAWAYA Alen and BHERO Shepherd.2017, Start-Up Smes Potency In Employment Creation For Youth In Mozambique. *Int J Recent Sci Res.* 8(9), pp. 19944-19949. DOI: <http://dx.doi.org/10.24327/ijrsr.2017.0809.0792>
