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DOES INNOVATION TRAINING PREDICT STREET FOOD VENDORS PERFORMANCE IN INFORMAL MARKET? EXPERIENCE FROM WOMEN OWNED BUSINESS IN IRINGA

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Abstract

The focus of this study was to analyze the influence of innovation training on the performance of street food vendors in Tanzania especially women owned business in Iringa Municipality. This study was quantitative in nature where cross section research design was used to capture data at one time. Questionnaire was used to collect data for statistical analysis from women owned business in food vending industry. Questionnaire was found to be suitable as it capture measurable data suitable for hypothesis testing. Simple random sampling was used to draw 356 respondents from the targeted population in the context of Iringa Municipality.

Using multiple regression analysis, findings revealed that innovation training has significant influence on the performance of street food vendors who are women in Iringa. It was further found that the significant contribution of innovation training is contributed by the explanatory power of general innovation training, food safety training and business communication training. Based on these findings this study concludes that innovation training is significant predicting street food vendor's performance. This study recommends that sensitization for street food vendors to access training program should be done by the government in order to capacitate food vending on general innovation skills, communication skills and food safety skills.

Key Word: Food Street Vendors, Women Entrepreneurship, Innovation Training

1. Introduction

Previous empirical studies have evidenced that competitive age toward performance in informal market food vending is promoted by many social networking and resource based factors (Rosales, et al., 2023; Kok and Balkaran, 2014). However, innovation training has been shown to be primary factor for predicting performance in informal market among street food vendor (Ma et al., 2019; Alfiero et al., 2017). The importance of innovation training in predicting performance among street food vendor is evident in a human capital theory of Backer (1964). In his theory, the author advocates that innovation training imparts useful knowledge and skills which in turn increases performance of the targeted group. This means that performance in informal market will be relatively high when innovation training towards performance is exposed to women street food vendors for them to acquire relevant knowledge and skills on the benefit of innovation. This is consistent with Alfiero et al. (2017) who empirically establish the positive link between innovation training toward performance in informal market. In Tanzania, Kara and Tonya (2021) found that women street food vendors with relevant innovation training would be more compliant to performance. In other words, owners of street food vending do willingly to innovate their vendors if they are aware of innovation techniques.

In spite of the evidence that innovation training predict street vendors' performance, some of the empirical evidence have found innovation training to have insignificant prediction on performance (Matzembacher et al., 2019). Notably example, Putri and Venusita (2019) found and concluded that innovation training have no influence to street food vendors performance in Informal Market. Given this conflicting findings, it is not clear whether innovation training is predicting performance in informal market or not. Further, there has not been a universally recognized system of indicator variables for the development of innovation training in business performance. This study filled the gap by answering the research question that; Does innovation training predict street food vendors performance in informal market?

2. Literature Review

2.1 Key Concepts

Street Food Vendor

Street-vended food are defined as consumables such as beverages and foods sold in public places, which may be eaten elsewhere (Nkosi and Tabit, 2021). According to Mkama *et al.* (2020) street food vendor is defined as enterprises of ready-to-eat food or drink sold on a street or other public places, such as a market or fair by a hawker or vendor from a portable stall. On the other hand, Amos and Panama (2016) defined street food vendor as small in size; require relatively simple skills, basic facilities and small amounts of capital. In the current study, street food vendors are generally defined as informal business, small; require relatively simple skills, basic facilities and small amounts of capital.

Innovation Training

According to Harleen and Abrol (2017) a innovation training refers to the teaching and learning activities carried on for the primary purpose of helping members of an organization acquire and apply the knowledge, skills, abilities, and attitudes needed by a particular job and business for business to perform. On the other hand, Toh (2018) innovation training is a means of providing learners with the knowledge and skills they need to perform their jobs at a high level in order to achieve maximum business performance. Moreover, business training refers to the teaching of a type of behavior aimed to improve a person's capacity, capability, performance, or productivity

(Mwangi and Bwisa, 2015). They further defined training as the process of increasing the knowledge and skills of the workforce to enable them to perform their jobs. In the current study business training is a learning and development process that refers to the acquisition of specific skills, abilities, and knowledge to improve employee and business performance

2.2 Relevant Theory

Human Capital Theory

In order to analyse the prediction of innovation training on performance among women street food vendors, Backer (1964) came with a human capital theory. Backer (1964) in his human capital theory, advocates that, training promote useful knowledge and skills to business owners that in turn increases their business performance. As in the current study, the idea of Backer has posited that, innovation training to women owned business tend to impact knowledge and skills which raises their business performance. The applicability of human capital theory in studying the relationship between training and business performance is observed in a number of studies (Nkosi and Tabit, 2021; Toh, 2018). Hence, this study used these theories to further make an analysis of an influence of innovation training on the performance of women owned businesses.

2.3 Empirical Literature Review

Worldwide, Mukhola (2014) carried out a study on street-food vending. The results revealed that street-food vendors training related to health and hygiene, customer care as well as skills for developing a business are driver for their performance. It was recommended that, the training of street-food vendors be a priority for city officials. Furthermore, it was recommended that street-food vendors be trained on customer care. Finally, it again recommended that, street-food vendor should be trained in money management. On the other hand, Harleen and Abrol (2017) carried out a study on the influence of training on firms' performance. The findings on training namely adaptive skills, innovation skills, managerial skills, marketing skills, technological skills, were found to be significant on firm performance. Moreover, Chipfunde *et al.* (2021) carried out a study on the determinants influencing the performance of women entrepreneurs in Malaysia. The findings indicated that, improving management skills strategize easy ways to access loan and finance, build a strong tie for family support, have significant influence in firm performance in Malaysia. In Tanzania, Toh (2018) conducted a study on assessment of the influence of soft skills for female entrepreneurship performance in Tanzania. The findings indicated the importance of soft skills training for improving sustainability of business performance. He found those soft skills to give women a room particularly in establishing and utilizing social networks and improving their performance in business negotiations.

Given the above theory and empirical evidence, this study posit a hypothesis which state that:

Innovation training has significantly predicting power on street food vendors' performance in informal market.

2.3 Conceptual Framework

Based on the theory of human capital, as noted in the literature review section, we have drawn up the following conceptual framework in which we have framed our study to hypothesize the significant influence of innovation training on street food vendor performance (Figure 1)

Figure 1 Conceptual Framework



Source: compiled by author (2023)

3. Methods

The study adopted quantitative approach. As Creswell argued, the quantitative research approach is designed to test the hypothesis and assess its significant relationship in a quantifiable form. In the current study, quantitative approach was used to allow a researcher to collect statistical data for hypothesis testing of the significant prediction of innovation training on performance of street food vendors. To obtain the statistical data, the author administered a structured survey to women owned business carrying out street food vending in Tanzania. This survey was divided into two sections: The demographics section and seven statements, three relating to innovation training and four to street food vendors performance, to which the participants had to answer in accordance with a 5-point Likert scale. Simple random sampling was used to draw valid sample of 356 respondents from the population who are women owned business in street food vending industry. On the other hand, multiple regressions were used to estimate the significant predictive power of innovation training on performance of street vendors among women owned business.

4. Findings

4.1 Respondents Profile

In this study, it was necessary to profile respondents' education, experience and vendors size simply because they have been found to moderate the effect of innovation in any social science activities. Including these variables in the social science studies could help provide a real picture of the community concerning the innovation training and street vendor's performance. Hence, these variables are very important to be included in any social research as each variable moderates different respondents' behavior concerning the innovation training, and they are used to provide a picture of the respondents involved in the study (Table 1).

Table 1 Descriptive Profile

Descriptive Variables	Measurement	Frequency	Percent
Education Level	None	50	14.0
	Primary Education	116	32.6
	Secondary Education	108	30.3

	College Education	82	23.0
Business Experience	Less than 5 Years	123	34.6
	5-10 Years	182	51.1
	Above 10 Years	51	14.3
Vendor Size	Up to 4 Employees	244	68.5
	5 to 49 Employees	112	31.5
Total		356	100

Source: Field Data

Table 1 has shown a general representation of the major characteristics of the study in terms of respondents' education, experience and vendors size. It is shown that there was general representation of the respondents in terms of respondents' education, experience and vendor size to capture enough data to cover the contents of the research objectives.

4.2 The Influence of Innovation Training on Predicting Street Food Vendors Performance

This specific objective was developed to test the hypothesis on the predicting power of innovation training on street food vendors' performance among women owned business. Finding using multiple regression are presented below on three tables

Table 2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.386 ^a	.149	.136	1.075

a. Predictors: (Constant), Food Safety Skills , Business Communication Skills , General Innovation Skills

The results provided in table 2 above showed that dependent variable "street food vendors performance" is explained by variance of 14% of independent variable "innovation training" which has four indicators "Food Safety Skills , Business Communication Skills , General Innovation Skills" as indicated in R square. Further analysis was done and the results are presented in table 3 ANOVA to determine the extent to which innovation training is significant on predicting performance among street food vendors.

Table 3 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	40.170	3	13.390	11.595	.000 ^b
	Residual	229.811	199	1.155		
	Total	269.980	202			

a. Dependent Variable: Food Vendors Performance

b. Predictors: (Constant), Food Safety Skills , Business Communication Skills , General Innovation Skills

The results provided in table 3 ANOVAa above showed that overall, the model justify that innovation training has significant influence on street vendor food performance as demonstrated by significant p-value less than 0.05. Therefore the hypothesis on the influence on innovation training on street vendors' performance is accepted. Further analysis of the individual indicator variable is described in the table 4 below:

Table 4 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.158	.427		2.714	.007
	General Innovation Skills	.214	.089	.189	2.412	.017
	Business Communication Skills	.024	.090	.020	.263	.793
	Food Safety Skills	.324	.082	.273	3.957	.000

a. Dependent Variable: Food Vendors Performance

The results provided in table 4 Coefficients above showed that out of three indicators only two indicator variables namely general innovation skills and food safety skills were predicting the explanatory power of innovation training on performance as they have scored significant value less than 0.05.

5. Conclusion and Recommendation

Base on the survey findings of this study, it is concluded that innovation training is strongly influencing street food vendor performance in Iringa Municipality. For street vendors to perform, it is recommended more training to be delivered to further capacitate street food vendor on general business skills, personal selling skills and business communication skills. This study recommends that the government should attract stakeholder such as NGOs to empower women on capacity building more specific on training on general business skills, personal selling skills and business communication skills. This study was carried in Iringa Municipality, in order to increase the strong evidence to generalize to other Municipal, future study should be done to involve more than one municipal.

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