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## **Collaborative Network as a Way of Enhancing Women Enterprises toward National Competitiveness**

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### ***Abstract***

In the global market, where the market is dynamic and unstable, thinking about the way to compete is a road map toward industrialization of the country economy. This study focused on assessing the influence of collaborative network as a way of enhancing women toward industrialization through national competitiveness.

The study used mixed approach of qualitative and quantitative. Sample size of 138 women who are owners of enterprises and are in informal network were used. Data were collected in Iringa using questionnaire and interview.

Findings indicated that collaborative network correlate significantly for enhancing women enterprises national competitiveness in Tanzania. In addition, the findings indicated that enhancing of women enterprises to participate in the national competitiveness is a way that enables women to participate in industrialization.

This study recommended that, for enabling women enterprises to participate in industrialization, the nation must improve national

competitiveness strategies through collaborative network. In addition, the national SMEs policy has to include collaborative network as a way toward strong national competitiveness scheme.

**Key Words:** Women Enterprises, Collaborative Network, Industrialization

## **1.0 Introduction**

Women Enterprises are increasingly recognized as an important driver of economic growth, productivity, innovation and employment, and are widely accepted as a key aspects of economic dynamism (Roy, et al., 2017). Despite their contribution, most of women enterprises are operating in a modern economy which is characterized by quick and impulsive changes, globalization and savage competition, high level industrialization and production which require strongly competitive advantage for enterprise's survival. Women enterprises, which are trying to live out in such difficult conditions, had to find invariably modern adaptation ways and abilities to compete in a competitive surrounding. In such surrounding, which quickly changes, enterprise has the resource management and market problem. That is why modern economy's angular stone uses effective collaboration network resources in order to reach competitive advantage.

As said by Scott (2012) who advocates that, having collaborative network facility in the newest economy help in the achievement of a sustained competitive advantage. He further added that, collaboration network is widely recognized for leveraging competitiveness and thus increasing survivability of enterprise in turbulent market conditions. On the other hand, Culpan (2008) advocates that, through different collaborative models, organizations nowadays are capitalizing on individual strengths by sharing risks and resources, and joining complementary skills and capacities, in order to gain new competitive advantages and excelling individual capabilities. Hence, collaborative networks are evidenced as an enabler for women enterprise to enhance

their competitiveness in the market place which intern improves their participation in industrialization.

In recognizing the importance of the emerging women enterprises in creating a vibrant and dynamic economy for the nation, and their volatile market in which they operate, most governments in least developing countries have put a lot of initiative and has been actively promoting women enterprises towards realizing their 2020 Country Vision. For example, the government of Gambia recognizes gender equality and women empowerment as a key factor for the attainment of social and economic development (NPAGW 2010-2020). One of the initiatives in Gambia was the establishment of the National Women's Council and Bureau by the Council Act of 1980 with the Women's Bureau serve as its executive arm(ibid). In recognizing women empowerment as a tool for socio-economic and political development, Tanzania has taken a number of measures to empower women enterprises in the country. Some of the undertaken measures include formulation of different policies and enactment of legislations and laws as well as introduction of administrative and affirmative action, which have altogether, enabled Tanzania to record remarkable achievements in some sectors (URT, 2012).

Despite the noted achievements, Tanzania like many other countries in Africa is still faced by the fundamental challenge of ineffective implementation of the formulated national progressive policies and legislative reforms into concrete outcomes (URT, 2012). In the same perspective, these policies are not addressing day to day market challenges faced by women in operating their enterprises. These constraints are, singularly and collectively, a serious impediment to the promotion of women enterprise toward industrialization through national competitiveness and to the advancement of women in the country. For example, due to inefficient implementation of policies and enactment of legislations, Msanjila and Kamuzora (2012) argued that there is still a

large gap towards realizing the configuration of effective collaborative networks in Tanzania particularly related to availability of required technologies and systems and lack of proper customized business models, among others which justify that women are not realizing the benefits of their enterprise. On the other hand, Tanzania through national strategy for gender development still recognizes that gender inequality is a major obstacle to socio-economic and political development of its peoples more particular women participation in industrialization initiatives (URT, 2012). Many studies (Tung, 2012; Tresca , 2013) have shown that gender inequality is one of the underlying causes of low productivity as it does, among other things, hamper the participation of at least half of the country's population to participate in industrialization where women are majority. With this situation, women still have to negotiate their way through policies and laws which significantly affects their participation in the economic market and the quality of their participation. Given this problem, this study was designed to assess the influence of collaborative network as a way of enhancing women enterprises toward national competitiveness

## **1.1 Research Objectives**

### **1.1.1 General Objective**

To assess the influence of collaborative network as a way of enhancing women enterprises participation in industrialization through national competitiveness

### **1.1.2 Specific Objectives**

- i) To examine the influence of collaborative network in improving national competitiveness of women enterprise in Tanzania.
- ii) To assess the impact of national competitiveness on women enterprise participation in industrialization in Tanzania.

### **1.3 Justification of Study**

In African Culture and Tanzania in particular, women play a big role and are majority in running small business activities. Unfortunately, women's participation in enterprise activities is limited by social cultural factors like social identity, social acceptance, social roles and limiting cultural practices such ownership of business resources. These tendencies tend to create gender inequality in business sector and impact the competitiveness of women enterprises negatively. Through women involvement in collaborative network, both men and women are empowered to participate and enjoy the fruits of enterprise in equal way. The evidence and model generated from this study helps to provide adequate structure of the collaborative network that could help both men and women to enjoy the opportunities of the network in enterprise operation in general. Further, the existing collaborative network will be (re)structured to fit both gender and dissolve all kind of gender inequality.

## **2.0 Literature Review**

### **2.1 Theoretical Literature Review**

#### **Resource-Based Theory.**

In this study, resource-based approach was used which state that, company as a whole consists of resources and skills whose competitive advantage depends on the rare (imitated) resource management. Resources in this context are perceived as a combination of tangible and intangible assets and skills. Resource-based approach explains that competitive advantage is effective strategic resource, which has value and is complex to simulate, manage and use (Hart, 1995). Therefore, resource-based approach supports the management of the company in accordance with the strategic decisions, which create or formulate ways to use the company's most important strategic resources in order to increase economic returns. In this study, collaborative network is

considered as a bundle of resources which tend to improve the competitive advantages of women enterprise to participate in industrialization. Those women enterprise which are in the collaborative network tend to benefit from a pool of resources which in turn improve their competitiveness or increase their competitive intensity to participate fully in investing in industrialization.

## **2.2 Empirical Literature Review**

### **2.2.1 Relationship between Collaborative Network and Women Enterprises Competitiveness**

Parida, et al. (2009) in their study of the impact of networking practices on small firm innovativeness, results reveal that network configuration positively influences firm innovativeness and competitiveness. On the other hand, Watson (2007) in his study of modeling the relationship between networking and firm performance, findings indicated a significant positive relationship between networking (particularly with formal networks such as external accountants) and firm survival. In related perspective, Maina, et al. (2016) conducted a study on network dimensions and firm performance among manufacturing SMEs, findings indicated that enterprises networking is significant a vital element for enhancing competitive among SMEs.

Tung (2012) carried out a study on firm performance in a social networks perspective. The results of this study suggested that social networks affect firm performance in a positive manner and can contribute to sustainable competitive advantage. Finally, the results suggest that growth firms positively benefit from increased relationship activity with both current and prospective actors in diverse relationship networks. These empirical evidence are a response to hypothesis which states that: collaborative network influence national competitiveness of women enterprise in Tanzania.

## **2.2.2 Relationship between national competitiveness and women participation in industrialization**

Buccirosi, et al. (2011) found a robust positive and significant effect of competition policy on improving efficiency and productivity for industrialization. On the other hand, Aghion, et al. (2008) on their study of competition and productivity growth in South Africa, their findings indicated that competition policy (i.e a reduction of mark-ups) have largely positive effects on productivity growth and industrialization in South Africa. Further, Tung (2012) carried a study on firm social networks perspective. Findings indicated that social networks have been instrumental in establishing network competence and have been constantly helping in the invention of new concepts and fostering innovation of existing industry. Similarly, Ciriani and Lebourges (2016) conducted a study on the role of market power in economic growth. Finding indicated that market power is a necessary incentive to invest and a fair return on industrial investment.

These empirical evidence are a response to hypothesis which states that: National competitiveness influence women enterprise participation in industrialization in Tanzania.

## **3. Methodology**

### **3. 1. Research Approach**

Quantitative approach was used. Quantitative approach is conducted in order to identify the extent and nature of cause-and-effect relationships (Goretti, 2008). In this study, quantitative approach was used in order to assess the influence of collaborative network on women enterprise participate in industrialization through enhancing national competitiveness.

On the other hand, qualitative approach attempt to lay the groundwork that lead to future studies or to determine if what is being observed might

be explained by a currently existing theory (Gray, 2009). As in this research project, exploratory design provided in-depth information of real life operation of collaborative networks on women enterprise competitiveness. This would help to capture contextual issues and better understanding of the current collaboration network among women enterprises that exist.

Thus, the study used a pragmatic philosophical stance and used mixed research design focusing on the qualitative and quantitative approaches.

### **3.2. Study Area**

The study was conducted in Iringa region of Tanzania. This area has been selected because of the high involvement in women business activities which has resulted into high number of women enterprises. On the other hand, in Iringa there are number of established collaborative networks among women entrepreneurs who are owners of enterprises. Therefore, collecting data from this area helped in providing adequate information to solve the problem by developing stable collaborative network to enhance women enterprises national competitiveness.

### **3.3. Study Population**

The study targeted 230 women who are owners of enterprises in Iringa. Women who are owners of enterprises are selected in this study because they are the ones who are suffering from lack of stable market, the scarcity of resources, short delivery time requirement, frequent emergence of new technologies, demand for wide variety of competencies, and limited availability of up-to-date experts. On the other hand, the targeted population has experienced gender inequality issues in their business at family level and in existing network collaborations, hence they saved as information sources in the current study.

### **3.4. Sampling Procedure**

The study used stratified sampling technique, simple random sampling and purposively sampling at different stages of the research based on the



research approach selected. The study started by using stratification sampling technique. The main objective of starting with stratified sampling was to ensure sample representative from the three districts of Iringa region and enabled easy to administer data collection tools which led to more reliable results. From the total population the sample size of three districts namely Iringa, Kilolo and Mufindi district was identified separately as a stratum.

After stratification of the sample, a simple random sampling was used to select respondents for explanatory research and this enabled each respondent in the three strata to have an equal chance of being selected. On the other hand, in qualitative research purposive sampling was used to select key informative respondents among women enterprise. Hence this approach served the purpose of this study in sampling.

### **3. 5. Data Collection Techniques**

During data collection, interview, questionnaire and documentary review method was used as a data collection technique in this study.

#### **Interview**

The use of interview is considered important in this study at the preliminary stage as it is flexible to accommodate additional information and allow the researcher to capture more contextual variables which provide in-depth insight of the natural setting understudy. As it is evidenced by Gray (2009), that interview can generally be used to gather information of greater depth and can be more sensitive to contextual variations in meaning. In this study, interview was conducted at the beginning of the study to better analyze the current practices of collaborative network and explain the existing model in the context of women business in Tanzania.

#### **Structured Questionnaire**

On the other hand, a structured questionnaire was used in this study to collect quantitative data suitable for hypothesis testing and model

validation. As argued by Gray (2009), that structured questionnaire is mostly used to capture measurable data for statistical testing of the hypothesis of the study. Within this context, a questionnaire was suitable in quantitative research situations of this study as it offers a standardized system of question to collect measurable and factual data to classify a collaborative network of women enterprise and their circumstances in statistical characterization.

### **Documentary Review**

Documentation was used in providing data interpretation, support and give evidence of field data. As it is evidenced by Gray (2009) that, social scientists use documentary research methods to supplement and confirm on the information collected through social surveys and in-depth interviews. In this study, the documentary review served the same purpose.

### **3.6. Data Analysis Technique**

Thematic data analysis technique was used on qualitative data. Thematic analysis is more appropriate for analyzing data when the researchers' aim is to extract information to determine the relationship between variables and to compare different sets of evidences that pertain to different situations in the same study (Goretti, 2008). In this study, the researcher needed to confirm variables borrowed from the literature review to see if they align with those from the context and establish new variables using sets of evidences pertaining to the verbal responses of the respondents in the interview. Further, thematic analysis was used to provide description of the variables (theme) during discussion. This means that thematic analysis helped to search for themes that emerge as being important to the description of the phenomenon and use verbal responses for theme clarification and elaboration.

In this study, hypothesis testing and examination of the significant effect of predictor variable was done using correlation. As argued by Goretti (2008) that, correlation analysis is a method of statistical evaluation used

to study the strength of a relationship between two, numerically measured, continuous variables. In this study, correlation served in analyzing the strength and direction of relationship.

#### 4. Findings and Discussion

##### 4.1 The Influence of Collaborative Network on Women Enterprises Competitiveness

A Pearson product-moment correlation was run to determine the strength and direction of relationship between collaborative network and women enterprises national competitiveness as described in table 4.1. The item which were used to measure collaborative network and national competitiveness were transformed into one variable as indicated in table 4.1

**Table 4. 1 Correlations between collaborative network and women enterprises national competitiveness**

		Collaborative Network	National Competitiveness
Collaborative Network	Pearson Correlation	1	.739**
	Sig. (2-tailed)		.000
	N	138	138
National Competitiveness	Pearson Correlation	.739**	1
	Sig. (2-tailed)	.000	
	N	138	138

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In table 4.1 above, findings indicated a strong, positive correlation between collaborative network and national competition which was statistically significant ( $r = .739, n = 138, p = .000$ ). As argued by Albers (2013) that networks are cooperative entities formed by more than two firms in order to generate competitive advantages for each member. These findings collaborate with Ricciardi (2014) who found and

conclude that collaborative network allows enterprise to take advantage of ideas, competences and external resources which build and increase their competitiveness in dynamic market. Majava, et al. (2013) supported the idea that collaborative network increases the chance of competitive advantages among network members. They explain that enterprise within network tend to increase interaction with various external stakeholders to enhance innovation, opportunities and access to important resources which build their competitiveness. This finding was supported in the interview when one of the women explained that “collaborative network open women’s gaps in technology, finance, human capital, and extension services which all the gaps opened tend to help our enterprise to achieve competitive advantage”. This interview concurs with the argument made by Osarenkhoe (2010) who argued, that collaborative network has a sensitive information that enable individual women enterprises to successfully acquire more profit, expand the market network all over the country, perform better than its rivals in the market and increase its business competitive advantage. These findings imply that the opportunities offered by collaborative network tend to help women enterprise to gain national competitive advantages over its rival.

On the other hand, Albers’ (2013) findings supported the influence of collaborative network on national competitiveness among women enterprise. He further advocates that networks play an eminent role and even engage in competitive practices in many industries, and are therefore relevant to regulators, policy makers, and competition lawyers. This assertion is also found in Tresca (2013) who explain that, collaborative networks make it possible to overcome the limitations of individual enterprise small size, granting access, at a low cost, to the tangible and intangible resources all over the world which increase competitiveness. Moreover, Ou, et al. (2015) supported the findings by advocating that the social capital of collaborative network build network relationships with a firm’s partners emerges as essential in achieving competitive advantage. These imply that collaborative network has fuels

the continued search for a greater understanding of what is needed to manage in complex market constellations. Based on this implication, Osarenkhoe (2010) concluded that the use of network strategy enhances the internal resources and market shares of competing actors. Thus, relationships in the network offer the advantage of a combination of the need to innovate in new areas as a result of competition while accessing new resources as a consequence of cooperation which enhance the value of an organization with well-established and promising business relationships (Ricciardi, 2014).

#### 4.2 The Influence of National Competitiveness on Participation on Industrialization investments

A Pearson product-moment correlation was run to determine the relationship between economic impact and women violence as described in table 4.1 above. The item which were used to measure national competitiveness and industrilization were transformed into one variable as indicated in table 4.2

**Table 4.2 Correlations between national competitiveness and industrialization**

		National Competitiveness	Industrialization
National Competitiveness	Pearson Correlation	1	.647**
	Sig. (2-tailed)		.000
	N	138	138
Industrialization	Pearson Correlation	.647**	1
	Sig. (2-tailed)	.000	
	N	138	138

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In table 4.2 above, findings indicated a strong, positive correlation between collaborative network and industrialization which was statistically significant ( $r = .647^{**}$ ,  $n = 138$ ,  $p = .000$ ). The correlation analysis reported in table 4.2 appears to confirm that the degree of competition has some impact on women enterprise participation in industrialization. These results support the view that exposure to international competition promotes productivity growth which in turn induce industrialization. The impact of competition on women participation in industrialization growth is confirmed by a number of other studies, many based on industry or firm level panel data for individual countries. These studies found that high degrees of market concentration and market share have an adverse effect on the level of total factor productivity for industrialization.

The findings from current studies also collaborate with the findings by Culpan (2008) who found that competition induces more innovation, and consequently also raises chance for women participation in industrialization. These support the argument made by Buccirossi, et al. (2011) who advocated that, the degree of competition in a particular country or sector is often considered to be among the most important in industrialization. They further argued that lack of competition reduces the pressure on firms to incorporate better technology, remove organizational slack and reduce investment in production growth. These findings imply that, a lack of competition may put insufficient pressure on management to improve productivity performance and incorporate new technology, and thus contribute to a productivity gap with best practice among women enterprise participation in industrialization. This means that, allowing inefficiencies to persist, weak competition may affect productivity growth and industrialization initiative for women enterprise. These findings imply that the tighter competition has a strongly positive effect on women enterprise level of productivity growth which increases the chance for women investing in industrialization.

## **5. Implication**

### **Policy implication**

While collaborative network was found to be significant in promoting competition among women enterprise, this calls for a special policy which could facilitate smooth collaborative network with strong trust and alignment among members who are women for enhancing women enterprise in national business competitiveness. While competition was found to have positive effect on women enterprise participation in industrialization, it is a strong reason for governments to promote competition as a way of ensuring an efficient economy and boosting productivity. This calls for new competition policy which can accommodate collaborative network mediated by competition for boosting women in industrialized world.

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