

**TRANSFERABLE COMPETENCIES, INFORMAL LABOUR MARKET
CONDITIONS AND INFORMAL EMPLOYMENT FOR SECONDARY SCHOOL
GRADUATES IN KIGOMA DISTRICT, TANZANIA**

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**A THESIS SUBMITTED IN FULFILMENT OF THE REQUIREMENTS FOR
THE DEGREE OF DOCTOR OF PHILOSOPHY OF SOKOINE UNIVERSITY OF
AGRICULTURE. MOROGORO, TANZANIA.**

EXTENDED ABSTRACT

The majority of the workforce from all walks of life worldwide are engaged in informal employment. Over 75 per cent of the workforce in Tanzania is in the informal employment. However, secondary school graduates are the majority among the unemployed population compared to other categories of graduates despite the existence of employment opportunities in the informal sector. In addition, informal employment for secondary school graduates in Tanzania has attracted little research interest despite its potential in absorbing the majority of secondary school graduates. The current study was conducted in Kigoma District in Tanzania with the aim of determining the influence of transferable competencies, informal labour market conditions, employability, and personal circumstances on informal employment among secondary school graduates. A cross-sectional survey was employed to collect data from a sample of 338 (out of the 396 expected) secondary school graduates, who graduated between 2008 and 2018. In addition, Focus Group Discussions (FGD) and Key Informants Interviews (KIIs) were carried out for data collection. Statistical Package for Social Science (SPSS) was used to analyse quantitative data. Principal Component Analysis and Reliability tests for internal consistence were used to ascertain the explanatory and outcome scale constructs. The study used descriptive and inferential statistics (binary logistics) to assess the influence of explanatory variables on the dependent variable (informal employment). The findings show that, there are differences in transferable competencies between urban and rural respondents. Also, the findings show existence of different ways in which the informal labour market conditions are perceived. Transferrable competencies; interpersonal relationship, entrepreneurship and self-efficacy were statistically significantly different and ranked higher for urban secondary school graduates with an effect size > 0.1 except

for farming which ranked higher for rural areas. On informal labour market, the results show that informal labour market accessibility, social capital, and legal framework for secondary schools in urban areas differed significantly from similar variables for secondary schools in the rural areas. On the choices of informal employment, the findings show that the leading choices for urban areas were fish industry palm processing transportation, trading, accommodation and food vending. Others included mechanics, hairdressing, and street vending. On the other hand, the leading choices for rural areas were agriculture, trading, fish industry, palm processing, and transportation. From the binary logistic regression, which was employed to determine the effect of transferable competencies and informal labour market conditions on employment status, the results show that 12 out of the 17 variables were significant. The empirical findings show that expanding informal labour market accessibility, financial capital especially for start-ups, social capital, market friendly labour, and legal framework have influence on increasing informal employment. In addition, self-efficacy, interpersonal relations, entrepreneurship, farming, age, place of living, and sex had an impact on chances of informal employment acquisition. Lastly, gender inequality is present in transferrable competencies, the way the informal labour market impacts individuals and in the informal employment acquisition. The determined variables from transferable competencies, informal labour market conditions, and personal circumstances have some influence on the opportunities of informal employment. Furthermore, those living in the urban areas are advantaged compared to those living in the rural areas in relation to employment opportunities. Therefore, the local and central government authorities are advised to provide enablers of employment for this group through the provision of transferable competencies. Also, setting specialised areas for informal employment such as garages and markets, the provision of grants and low interest loans to raise their financial capital and support impartial job searches to assist those with poor social capital and to reduce extreme and

cumbersome labour related regulations to encourage employment. Lastly, the central and local government authorities should encourage NGOs dealing with income generating activities, the private sector, and individuals to undertake commercial farming in rural areas to absorb unemployed secondary school graduates in the rural areas.

DECLARATION

I, Adam Mnyavanu, do hereby declare to the Senate of the Sokoine University of Agriculture that this thesis is my own original work done within the period of registration, and that it has neither been submitted nor is it being concurrently submitted in any other institution.

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DEDICATION

This thesis is dedicated to all who seek jobs for jobless and make the Divine Mandate realized for their fellow human beings.

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- Manuscript Two: Secondary School Graduates' Employability: Influence of Informal Labour Market Conditions in Kigoma District-Tanzania: Adam Mnyavanu^{1*}, Carolyne I. Nombo², Sotco C. Komba³, John V. Msinde⁴
- Manuscript Three: Determinants of secondary school graduates' informal employment: Influence of Informal Labour Market Conditions and Transferrable Competencies in Kigoma District, Tanzania: Adam Mnyavanu^{1*}, Carolyne I. Nombo², Sotco C. Komba³, John V. Msinde⁴
- Manuscript Four: Gender Inequality in the Informal Labour Market for Secondary School Graduates in Kigoma District, Tanzania: Adam Mnyavanu^{1*}, Carolyne I. Nombo², Sotco C. Komba³, John V. Msinde⁴

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LIST OF ABBREVIATIONS AND ACRONYMS

ADEM	Agency for the Development of Education Management
CSSH	College of Social Sciences and Humanities
DDS	Department of Development Studies
DTDA	Danish Trade Union Development Agency
FAO	Food and Agriculture Organization of the United Nations
FGDs	Focus Group Discussions
ILO	International Labour Organization
KIIs	Key Informant Interviews
KMO	Kaiser-Meyer- Olkin
LGA	Local Government Authority
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania
MoEST	Ministry of Education Science and Technology
NACTE	National Council for Technical Education
NBC	National Bureau of Statistics
NGO	Non-Governmental Organization
OR	Odd Ratio
PCA	Principal Component Analysis
SD	Standard Deviation
SDGs	Sustainable Development Goals
SIDO	Small Industries Development Organization
SPSS	Statistical Package for Social Sciences
SUA	Sokoine University of Agriculture
TaESA	Tanzania Employment Service Agency
TDV	Tanzania Development Vision
TIB	Tanzania Investment Bank
UN	United Nations
URT	United Republic of Tanzania
VETA	Vocational Education and Training Authority
WB	World Bank

CHAPTER ONE

1.0 Introduction

1.1 Background to the Problem

Informal employment has grown exponentially and drastically beyond expectations since the early economic recovery after World War II. The growth has been contrary to the early predications, which perceived informal employment market as bad, illegal, and not capitalist in nature because of difficulties associated with taxation and labour regulations (Lewis, 1954). The prediction is documented by ILO (2013), and is based on the assumption of potential synthesis of economic policies and resource distribution aimed at emancipating poor working conditions in informal economies and mostly in developing nations. Taxation and labour regulations were associated with better living conditions, wealth accumulation, and general well-being, reasons, which have been inconsistent in some places resulting into contradictions. On the contrary, Singer (1970) showed that informal employment market was growing across the world especially so in developing countries due to the demographic expansion of the workforce, which did not match with the growth of the formal employment opportunities. In addition, the informal employment market is now expanding in the industrialized countries just as it is developing countries (Adams *et al.*, 2013). A report by Ellis *et al.* (2017) recognises the value of informal jobs and informal sector at large in not only reducing unemployment but also increasing productivity.

Following that expansion, several perspectives on the growth of informal employment have emerged. These perspectives emanate from structuralists, dualistic, voluntarist and legalistic schools of thought (Melanie, 2009; Chen, 2012; ILO, 2013; Williams, 2016) (Chen, 2012). The perspectives on the causes for the rise of informal employment vary depending on the social economic context. Dualistics view informal employment as a result of a mismatch between employment demand and employment supply whereby the formal market cannot absorb all employment seekers due to either lack of required qualities or limitations of employment opportunities. The structuralists' school of thought considers employment market as an effect of capitalist tendency of accumulating wealth through outsourcing and subcontracting to reduce employment charges. Legalists perceive cumbersome over regulations as a cause of the rise and growth of informal employment. Voluntarists believe that, individuals and entrepreneurs are engaged in the informal employment out of their freedom of choice. That they possess qualities and opportunities of working in the formal markets, but they rather opt for informal employment to pursue their other interests such as entrepreneurship, hobbies, and accumulation of more wealth than what they would have accumulated in the formal employment markets.

Notwithstanding the variations of causes and growth perspectives of the informal employment, data show that the market of informal employment is growing particularly in South America, Asia and Africa. The informal employment volume in the world constitutes more than three-quarters of non-agricultural jobs (Chen, 2012). Some notable examples on the share of informal employment are India with 93percent share and China with 59 percent (Nguimkeu and Okou, 2020). Furthermore, World Bank (2020) show that

Sub-Saharan Africa has an average of 77 percent informal employment share of the total employment volume with a range of 43 percent for Gabon to 98 per cent in DR-Congo.

Tanzania Development Vision (TDV) 2025 is envisioned to accelerate people's development through self-employment to contribute to the implementation of a wider Tanzania human development agenda. Subsequent development plans like National Strategy for Growth and Poverty Reduction I and II, First Five Year-Development Plan I,II and III which aimed at creating employment opportunities to new entrants who enter the labour market annually and reduce unemployment rate to 6percent by the year 2025/26 (URT, 2016; 2016).

In Tanzania, 75.9 percent of all paid employees and self-employed people are in the informal employment (URT, 2014). However, a study by Rizzo and Wuyts (2014) reveals that the size of informal employment is possibly bigger than is presented by various literature in Tanzania due to lack of accurate data. A synthesis report for the World Bank (2020) shows that Tanzania has 90 percent share of the informal employment. Also, it is noted that, the informal sector, which constitutes the majority of informal employment, has the highest contribution of 88.4percent on labour productivity compared to the contribution from the formal sector, which is only 11.4 percent (Stokes, 2017).

Despite its growth, there are several impediments and challenges facing informal employees in Tanzania, these include skill deficiencies and labour market contingencies (Ellis *et al.*, 2017; ILO, 2019). Other challenges include irregular income, seasonal activities, and inconsistent social protection structure (Tulia, 2010). Therefore, while the informal employment market has the potential to accommodate the majority of employment seekers, specifically secondary school graduates, informal employment faces huge challenges, which need interventions. The challenges are on both the side of personal factors and informal labour market structures.

1.1.1 Transferable competencies

Transferrable competencies are a set of skills fit for any employment be it formal or informal, self employed or hired. Cunha *et al.* (2006) and Silva (2013) identify three types of competencies namely, cognitive, non-cognitive, and technical. Cognitive competence is the mental ability of learning and using academic subjects such as reading, mathematics, and science. Technical competence is a specialised competence of a particular profession such as the legal profession, electric, plumbing, and medicine, while non-cognitive competencies are those which are central to the job in all sectors and in any job at all levels such as communication skills, self-efficacy, metacognition, entrepreneurship, initiatives, creativity and problem solving (Chadha, 2006).

Noncognitive competencies are opted because different competencies during child growth appear in different levels like cognitive abilities competencies stabilizes at age 10 with little self-spontaneous malleability after age 10 (Ronald, 2004). The cognitive ability is strengthened by other skills like noncognitive skills after its stabilization. That is one of

the reason that during teenage and adulthood noncognitive abilities have impact in life outcomes as it shapes the working of cognitive competencies (Thomas *et al.*, 2000). Noncognitive competencies have direct impact on wages and other social-economic outcomes (Cunha and Heckman, 2006).

This study is concerned with the impact of non-cognitive competencies on informal employment. Non-cognitive competencies are synonymously termed transferable competencies, practical skills, soft skills, soft outcomes, and life skills (Blades *et al.*, 2012). This study uses transferable competencies to refer to any of the concepts mentioned above. Transferable competencies can be acquired at school, home, or a work place (Silva, 2013). Transferable competencies in this thesis are self-efficacy, meta-cognition, interpersonal relations, and entrepreneurship (Knight and Yorke, 2002; Mcquaid and Lindsay, 2005; Akhter *et al.*, 2012). As observed by Ndem (2015), farming competence indicators are included considering the fact that agriculture employs 66.9 percent of the workforce in Tanzania as reported in the Five Year Development Plan II (2016/17-2021/22) (URT, 2016).

1.1.2 Informal labour market conditions

The informal labour market conditions are a structural element in the informal labour market, which may enable or hinder mobility in the informal labour. The informal labour market conditions adapted in this study are; informal labour market accessibility, informal

labour quality, financial capital, social capital and labour legal framework (URT, 2012; ILO, 2013; 2018).

Informal labour market accessibility described in terms of availability of places where to work, social services and manageability of transport costs to work. Informal labour quality meant work with security assurance, current and future income, and satisfaction and family role responsibilities (ILO, 2003; 2018). Financial capital meant having commercial or personal loans, credit access from government grants, retained earnings, and personal savings (URT, 2012). The social capital explained by relationship with other people in businesses, family who can assist to start a business or get employment (Jones and Woolcock, 2003 and Pritchett, 2013). Labour legal framework is concerned with licensing, fees, government administrative procedures, and informal payments (corruption) (URT, 2002; 2012).

1.1.3 Employability

Employability in the labour market has been defined differently by different scholars depending on the level of the study i.e., whether macro, meso or micro. At the macro level employability encompasses wider policy strategies to increase employment volume at international and national levels (Berntson and Marklund, 2007). Examples related with macro-level employability are the European Commission employability strategy for increasing employment (Goetschy, 1999) and the African Union Employment and Social Cohesion Fund Goal No. 4, which targets promotion of employability for youth and women (AU, 2018). Other examples are national employment improvement strategies

across countries. Employability at the Meso-level deals with organization matching of workforce demands and available supplies. Employability at organizational level is a situation of the organization to plan and implement measures of continual search and improvement for employees (Van-Dam, 2004). The meso-level has two parts; one is the organization situating itself as attractive as possible for employee and secondly is the organization focus on employee improvement strategies. Lastly, micro-level employability in the labour market focuses on an individual person's employability. The micro-level employability deals with the way an individual perceives and gauges his/her ability to be employed based on his/her competencies and the surrounding circumstances (Knight and Yorke, 2002). employability of an individual is viewed as an outcome of personal characteristics and, labour market conditions which determine a person's perception of chances of being successful in a certain job, maintenance, and transition to another job (McQuaid, 2006). Employability has been studied by Vanhercke *et al.* (2014) as a subjective concept. This thesis focuses on micro level employability.

1.1.4 Informal employment

Informal employment is defined as any kind of unregulated employment. Such employment does not fall under national labour legislation, and social protection benefits such as severance pay, advance notice of dismissal, and paid annual or sick leave do not apply (ILO, 2003). Informal employment is available in the formal and informal sectors.

1.2 Statement of the Problem

The Integrated Labour Force Survey (ILFS) shows that, the majority of employment opportunities are in the informal labour market whose growth rate is more than that of the formal market (URT, 2014). According to the Danish Trade Union Development Agency ((2018) report for Tanzania, if agricultural activities are taken into account, the informal employment account for 85 and 88 percent of employment opportunities for Tanzania Mainland and Zanzibar respectively.

Despite the rapid growth of informal employment, there has been an increase of unemployment among secondary school graduates, attributable to the expansion of secondary school education. This implies that there are fewer or lack of work places to this group of labour force. Secondary examination result show that from 2008 to 2018, more than 65%percent of secondary school graduates had poor performance scoring Division IV and Division Zero in NECTA exams. As a result, these graduates could not continue to higher levels of schooling instead they remain with higher possibility to enter the informal sector.

In addition, unemployment problem among the youth in Tanzania is compounded by lack of desirable competencies and skills (URT, 2014). Deficiencies of these skills among the youth are attributable to individual attributes and structural issues in secondary school schooling and labour market conditioning. The Integrated Labour Force Survey (2014)

shows that secondary school graduates account for 15.7 percent of the working age population and are increasing following the expansion in secondary school enrolment and completion rates. At the same time, they are the minority in the working labour force (URT, 2014). It is thus imperative to investigate the role of competencies and labour conditioning in facilitating employment among the youth.

Furthermore, In Tanzania, many studies have worked on informal employment (Setebe, 2011; Adams *et al.*, 2013; Mkenda, 2014; Mkenda and Aikaeli, 2015; Ellis, Mcmillan and Silver, 2017; Muhanga, 2017; Stokes, 2017; URT, 2017; Sen *et al.*, 2019). Nevertheless, those that worked on informal employment for secondary school graduates are limited. Studies on competencies of the individual in the labour market and labour market operations specifically for secondary school graduates are scant in literature. Thus, personal characteristics and informal labour market conditions are focused in this study in order to understand and provide evidence-based solutions for reducing unemployment for secondary school graduates in the informal labour market.

The study looks into the existing transferable competencies and their impact on the informal employment, the existing informal labour market conditions in their localities, and the impacts of these on informal employment. In addition, gender inequalities are examined as did in other studies (Luz *et al.*, 2015; Ferrant and Kolev, 2016; OECD, 2017) that linked gender balance and socio-economic development, which in turn were found to have had an impact on employment expansion.

Success in the labour market depends on interaction between personal characteristics and labour market conditions, which entails a dualistic view of demand and supply side in the labour market. The view is further explained by Vanhercke *et al.* (2014) that, there are personal, structural and interaction factors that come into play. Personal characteristics account for individual competencies while structural factors relate to labour market contextual factors such as opportunities for work, accessibility to supportive resources, regulation and compliances, compensations and economic situation (Vanhercke *et al.*, 2014). Consequently, the arguments in this thesis focus on the characteristics of the person in the labour market and labour market conditions.

1.3 Justification for the Study

The study is necessary because of increasing secondary school graduates in the labour market and at the same time, leading in unemployment rate as compared to other categories of education. The current study is in line with development goals as stipulated in the Tanzania Five Year Development Plan II 2016/17-2020/2021, which shows the challenges the country is facing in terms of skills and employment opportunities. The study is important as it highlights ways of widening employment opportunities for secondary school graduates.

The study provides information on the transferrable competencies the youth need in order to fit successfully in the informal employment in their localities. The study supports the implementation of Youth and Employment policies through providing information on how to unlock the 15 percent overall secondary school graduates workforce facing unemployment and employability difficulties (URT, 2007; 2008; 2014). The study is in line with Sustainable Development Goal (SDG) Number 8, and with work and economic growth, SDG 5. Moreover, the study is in line with gender equality and SDG goal number 4.4 on the provision of relevant skills for employability among the youth. Lastly the chosen study areas is among the areas with higher unemployment, poor social economic conditions and largely undeveloped in terms of human labour utilization

1.4 Objectives

1.4.1 General objective

The general objective of the study was to assess the determinants of informal employment among secondary school graduates in Kigoma District.

1.4.2 Specific objectives

The specific objectives were to:

- i. Examine level of transferable competencies for secondary school graduates and their influence on employability in Kigoma District,
- ii. Determine the existing conditions in the informal labour market and their relationship with employability of secondary school graduates in Kigoma District,

- iii. Determine the impact of transferrable competencies, informal labour market conditions and employability on informal employment for secondary school graduates in Kigoma District, and
- iv. Assess gender inequality in the informal employment among secondary school graduates in Kigoma District.

1.5 Research Questions and Hypotheses

Research questions were used for both qualitative and quantitative data collection.

Hypotheses were used for quantitative data collection and analysing inferentially.

1.5.1 Research questions

- i. What is the level of transferability of transferable competencies for secondary school graduates in Kigoma District?
- ii. How do transferable competencies influence employability of secondary school graduates in Kigoma District?
- iii. How secondary school graduates perceive the existing conditions of informal labour market in Kigoma District?
- iv. What is the relationship between the conditions of the informal labour market and employability of secondary school graduates in Kigoma District?
- v. What informal employment secondary school graduates are engaged with in Kigoma District?

- vi. How transferrable competencies, informal labour market conditions and employability on informal employment?
- vii. What is the level of gender balance in the informal labour market for secondary school graduates in Kigoma Districts?

1.5.2 Research hypotheses

- i. There is no statistically significant difference of transferable competencies between urban and rural secondary school graduates
- ii. There is no statistically significant influence of transferable competencies on the employability of secondary school graduates in Kigoma District.
- iii. There are no statistically significant differences of informal labour market conditions between urban and rural secondary school graduates.
- iv. There is no statistically significant influence of the informal labour market conditions on the employability of secondary school graduates in Kigoma District.
- v. There is no statistically significant influence of transferable competencies, informal labour market conditions and employability on informal employment for secondary school graduates in Kigoma District.

1.6 Theories

The study used four theoretical approaches. The first objective used modified employability model by Knight and York (2002), which identified transferable competencies with impact on employability. The second objective used the neoliberalism theory, advocated by Hayek, Popper and Friedman (Peters, 2019), which analyses labour market conditions with impact on employability. The third objective was guided by two theories: the Human Capital Theory (Nafukho *et al.*, 2004; Tan, 2014; Berntson and

Sverke, 2016) and the Neoliberalism theory (Peters, 2019). Lastly, the fourth objective was guided by the intersectionality theory expounded by Crenshaw (1989; 1991) and Collins (1990).

Employability model links the transferable competencies with employability while neoliberalism links labour market conditions with employability. The human capital theory explains the relationship between education and education outcomes. Education outcomes in this study is acquisition of informal employment. The intersectionality theory exposes a human person with multiple situations of privileges and discriminations in working environments. All these theories focus on a human person in the labour market of whom in this study is the secondary school graduate.

1.7 Conceptual Framework

The study conceptual framework (Figure 1.1) was modified from two models by Knight and Yorke (2002) and Mcquaid and Lindsay (2005). The Knight and Yorke (2002) model constitutes employability as an effect of competencies of subject understanding, skill, self-efficacy, and metacognition. The Mcquaid and Lindsay model shows that employability is the effect of individual factors, personal circumstances, and external factors. Individual factors constitute skills and attributes such as sociability, team working, problem solving, entrepreneurship and interpersonal skills (Mcquaid and Lindsay, 2005). Personal circumstances are factors related to individual attributes such as age and family care responsibility; while external factors include labour market demands,

public service enabling factors, financial capital and social capital (Mcquaid and Lindsay, 2005). The external factors or labour market conditions as framed in the Mcquaid and Lindsay (2005), Chen (2012) and ILO (2018) are accessibility to work, regulations and quality of work, exposure to social and financial resources. Studies by Ca (2012), Onyishi *et al.* (2015), Berntson and Sverke (2016), González-Romá *et al.* (2018), Rätty *et al.* (2019) have shown a positive relationship between employability and employment.

The modified conceptual framework for the determinants of informal employment used for this study treats explanatory variables in the Knight and Yorke (2002) and Mcquaid and Lindsay (2005) models as independent variables and employability as an intermediary variable. Therefore, the conceptual model for this study constitutes a transferable competence component, an informal labour market component, personal circumstances component and employability as independent variables and informal employment as a dependent variable. Transferable competencies are self-efficacy, metacognition, interpersonal relation, entrepreneurship, and farming. Informal labour market conditions are work access, informal labour quality, social capital, financial capital and legal framework. The framework is relevant for this study because it comprises individual and labour market factors for a person to acquire employment.

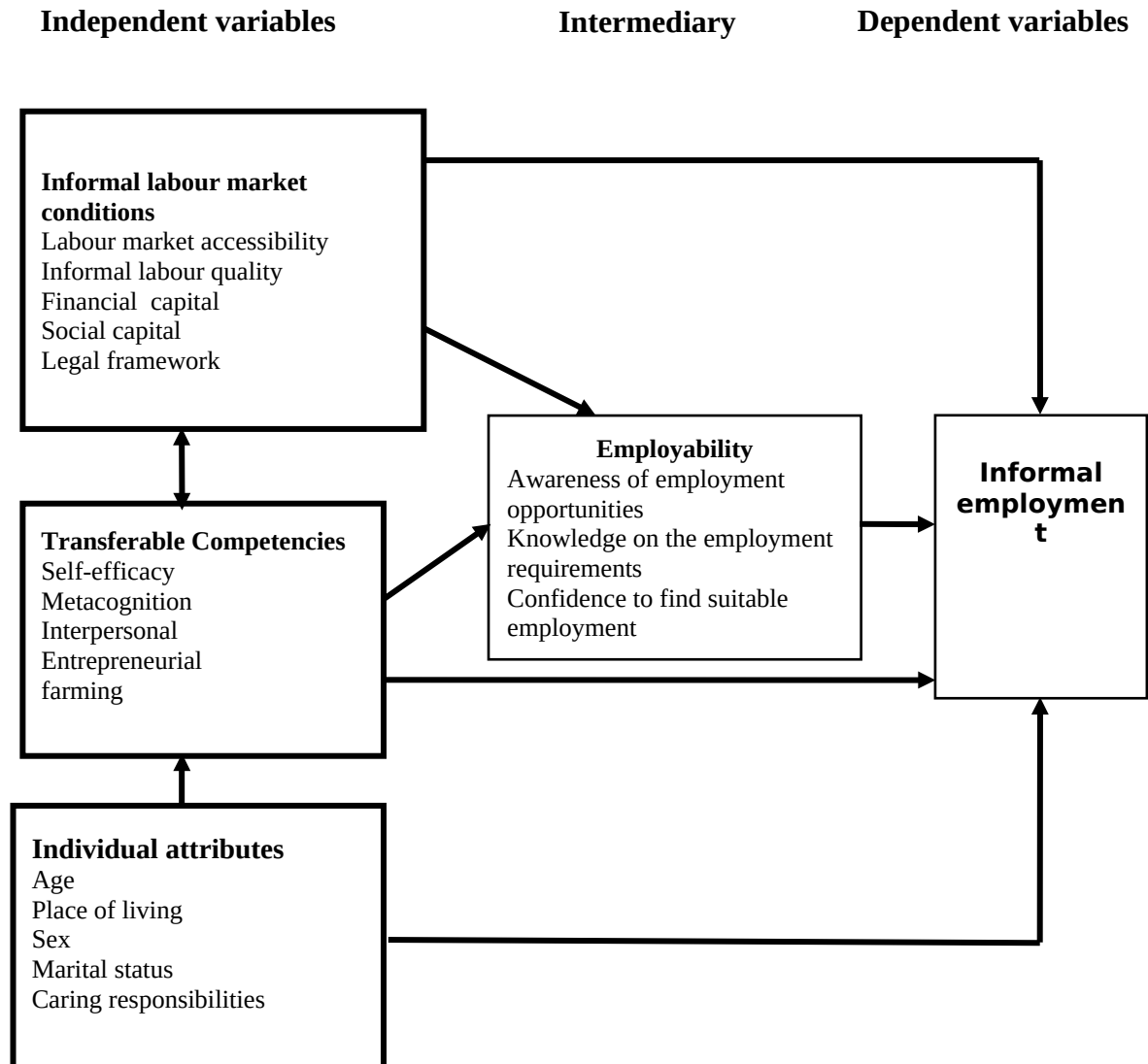


Figure 1.1: Conceptual framework for analysing informal employment for secondary school graduates adapted and modified from Knight and Yorke (2002) and Mcquaid and Lindsay (2005)

Four manuscripts have been developed based on the specific objectives. The first manuscript examines the transferable competence differences between urban and rural respondents with their corresponding influence on employability. The second manuscript determines the existing conditions of informal labour market and their influence on employability. The third manuscript analyses the influence of transferrable competencies, conditions of informal labour market and employability on the informal employment for secondary school graduates. The fourth manuscript assesses the respondents' individual circumstances and gender inequality in the informal labour market.

1.8 Description of the Study Area

The study was conducted in Kigoma District involving one division from the urban area and one division from the rural area (Figure 1.2). The District comprises Ujiji Municipality Council and Kigoma District Council. Kigoma Region ranks low in many social economic indicators such as household poverty and per capita income (URT, 2016; 2017). In addition, Kigoma Region and Kigoma District in particular are among the areas with surplus labour and low rate of employment (URT, 2019). ILO (2013) have

established a positive effect between accessibility to the labour market and the reduction of poverty and an increase of income. Therefore, it is worth studying variables with some influence of rising informal employment to serve the majority of unemployed secondary school graduates. Overall Kigoma District constitutes majority of secondary schools compared to other Districts.

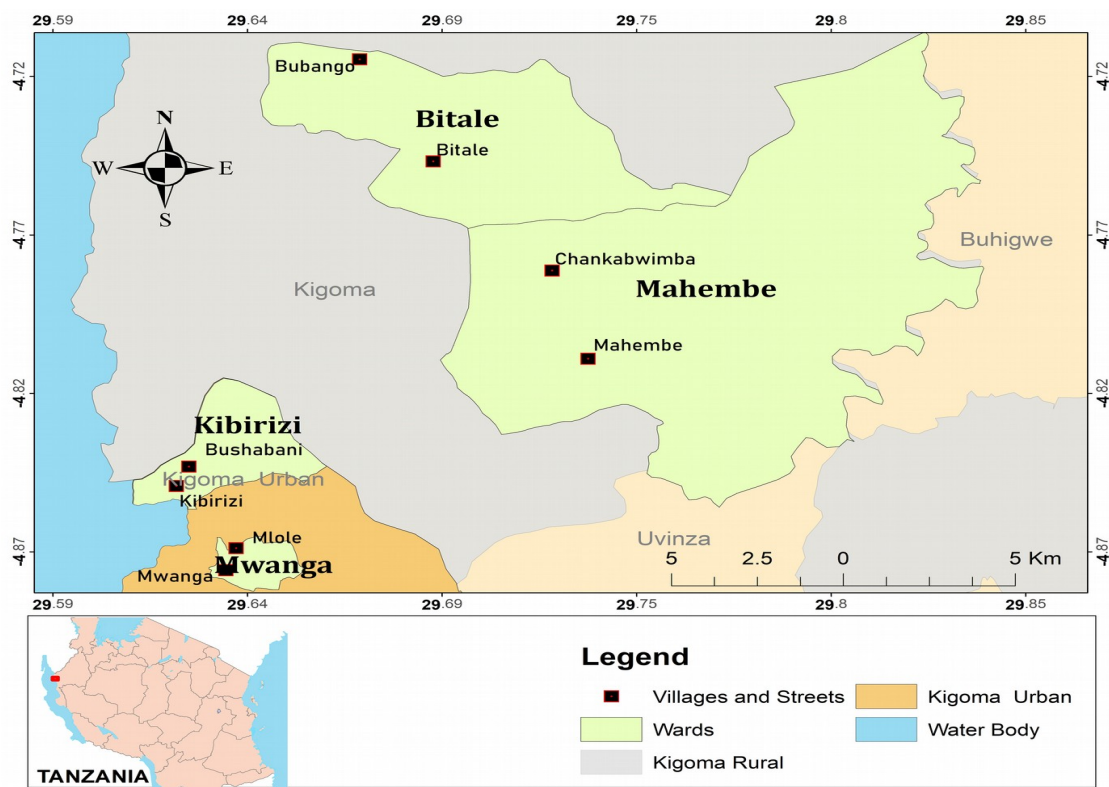


Figure 1.2: Kigoma District

Source: Google map

1.9 The Study Design

A cross sectional study design was adopted. The design was chosen based on the nature of the study, which needed to collect both qualitative and quantitative data at the same time and within a short time. The design offers many benefits in data collection and analysis including its data fit for descriptive and inferential analyses (Zangirolami-raimundo and Oliveira, 2018). In addition, the design is applauded for its benefit on studying

behavioural prevalence (Sedgwick, 2017). The design was relevant to collect data on transferable competencies of secondary school graduates, their perceptions towards the conditions of informal labour market, their individual characteristics and their employability in the informal employment.

1.10 Sampling and Sample Size

The study area was stratified into urban and rural areas. The study population encompassed secondary school graduates of from 2008 to 2018 from the two divisions. In each division, two wards namely Mwanga and Kibirizi from urban areas, and two wards namely Bitale and Mahembe from rural areas were randomly selected. Furthermore, four hamlets from the Urban Division (Mlole, Nazareti, Kibirizi, and Bushabani) and four villages from the Rural Division (Bitale, Bubango, Mahembe, and Chankabwimba) were randomly selected. The unit of analysis was an individual secondary school graduate living in the selected areas.

In addition, six Key Informants (KIIs) were purposively selected based on their expertise and experience in their fields. These include Tanzania Employers Association Chairperson Representative, an Education Expert at TWaweza, owner of palm oil processing machines at SIDO in Kigoma, and the Chief Education Quality Assurer of Kigoma District. Others include Kigoma District Community Development Officer and Labour Officer. KIIs were selected based on their expertise in key study themes as they had in-depth understanding of the secondary education, labour market and employment

sectors. Moreover, four Focus Group Discussions (FGDs) each FGD involving six to nine participants were conducted. The FGDs were conducted at Mlole, Kibirizi, Mahembe and SIDO in Kigoma. The selection criteria of participants were being secondary school graduates from 2008 to 2018, except for Mlole where only secondary school teachers were involved.

The population of secondary school graduates from 2008 to 2018 in Kigoma District was 40 643 (22 269 males and 18 374 females) (Kigoma District Department of education, 2019). The population was targeted following implementation of competence-based curriculum for secondary education of 2005, which first graduates were of 2008. Sample was calculated using Yamane (1973) cited in Israel (2012) which provides a simplified formula of calculating sample sizes with a 95 percent confidence level and $p = 0.05$.

$$n = \frac{N}{1 + N(e)^2}$$

Where $n = 396$ was as the sample size, $N = 40\,643$ was the population size, and $e = 0.05$ was the level of precision.

Table 1.1a: Number of sampled respondents in each village/ hamlet

Area	Urban					Rural			
Ward	Mwanga		Kibirizi		Bitale		Mahembe		
Street	Mlol e	Nazareti	Kibirizi	Bushabani	Bitale	Bubango	Mahembe	Chankabwim ba	Total
Village									
n	69	58	68	51	39	31	32	24	372

The available respondents were 372 (94%); out of these 34 respondents had formal employment or had further education beyond secondary education. The sample size for analysis was 338. The distribution of 338 respondents used for analysis are presented in Table 1.1b.

Table 1.2b: Distribution of respondents' demographic data

	Urban			Rural		
	Male	Female	Total	Male	Female	Total
Frequency	98	125	223	68	47	115
Percent	43.9	56.1	100.0	59.1	40.9	100.0
	Married	Not Married	Total	Married	Not Married	Total
Frequency	97	126	223	30	85	115

Percent	43.5	56.5	100.0	26.1	73.9	100.0
	Not employed	Employed	Total	Not employed	Employed	Total
Frequency	145	78	223	70	45	115
Percent	65.0	35.0	100.0	60.9	39.1	100.0

1.11 Research Instruments

The instruments used for data collection were a questionnaire, an interview guide, and a focus group discussion guide. The main data collection instrument was questionnaire; which was used to collect information on transferable competencies, conditions of informal labour market, employability of secondary school graduates, and informal employment status of the respondents during data collection. FGDs and KIIs were used to complement data gathered from questionnaire.

1.12 Data Analysis

The analysis of data comprised various techniques including SPSS version 20 for quantitative data and content analysis for qualitative data. The data for Objective one, on examining transferable competencies of secondary school graduates and their influence on employability in Kigoma District were analysed using descriptive statistics. In addition, Mann-Whitney U test was used to find out whether there was an inferential statistically significant difference between urban and rural respondents in terms of their

competencies. Finally, ordinal logistic regression was applied to establish the influence between transferrable competencies and employability.

The data for objective two, which determined the existing conditions of the informal labour market and their influence on employability of secondary school graduates in Kigoma were analysed by determining respondents' perception towards the existing conditions of the informal labour market using descriptive statistics. Moreover, inferential analysis was conducted using Mann-Whitney U Test and ordinal logistics regression. These tests were employed to determine the differences between rural and urban respondents and the influence of the conditions of the informal labour market on employability of secondary school graduates. Data from FGDs and KIIs was used for clarification of information that was obtained from quantitative data.

The analytical approach for objective three, which determined the impact of transferrable competencies, informal labour market conditions and employability of secondary school graduates in the informal employment, was basically binary. In this approach, the employment status of the respondents in the informal employment was established. In addition, descriptive findings were generated using multiple response analysis whereby informal employment categories were identified. To examine causal factors on employment, binary logistic regression was performed. This model was used because the dependent variable was measured in binary categories of being either employed or unemployed.

The data for objective four, which aimed at assessing individual characteristics and gender inequality in the informal employment in Kigoma District were analysed using descriptive statistics, content analysis for qualitative data and Man-Whitney U test for quantitative data.

1.13 Ethical Considerations

The research clearance permit was provided by the Deputy Vice Chancellor (Academic) of Sokoine University of Agriculture before embarking on data collection in Kigoma District. The permit introduced the researcher to the Regional Administrative Secretary (RAS) of Kigoma Region who provided a permission letter to introduce the researcher in Kigoma District. The researcher was assisted by two District Education Quality Assurance Officers in data collection. The two officers were also used as data collectors owing to their knowledge of the district culture, geography, and experience of working in the district. The respondents were requested to participate voluntarily in the study, and they were assured of confidentiality and privacy of the information to be provided.

1.14 Validity and Reliability

Validity measures accuracy and reliability measures stability and consistence of instruments. Three levels of validity were measured: construct validity; content validity; and face validity. The study instruments were developed from relevant literatures to achieve construct and content validity. Reliability was measured at three levels: test-retest through pilot study; interrater reliability because data were collected by three different people; and internal consistency through Cronbach Alpha. Twenty-two (22) participants

took part in pilot testing of the instruments at Manyovu and Mnanira Villages in Buhigwe Council. The instruments were then improved and refined based on the pilot information.

1.15 Organisation of the Thesis

The thesis comprises four publishable manuscripts presented in four chapters: chapters two, three, four and five. The thesis is arranged in six chapters. Chapter One presents background information including statement of the problem, objectives, research questions, hypotheses, and general methodology. Chapter Two presents manuscript one which deals with the first objective on transferrable competencies and their influence on employability. Chapter Three comprises manuscript number two on informal labour market conditions and their relationship with employability. Chapter Four comprises manuscript number 3 which is about the impact of independent variables on the dependent variable of informal employment. Chapter Five comprises manuscript number four, which is on gender inequality among secondary school graduates in the informal employment. Lastly, a summary of results, discussion, conclusions and recommendations are presented in Chapter six.

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CHAPTER TWO

Manuscript One

Transferable Competencies and Employability of Secondary School Graduates in Kigoma, Tanzania

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Abstract

The majority of secondary school graduates join labour force immediately after the completion of school; however, their employability is still a problem and contributes immensely to unemployment. This manuscript determined the influence of transferrable competencies of secondary school graduates on their employability. Specifically, the manuscript examines the level of transferable competencies, delineates the differences of transferrable competencies between the urban and rural secondary school graduates, and determines the influence of transferable competencies on employability of secondary school graduates. The study employed a cross-sectional research design in collecting both quantitative and qualitative data. A sample of 338 respondents participated in the study from Kigoma District. Computer software SPSS version 20 was used to compute descriptive and inferential statistics results for quantitative data while content analysis was applied for qualitative data. Overall transferable competencies were poor, Mann-Whitney U test showed that there were significant differences in transferable competencies depending on places where secondary school graduates lived. Ordinal logistic regression results showed that transferable competencies significantly influenced employability of secondary school graduates. The results from the focus group discussions and key informant interviews showed that there was poor employability

among secondary school graduates. The findings are a wakeup call to the Local Government Authorities, schools, youth, employment agencies and Non-Governmental Organizations to address the problem of transferrable competencies of this expanding workforce and increase their employability through alternative pathways such as training and work placements.

Keywords: secondary school graduates, transferable competencies, employability

2.0 Introduction

2.1 Background Information

Poor employability is a severe problem affecting youth across the globe and contributing immensely to lack of employment opportunities. Across the globe, employability is being promoted as a strategy of improving employment and increase productivity. One area of improvement is the education system, which ought to equip learners with employable skills that are relevant in the knowledge-based economy. The European Commission on Employment advocates employability as among the key four areas of increasing employment. Others include entrepreneurship, adaptability and equal opportunities (Goetschy, 1999). Mcquaid and Lindsay (2005) define employability as the possession of transferable competencies and abilities required in promoting an individual's adaptive and behavioural fitness for employment and for comprehending his or her ambitions and potential at work.

In Africa, employability of the workforce is poor due to limited training, and over expansion of working population without proper placements to strengthen their competencies. As observed by Assan and Nalutaaya (2018), it is imperative now that Africa invests in improving employability of her young working population through strengthening provision of transferable competencies. This observation also appears in goal No. 4 of African Union Employment and Social Cohesion Fund, which emphasis further the promotion of employability of youth and women (AU, 2018).

Secondary education in Tanzania is built under self-reliance philosophy of education. Employability is at the heart of Secondary school education in Tanzania. The philosophy insisted on secondary education as complete in itself, and not as a transitory level to higher education. Education for Self-Reliance (ESR) was meant to prepare students to enter and engage with economic and social activities in the society (Nyerere, 1967). To meet that goal, secondary school graduates are expected to have competencies and values necessary for the young people to either fit in the community labour market or transit for further education. Nevertheless, only 4percent of all those who entered secondary schools from primary level do transit for further education, meaning that the majority enter the labour market (Haji, 2015; URT, 2016). In addition, a study on skill development shows that over 80 percent of those who completed secondary education scored either Division IV or failed completely (division zero). As a result, majority of secondary school graduates enter in the labour market with poor employability.

At the same time there are many studies on employability in Tanzania. For example, a study by Mpehongwa (2014) showed skills mismatch between university graduates and needs of Tanzania Vision 2025. Another study by Munishi (2016) on employability showed that, there was lack of transferrable competencies among Technical and Vocational Education graduates despite having acquired discipline-specific skills. According to Munishi (Ibdi), that lack of transferrable competencies partly contributes to unemployment of this particular group. In another study, Mwita (2018) showed employability skills deficiencies for higher education graduates and that employers had perception that majority of seekers had poor on transferrable competencies. Despite the relevant contribution of these studies in literature, they focussed on graduates in technical and higher education institutions and not in secondary school graduates. Investigating secondary school graduate has much broader effects in terms of reducing unemployment at a policy level since this group constitutes the largest proportion of unemployed youth in Tanzania. In addition, there is paucity of information on transferrable competencies among secondary school graduates.

In order to understand the status of secondary school employability, the study looks into the level and distribution of transferable competencies of rural and urban secondary school graduates and their influence on employability. This study has invaluable contribution to the recommendation by MKUKUTA assessment report that, competence based training should be provided to the youth to improve their employability (URT, 2016). In addition, the study provides inputs to the Third Five-Year Development Plan

(2021/22-2025/26) on enhancing employability through skill provision. The study enables practitioners in making informed interventions in addressing unemployment through skill development and promotion of employable skills for secondary school graduates. The findings will also inform the Tanzania Education Policy which intends to improve secondary education to produce students with work life skills, and lastly inform Youth and Employment policy which is intended to facilitate the youths' acquisition of skills and competencies for employment.

In this manuscript, self-efficacy is defined as the belief in one's own ability and capacity of tackling and achieving the intended results (Bandura, 1998; Akhter *et al.*, 2012). Borrowing from Munby *et al.* (2009), metacognition is defined as awareness of one's own knowledge, ability and weaknesses; and interpersonal competence is defined as the abilities involved in relating, dealing and communicating with another person or groups of people (Shepherd *et al.*, 2010; Zhang, 2018). Entrepreneurship is defined as the recognition of a chance to add or create value, develop new ideas and the decision to act on it to develop self-employment, expand organizations or products and own a business (Chigunta *et al.*, 2005; Schoof, 2006).

The theoretical underpinning of this manuscript has been adapted and modified from employability models as proposed by Knight and York (2002). A study by Knight and York (2002) has shown that, employability is an outcome of four competencies of Understanding, Skills (transferable skills), Self-Efficacy, and Metacognition (USEM) model. A study by Andrews and Higson (2008) recommends the addition of interpersonal

and business competencies for a person to finely survive in the labour market (Coetzee *et al.*, 2012). Farming was purposely added to make the fifth competence because agriculture employs majority (66.9%) of the workforce in Tanzania (URT, 2016). USEM model, conceive employability as an outcome of self-efficacy, metacognition, interpersonal relation and entrepreneurship and farming.

The employability models by Knight and Yorke (2002) and Mcquaid and Lindsay (2005) have been opted for this study because of their voluminous pedagogical content. Models have been used to study employability in teaching and learning improvements, curriculum developments, and design of students' placements for experiential learning. Studies by Anas and Hamzah (2018) on enhancing employability for undergraduates in the work-based learning, Coetzee *et al.* (2012) on developing students' employability and Umar *et al.* (2015) on enhancing higher education employability.

2.2 Methodology

2.2.1 Study area

The study was conducted in Kigoma District which constitutes Kigoma Ujiji Municipal Council and Kigoma Rural Council. The area is desirable for this study because URT (2019) shows that, there is surplus labour majority of which is unskilled. About 49percent of the population in Kigoma is below the poverty line as shown by Innovation (2019). Furthermore, Tanzania Human Development Report (URT, 2017) describes Kigoma as among the areas with the highest proportions of households below the national poverty

line, the lowest level of human development, the lowest income per capita and the highest unemployment rate compared to other areas in the country. The Kigoma Regional Investment Guide (URT, 2019) welcomes NGOs and private investors in the provision of skills especially for the youth in self-employment and entrepreneurship.

2.2.2 Study population and sampling

The study population encompassed secondary school graduates of from 2008 to 2018. Two wards from each area namely, Mwanga and Kibirizi from urban areas and Bitale and Mahembe from rural areas were randomly selected. Furthermore, four hamlets (Mlole, Nazareti, Kibirizi, and Bushabani) from the urban division and four villages (Bitale, Bubango, Mahembe, and Chankabwimba) from the rural division were randomly selected. The unit of analysis was individual secondary school graduates living in the selected areas.

The sample was drawn from 40,643 population of secondary school graduates from 2008 to 2018 for Kigoma District (Kigoma District, Department of Education, 2019). The calculated sample was 396 using Yamane (1973 cited in Israel, 2012). However, only 338 fulfilled the criteria of being in the informal employment or unemployed. In addition, three Key Informants (KIIs) interviews were conducted. The Key Informants Interviews (KIIs) were conducted to the Education Expert at TWAWEZA, the owner of palm oil processing machines at SIDO in Kigoma and the Chief Education Quality Assurer of Kigoma District. Moreover, Four Focus Group Discussions (FGDs) were

conducted. Each of them involving six to nine participants. The FGDs were conducted at Mlote Secondary School which involved only teachers, SIDO in Kigoma, which involved workers and owners of palm oil processing units, and Mahembe, which involved secondary school graduates who had previously responded to the questionnaire for triangulation purposes. The criteria for selecting participants include being a secondary school graduate who graduated from 2008 to 2018 except for Mlote, which involved secondary school teachers from Mlote Secondary School.

2.2.3 Study design

The study employed a cross-sectional research design which enabled the collection of data at a single point in time as suggested by Sedgwick (2014). The design provided a chance for combining qualitative and quantitative data collection methods. The combination of data collection methods offered a chance of obtaining triangulated information.

2.2.4 Data collection

The study used both quantitative and qualitative methods to collect data. Quantitative data were collected using a structured questionnaire. The questionnaire gathered data on the respondents' socio-demographic information, transferable competencies and perceptions of employability levels. Qualitative data were collected through Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs). The qualitative data were meant to increase understanding of transferable competencies and employability among secondary school graduates.

2.2.5 Measurements

Competencies were measured using a 7-point Semantic Differential (SD) scale with the bipolar scale of 1= incompetent to 7= competent. The scale has been recommended by Verhagen *et al.* (2015) as an appropriate measure for evaluation, potency and activity description compared to other scales. Five transferable competencies were studied; each

competence had a different number of items (skill indicators) ranging from 5 to 11. Reliability of indicators was assessed using Cronbach's Alpha to ascertain the applicability and relevance of the instruments in capturing the study concepts. The Cronbach's Alpha for this study was 0.797, which is acceptable value as suggested by Taherdoost (2018) in a related study. This Cronbach's Alpha value indicates that the scale research instrument was reliable and the chosen indicators truly represent the studies concepts.

Principal Component Analysis (PCA) was carried out to screen the items (skills) in the scales used to study transferrable competencies (Table 2.1). The purpose of PCA was to summarize measurable indicators into a few meaningful variables for analysis. The key assumptions of Principal Component Analysis are of Kaiser-Meyer-Olkin Measure of Sampling Adequacy or sample size (KMO) (Kaiser, 1970, 1974) and Bartlett's strength test of variable relationship or Sphericity (Bartlett, 1954). The KMO value is between 0.5 and 1 for the adequacy of sampling fit for PCA, and a Bartlett's significant value of <0.05 for no identity matrix data. The test results were a positive definite matrix of good data in all five scales for Self-efficacy, Metacognition, Interpersonal relations, Entrepreneurship and Farming constructs. The assumptions were met with an overall KMO value of ≤ 0.860 and a Bartlett's Test value of 0.000 whereby 76 statements were reduced to 42 statements across the five competencies. Also, a multicollinearity (Variance Inflation Factor) test was conducted; the results obtained were 1.9, which was within the acceptable range. The suggested acceptable range of Variance Inflation Factor (VIF) is between 0 and 10 (Akinwande *et al.*, 2015).

Self-efficacy

The self-efficacy was measured using 10 items adopted from generalized self-efficacy scale by Jerusalem and Schwarzer (1995). Five items were removed during scale reliability test and Principal Component Analysis (PCA). The five items are: 1) It is easy for me to stick to my aims and accomplish my goals; 2) I am confident that I could deal efficiently with unexpected events; 3) Thanks to my resourcefulness, I know how to handle unforeseen situations; 4) If I am in trouble, I can usually think of a solution; 5) I can usually handle whatever comes my way. The scale achieved a Cronbach's alpha of 0.84.

Metacognition

The metacognition construct was measured using 18 items from Metacognition Self-Assessment (MSAS) Pedone *et al.* (2017). Eleven (11) items were deleted to achieve a higher Cronbach's alpha coefficient. The remained 7 items were: 1) I can define, distinguish and name my own emotions; 2) I can clearly perceive and describe my thoughts, emotions and relationships in which I am involved; 3) I can describe the thread that binds my thoughts and my emotions even when they differ from one moment to the next; 4) I can identify and understand the emotions of people I know; 5) I can deal with the problems trying to challenge or enrich my views and my beliefs on problems themselves; 6) When problems are related to the relationship with the other people, I try

to solve them on the basis of what I believe to be their mental functioning; 7) I can deal with the problems, recognizing and accepting my limitations in managing myself and influencing events. The measure of internal consistency was 0.814 Cronbach's alpha.

Interpersonal relationship

The third construct, Interpersonal relationship, was assessed using 14 items developed from three sources: Herman (2000), Mcquaid and Lindsay (2005) and Blades, and Fauthand Gibb, (2012). Five items were expunged during Principal Component Analysis and reliability analysis. The remained 9 items are: 1) It is easier to find the right words to express myself; 2) I accomplish my communication goals; 3) I can persuade others to my position; 4) Others would describe me as a good person, 5) I reveal how I feel to others; 6) When I've been wronged, I confront the person who wronged me: 7) I take charge of conversations, 8) I stand up for my rights; 9) I let others know that I understand what they say. The scale attained a 0.925 Cronbach's Alpha.

Entrepreneurship

The fourth construct was examined using 17 items adopted from the entrepreneurship competence framework by Man and Lau (2000) and (Man, Lau and Snape, 2008). Six items were removed to meet PCA threshold above 0.3 coefficient and Cronbach's alpha coefficient 0.714. The remained 11 items are: 1) Identify goods or services customers

want, 2) Develop long-term trusting relationships with others, 3) Maintain a personal network of work contacts, 4) Monitor progress toward objectives in risky actions, 5) Look at old problems in new ways, 6) Treat new problems as opportunities, 7) Organize resources, 8) Prioritize work in alignment with business goals, 9) Assess and link short-term, day-to-day tasks in the context of long-term direction, 10) Possess an extremely strong internal drive , and 11) Keep up to date in my field.

Farming

The fifth construct, farming, was assessed using 10 items developed from farming competence frameworks by Nel and Groenewald (1998; GIZ, 2016). The items were based on PCA threshold and Cronbach's reliability test. The remained items were: 1) Crop selection based on climate and land, 2) Cropping system options (like intercropping, mixed, relay and rotation), 3) Crops market demands) 4) Knowledge on needed mechanization, 5) Layout of fields for different crops within your area; 6) Selection of appropriate seeds, 7) Crop growth management, 8) Fertilising, 9) Harvesting, and 10) Storage. The scale attained a Cronbach's alpha of 0.961.

Secondary school graduates' employability

The sixth construct of secondary school employability (dependent variable) was measured using three items with units of measurements: 0= Not at all, 1= A little, 2= To a greater extent, which were adopted from other studies on employability by Pitan (2017), Qenani *et al.* (2014), Berntson and Marklund (2007). Berntson and Sverke (2016). The items are: 1) Confidence to find suitable employment, 2) Knowledge on employment requirements and 3) Awareness of employment opportunities. The scale indicated a consistency of 0.723 Cronbach's alpha.

The findings in Table 2.1 show factors extracted from the transferable competence scales instrument of transferable competencies. The table illustrates: factor loading for five competencies; descriptive statistics, inferential statistics; eigenvalues, variances, Cronbach's alpha and corrected item total correlation. Exploratory factor analysis assisted in reducing the amount of variables to remain with few and uncorrelated variables to increase interpretability of the findings. The Cronbach's alpha ascertained on internal consistence of the scales and reduction of unnecessary items to achieve higher Cronbach's alpha.

Table 2.1: Exploratory factor analysis

Item	Constructs			M	SD	CT	Item	Constructs			M	SD	CT
	1	2	3					4	5	6			
FM1	0.943			2.38	1.203	.596	MC1	0.783			1.95	1.516	.361
FM2	0.940			1.93	1.199	.504	MC2	0.734			2.41	1.648	.676
FM3	0.938			1.72	1.017	.551	MC3	0.714			2.22	1.406	.577
FM4	0.929			1.59	.986	.526	MC4	0.707			2.08	1.251	.570
FM5	0.922			1.60	.929	.645	MC5	0.653			2.03	1.205	.558
FM6	0.920			1.77	.931	.668	MC6	0.613			2.47	1.679	.672
FM7	0.903			1.68	.877	.505	MC7	0.545			1.80	1.686	.550
FM8	0.893			1.65	.954	.784	ENT1		0.769		2.63	1.093	.617
FM9	0.853			1.90	1.249	.603	ENT2		0.750		2.31	1.622	.473
FM10	0.807			2.01	1.308	.591	ENT3		0.719		2.32	1.486	.598
SE1		0.942		1.73	1.139	.555	ENT4		0.706		2.45	1.736	.501
SE2		0.925		2.96	1.641	.680	ENT5		0.664		2.38	1.687	.667
SE3		0.907		1.89	1.232	.632	ENT6		0.634		1.93	1.163	.483
SE4		0.864		1.82	1.353	.575	ENT7		0.527		2.57	1.219	.521
SE5		0.828		2.05	1.183	.556	ENT8		0.434		2.61	1.530	.535
IPR1			0.806	2.67	1.671	.615	ENT9		0.429		2.96	1.284	.643
IPR2			0.753	2.35	1.690	.671	ENT10		0.381		2.50	1.589	.492
IPR3			0.728	2.49	1.647	.583	ENT11		0.380		2.39	1.975	.574
IPR4			0.722	2.72	1.709	.336							
IPR5			0.670	2.57	1.711	.567							
IPR6			0.648	2.78	1.719	.586							
IPR7			0.625	2.50	1.589	.561							
IPR8			0.674	2.41	1.552	.585							
IPR9			0.673	2.18	1.527	.535							
PE1										0.906	1.87	0.952	0.924
PE2										0.894	1.91	0.958	0.917
PE3										0.855	1.951	0.951	0.766
Cronbach's α	0.712	0.84	0.925					0.713	0.961	0.936			
Eigenvalue	9.078	2.018	3.135					3.002	9.386	1.972			
Variance (%)	21.615	4.804	7.465					7.149	22.349	4.383			

Note: KMO = 0.866, Bartlett's Test of Sphericity =861.674; df= 17123, p=0.000, Total variance = 67.763%, M= Mean, SD= Standard Deviation, FM= Farming competence, SE= Self-Efficacy competence, IPR= Interpersonal relationship competence, MC= Metacognition competence, ENT= Entrepreneurship competence, PE= Employability

2.2.6 Data analysis

Quantitative data from the questionnaire were analysed using Statistical Package for Social Sciences (SPSS) software version 20. The percentages for sum scores were computed to harmonize sum scores because they contained varied numbers of items hence the differences. The overall percentage scores from the semantic differential scale were computed by dividing the sum score with the highest possible competence scale score. The overall score was graded into incompetent, moderate, and competent. Competent percentage score was calculated by dividing the product of 42 statements with 7 points the product of 42 statements with 7 points times $[(42 \times 7 / 42 \times 7)] \times 100$ to get 100%. Moderate percentage score was calculated by dividing the product of 42 statements with 4 points by the product of 42 statements with 7 points times $[(42 \times 4 / 42 \times 7)] \times 100$ to get 57%. Incompetent percentage score was calculated by dividing the product of 42 statements with 1 point by the product of 42 statements with 7 points times $[(42 \times 1 / 42 \times 7)] \times 100$ to get 14%. Hence, the scores from 14-56 percent were considered incompetent; 57 percent moderate, and 58 to 100 percent were considered competent. The results are summarized at three levels whereby, incompetent are those who scored between 14 and 56 percent; Moderate competent are those who scored 57 percent and competent are those who scored between 58 and 100 percent. Content analysis was used for qualitative data whereby the collected data were organized into meaningful themes. Focus group discussions and key informant interviews were recorded, and transcripts were studied to develop meaningful clusters.

Ordinal Logistic Regression Model was applied to determine the influence of transferable competencies on chances of employability. The model was used because dependent variable had three ordered categories. The relationship between employability and

individual competencies and socio-demographic factors was determined using the following ordered logit model:

$$Li = \ln \frac{(Pi)}{(1-Pi)} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \dots + \beta_n X_n \dots \dots \dots (1)$$

Where: Li (Outcome variable) = Secondary school graduates 'employability (1=Not at all, 2= A little, 3= To a greater extent. Explanatory variables were all measured with semantic differential scale (1=incompetent to 7=competent) are: X_1 = Self-efficacy, X_2 = Metacognition, X_3 = Interpersonal, X_4 = Entrepreneurial, X_5 = Farming; X_6 = Location (1 = Urban, 0 = Rural). Finally, quantitative findings were complemented with findings from focus group discussions and key informant interviews.

2.3 Results and Discussion

Three findings are presented in this section. The first part of this section presents descriptive findings on the level of transferable competencies for secondary school graduates. The second part examines the differences in transferable competencies between urban and rural areas. The results of the analysis of influence of transferable competencies on employability for secondary school graduates are presented in the last section.

2.3.1 Level of transferable competencies of secondary school graduates

Transferrable competencies of secondary school graduates are the key determinants of employability. The findings in Table 2.2 show percentage scores computed from the sum of the scores of semantic differential scales. The discussion involves a summary of 5 competencies which are Metacognition, interpersonal relation, entrepreneurship, self-efficacy and farming.

2.3.2 Metacognition

The metacognition competence construct was assessed to find out learning management competence for secondary school graduates. The findings on metacognition competencies, as reported by secondary school graduates are shown in Table 2.2. The results indicate that 90.5 percent of the urban respondents lacked metacognitive competencies, and 8.64 percent were competent. Among the rural respondents, the results show that 95.5 percent were incompetent, and only 4.05 percent were competent. The results are supported by one Key Informant (KI) who affirmed that: *“Most secondary school graduates have poor general concentration skills and sometime, it is difficult even to teach them when they are employed...”* (KI SIDO Employee on 7th June, 2019). These findings show the learning challenges encountered by secondary school graduates in working environments. The findings are in line with the findings in a study by Kim and Lee (2018) and Munby *et al.*, (2003) who reveal that employees with higher metacognition skills had higher possibility of succeeding in working environments and vice versa. The authors recommended for early introduction of these skills when students are in school. These findings suggest the prevalence of weak metacognitive skills among secondary school graduates. The findings imply that, learning and concentration on new skills are poor resulting to poor job performance.

2.3.3 Interpersonal relations

Interpersonal relation competencies of secondary school graduates were examined to find out the level of competence for secondary school graduates to establish and maintain interpersonal relations. Findings in Table 2.2 present respondents' measures of their interpersonal competencies. The results show that, among urban respondents, 96.4

percent were incompetent and 3.6 percent who scored 58-100 percent were competent. At the same time, in rural areas, 87.07 percent were incompetent, 1.72 percent were moderately competent and 11.21 percent were competent. Overall, the description of the findings shows that the majority of the respondents in both categories of urban and rural areas had poor competencies with slight differences among them. The results were consistent with the findings from a Key Informant (KI) who said,

“The situation is worse than we think; most (I mean most with emphasis) secondary school graduates don’t have intended competencies... some cannot easily start or initiate conversation with new people ... respect and confidence are very low.” (TWAWEZA Official, 10th July 2019).

These findings show poor interpersonal skills comprehension of secondary school graduates in the studied areas. The findings suggest a need for the provision of specific training for secondary school students to help them acquire basic interpersonal skills. Similar findings are reported by Deba *et al.* (2014) in Malaysia who observed a decline of interpersonal skills among secondary school graduates to fit in the 21st century work place requirements. Another study by Dasmani (2011) in Ghana observed a gap between policy contents, curriculum and instructional approach with practical skills required in the working place. Also, Brewer (2013) suggests a need to train on the necessary interpersonal skills such as negotiations, conflict resolutions and moral and communication skills. Training for interpersonal competencies will assist secondary school graduates improve their interpersonal skills and other skills to compensate for the deficiencies they face when newly getting into working environments.

2.3.4 Entrepreneurial competence

The results on entrepreneurship in Table 2.2 indicate that 68.1 percent of the urban

respondents had poor competence in entrepreneurship and only 27.59 percent were competent. Among the rural respondents, 88.3 percent had no entrepreneurship competence, and 7.65 percent were competent. The FGDs had the same observations that very few of the secondary school graduates showed consistent innovation and trials in business and income generating activities. Furthermore, FGD participants raised concerns that entrepreneurship is a very important area to teach in schools to raise awareness of students on life earning opportunities. A similar finding from the FGDs was that, many of those scoring Division Four and Division Zero end-up remaining at home and start engaging in other activities to earn a living. Entrepreneurship skills would help them to improve and innovate. Similar findings are reported in a study by Urassa and Mansura (2018) who observed that, there were few trained youth on entrepreneurship in Rural Kilombero.

2.3.5 Self-efficacy

Self-efficacy competencies among secondary school graduates are summarized in Table 2.2. The findings show that, among the rural and urban secondary school graduates studied, almost all (100%) had incompetent self-efficacy comprehension. these results indicate a very low self-efficacy competence among the respondents. The findings from FGDs showed related perceptions on self-efficacy competence of secondary school graduates as was reported that students and secondary school graduates do not know exactly their capacity and ability, as a result, they do not have clear goals to achieve.

The findings are consistent with the findings in literature on self-efficacy showing, that low self-efficacy is associated with poor belief in personal ability and capacity and

therefore poor achievement in goals be it in learning, in working or in in sports (Akhter *et al.*, 2012). Higher self-efficacy is associated with higher individual goals achievement and resilience in adversities (Zhao *et al.*, 2005; Setiawan, 2014). The results suggest a need for integrated self-efficacy skills building for students' competencies to meet the need of our education philosophy of self-reliance.

2.3.6 Farming competence

Findings on farming competencies are shown in Table 2.2 indicating that over a half (52.5%) of rural respondents were incompetent in farming and only 47.5 percent were competent. Participants of An FGD conducted at Masanga Secondary School on 4th June 2019 had a view that secondary school students and graduates had lost interest in agriculture; they did not see farming as something economic, but they perceive it as difficult, time consuming and not reliable as it does not have an immediate monetary outcome. Also, another observation by an FGD at Mlote Secondary School on 4th June 2019 showed that students lack agricultural skills despite coming from farming communities. participants were of a view that secondary school graduates are not interested in farming; farming is the last resort activity after missing all other alternatives. Even those few who engage in farming productively are like in the transition to other activities. Partly, FGD participants showed that some things, which are studied in secondary school can be reduced to pave a way for more import life skills building such farming for students. This finding corresponds with an observation by Sumra and Katabaro (2014) that, in Tanzania the quality of education is not consistent with the needs of agricultural production; and that primary and secondary school graduates lack the skills to fit in agricultural communities. These results raise an alarming indicator as agriculture is the major source of youth employment in Tanzania, employing 65.2 percent of the

labour force (URT, 2016). Nonetheless, agricultural skills are important for career development of secondary school students. These findings call for a need to institute farming skills for secondary school students and graduates at this level as agriculture is currently the major employing sector and is also potential as stipulated in the Tanzania Five-Year Development Plan II (URT, 2016).

Table 2.2: Scores competencies for rural and urban respondents (n = 338)

Category	Metacognition		Interpersonal		Entrepreneurship		Farming		Self-efficacy	
	UR	RL	UR	RL	UR	RL	UR	RL	UR	RL
Incompetent (14%-56%)	90.5	95.5	96.4	87.07	68.1	88.3	95	52.5	100	100
Moderate (57%)	0.86	0.45	0	1.72	4.31	4.05	2	0	0	0
Competent (58-100%)	8.64	4.05	3.6	11.21	27.59	7.65	3	47.5	0	0
Total	100	100	100	100	100	100	100	100	100	100

Note: detailed table; see appendix 1

UR=Urban respondents, RL= Rural respondents

2.3.7 Differences in transferrable competencies between urban and rural secondary school graduates

Transferrable competencies were tested to find out how they were distributed among urban and rural secondary school graduates. The findings in Table 2.3 present Mann-Whitney U test differences for transferrable competencies between urban and rural secondary school graduates. The findings show that four out of 5 variables tested indicated significant differences and hence the null hypothesis that the variables had the same influence on urban and rural respondents was rejected. The findings in Table 2.3 show that self-efficacy, interpersonal relationship, entrepreneurship statistically and significantly differed between urban and rural secondary school graduates. In addition, interpersonal relationship, and farming competencies indicate a medium effect size, self-

efficacy showed a small effect size. In determining the value of the effect size, Field (2009) argues that when $r = 0.1$ is a small effect, when $r = 0.3$ is a medium effect, and when $r > 0.3$ is a large effect. Further, median scores of the significant variables were larger among the urban respondents except in farming for which the score was larger in rural areas, indicating that the variables had some effect on their employability.

Considering Mann-Whitney U test, the findings in Table 2.3 show significant differences in the ways urban and rural respondents were influenced by transferable competencies, urban respondents being more employable. In addition, farming showed higher effect for rural respondents which suggests that majority were engaged in farming compared to urban. Overall, the findings show that, there are differences in the ways urban and rural respondents perceived their employability, based on transferable competencies between them.

Table 2.3: Differences in transferrable competencies between urban and rural secondary school graduates

Explanatory variables	Place of Living	n	Median	Mann-Whitney U	Z	Sig.	r
Self-Efficacy	Urban	223	18	10809.000	-2.375	0.018	-0.1292045
	Rural	115	15				
Metacognition	Urban	223	16	11787.000	-1.219	0.223	-0.0663006
	Rural	115	15				
Interpersonal Relationship	Urban	223	19	12649.500	-6.204	0.041	-0.3374363
	Rural	115	15				
Entrepreneurship	Urban	223	20	12770.500	-5.061	0.030	-0.2752922
	Rural	115	17				
Farming Competencies	Urban	223	18	12688.000	-7.158	0.009	-0.3893618
	Rural	115	22				

2.3.8 Influence of secondary school graduates' competencies on employability

Ordinal linear regression model was applied to determine whether there were any statistically significant influence of transferable competencies on employability of secondary school graduates. The model gave better predictions; and statistic fittings showed that $p \leq 0.000$ and goodness of fit $p > 0.05$ with Test of Parallel Line $p = 0.438$ which gave $p > 0.05$ rejected the parallelism hypothesis. The pseudo R-Square tests Cox and Snell 0.358 and Nagelkerke 0.385 imply that the predictor variables entered in the model explained 35.8 and 38.5 percent of the variance of transferable competencies in employability.

The findings show self-efficacy competence was positive and had significant Wald statistic (β) of 12.641 ($p = .001$). This implies that the respondents with higher self-efficacy had a stronger belief of being employable than those with lower self-efficacy. Similar findings were observed by Zhao *et al.* (2005) in the United States and Setiawan (2014) in Indonesia who showed a positive association between self-efficacy level and determination for goal achievement and perseverance in adversity.

Metacognition was positive and significant at $p = .010$, Wald 45.625. This finding implies that, an increase in metacognition increases the chance for higher perception in employability. Metacognition is related with cognitive management in learning throughout life as shown by Munby *et al.* (2009) and Vrugt and Oort (2008). It implies that the respondents with higher metacognitive ability had also a higher possibility of having higher employability.

Interpersonal relation is positive and significant with $p=0.004$. This implies that an increase in interpersonal relation competence is associated with increased probability of being employed. The findings suggest that acquiring and strengthening interpersonal skills increase employability. Positive role of Interpersonal competence is supported by argument posed earlier by Nwinyokpugi and Omunakwe (2019). An increase in organizational productivity resulted from accumulated interpersonal competence in a study conducted in Nigeria (Rivers State).

Similar findings were reported by Deba *et al.* (2014) who observed a decline of interpersonal skills among secondary school graduates to fit in the 21st century work place requirements. At the policy level, this sort of finding indicates a need of training for necessary interpersonal skills such as negotiation, conflict resolution, and moral and communication skills.

In addition, the findings show that entrepreneurship had positive influence on employability. Entrepreneurship had a $p \leq .000$. The finding shows the importance of entrepreneurship competence in increasing employability of secondary school graduates. The findings are supported by findings of a study by Mama *et al.* (2012) on the importance of entrepreneurship competence for secondary school graduates. Entrepreneurship is associated with innovation and value addition in individual responsibilities. The findings imply that, the respondents with entrepreneurship competencies are more employable. The findings show further that, farming competence had a positive contribution on employability. The findings (Table 2.4) on farming competence are significant and positive ($p \leq .000$) implying that farming competence had significant influence on employability of secondary school graduates. This finding is not particularly surprising since farming is a dominant activity and one of the major sources of employment in the study area. It was expected that this competence is built from

school learning and farming experience that graduates have accumulated by working in their parents' households' farms before they attain full dependency.

The negative coefficient indicates a decrease of employability for urban respondents and increase of employability for rural respondents. This may be referring to employment in agriculture, based on the national data whereby agriculture employs 66.9 percent, and is more implemented in rural areas. The findings are in line with the findings of a study by Banks (2016) in Arusha Municipality which showed that unemployment was high in urban centres compared to rural areas.

Table 2.4: Influence of secondary school graduates' competence on employability

Variables	B	Std. Error	Wald	df	Sig.
Self-efficacy	0.072	0.02	12.641	1	0.004
Metacognition	0.102	0.015	45.625	1	0.010
Interpersonal	0.068	0.017	11.037	1	0.001
Entrepreneurship	0.077	0.026	13.212	1	0.000
Farming	0.098	0.014	31.071	1	0.000
Urban residency	-	0.018	6.641	1	0.017
Rural residence	0a			0	
Male	-.307	0.376	.666	1	0.414
Female	0a			0	
Married	-.001	0.311	.000	1	0.067
Not Married	0a			0	
Age (18-24yrs)	-	0.469	70.391	1	0.000
Age (25-29yrs)	3.938	0.367	10.741	1	0.001
Age (30-35yrs)	1.203			0	
Caring responsibility	0a	0.368	5.132	1	0.038
	0.954				

Note: Model fit Chi-Square 149.984 (p=0.000); Goodness of fit = 0.541; Pseudo R-Square: Cox and Snell = 0.358, Test of Parallel Line p =0.438; Age in years.

The empirical findings indicate that there is statistically significant influence of transferable competencies on employability of secondary school graduates. Evidence from empirical findings suggest that, the inclusion and strengthening of transferrable competencies in secondary education are likely to improve employability of secondary

school graduates. The overall implication of the findings is that, the studied competencies have an important position in influencing employability of secondary school graduates. The Knight and Yorke (2002) and Mcquaid and Lindsay (2005) models and scales instrument used in the study were previously mostly developed, tested, validated and used in other countries especially in Europe and America. Contextualising them in Tanzanian and specifically for the group studied has shown a need of customizing the value of transferable competence of secondary school graduates and of those still in school. the findings evidently show that transferrable competence constructs namely self-efficacy, metacognition, interpersonal relation, and entrepreneurship developed from employability models by Knight and Yorke (2002) and Mcquaid and Lindsay (2005) and farming have some influence on employability. the findings are in line with the theoretical model used in this study and relates with the findings of other employability studies such as Berntson and Marklund (2007), Qenani *et al.* (2014), Berntson and Sverke (2016), Pitan (2017).

2.4 Conclusions

The manuscript has shown that there are differences in the comprehension of transferable competencies between urban and rural secondary school graduates. The differences have implication on their employment prospects with urban respondents having a higher possibility of securing employment. The findings highlight the challenges of rural-urban secondary school graduates employment and point to a need of taking measures to improve the quality of rural secondary school graduates employability. Generally, the study found that transferable competence level of secondary school graduates was low. Consequently, this leads to low employability resulting from the failure of secondary school graduates to transit from school to work. The findings from the regression showed that, when competencies are improved the chances of employability also increase and

with high possibility of reducing unemployment and ultimately improving participation rate of secondary school graduates in the labour market.

In summary, all transferrable competencies examined have shown to have positive influence on employability of secondary school graduates. The findings concur with the theoretical underpinnings of the study. In addition, the four competencies, proposed by the theory described earlier are relevant variables to be included in examining employability in farming rural community.

In the context of Tanzania education system, Secondary school graduates contribute a bigger share in the labour market participation; and that, graduates are likely to increase following a recent surge in enrolment since the introduction of free education policy by the government in 2016. It is thus imperative to examine appropriateness of competencies of secondary school graduates at the policy making level. Their competence will determine their absorption in the labour market.

2.5 Recommendations

Based on the findings, it is recommended that;

- i. The Ministry of Education Science and Technology (MoEST) through Vocation Education and Training Authority and (VETA), National Council for Technical Education (NACTE) and the Institute for Adult Education (IAE) should design and implement non formal skill provision programmes for secondary school graduates who did not continue in a normal path. They should provide alternative paths for strengthening transferrable competencies of secondary school graduates in the labour market.

- ii. The Prime Minister's office, Labour, Youth, Employment and Persons with Disability in corporation with Local Government authorities (LGA), Non Governmental Organizations (NGO) and the Private sector, specifically SME should provide apprenticeship. They should focus on entrepreneurship and farming competencies as they employ a big proportion of the workforce.

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CHAPTER THREE

Manuscript Two

Secondary School Graduates' Employability: Influence of Informal Labour Market Conditions in Kigoma District, Tanzania

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Abstract

Secondary school graduates are increasing in the informal labour force population whilst their employability is either constant or uncertain. This manuscript is derived from a study which sought to determine the influence of the conditions of the informal labour market on perceptions of secondary school graduates towards employability in Kigoma District, Tanzania. Specifically, the manuscript addressed three objectives: examining perceptions of secondary school graduates towards informal labour market conditions prevailing in their areas, assessing the differences in perceptions between urban and rural respondents towards informal labour market conditions, and determining the influence of informal labour market conditions on employability of secondary school graduates. A cross-sectional study design was employed to collect qualitative and quantitative data. Descriptive results showed that informal labour market conditions were perceived differently by urban and rural respondents. In addition, Mann-Whitney U test showed that there were significant differences particularly on the effect of size among the informal labour market conditions tested. Ordinal Logistic Regression model showed that 3 (informal labour market accessibility, financial capital, and social capital) out of 5 variables entered for analysis significantly predicted the employability of secondary school graduates. The findings from focus group discussions and key informant interviews were in line with the quantitative findings. Consequently, the informal labour market conditions have an influence on employability of secondary school graduates. Ultimately, adjustments of informal labour market conditions can be an effective tool of expanding employability of the studied group. The findings are a wakeup call to the Local Government Authorities, labour officers, employment agencies and Non-Governmental Organizations in adjusting and re-organizing informal labour market conditions to

accommodate secondary school graduates, and hence advance employability prospects among members of this group.

Keywords: Secondary school graduates, informal labour, informal labour market conditions, employability

3.0 Introduction

3.1 Background Information

Labour market conditions are factors, which determine entry in the labour market for both informal and formal sectors. The ILO (ILO, 2003) lists 6 conditions, which determine entry in the labour market, namely opportunities for work, free will in the choice of work, work productivity, financial capital, security and dignity. Furthermore, the ILO (2018), considering the conditions and indicators presented by ILO (2003), summarised conditions and indicators specific for young people in the labour market as follows, labour market accessibility, quality, and financial capital. In addition, Chen (2012) proposes more conditions relevant to the informal labour market, which are social capital and labour legal aspects. Following ILO (2018) and Chen, 2012, this manuscript operationalizes informal labour market conditions to constitute informal labour market accessibility, informal labour quality, financial capital, social capital and labour legal framework (Chen, 2012; ILO, 2018).

It is important to note that, the forms of African informal labour market conditions differ from those in other areas due to differences in economic advancement (Slonimczyk, 2014). For example, work accessibility in Africa is at its lowest level compared to other continents. The labour market captures only 55percent of the human capital resource below the world average of 65 percent (WEF, 2017). The challenge is likely to be severe if measures are not mindful of the expected increase of the working population from

370millions to 600millions by 2030 (WEF, 2017). Africa lags behind other developing countries in terms of financial capital and accessibility to financial services whereby rural areas are disproportionately most affected (Triki and Faye, 2013).

There have been a variety of studies on informal labour and employability in Tanzania, but specific studies on informal labour market conditions in relation to employability of secondary school graduates and how this affects their participation in informal jobs are scarce. A study by Mkenda and Aikaeli (2015) on the *growth of informal employment in construction* concluded that there is lack of employment security, social protection and lower earnings in the informal employment compared to formal employment. They went further delineating that, majority of employees in the informal sector have low education level and lack higher level skills. A study by Muhanga (2017) on linkage of urban informal sector with socio-demographic, economic and legal features of the participants observed lower tier in the duality of informal labour. Generally, the study focused more on the enterprise part of the informal sector and demographic distribution within it. The study affirms the necessity of the informal sector in urban settings as a source of employment for majority of urban dwellers.

Employability is conceptualised in Berntson and Marklund (2007) and Vanhercke *et al.* (2014) as an individual's subjective perception of his/her possibilities to secure employment, maintain and transition to other employment based on the labour market conditions. Informal labour market conditions determine a person's employability perceptions and chances of being successful in a certain job, maintenance and transition to another job (McQuaid, 2006).

The objective of this manuscript is to determine the contribution of each independent informal labour condition variable in predicting its effects of the dependent (employability) variable of secondary school graduates. Thus, it is hypothesized that, the informal labour market conditions have some influence on the employability of secondary school graduates in Kigoma District. Statistical estimation was employed to test this hypothesis. The rest of the manuscript proceeds as follows; the next subsection gives theoretical direction of the manuscript, methodology, discussion and the last section gives a conclusion.

3.2 Neoliberalism Theory

The theoretical underpinnings of the study is based on neoliberalism theory, propounded by Hayek, Popper and Friedman (Peters, 2019). The neoliberalism theory expounds that the labour market needs autonomy to boost production and employment expansion (Williams, 2014). The market conditions should be free and determined by the market without the state or government control. Neo-liberalism views the labour market as a place where individuals compete to maximize their utility; the role of government should be to create and safeguard the free labour market (Kramer, 2017). The neoliberalism theory in the labour market believes in labour accessibility, deregulation, free flow of financial capital, interaction of enterprises to encourage innovations and expansion of formal and informal employment opportunities (Hilgers, 2011; Huang *et al.*, 2020). Informal labour market conditions which determine entry in informal employment include informal labour market accessibility, informal labour quality, financial capital, social capital, and labour market legal framework (ILO 2004, 2013; Chen, 2012). Based on Neoliberalism and basic ILO definitions, this manuscript operationally defines informal labour market conditions to include informal labour market accessibility,

informal labour quality, financial capital, social capital, and labour market legal framework.

The study contributes invaluable inputs to the Second Five-Year Development Plan FYDP II (2016/17-20/21) and the National Youth Development Policy 2007 (URT, 2007; URT, 2016). The FYDP II indicates a need of expanding employment by creating more employment opportunities as part of poverty alleviation. Among the strategies proposed in the FYP II are deregulating the most stringent laws hampering investments and administration of labour and easing accessibility to low interest loans for start-ups. Besides, the central government being the main actor, the study is relevant to local governments, NGOs and other interested actors working on a daily basis to unlock employment challenges facing the youth, including secondary school graduates.

3.3 Methodology

3.3.1 Study area

The study was conducted in Kigoma District which comprises Ujiji Municipality Council and Kigoma District Council. The district was chosen because of its social and economic underdevelopment in the region. Largely, Kigoma Region ranks high in the proportion of households below the basic poverty line (URT, 2017). Also, according to a report by the national accounts of Tanzania Kigoma is among the three regions with the lowest GDP per capita income, (URT, 2016). However, despite the prevailing socio-economic status, Kigoma District, has the potential of expanding labour market from palm oil, fishing, sugar production and agribusiness of food and cash crops (URT, 2019). Lastly, Kigoma

District comprised majority of secondary schools and there was chosen because of the focus of the study on secondary school graduates.

The study area was stratified into urban and rural areas. Two divisions (Kigoma Kaskazini from urban areas and Mahembe from rural areas) were randomly selected. Two wards from each division, two hamlets from each urban ward, and two villages from each rural ward were randomly selected. The study population encompassed secondary school graduates of from 2008 to 2018 from the two divisions. In each division, two wards Mwanga and Kibirizi were randomly selected: from urban areas, and Bitale and Mahembe were randomly selected from rural areas. Furthermore, four hamlets from the urban division (Mlote, Nazareti, Kibirizi, and Bushabani) and four villages from the rural division (Bitale, Bubango, Mahembe, and Chankabwimba) were randomly selected. The unit of analysis was an individual secondary school graduate living in the selected areas.

The study population were secondary school students who completed school between 2008 and 2018 in Kigoma District amounting to 40,643 (Kigoma District, Department of Education, 2019). The sample of 396 respondents was calculated using Yamane formula (1973 cited in Israel, 2012). The study managed to get 338 of the respondents. Two key informant interviews (KII) were conducted to Education Expert at TWaweza and the owner of palm oil processing machines at SIDO in Kigoma. Moreover, Four Focus Group Discussions (FGDs) were conducted at Mlote, Kibirizi, Mahembe and SIDO in Kigoma.

3.3.2 Data collection

The study employed a cross-sectional research design which enabled the collection of data from a single point in time. On the other hand, the design provides a chance for

combining qualitative and quantitative data collection methods. The combination of data collection methods offered a chance of obtaining triangulated information.

The study used both quantitative and qualitative methods to collect primary data. Quantitative data were collected using a structured questionnaire. The questionnaire was used to collect data on respondents' socio-demographic information, transferable competencies, perceptions on informal labour market conditions, and their employment or unemployment status. Qualitative data were collected through Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs). Female and male respondents were separated during FGD discussions. Qualitative data were meant to increase understanding of informal employment and the way it was affected by informal labour market conditions and transferable competencies of secondary school graduates.

3.3.3 Measurements of variables

The explanatory concept used in the study was informal labour market conditions, which was further broken down into 5 attributes which were informal labour market accessibility, quality of informal employment, financial capital social capital and labour legal frameworks. Indicators for informal labour market accessibility and quality of informal employment were measured using a Likert scale with statements requiring the respondents to respond using 1=Strongly Disagree, 2=Disagree, 3 = neutral, 4 = agree or 5= Strongly agree. The selection of indicators for each of these two concepts were adopted on earlier formulation by ILO (2003; 2018). All concepts and respective indicators were subjected to PCA analysis (Table 3.1).

Four indicators were used in the conception of labour market accessibility. These were i) availability of places where to work, ii) areas specifically located for informal activities, iii) Availability of social services such as electricity and water, and iv) manageability of transport costs to work. The fifth item was removed during exploratory factor analysis and reliability test.

With regards to Informal Labour quality, 4 indicators were used and these were subjected to principal component analysis. These indicators were: i) I work and have time for family, ii) Satisfied with the size of current activities, iii) I feel secured in times of need through my work, and iv) I can depend on the current jobs for income.

Six indicators of financial capital constructs were adopted from the National Baseline Survey Report for Micro, Small, and Medium Enterprises in Tanzania (URT, 2012). They were tested on 6 items. Two were subsequently removed based on PCA and reliability test statistical computations. The four remaining items were: i) having a commercial or personal loans, ii) Credit access from government grants, iii) whether a person has retained earnings, and iv) personal savings.

The social capital construct scale indicators were adopted from studies by Jones and Woolcock (2003) and Pritchett (2013) on measuring social capital. These indicators were: i) Relationship with other people in businesses, ii) Family has contacts with people who can employ me, iii) I have relatives who can assist me to start a business, and iv) I have personal friends who can assist me to secure employment.

The last construct that defined labour market conditions was Labour legal framework. The construct was assessed through six indicators developed from URT (2002) and (2012) two were taken out after PCA and reliability test. The remaining items are: 1)

Licensing, 2) Fees 3) Government administrative procedures, and 4) Informal payments (corruption).

The dependent variable (employability of secondary school graduates) was measured using three indicators namely, 1) Confidence to find suitable employment, 2) Knowledge on the employment requirements, and 3) Awareness of employment opportunities. These indicators were adopted from other studies on employability (see Pitan, 2017; Qenani *et al.*, 2014; Berntson and Marklund, 2007; Berntson and Sverke, 2016). Questions were asked on the extent to which a respondent agree to each of these items. Responses were recorded as 0 = Not at all, 1 = A little, and 2 = To a greater extent. The consistency test gave a Cronbach's alpha of 0.723 which was acceptable.

Table 3.1: Exploratory factor analysis results for informal labour market conditions

Item	1	2	3	4	5	M	SD	CI
AC1	.79					3.07	1.503	.138
	8							
AC2	.77					3.11	1.452	.123
	4							
AC3	.44					2.88	1.366	.126
	1							
AC4	.33					2.68	1.331	.137
	2							
QA1		.981				2.95	1.431	.183
QA2		.967				3.02	1.458	.848
QA3		.947				2.73	1.269	.860
FC1			.978			3.17	1.425	.783
FC2			.977			3.18	1.483	.621
FC3			.964			2.94	1.374	.830
FC4			.458			3.22	1.493	.445
SC1				.907		2.91	1.452	.614
SC2				.893		2.87	1.260	.742
SC3				.857		2.95	1.379	.724
SC4				.814		2.87	1.407	.631
LF1					.973	2.45	1.358	.807
LF2					.971	2.13	1.347	.815
LF3					.965	2.28	1.337	.836
LF4					.711	2.17	1.327	-.060

Note: KMO = 0.872, Bartlett's Test of Sphericity df= 136 p=0.000; Variance%=79.497; Eigenvalue = 13.514. M= Mean, SD= Standard Deviation; AC= Labour market accessibility; QA= Informal Labour

quality, FC=Financial capital, SC= Social Capital, LF= Legal Framework, CT= Corrected Item-Total Correlation, α = Cronbach's alpha

Assumptions tests for scale reliability were performed to ascertain whether the scale instrument provided consistent results when used repeatedly under constant conditions. Studies by Whitley (2002), Robinson (2009) and Taherdoost (2018) show that Cronbach's alpha Coefficient is the most commonly used measure of reliability for Likert scale instruments. The acceptable range of Cronbach's alpha starts at 0.7 with 0.9 and above as the best result. The Cronbach's alpha for this study was 0.84 which indicates that the scale research instrument was reliable.

3.3.4 Model diagnostics

Normality test showed non-normal whereby Shapiro-Wilk test gave $p < 0.05$ and skewness of 3.897, which is $> \pm 1.96$. The distribution (shape) of the two groups (rural and urban respondents) were equal. Therefore, medians instead of mean ranks were used to interpret the Mann-Whitney U test results. The negative items in the Likert scale were reverse ordered, overall scores were then summated and corresponding inferential of Mann-Whitney U test, which analysed the existence of differences of informal labour condition perceptions among rural and urban respondents and their corresponding effect sizes, was used. The ordinal Logistic Regression analysed the influence of informal labour market conditions and Wald sizes on employability.

3.3.5 Data analysis

SPSS software version 20 was used to compute descriptive and inferential statistics of socio-demographic and informal labour market conditions to generate respondents' perceptions towards informal labour market conditions. The likert score were summed up

and categorised into three groups: disagree, neutral and agree. the overall scores were then calculated by multiplying four likert scale statements by one to get the 4, four statements multiplied by three to get 12, and four statements multiplied by five to get 20. Therefore, 13 to 20 points represented agree, 12 represented neutral and 4 to 11 represented disagree. the percentages were then calculated based on the total respondents for each variable.

The inferential analysis included Mann-Whitney U test and ordinal logistic regression. Mann- Whitney U test was used to examine the differences in the labour market conditions between urban and rural secondary school graduates. Ordinal logistic regression model was applied to determine the influence of informal labour market conditions on employability. The prediction of employability from informal labour market conditions was modelled using the following ordinal logistic model.

$$Li = \ln \frac{(Pi)}{(1-Pi)} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \dots + \beta_n X_n \dots \dots \dots (1)$$

Where: Li = Employability, X_1 = Labour market accessibility, X_2 = Informal labour quality X_3 = financial capital X_4 = Social capital X_5 = Labour legal framework, X_6 = Location (1 = Urban 0 = Rural), Sex (1= Male, 0= Female)

Additionally, qualitative data were analysed using content analysis. Content analysis highlighted the main themes that emerged from interviews and FGD and separating the ideas in relation to identities and position of the source of the information for a meaningful understanding of the findings.

3.4 Results and Discussion

Results analysed, presented and discussed based on three specific objectives: the perception level of the informal labour market conditions; the differences in perceptions between rural and urban and the influence of informal labour market conditions on employability for secondary school graduates. The findings constitute both quantitative and qualitative.

3.4.1 Informal labour market conditions perception level

Respondents' perceptions towards informal labour market conditions were examined to find the level of their attitudes towards each particular condition. Five informal labour market conditions were examined. The findings in Table 3.2 indicate informal labour market conditions levels as perceived by secondary school graduates. According to the findings among the urban respondents the majority disagreed on existence of informal labour quality (55.6%) and legal framework (49.1%) while rating high social capital (21.9%) and financial capital (38.5%) as the main determinants of their employment. On the other hand, the findings in Table 3.2 show that rural respondents ranked informal labour market accessibility high (20.4%). Overall, the findings indicate that urban respondents indicated high level of absence of informal labour quality and financial capital. At the same time, urban respondents showed high level agreement on labour market accessibility and social capital. More urban respondents (49.1%) disagreed with the legal aspects while only 29 percent of the rural respondents disagreed with the legal as a determinant of employment. In addition to the descriptive findings, information from FGD at SIDO Palm oil processors and sellers of Palm products in Kigoma Municipal showed challenges of work availability in the informal labour markets. Participants

showed that activities were seasonal, and people working in the processing units needed other activities to engage in off-season.

Social capital and labour market accessibility received high level of perception. At the same time, the majority of the rural respondents showed that poor quality of informal labour, lack of informal labour market accessibility and lack of social capitals contributed to their perception of unemployment. These findings highlight the importance of creating more employment opportunities and know-who in job search. The findings suggest the need of introducing various mechanisms of assisting young people with poor social capital to better access employment. Other studies such as Holmes and Scott (2016) show that in the United Kingdom, almost 31 percent of job seekers secured jobs from social contacts. Likewise, Calvó-Armengol and Jackson (2004) showed that social capital contributed to the flow of employment opportunities.

In addition, the creation of more employment opportunities can assist job seekers obtain employment. This can be done in many ways one is to support small scale entrepreneurial activities around the area and another one is to examine regulations with regard to employment by easing payments enforced by the government on the private sector so that the majority can be absorbed in employment. As Chen (2012) urges, the deregulation of employment regulations but with a caution of not going to the extent of no regulation in the informal labour to protect fragile employees. Ultimately, the findings showed descriptive differences of perceptions among urban and rural secondary school graduates.

Table 3.2: Informal labour market conditions perception level among secondary school graduates

Statement	Disagree %			Neutral %			Agree %		
	Urban	Rural	Total	Urban	Rural	Total	Urban	Rural	Total
Informal Labour market	47.0	20.4	67.5	4.7	4.1	8.9	14.2	9.5	23.7

accessibility									
Informal Labour quality	55.6	30.2	85.8	2.7	1.2	3.8	7.7	2.7	10.4
Financial capital	23.4	13.0	36.4	4.1	2.1	6.2	38.5	18.9	57.4
Social capital	39.1	18.3	57.4	5.0	5.0	10.1	21.9	10.7	32.5
Legal framework	49.1	29.0	78.1	10.1	3.6	13.6	6.8	1.5	8.3

3.4.2 Differences in informal labour market conditions between urban and rural secondary school graduates

Informal labour market conditions were tested to find out how they were distributed among urban and rural secondary school graduates. The findings in Table 3.3 present Mann-Whitney U test differences for informal labour conditions between urban and rural secondary school graduates. The findings show that four out of 5 variables tested indicated significant differences hence, the null hypothesis that the variables had the same influence on urban and rural respondents was rejected. The results show that informal labour market accessibility for the urban Median (Mdn) = 24 differed significantly from that for the rural median (Mdn = 16), ($p = 0.007$), Mann-Whitney test (U) = 12 519.000, $z = -11.358$, $r = -0.618$. Social capital for urban secondary school graduates (Mdn = 28) differed significantly from that for rural areas (Mdn = 23), ($p = 0.025$) $U = 11 846.000$, $z = -7.152$, $r = -0.389$. Additionally, informal labour market legal framework for urban secondary school graduates (Mdn = 18) differed significantly from that for unemployed secondary school graduates (Mdn = 16), $p = 0.015$, $U = 10771.500$, $z = -5.431$, $r = -0.2954148$.

In determining the value of the effect size, Field (2009) argues that effect size provides the position of the effect a variable has with a range of no effect (0.000) to perfect effect (1). The result interpretation is that $r = 0.1$ is a small effect, $r = 0.3$ is a medium effect,

and $r > 0.3$ is a large effect. The results show that the effect sizes for informal labour market accessibility and social capitals were large whereas legal aspects indicated a medium effect size. The remaining variables, particularly informal labour market legal framework indicated a medium effect size, and lastly, self-efficacy showed a small effect size. The effect size provides informal labour market conditions with large effect size whereby interventions can be considered.

Further, median scores of the significant variables were larger on the urban respondents except in farming whose score was larger in rural areas, indicating that the variable had some effect on their employability.

Table 3.3: Informal labour market conditions between urban and rural secondary school graduates

Explanatory variables	Place of living	n	Median	Mann-Whitney U	Z	Sig.	r
Informal Labour market accessibility	Urban	223	24	12519.000	-11.358	0.007	-
	Rural	115	16				0.6177962
Informal Labour quality	Urban	223	16	12701.000	-.144	0.885	-
	Rural	115	16				0.0078538
Financial capital	Urban	223	25	12678.500	-8.170	0.019	-0.444389
	Rural	115	20				
Social capital	Urban	223	28	11846.000	-7.152	0.025	-
	Rural	115	23				0.3890118
Informal labour market legal framework	Urban	223	18	10771.500	-5.431	0.015	-
	Rural	115	16				0.2954148

Considering Mann-Whitney U test, the findings in Table 3.3 show that there were significant differences in the ways urban and rural respondents were affected by informal labour market conditions. The informal labour market accessibility corresponding effect size (r) of 0.6 that was above the edge suggests the highest consideration among other variables. In addition, the findings show that informal labour market accessibility had the biggest size effect and was more preferred by urban respondents than rural respondents

The rural-urban disparity shows the ways these secondary school graduates are impacted differently in the informal labour market. This rural-urban divide in terms of informal labour market conditions has theoretical and policy implication. The theory contends imposition of systematic social general goals for people. The goals could be national development plans, education and skill provisions for students and employment seekers and investment free from urban bias. Basing on this observation, any intervention strategy of improving labour market conditions should take into consideration the location of subjects being affected.

3.4.3 Influence of informal labour market conditions on employability of secondary school graduates

Ordinal logistic regression (Table 3.4) was conducted to determine the influence of informal labour market conditions on chances of employability. The assessment of the model assumptions indicated better predictions with $p=0.000$). The test of parallel regression assumption gave a p value of 0.771, which rejected the null hypothesis of parallelism.

The ordinal logistic regression model indicated that 5 predictor variables out of 7 had significant effect employability. The results showed that informal labour market accessibility had a significant and positive effect ($p = 0.000$, Wald =102.084). The results imply that opening chances for employment increases employability of secondary school graduates. This finding was supported by one Key Informant (KI) who affirmed that: “... *we employ standard seven, secondary school graduates and even degree holders, but sometimes we have job applicants more than our ability to employ...* (KI SIDO on 7th June, 2019).

As expected, social capital was significant and positive, $P=0.000$ and Wald =14.471). This implies that social capital increases the likelihood of employability. These results confirm the findings of descriptive analysis, which previously indicated high positive score on social capitals in contributing to employability. The Wald coefficient indicates the magnitude of the significance of the variable on employability. A related finding on the contribution of social capital on employment was noted by Todaro (1997) in Ghana who found that a network based on familial relationship had served as a starting point for many youths in search for employment in urban areas and later some manage to start their

own activities and formalize them through government registration. In line with the findings, one Key Informants (KI) had this to say,

“Networking is crucial for youth and anybody searching for employment or doing marketing. Those with minds of extending networking especially through digital social capital are turning them into money making like marketing and promotion”
(TWAWEZA Official, 10th July 2019).

Table 3.4: Influence of informal labour on employability of secondary school graduates

Variable	B	Std Error	Wald	Sig.
Informal Labour market accessibility	1.301	.029	102.084	.000
Informal labour quality	-0.150	.811	.505	0.477
Financial capital	1.005	.008	41.002	0.002
Social capital	0.512	.135	14.471	0.000
Work legal aspects	-0.391	.196	3.999	0.036
Urban residency	-1.498	.895	2.800	0.094
Rural residency	0.140	.171	.671	0.413
Mwanga	-0.215	.298	.519	0.471
Kibirizi	-0.038	.151	.063	0.801
Bitale	.267	.198	1.812	0.178
Mahembe	.079	.263	.090	0.765
Male	-0.497	.481	1.069	0.301
Female	0 ^a			
Married	-0.340	.377	.813	0.367
Not Married	0 ^a			
Age (18-24yrs)	-0.787	.523	2.266	0.132
Age (25-29yrs)	0 ^a			
Age (30-35yrs)	-0.174	.331	.277	0.598
Caring responsibility	-0.877	0.297	4.124	0.052

Note: Model fit Chi-Square = 389.63 (p=0.000); Goodness of fit = 0.89; Pseudo R-Square: Cox and Snell 0.685, Test of parallel lines p = 0.771.

Furthermore, legal aspects showed significant results (Wald= 3.999; p=0.046) with a negative coefficient direction. The negative direction indicates that, as legal aspects increase, employability in the informal labour market decreases. The findings highlight the implications of labour legal aspects and regulations in relation to working and enterprising in the studied areas. These results confirm other held assumptions on the

demise of labour markets which was partly contributed by overregulation. The findings relate with findings of one of the KII;

“...there are a lot of demands from various government agencies ...for instance I pay quarterly estimated tax for TRA, I pay every year licence to Municipality, recently NEMC informed that we have to pay 300 000 Tsh for environmental whatever... NSSF demand that we have to register and pay for social security, there is again fee for dirty collections...at the same time we pay for water, firewood and electricity and fuel just like any other citizens (KI SIDO Employee on 7th June, 2019).

The KII listed about 9 fees required by different agencies. The fees affect employment and benefits which would otherwise serve as retained earnings or employees' benefits. Cumbersome labour and economic legal framework is a cause of slow employment prospects. Enterprises are closed down due to stringent compliance requirements imposed by the legal regimes such as licensing, compulsory payment of commissions, and exposure to intimidation by state organs. A better understanding of the informal labour operations is likely to reduce conflict between law enforcing agencies and actors in the informal labour market while at the same time a positive atmosphere is likely to improve employability in the labour force.

However, diverging from earlier assumptions based on the theory that the informal labour studied influenced employability, the regression results in Table 3.3 showed that only 5 out of 7 variables had significant influence on the chances of employability. This results depart from the earlier arguments posed by González-Romá *et al.* (2018) and Mcquaid and Lindsay (2005). The disparity might have been caused by differences in the focus of

this study, which was secondary school graduates. Previous studies focused mostly on tertiary and higher education graduates who should reasonably be more mature and equipped with job skills leading to their easy absorption in the labour market. Employment seekers in the informal market comprise those with less education compared to peers of higher formal education, while those with higher education opt for informal markets after a distress of not finding jobs in the formal employment. Informal labour, by its nature in sub-Saharan Africa countries, is not regulated as formal markets; employees have a higher risk of losing jobs without redress because they lack contracts and comprehensive social security coverage as in the formal market.

These regression results have generated at least two of policy implications. First, a more open and friendly legal framework is needed to attract graduates to a few available informal employment. Stringent taxation is prohibitive in rural area such as Kigoma where poverty prevails. Second, the results have generated information for the rationale of policies that would build social capital among the youth. This can be through formulation of network based on self-help groups. This enhances social capital among graduates and thus paving a way for their employment in the informal labour market.

3.5 Conclusions

Secondary school graduates who join the labour market are on an increase as they do not all get a chance to join tertiary or higher education; thus, understanding their work environments and challenges facing them is imperative. The conditions perceived positively and which can be promoted as a driver for employability are informal labour market accessibility, social capital and financial capital, while work legal aspects and location show negative relationship with employability. The negative coefficient

indicated at the legal aspects implies that, as work legal aspects compliance increases employability is affected negatively.

The respondents' dichotomy responses pave a better way of understanding what conditions to promote or mitigate when strategizing the impetus of strengthening employability of secondary school graduates in the informal labour market for urban and rural secondary school graduates. The differences in informal labour perceptions among urban and rural respondents shown in the study have strengthened further the understanding of informal labour market conditions. The highlighted differences are useful when interventions are sought to promote employment. The variables with significant effects are informal labour market accessibility, financial capital, and social capitals and work legal aspects.

On theoretical contribution the study has further enriched neoliberalism theory in two dimensions. The first is that, the effect of informal labour market conditions is not uniform across all labour force categories. Empirical results have shown the most voluminous informal labour market conditions are specific to the group under study and, therefore, actors' interventions can direct their energy on the variables with huge effect. Second, descriptive results have shown that there is duality within the informal labour settings.

3.6 Recommendations

From the theoretical implications, findings and conclusions, it is recommended that:

To advance employability of secondary school graduates, the Ministry of Labour, Employment, Youth and Disabled, and Ministry of Finance and Planning should work together at policy level. The ministries should alleviate policy patches which hinder

effectiveness of informal labour to absorb more secondary school graduates seeking employment. Policies targeting enlargement of employment opportunities for secondary school graduates, should be advanced to ease technology for job opportunities information sharing and financial support for entrepreneurship are likely to result in a positive impact. This recommendation is based on the homogeneity of the respondents' characteristics with other secondary school graduates across the country. Secondary school graduates underwent the same curriculum and all share general social demographic situations of the country.

Local governments should alleviate hindrances facing self-employed and informal small-scale enterprises operating in their areas. Local governments have the mandate of passing and regulating by-laws, supporting the youth through grants and low interest loans from Councils' own sources and promoting investors, NGOs, and start-up operations in their localities.

3.7 References

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CHAPTER FOUR

Manuscript Three

Determinants of Secondary School Graduates' Informal Employment: Influence of Informal Labour Market Conditions and Transferrable Competencies in Kigoma District, Tanzania

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Abstract

Informal employment offers employment opportunities to the majority of secondary school graduates in Tanzania. However, these graduates constitute the most unemployed group compared to other groups graduating at other levels of education. This manuscript is part of a major study which sought to determine informal employment practices among secondary school graduates in Kigoma District. Specifically, the manuscript focuses on informal employment for secondary school graduates and the impact of transferrable competencies and informal labour market conditions on informal employment of secondary school graduates. A cross-sectional study design was employed to collect quantitative and qualitative data. Descriptive results showed trading, fishing, transportation, mechanics, food vending, household activities, palm oil processing and farming are among the main informal employment in which secondary school graduates are engaged. Binary logistic regression analysis showed that eight variables, namely informal labour market accessibility, financial capital, social capital, labour market legal framework, self-efficacy, interpersonal relation, entrepreneurship, and farming competencies had significant influence on informal employment of secondary school graduates. The findings from focus group discussions and key informant interviews were consistent with the findings from the quantitative data. It is thus concluded that informal labour market conditions and transferable competencies have a positive influence on informal employment of secondary school graduates. Therefore, adjustments of conditions in the informal labour market and transferable competencies could be an effective tool of expanding informal employment of secondary school graduates in the informal labour market. The findings emphasise on the need for Local Government Authorities, labour officers, employment agencies, and Non-Governmental Organisations to adjust and re-organize informal labour market conditions and improve transferable

competencies for secondary school graduates, and hence increase opportunities for the graduates to get into informal employment.

Key words: informal employment, secondary school graduates, Informal labour market conditions, transferable competencies.

4.0 Introduction

4.1 Background Information

Despite many challenges facing informal employment, the sector still offers opportunities for work to millions of job seekers from all walks of life around the world, the educated and the uneducated, young and old, rich and poor, as well as people with special needs. According to Natarajan *et al.* (2020), the expansion of the informal economy expands the size of informal employment and that, 93percent of all informal employment are in the informal sector. According to ILO (2019), the informal employment market constitutes a larger share of total employment in the developing and emerging countries with 73 percent of all non-agricultural employment in developing economies and 59 percent in the emerging economies.

The trend in Africa is not different as informal employment constitutes about 78 percent of all employment and 66 percent of all employment are in the informal sector (ILO, 2013). This reality is supported by IMF (2016), which shows that expansion in the informal employment in sub-Saharan Africa is a result of the growing of the informal sector and transformation in the growing formal production systems. Kucera *et al.* (2019) show that, there is a dualism of good and bad employment in the informal employment in developing and emerging economies such as Africa and Latin America. That dualism is also found in the formal employment (ILO, 2019; Natarajan *et al.*, 2020). A study by Stuart *et al.* (2018) shows that 7 in 10 non-farm workers in Sub-Saharan Africa are in the

informal employment.

In Tanzania, the Integrated Labour Force Survey report (ILFS) URT (2014) shows that 75.9 percent or three-quarters of all paid non-agricultural employment are informal employment. The ILFS report (URT, 2014) shows that secondary school graduates are among the growing group in the informal labour market. Secondary school graduates surge entry in the labour market due to an increase in the enrolment and completion rate. On the other hand, although secondary school graduates increase in the job market, they comprise the highest unemployed group, based on education categories. The URT (2014) shows that 13.8 percent of the unemployed workforce are secondary school graduates. At the same time, they are unskilled or have inadequate competencies (Tan, 2016). This implies that the majority of secondary school graduates are likely to end in the informal labour market; yet most of them are unemployed as compared with other educational graduate groups. The data tells us the necessity and vastness of informal employment, but participation of secondary school graduates in the informal labour market is not adequate.

This manuscript examines the impact of conditions of the informal labour market and transferable competencies on the informal employment of secondary school graduates living in the urban and rural areas. Firstly, the study identified the respondents' informal employment, and secondly the study determined the variables with the influence on the informal employment of secondary school graduates. Therefore, it was hypothesized that there was no difference on the conditions of the informal labour market and transferrable competencies between urban and rural respondents. Secondly, it was hypothesized that there was no statistically significant influence of informal labour market conditions and transferable competencies on the informal employment of secondary school graduates in

Kigoma District. The findings from this study aim at contributing knowledge on best practices of increasing employment of secondary school graduates. The remaining part of the manuscript deals with literature review, methodology, discussion of the findings, conclusion and recommendations.

4.2 Conceptualization of Key Terms

The definition of informal employment adopted in this study is consistent with the clarification of International Conference of Labour Statistician (ICLS) ILO (2003). Informal employment is defined as any kind of unregulated employment, which is not subject to income taxation, national labour legislation, and social protection benefits such as severance pay, advance notice of dismissal, and paid annual or sick leave. Informal employment are all informal jobs carried out in the informal sector enterprises, formal and households during a given reference period (ILO, 2003). The informal employment involve employers and employees working in their own enterprises, contributing family labour, informal cooperative producers, informal paid domestic workers, and goods and service producers for their own uses.

Informal labour market conditions which determine entry in the informal employment as summarised by ILO (2004, 2013) include informal labour market accessibility, informal labour quality, and financial capital. In addition, Chen (2012) and Stuart (2018) propose more conditions relevant to informal labour which include social capital and labour market legal framework. This manuscript operationally defines informal labour market conditions to include informal labour market accessibility, informal labour quality, financial capital, social capital, and labour market legal framework.

The operationalisation of transferable competencies in this manuscript is based on the works by Akhter *et al.* (2012); Munby *et al.* (2009); Kim and Lee (2018) which

identified self-efficacy, meta-cognition, interpersonal relations, entrepreneurship as constituents of transferable competencies. From the experience of local environment in the study area, farming is added as it comprises a bigger part of informal employment in Tanzania.

Related literature on informal sector and informal employment (Tulia 2010; Razmara *et al.*, 2013; Ellis *et al.*, 2017) show different bottlenecks in the informal employment, such as precarious working environment, and lack of job security. Despite their contributions, these studies could not recognize the importance of informal employment in reducing unemployment among the youth. Additionally, the referred studies did not look critically into the prevailing informal labour market conditions and the impact of transferable competencies on informal employment. Lastly, the studies did not focus on secondary school graduates in particular, taking into consideration their size in the labour market and being the highest unemployed group among different education categories.

4.3 Theoretical Framework

The study on which this manuscript is based was guided by two theories: the Human Capital Theory (HCT) and Neoliberalism Theory. The HCT was used because it embraces the competencies and skills as fundamental employment ingredients (Nafukho *et al.*, 2004; Tan, 2014; Berntson *et al.*, 2016). It establishes a link between education level and occupational choices. The theory underscores the importance of developing young generation to fit for current and future needs of the work force. In the context of this study, the theory has aided in evaluating the relationship between transferable competences and employment outcomes for secondary school graduates.

The neoliberalism theory explains that both the labour market and individuals in the

labour market need autonomy to boost production and employment expansion (Williams, 2014; Peters, 2019). The neoliberalism theory in the labour market promotes free trade, deregulation, privatization, which in turn encourage innovations, expansion of informal employment opportunities through wider freedom of businesses and entrepreneurship (Huang, *et al.*, 2020). Neoliberalism emphasises on deregulations to encourage start-ups, innovation and accessibility for more informal employment. The theory sees informal employment as an alternative approach to resolving unemployment and revive stagnant economic growth to expand both formal and informal employment (Williams, 2013).

4.4 Methodology

4.4.1 Study area

The study was conducted in Kigoma District which has both rural and urban settings. The district was chosen because of its relatively poor socio-economic development and unemployment. Kigoma Region ranks low in a number of socio-economic indicators such as households poverty and per capita income (URT, 2016; 2017). ILO (2013) shows that, there is a relationship between informal labour market accessibility and reduction of poverty and increase of income.

The study area was stratified into urban and rural areas. Two divisions (Kigoma Kaskazini from urban areas and Mahembe from rural areas) were randomly selected. Two wards from each division, two hamlets from each urban ward, and two villages from each rural ward were randomly selected. The study population encompassed secondary school graduates of from 2008 to 2018 from the two divisions. In each division, two wards Mwanga and Kibirizi were randomly selected from urban areas, and Bitale and Mahembe

from rural areas. Furthermore, four hamlets from the urban division (Mlole, Nazareti, Kibirizi, and Bushabani) and four villages from the rural division (Bitale, Bubango, Mahembe, and Chankabwimba) were randomly selected. The unit of analysis was an individual secondary school graduate living in the selected areas.

4.4.2 Population and sampling

The population of secondary school graduates from 2008 to 2018 for Kigoma District was 40 643 (22 269 males and 18 374 females) (Kigoma District Department of Education, 2019). Yamane (1973 cited in Israel, 2012) provides a simplified formula of calculating sample sizes with a 95 percent confidence level and $p = 0.05$. The sample size determined for this study was 396 respondents and the actual participation during the study was 338 respondents.

In addition, five Key Informants (KIIs) interviews were conducted. The key informants (KIIs) were Tanzania Employers Association Chairperson Representative, an Education Expert at TWaweza, owner of palm oil processing machines at SIDO in Kigoma, the Chief Education Quality Assurer of Kigoma District, and Kigoma District Community Development Officer. Moreover, four Focus Group Discussions (FGDs) were conducted whereby six to nine participants were involved.

4.4.3 Study design

The study employed a cross-sectional research design which enabled collection of data at a single point in time as suggested by Sedgwick (2014). On the other hand, the design provides a chance for combining qualitative and quantitative data collection methods. The

combination of data collection methods offered a chance of obtaining triangulated information.

4.5 Data Collection

Quantitative and qualitative methods were used to collect primary data. Quantitative data were collected using a structured questionnaire. The questionnaire was used to collect data on the respondents' socio-demographic data, transferable competencies, perceptions towards informal labour market conditions, and their employment or unemployment status. Qualitative data were collected through Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs). The qualitative data were meant to increase an understanding on informal employment and the way it is affected by informal labour market conditions and transferable competencies among secondary school graduates.

4.6 Measurements of Variables

4.6.1 Explanatory variables

Transferrable competencies

Semantic Differential (SD) scale of 1= incompetent to 7= competent was used to measure transferrable competencies from secondary school graduates. The Cronbach's Alpha for this study was 0.797 which showed reliability of instrument. Principal Component Analysis (PCA) was applied to find fewer but most reliable measures. Kaiser-Meyer-Olkin Measure of Sampling Adequacy or sample size (KMO) (Kaiser, 1970, 1974) and Bartlett's strength test of variable relationship or Sphericity (Bartlett, 1954). Overall KMO value of ≤ 0.860 and a Bartlett's Test value of 0.000 showing consistent with key PCA assumptions. Multicollinearity (Variance Inflation Factor) showed 1.9 variance

inflation factor. Five transferrable competencies constructs were tested namely, self-efficacy, metacognition, interpersonal relation, entrepreneurship and farming.

The self-efficacy construct was measured using five items namely: 1) It is easy for me to stick to my aims and accomplish my goals; 2) I am confident that I could deal efficiently with unexpected events; 3) Thanks to my resourcefulness, I know how to handle unforeseen situations; 4) If I am in trouble, I can usually think of a solution, 5) I can usually handle whatever comes my way. The metacognition construct was measured using 7 items which were: 1) I can define, distinguish and name my own emotions; 2) I can clearly perceive and describe my thoughts, emotions and relationships in which I am involved; 3) I can describe the thread that binds my thoughts and my emotions even when they differ from one moment to the next; 4) I can identify and understand the emotions of people I know; 5) I can deal with the problems trying to challenge or enrich my views and my beliefs on problems themselves; 6) When problems are related to the relationship with the other people, I try to solve them on the basis of what I believe to be their mental functioning; 7) I can deal with the problems, recognizing and accepting my limitations in managing myself and influencing events.

Interpersonal relationship, was assessed using 9 items which are: 1) It is easier to find the right words to express myself; 2) I accomplish my communication goals; 3) I can persuade others to my position; 4) Others would describe me as a good person, 5) I reveal how I feel to others; 6) When I've been wronged, I confront the person who wronged me; 7) I take charge of conversations, 8) I stand up for my rights; 9) I let others know that I understand what they say.

Entrepreneurship construct was examined using 11 items: 1) Identify goods or services customers want, 2) Develop long-term trusting relationships with others, 3) Maintain a personal network of work contacts, 4) Monitor progress toward objectives in risky actions, 5) Look at old problems in new ways, 6) Treat new problems as opportunities, 7) Organize resources, 8) Prioritize work in alignment with business goals, 9) Assess and link short-term, day-to-day tasks in the context of long-term direction, 10) Possess an extremely strong internal drive, and 11) Keep up to date in my field. Farming competence was measured with 10 items: 1) Crop selection based on climate and land, 2) Cropping system options (like intercropping, mixed, relay and rotation), 3) Crops market demands) 4) Knowledge on needed mechanization, 5) Layout of fields for different crops within your area; 6) Selection of appropriate seeds, 7) Crop growth management, 8) Fertilising, 9) Harvesting, and 10) Storage.

Informal labour market conditions

Informal labour market conditions comprised informal labour market accessibility, quality of informal employment, social capital and labour legal frameworks. The constructs were measured using a Likert scale with statements to each of which the respondents were asked to indicate 1 = Strongly Disagree, 2 = Disagree, 3 =, neutral, 4 = agree or 5 = Strongly agree.

Informal Labour market accessibility construct was measured using four items which are 1) Availability of places where to work, 2) Areas specifically located for informal activities, 3) Availability of social services like electricity and water, and 4) Manageability of transport costs to work. Informal Labour quality indicators were 1) I work and have time for family, 2) I am satisfied with the size of current activities, 3) I feel secured in times of need through my work, and 4) I can depend on the current jobs

for income. Financial capital indicators included 1) Commercial or personal loans, 2) Credit from government grants, 3) Retained earnings, and 4) Personal savings. The social capital construct scale indicators were 1) Related to people with businesses, 2) Family has contacts with people who can employ me, 3) Relatives who can assist me to start businesses, and 4) I have personal friends who can assist me to secure employment. Labour legal framework was assessed using four items: 1) Licensing, 2) Fees, 3) Government administrative procedures, and 4) Informal payments (corruption).

Secondary school graduates' employability

The variable was measured using three items with units of measurements: 0 = Not at all, 1 = A little, 2 = To a greater extent. The items are: 1) Awareness of employment opportunities, 2) Knowledge on the employment requirements, and 3) Confidence to find suitable employment. Furthermore, control variables used were places of living (categorical, 0= Rural; 1= Urban), age (continuous), and marital status (categorical, 0 = Not married, 1 = Married).

4.6.2 Outcome variable

The outcome variable was modelled as a binary variable in terms of employment = 1 or otherwise = 0. By being employed.

4.7 Model Fit Specification and Diagnosis

To ascertain on proper specification of the model, multicollinearity, serial dependence, Kaiser-Meyer-Olkin measure of sampling adequacy (KMO) and Bartlett's strength test of variable relationship or Sphericity were performed. To test the assumptions, it is recommended firstly to satisfy that the chosen model is robust enough and that the assumptions are not violated (Bartlett, 1954; Kaiser, 1970; and Field, 2009).

Multicollinearity test results show Variance Inflation Factor (VIFs) < 3 , which was within the acceptable range of being less than 10 (Field, 2009). The serial dependence test shows 1.96 (approx. 2) Durbin-Watson which shows absence of serial dependence of residuals, whereby Field (2009) recommends 2. In addition, a KMO value of ≤ 0.794 and a Bartlett's Test value of 0.000 with a positive definite matrix of good data were found. Field (2009) recommends a KMO value of between 0.5 and 1 for the adequacy of sampling and a Bartlett's significant value of < 0.05 for no identity matrix data. The assumptions were met for all the scales.

4.8 Data Analysis

SPSS software version 20 was used for statistical analysis. The analysis involved descriptive and inferential statistics. Inferential analysis included Mann-Whitney U test and binary logistic regression model. Binary logistic regression model is shown in equation (1).

$$\text{Log} (P_i/1-P_i) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_{15} X_{15} + e \dots \dots \dots (1)$$

Where: $\text{Log} (P_i/1-P_i)$ = is the natural logarithm of the status of informal employment for a respondent if he/she is employed or not employed. P_i = probability of a respondent being employed; $1-P_i$ = probability of the respondent being not employed and β_0 = Constant (Y- interception).

$\beta_1 - \beta_{12}$ = Logarithm of regression coefficient of explanatory variables. These variables include informal labour market conditions, and transferrable competencies as presented in the measurement of variables. Additionally, qualitative data were analysed through

content analysis, Content analysis highlighted the main themes which emerged from key informant interviews and FGDs.

4.9 Results and Discussion

The results section presents findings, analysis, and discussions on the three specific objectives of this manuscript. These include identifying informal employment for secondary school graduates based on a place of living, and determining the impact of transferrable competencies and informal labour market conditions on employment status of secondary school graduates, that is, employed or not employed.

4.10 Informal Employment for Secondary School Graduates

The identified informal employment were analysed using multiple response analysis The results presented in Table 4.1 show responses based on the place of living of the respondents. The findings show that twenty informal employment areas were mentioned with a total of 201 choices for urban dwellers and 93 choices for rural dwellers. The findings show that the leading choices for urban areas include fish industry (21%), palm processing (15.4%), transportation (12.20%), trading (10%), accommodation (10.5%) and food vending (9.7%). Others included mechanics (10.60%), hairdressing (10.60%) and street vending (9.80%). On the other hand, the leading choices for rural areas were agriculture (30.90%), trading (7.30%), fish industry (5.70%), palm processing (4%) and transportation (4%).

Table 4.1: Distribution of respondents by informal employment (n=338)

Informal employment choices	Urban		Rural		Total	
	Frequency	Per cent	Frequency	Per cent	Frequency	Per cent
Forestry	4	3.25	3	2.439	7	5.7
Building Construction	9	7.32	3	2.439	12	9.8
Local brokers	4	3.25	0	0.000	4	3.3
Trading	13	10.57	9	7.317	22	17.9
Cleaners	10	8.13	0	0.000	10	8.1
Carpentry	8	6.50	1	0.813	9	7.3
Shoe shining	3	2.44	1	0.813	4	3.3
Fish industry	27	21.95	7	5.691	34	27.6
Accommodation	13	10.57	2	1.626	15	12.2
Mechanics	9	7.32	2	1.626	11	8.9
Transportation	15	12.20	5	4.065	20	16.3
Food vending	12	9.76	6	4.878	18	14.6
Street vender	8	6.50	2	1.626	10	8.1
Agriculture	9	7.32	38	30.894	47	38.2
Electrical installation	6	4.88	0	0.000	6	4.9
Household activities	7	5.69	1	0.813	8	6.5
Hairdresser	10	8.13	4	3.252	14	11.4
Port and Marine	4	3.25	1	0.813	5	4.1
Bartender	11	8.94	2	1.626	13	10.6
Palm processing	19	15.45	6	4.878	25	20.3
Total responses	201	163.4146	93	75.610	294	239.0
Total cases	79	64.22764	44	35.772	123	100.0

The findings in Table 4.1 indicate the differences between urban and rural respondents in terms of choices of informal employment. Both categories showed involvement in a number of the same informal employment but with differences in preferences. For instance, trading was ranked high in urban areas compared to the rural areas. The findings provide a trend of the ways trading activities are distributed between urban and rural secondary school graduates. In addition, the findings show that trading absorbed many secondary school graduates entering the informal employment market in the urban areas as it is favoured by the purchasing power and life styles in the urban areas. The findings imply that building simple skills related to trading is likely to assist many secondary school graduates entering the informal labour market. Furthermore, the findings suggest that the on-going expansion of urban areas and migration of youths into these areas make trading a likely option for them as a livelihood strategy. Similar findings are reported in

studies by Amphune (2012) and Stokes (2017) who suggested that trading was among short-term coping mechanisms among the youth migrating to urban areas; and when financial capital vulnerability is managed, business becomes a long term survival strategy.

In addition, the findings showed that agriculture was ranked high in the rural areas, which is a common phenomenon. However, the findings showed that there were respondents dealing with agriculture in urban areas as well, implying that urban and peri-urban agriculture is a source of employment to secondary school graduates and can further be developed to accommodate many of them. The findings from a key informant in the district, Chief Education Quality Assurance Officer, regarding increasing participation in agriculture, said:

“... I see many youths are now undertaking vegetable farming in open spaces in our towns, especially in areas with water sources... that is a good thing ... Secondary schools can opt for training students on simple farming practices so that when they complete schools they can easily get something to do in farming...”
(KI, 6th June 2019).

The KI shows the way secondary school graduates get informal employment in urban farming for income generation. This informs us about the importance of farming competencies which can enable them to raise their productivity hence meeting the demand for food in the urban. Informal employment in farming is potential and likely to provide employment for the majority of secondary school graduates. The finding on farming corresponds with an argument by Game and Primus (2015) that growth of urban agriculture is on the rise as part of sustaining food security and employment. Also, a study by Hardman and Larkham (2014) showed that urban agriculture is gaining attention and is becoming more organised in terms of policies. From the policy perspective, this trend of

youth increased employment in agriculture entails a much broader look on future prospects for consideration in terms of broadening opportunities for employment in agriculture as a key informal sector of secondary school graduates.

Furthermore, the findings showed that fishing and fish business were the third most reported activities in the multiple responses' analysis for urban respondents and the fourth for rural respondents. Studies by Mkama *et al.* (2011) and URT (2016) showed fishing and related businesses as sources of informal employment but was at artisanal level with crude fishing facilities and technologies.

Similarly, palm oil processing, transportation, food vending, mechanics and hairdressing were among the notable informal employment to secondary school graduates in Kigoma District, but with variations among urban and rural respondents. Generally, the findings show that urban respondents had more choices of informal employment and possibilities of doing a variety of informal employment compared to rural respondents.

Furthermore, two theoretical implications are drawn; one is on the plurality of occupations for secondary school graduates in the informal employment and secondly, kinds of skills needed to fit in the specified employment. On the first implication, the neoliberalism theory is consistent with the findings, based on plurality and dispersion of the occupation. Secondly, on kinds of competencies required, the neoliberalism and human capital theory has a guide on how better transferable competencies can be provided for secondary school graduates to fit in their informal employment. Silva (2013) shows that cognitive and non-cognitive competencies can be combined and provided in primary and secondary education to prepare school leavers at this level for employment or on transit to tertiary and higher education.

Consequently, these findings have informed on informal employment with high catchment for secondary school graduates. The findings on multiplicity of informal employment for secondary school graduates in Table 4.1 correspond with the neoliberalism theory and have implications for the human capital theory. After the completion of secondary education, they pursue different areas of informal employment to earn a living. The implications for the human capital theory are on competencies and prior learning they got from secondary school during their studies whether they were relevant to their current informal employment engagement.

4.11 Influence of Transferrable Competencies and Informal Labour Market Conditions on Secondary School Graduates' Employment Status

Binary logistic regression was employed to determine the effect of transferable competencies and informal labour market conditions on employment status. The model summary showed an R Square of 0.645, suggesting that the model explained 64.5percent of the variations in the outcome variable as explained in the specified explanatory variables. The results of regression analysis are displayed in Table 4.2 showing that 8 out of the 15 variables had significant influence.

Informal labour market accessibility had a positive $\beta = 161.757$ and was significant at $p = 0.001$ indicating a strong positive influence on employment. This indicates that an increase of accessibility to the informal labour market increases the odds of getting informal employment. From the findings, various lessons can be learnt: one is on the need of opening up of more opportunities for informal labour market access in rural areas by increasing social services such as electricity, which in turn would pave a way for small-scale industries, and in turn provide employment opportunities for rural secondary school

graduates in Kigoma District. Secondly, the findings show a huge role played by the informal labour market, which absorbs the majority of secondary school graduates. hence, there is a need of improving the sector. Therefore, the importance of informal labour market accessibility in terms of increasing employment opportunities cannot be overemphasised as the findings indicate.

Another noteworthy variable with a strong influence on employment was financial capital. The findings showed a significant $p = 0.004$ and a big Wald statistic = 47.003 with a positive direction of $\beta = 1.509$. The findings imply that financial capital contributes positively to employment among secondary school graduates in Kigoma District.

Furthermore, FGDs revealed various sources of loans and their accessibility challenges. The loan sources include banks such as NMB and CRDB, small lenders such as FAIDIKA, TUNAKOPESHA, and BARICK. Another source of soft loans in Kigoma Municipality and Kigoma District Council is Women, Youth, and People with disability Fund. The District Council fund is organised from a 10 percent of Council's internal revenues with allocations of 40 percent for Women Development Fund (WDF), 40 percent for Youth Development Fund (YDP), and 20 percent for people with disability. The consensus among participants was that *"sources of capital are difficult because they mostly need collateral, which many young secondary school graduates do not have"* (7th June 2019at SIDO Kigoma Municipality). According to the discussions, there were no clear procedures for accessing loans from the Municipal and District Councils. In this respect, some respondents believed that credit access criteria were based on political affiliations. Due to that belief, some loan defaulters were not followed or harassed because they belonged to the ruling political party. These respondents' claims are in line

with the findings by the National Audit Report of 2014 cited in Poncian (2015) which showed that 58 Local Govern Authorities did not recover WDF and YDF amounting to Tanzania shillings 1 389 192 866.

Furthermore, the FGD findings were consistent with the findings from Key Informants from the Community Development Officer in charge of overseeing the fund/loan distribution. According to the Officer, the biggest challenge was having many people in need of money but having little money for disbursement. The KI commented as follows,

“The 10 percent fund from the councils’ own sources is too small to meet the needs because some sources which were used to generate own sources of revenue have been directed to the central Government...” (KI, Community Development officer, Kigoma on 6th June 2019).

The KI finding shows that the District Council financial capital needs in terms of loans and grants are bigger than the funds available. Informal enterprises require financial support to improve productivity, expansion and creation of more employment. The finding indicates the necessity for District Councils and other stakeholders to review and increase funds to support as many applicants as possible.

On the management of the funds and procedures of identifying people in need of loans, the KI cited challenges on repayment and mechanisms of tracking down defaulters for fear that people might hate the government. The findings on accessibility and benefits from WDF and YDF in Kigoma District were slightly in contrast to the findings in a study by Mtenga (2018) who observed the prevalence of impartiality and benefits to lenders of WDF and YDF in Dodoma Municipality. Similar observations were made in a

study by Ikasu (2019) in Mbulu District. Nevertheless, the Finance Act 2018 (URT, 2018) stipulates clearly on the 10 percent revenue for non-interest loans and the regulations if well managed, WDF, YDF and people with disability fund can assist those who really need start-ups in the informal sector through the provision of funds.

Table 4.2: Impact of informal labour market conditions and transferrable competencies on secondary school graduates' informal employment choices

Explanatory variables	B	S.E.	Wald	df	Sig.	Exp(B)
Informal labour market accessibility	2.405	0.090	161.757	1	0.000	4.667
Informal labour quality	0.204	0.302	0.454	1	0.500	0.816
Financial capital	1.509	0.058	47.003	1	0.004	3.991
Social capital	1.812	0.080	91.348	1	0.000	2.119
Labour market legal framework	-1.872	0.107	24.140	1	0.003	1.903
Employability	0.346	0.103	14.957	1	0.001	1.157
Self-efficacy	1.121	0.100	22.316	1	0.000	2.129
Metacognition	0.086	0.059	0.256	1	0.468	0.752
Interpersonal relation	1.453	0.104	26.050	1	0.004	2.398
Entrepreneurship	1.253	0.101	12.814	1	0.000	1.288
Farming competencies	2.210	0.082	29.278	1	0.002	1.811
Urban residency	-0.523	.507	1.066	1	.302	0.593
Ward			3.825	2	.148	
Mwanga	-0.360	.413	.761	1	.383	0.698
Bitale	0.990	.554	3.193	1	.074	0.371
Sex(1)	-0.171	.299	.326	1	.568	0.843
Marital(1)	-0.080	.309	.067	1	.796	0.923
Age category			67.290	2	.000	
Age (18-24yrs)	-4.265	.535	63.583	1	.000	0.014
Age (25-29yrs)	1.233	.398	9.577	1	.002	0.291
Caring responsibility	-0.076	0.459	0.154	1	0.801	0.412
Constant	2.597	1.678	2.396	1	.122	13.429

Model fitting information: Omnibus test Chi-square = 142.960 ($p = 0.000$), Hosmer and Lemeshow test = 0.762 ($p = 0.762$, -2 log likelihood 271.50^a, Nagelkerke $R^2 = 0.645$)

Another notable variable with strong influence on employment was social capital, which showed a significant $p = 0.000$ and a Wald statistic = 91.348 with a positive direction of $\beta = 1.812$. The findings show that social capital contributed positively to employment among secondary school graduates in Kigoma District. The findings are consistent with the findings from a Key Informant who commented, “Many of the palm oil processing

units are artisan and family owned with the majority of the workforce coming from the same family relatedness...” (KI SIDO Kigoma on 7th June 2019).

The KI finding shows two things, one is the social network contribution in accessing informal employment and second, is the implications for those without networks with employers. There is a need for actors such as Community Development Officers to support information exchange between employers and employment seekers especially those without connection. In addition, with the growth of technology, social capital includes digital social platforms, digital informal employment search engines, personal history acquaintances such as classmates and schoolmates. The government through Tanzania Employment Service Agency (TaESA) should take advantage of the Internet to reach and match as many possible employers and employees as possible.

Similarly, these findings are consistent with the findings of a study by Muhanga (2017) who showed that the majority of informal enterprises were family owned and significantly comprised family members as a source of labour. Informal labour market accessibility indicated a strong positive influence on employment. In addition, a study by Ada (2017) showed a significant relationship between social media and pre-employment. Overall, the findings indicated that an increase in the social capital improved the likelihood of informal employment acquisition.

Likewise, empirical findings indicated that interpersonal relation competence had significant influence on employment in the informal labour market. The findings showed a Wald statistic of 26.050 ($p = 0.004$) and a positive coefficient of $\beta = 1.453$ indicating that secondary school graduates with strong interpersonal relation skills had a better

chance of being employed in the informal labour market. The Mann Whitney U test showed that urban secondary school ranked higher in interpersonal relation skills, which is an indication that, though the regression showed that interpersonal relation skills influenced getting employment, urban respondents had better chances of benefiting more from it. A combination of these findings highlights differences between urban and rural respondents in terms of transferrable competencies and suggests areas for intervention if at all there could be a need of improving rural informal labour market.

Furthermore, the results in Table 4.2 show that labour market legal framework had strong negative influence (i. e. Wald statistic = 24.140; $p = 0.003$ and a coefficient of -1.872) indicating that an increase in labour market legal framework affected employment negatively. The results show that the growth of employment in the informal labour markets was at odds with an increase of legal compliances, as the opposite was the case. These findings were supported by the findings from two Key Informants who showed a similar concern on overregulation in the informal labour markets. On labour markets legal frameworks, one Key Informants (KI) had this to say,

“As small-scale investors with only small capital to serve production and minimum salaries for workers... over regulation of social security contributions, income taxes, licences, intuitional fees such as NEMC, OSHA, and many more... it is difficult to employ many employment seekers...” (KI SIDO on 7th June, 2019).

The KI informant finding shows a distaste of cumbersome regulations and compliances employers face in dealing with fees, taxes and social security contributions for employees. While there are unemployed secondary school graduates and others, employers hesitate to take them because each employee comes with a list of payment to

the Government in terms of taxes, fees for authorities such as OSHA, and mandatory contributions such as NSSF. From this finding it is recommended that, the government should relook onto these cumbersome contributions and possibly lower them to allow for amicable mutual win-win situations between employers and employees.

Another Key Informant had this to say,

“When it comes to linking secondary education graduates with employment sector, whether formal or informal, labour laws need to support it by reducing cumbersome processes, especially for fresh informal employment seekers so that they can build experience” (TWaweza Official, 10th July 2019).

The findings suggest that labour legal frameworks must be relooked. Such frameworks are supposed to provide security for employees and employers, instead of being stumbling blocks to employment. At some points, employers and employees join hands together in confronting labour laws and regulations intended to serve both, formal and informal sector.

A key informant (KI) from Tanzania Employers Association highlighting employment legal compliance requirement as a hindrance to business registration and formalization had this to say,

“Before even you start making some profit, the government requires a lot of fees, taxes and contributions. For instance, apart from licenses, registration cost and quarterly taxes for the businesses, you have to pay contribution to NSSF, SDL, OSHA, NEMC, Fire, and pay some tips to local representative politicians to gain their support” (Employers Association Officer, 10th July 2019).

The remarks from the KI informant show challenges new entrepreneurs face when they establish a business. A chain of demands on registration may not only shade and discourage many with a will to start but also it creates a possible window for corruption. The findings suggest for review of these processes to encourage start-ups and enterprise formation. These hindrances can be resolved with a focus on the neoliberalism approach whereby overregulation and compliances should be discouraged to encourage start-ups and in turn increase both formal and informal employment especially for unskilled secondary school graduates. The findings are in line with the findings of a study by Ackson (2010) who says,

“Workers in the informal sector are reluctant to allow the employer to deduct monies for contributions to the social security scheme, as they would receive lower pay. Thus, employees would rather keep their already low salaries than making contributions to social security funds (Ackson, 2010).”

The findings show clearly that any increase in regulations is against neoliberalism theory and associated values and is likely going to lower employment opportunities, as they would likely create a burden to the employer. As a result, it diminishes the chances for secondary school graduates to secure informal employment in the informal labour markets. The findings concur with the conclusions by Stokes (2017) indicating that Tanzania’s heavy regulations and multiple taxations are a hindrance to the firms’ growth with the potential of providing employment.

On the other hand, the results in Table 4.2 show that transferable competencies, interpersonal relations and farming had influence on employment. For instance, entrepreneurship with a Wald statistic = 12.814($p \leq 0.001$) and a positive coefficient of

$\beta = 1.253$) indicating that an increase in entrepreneurship competencies leads to an increase in employment chances in the informal labour market. Once again, these findings suggest that entrepreneurship competencies for secondary school graduates are important in reducing unemployment. Similar findings are reported in a study by Haj (2015) who showed that improvements of education and skills were among the important strategies of reducing impediments to employment among the youths in Tanzania.

The empirical findings have shown that expanding informal labour market accessibility, financial capital especially for start-ups, social capital and adjustments for labour regulation have some influence on increasing informal employment. Also, interpersonal competencies, entrepreneurship, and farming had an impact on access to informal employment. The indicated variables which have some influence on employment can assist the Government and other actors to increase opportunities for informal employment and rejuvenate economic developments. Therefore, with a focus on neoliberalism approaches, and adherence to the human capital theory, interventions can be sought in improving the informal labour market. Improvements of the two aspects are a key to serving majority of workforce in accessing employment in Tanzania.

4.12 Conclusion

Informal employments are important to the majority of participants in the labour force despite being considered as precarious. The study has indicated the necessity of informal employment and has explicitly shown the informal employment choices available for urban and rural areas. The informal employment choices inform on where secondary school graduates go after the completion of their studies based on their places of residence. The results unveiled the potential working places in the informal labour market for this particular group of graduates. Therefore, any strategy or intervention aimed at improving their informal employment ought to consider the differences.

The empirical findings have shown that expanding accessibility of the informal labour market, financial capital especially for start-ups, social capital, and adjustments for labour regulation have some influence on increasing informal employment. Also, interpersonal competencies, interpersonal relations, entrepreneurship and farming have an impact on informal employment acquisition. The indicated variables with influence can assist the Government and other actors to improve informal employment chances and revive economic developments. Therefore, with a focus on neoliberalism approaches, interventions can be sought in improving the informal labour market and the necessary transferable competencies. Improvements of the two aspects are a key to serving the majority of workforce in accessing employment in Tanzania.

4.13 Recommendations

Basing on the findings and the analyses, the following recommendations are put forward. District Councils and all other stakeholders dealing with employment should now focus on the identified informal labour market conditions for improvements. Also training institutions and other stakeholders such as SIDO should provide appropriate trainings, initiate internships and assist information networking for secondary school graduates and other youths seeking for employment in their areas.

Lastly, District Councils, Tanzania Revenue Authority, nongovernmental organisations and other labour laws enforcement agencies should cultivate friendly and mutual understanding between employers, employees, and legal entities. This would boost employment creation especially for unskilled secondary school graduates without much fear of stringent regulations.

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CHAPTER FIVE

Manuscript Four

Gender Inequality in the Informal Labour Market for Secondary School Graduates in Kigoma District, Tanzania

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Abstract

Tanzanian government has taken measures to eliminate gender inequality in the labour market, however the gender equality status for secondary school graduates across different informal employment identities is not known. This manuscript examines gender inequality in the informal employment for secondary school graduates. Specifically addresses the following objectives: examining the distribution of informal employment for male and female secondary school graduates, determining the differences between sexes in the informal labour market conditions, and determining difference in transferable competencies between sexes. A cross-sectional study design was employed to collect quantitative and qualitative data. The findings showed that there was gender inequality in the acquisition of informal employment among male and female secondary school graduates. Furthermore, the findings show that there are intersectionality of privileges and discrimination based on age, location of living and caring responsibilities among secondary school graduates in the informal labour market. Moreover, the findings show that men were statistically significantly higher than women in two informal labour market conditions namely informal labour market accessibility, and financial capital. Also, men were statistically significantly higher in ranking than women in three transferable competencies studied namely self-efficacy, entrepreneurship, interpersonal relations but women ranked higher in social capital and farming competence. Furthermore, the findings from focus group discussions and key informant interviews were consistent with the findings from the quantitative data. It is thus concluded that there are gender inequalities in the informal labour market with constraints based on age, place of living, caring responsibilities and sex. It is thus recommended that equality promotion should address multiple identities in the informal labour market. Informal labour market actors, the Central Government, the Local Government Authorities and Non-Governmental Organisations should improve participation of secondary school graduates in the informal labour market. Improvements should focus on adjustments of the conditions of the informal labour market and provision of transferable competencies based on age, place of living, caring responsibilities and sex.

Key words: Gender inequality, intersectionality, privileges, oppression, discrimination.

5.0 Introduction

Eliminating gender inequality in both formal and informal labour markets is among the items in the priority list of the global agenda. Sustainable development goal number five aims at achieving gender equality and empowerment for all women and girls by the year 2030 (UN, 2015). However, gender inequality is still visible in the overall world employment scale with 72.7 percent of male employment of the population and only 47.9 percent of women employment of the population worldwide (Anyanwu and Augustine, 2014). As a result, gender inequality affects the general economy as it accounts for 15.4 and 17.5 percent of income loss in developed and developing countries respectively (OECD, 2017). Informal labour is any work or employment that is not legally regulated and socially protected found in both informal and the formal sectors (ILO, 2013).

In the context of this manuscript, gender in the informal labour market is considered within the intersectionality of parts making up the whole informal labour market system (Carastathis, 2014; Hall, 2018; Atewologun, 2020). The informal labour market is an intersectionality of individual factors, personal circumstances and external factors (Mcquaid and Lindsay, 2005). Individual factors include competencies and demographic factors, personal circumstances are caring responsibilities-both direct and indirect; external factors are labour market accessibility, resources and legal compliances (ILO, 2003; 2004; Mcquaid and Lindsay, 2005). Therefore, Gender refers to socially constructed qualities and symbols based on sex for a different social location and identity, which characterise their roles and relation in the informal labour market (Bravo-Baumann 2000; Atewologun, 2020). gender is in the context of power relation and roles embedded in social identities (Collins, 2000).

For Arabic and North African countries, gender disparity in the labour market is high despite the near closing of the gender gap in education. According to OECD (2017), the total employment women for in Arabic and Northern African countries is 17.9 percent, which is the lowest while the world average employment for women is 47.1 percent. Furthermore, Sub-Saharan Africa has a relatively higher level of women participation in the labour market compared to Northern African countries. However, they are in less paid, precarious, or even in non-paid jobs (Luz *et al.*, 2015; OECD, 2016). UNDP (2018) shows that sub-Saharan lost US\$ 95 billion due to gender inequality in the labour market yearly between 2012 to 2014.

In Tanzania, Gender Inequality Index (GII) shows that, participation in the labour market and skills acquisition are among the areas with high gender inequality (Fox, 2016; URT, 2017). Tanzania is ranked 129th out of 188 countries on the World Gender Inequality Index (URT, 2018). Inequality is observed in the overall labour market with the Integrated Labour Force Survey (ILF) (2014) showing that, across the country, men in the labour market account for 78.5 percent of employment to the population ratio compared to only 69.8 percent for women. A study by Human Development Trust (2011) shows gaps in policies and laws supporting gender inequality. A study by UNDP (2018) shows gender inequalities even in agricultural productivity. Another study by Nyoni and Kahyarara (2017) recommends consideration of women reproductive roles which go uncompensated for and at the same time affecting their participation in the labour market compared to men with mostly productive roles. Other studies are school to work transition by Shamchiyeva and Kizu (2014) which found that 62.8 percent of women were unemployed for over two years since completion of education compared to only about 19 percent of men in the same period. In addition, women were four times higher

inundated with the perception that their gender contributed to unemployment than was the case with men (Shamchiyeva and Kizu, 2014).

However, many gender-related studies have broadly worked on inequalities across sectors but not specifically addressing secondary school graduates in the informal labour market. For more targeted policies that aim at enhancing gender equality, a more sectoral specific investigation is required. In this study, the focus is on secondary school graduates who are the entrants in the informal labour market. This is in cognisance that, in Tanzania, secondary school graduates are increasing in the informal labour market following the expansion of secondary education; and that they are leading in unemployment compared to graduates in other education categories (URT, 2014). The aim here is three-pronged: first, to examine the distribution of specific informal employment across gender, second, to analyse gender intersectionality in personal circumstance variables which are age, place of living and caring responsibility as presented in the conceptual framework section in 1.7, lastly to examine gender differentials in the informal labour market conditioning and transferrable competencies.

The findings from this manuscript will contribute to the implementation of the national goals of eliminating gender inequality as stipulated in Tanzania Development Vision 2025, which envisions equality and empowerment (URT, 2005; URT, 2016) through implementation of Tanzania's employment policy which aims at gender parity in employment and reducing or eliminating gender inequality across sectors (URT, 2008). And lastly, to the Education Policy, which targets to remove gender inequality in education (URT, 2014).

The theoretical approach of the manuscript is based on intersectionality theory, expounded by Crenshaw (1989; 1991) and Collins (1990). Intersectionality is a concept which views gender as a relationship of multiples identities from different social locations and the way they interact to form a new experience of privileges and oppressions or discriminations in the society (Crenshaw, 1989; Hall, 2018; Atewologun, 2020, 2020). The theory views gender roles and relation beyond male-female dichotomy to include sex and sexuality (Shields, 2008; Carastathis, 2014; Atewologun, 2020). Thus, inequalities are brought by differences in the quantity and quality of intersections of different identities including education, social classes, sex, and exposure to resources. A person can be privileged in one social location and oppressed in another social location. Intersectionality theory has implications on informal labour market conditions in the sense that inequality in access to labour market is detrimental to achieving gender balance (ILO, 2019). A person in the labour market intersects with his/her competencies, labour conditions, personality traits, labour availability and compliances. The theory is in line with the study as it examined the influence of transferrable competencies, informal labour conditions, employability and personal circumstances on informal employment.

5.1 Methodology

5.1.1 Study area and sampling

The study on which this manuscript is based was conducted in Kigoma District in both Ujiji Municipality Council and Kigoma District Council. The district was chosen because of its gender inequalities in a number of sectors including health, education and agriculture as reported by TDHS (TDHS, 2016). According to TDHS (2016), the region ranks 21st among 21 regions on a Gender Development Index (Haroon Akram-Lodhi,

2018). Furthermore, Kigoma Region ranks low in a number of socio-economic indicators such as household poverty and per capita income (URT, 2016; 2017). Two wards from each division, two hamlets from each urban ward, and two villages from each rural ward were randomly selected. From the two divisions. In each division, two wards Mwanga and Kibirizi were randomly selected from urban areas, and Bitale and Mahembe from rural areas. Furthermore, four streets from the urban division (Mlote, Nazareti, Kibirizi, and Bushabani) and four villages from the rural division (Bitale, Bubango, Mahembe, and Chankabwimba) were randomly selected. The unit of analysis was an individual secondary school graduate living in the selected areas.

The study population encompassed secondary school graduates of from 2008 to 2018 in Kigoma District which is 40 643 including 22 269 males and 18374 females (Kigoma District Department of education, 2019). Using a formula for sample size calculation recommended by Yamane (1973, cited in Israel, 2012), the sample size was 396 respondents, but only 338 met the criteria. In addition, three Key Informants (KIIs). The key informants (KIIs) were Kigoma District Community Development Officer, Labour Officer and Education Quality Assurer Officer were interviewed. Moreover, three Focus Group Discussions (FGDs) were conducted at Mahembe, SIDO and Kibirizi.

The study employed a cross-sectional research design which enabled the collection of data at a single point in time as suggested by Sedgwick (2014). On the other hand, the design provided a chance for combining qualitative and quantitative data collection methods. The combination of data collection methods offered a chance of obtaining triangulated information.

5.1.2 Data collection

Both quantitative and qualitative methods were used to collect primary data. Quantitative data were collected using a structured questionnaire. The questionnaire was used to collect data on the respondents' socio-demographic data, transferable competencies, perceptions on informal labour market conditions, and their employment or unemployment statuses. Qualitative data were collected through Four Focus Group Discussions (FGDs) at Kibirizi, Mlote, SIDO Kigoma, and Mahembe. Key Informant Interviews (KIIs) involved District Labour Officer, Education Quality assurer, and Community Development Officer. The qualitative data were meant to increase understanding on informal employment and the way it is affected by informal labour market conditions and transferable competencies among male and female secondary school graduates.

5.1.3 Measurements and analysis of variables and analysis

The explanatory (grouping) variable in this manuscript was sex with male and female options, whereas Male = 1 and Female = 0 for quantitative analysis while, age, place of living and caring responsibilities for qualitative. The outcome (test) variables included informal labour market conditions and transferrable competencies. For informal labour market conditions, a five-point Likert scale (1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = Strongly agree) was used to measure the constructs. And for transferable competencies the aspects were measured using a semantic differential scale which comprised 7 alternative answers ranging from 1= incompetent to 7=competent.

The Statistical Package for Social Sciences (SPSS) software version 20 was used for statistical data analysis. The analysis involved the use of Mann-Whitney U test and Multiple Response analysis. The purpose of Mann Whitney U test was to examine differences in the consequences of informal labour market conditions and consequences of transferable competencies among secondary school graduates in the informal labour market.

Additionally, qualitative data were analysed through content analysis, Content analysis highlighted the main gender themes which emerged from key informant interviews and FGDs.

5.2 Results and Discussion

This section presents findings and discussions on three specific objectives. First, examination of the distribution of specific informal employment across gender, second, qualitative analysis of gender intersectionality in personal circumstance variables, third examination of gender differentials in informal labour market conditioning and transferrable competencies.

5.2.1 Gender inequality in the informal employment choices

Multiple response analysis was performed to find the ways in which informal employment opportunities were split along gender lines, and the results are presented in Table 5.1. Male dominated 11 out of the 20 informal employment mentioned. Women dominated the most three mentioned informal employment which are agriculture (Women 23.58 %, men 14.63 %), fish business (women 17.89%, men 9.76 %) and palm oil

processing and selling (women 14.63%, men 5.69 %). In addition, men were dominant in trading building construction, mechanics, and carpentry compared with women. The least important informal employment in which the respondents participated, but which at the same time were dominated by men were forestry, electrical installation, and port and marine activities. Furthermore, the findings show that women dominated food vending, accommodation, hairdressing, attending bars, cleaning, and household activities. Moreover, it was revealed that men participated in all informal employment while women did not appear in two of the mentioned informal employment, which were being local brokers and doing shoe shining.

Table 5.1: Distribution of informal employment choices by gender

Occupation	Male	Per cent	Female	Per cent	Total	Per cent
Forestry	5	4.07	2	1.63	7	5.69
Building Construction	9	7.32	3	2.44	12	9.76
Local brokers	4	3.25	0	0.00	4	3.25
Trading	14	11.38	8	6.50	22	17.89
Cleaners	4	3.25	6	4.88	10	8.13
Carpentry	8	6.50	1	0.81	9	7.32
Shoe shining	4	3.25	0	0.00	4	3.25
Fish industry	12	9.76	22	17.89	34	27.64
Accommodation	4	3.25	11	8.94	15	12.20
Mechanics	10	8.13	1	0.81	11	8.94
Transportation	16	13.01	4	3.25	20	16.26
Food vending	5	4.07	13	10.57	18	14.63
Street vender	7	5.69	3	2.44	10	8.13
Agriculture	18	14.63	29	23.58	47	38.21
Electrical	5	4.07	1	0.81	6	4.88
Household activities	1	0.81	7	5.69	8	6.50
Hairdresser	5	4.07	9	7.32	14	11.38
Port and Marine	4	3.25	1	0.81	5	4.07
Bartender	2	1.63	11	8.94	13	10.57
Palm processing	7	5.69	18	14.63	25	20.33

The findings raise a number of issues. They show a split of dominance in informal employment between men and women. The findings suggest that men had more employment chances compared to women since men participated in all the listed employment. Secondly, informal employment were dominated by women such as fish

business and palm oil processing which involved some kinds of cooking when preparing the products. Cooking is considered as a feminine role in areas where the study was conducted. Other activities considered as feminine were food vending, accommodation, household activities and cleaning. At the same time, activities such as building construction, mechanics, carpentry and marine were dominated by men this suggests a kind of masculine connotation in relation to these activities. It can also be said that activities requiring high muscular energy were male dominated while those requiring less muscular energy were female dominated.

Third, the findings showed that agriculture was the most employing sector in the informal employment, especially in rural areas and is dominated by women. This suggests that women are more involved in agriculture than is the case with men because first it is a source food and secondly it is a source of income. The findings are in line with URT (2018), which shows that 65 percent of farmers are women. Activities associated with technical skills such as mechanics, building construction, men dominated carpentry and transportation. This suggests that men are likely to have more employment opportunities compared to women in areas with population increase because such an increase is associated with transportation and construction. It is obvious that if men or women employment type dichotomy continues, there is a possibility of one group being left out of the emerging activities. For instance, the urbanization trend increases transportation, construction, and trading activities. The findings are in line with the findings of a study by Shamchiyeva and Kizu (2014), which showed that men working as technicians and associated professions were six times more compared to women in the labour market.

There is intersectionality theoretical implication in relation to the findings. It is clear that men dominate more informal employment opportunities compared to women. Deducing from the theory, this might be caused by socially constructed perceptions that some activities are masculine and others feminine. The effect of this perspective on either sex is to become disinterested in some employment chances, basing on masculine and feminine factors. Secondly, if this is left to continue in social life, children will opt for carriers based on social structure choices instead of individual preferences, hence perpetuation of gender disparity in carrier choices and acquisition of informal employment opportunities.

5.2.2 Gender intersectionality in personal circumstance variables

This section deals with the analysis of gender as experienced in a matrix of privileges and discriminations of age, place of living and caring responsibilities.

Age

Age of secondary school graduates can be both a source of privileges and of discrimination in the labour market. While needs may not be distinguished by age, privileges are likely to be treated as such, as this KII shows,

...those whose families are well-off stay with their parents for some time, some even for years because they complete their education while still very young compared to past years in 1990s and before (District Education Quality Assurer, on 6th June, 2019).

The finding informs on a number of takeaways in relation to the context of this study including, age, family social economic situation, privileges and discriminations. The completion of age of secondary education has been a contentious issue since 1960s after independence and the struggles to position education for self-reliance. As Mwalimu

Nyerere (Nyerere, 1967) argues, in making secondary education relevant it is necessary to rethink on the content of the curriculum, organization of schools and age entry. The idea was enrolling students at an advanced age so that when they finish schools they would be matured enough to enter in the labour market. The finding seems to suggest that at same aging, some secondary school graduates were likely privileged in society compared to others because of their different family settings. Therefore, while the study focused on the overall secondary school graduates, the finding informs on further dissection of the data on other possible discriminatory identities including age.

Age consideration in the informal labour market is important; as the integrated labour force survey (URT, 2014) shows, 55 percent of the working population in Tanzania are between 15-34 years of age. This is the age of making family as informed by UN (2015) that, in Sub-Saharan Africa, the average age for marriage for women is 21 and 22 years and for men is 26 and 27. A study by Ours, (2010) reveal that, productivity decrease as the workforce cohort ages. Therefore, engaging secondary school in the labour market earlier is beneficial to themselves and to the community at large.

Place of living

Rural areas did not appear attractive to secondary school graduates as many aspired to leave their villages after completing their schools. As noted by this KII informant,

...life in villages is difficult for girls and boys completing secondary education because of fewer income sources...alternatively they migrate in towns (FGD at Mahembe on 11th June 2019)

It is deduced from the finding that, there is a rooted sense of migrating to urban centres wherever the opportunity and ability of doing so occurs. A study by Danish Trade Union

Development Agency (2018) shows that urbanization is partly influenced by an increase in secondary school enrolment and completion. The finding concurs with the findings in a study by FAO (2014), which showed that rural areas were more affected by poverty and unemployment compared to urban areas. lack of employment and poor productivity of their labour explains part of the causes for migration from rural to urban centres (FAO, 2014). While the place of living can be a cause of oppression and discrimination, women are more affected (FAO, 2014; ILO, 2019). In addition, showing the effects of a place of living in relation to labour accessibility, this KI had this to say,

...after completion of secondary education and failed to continue I didn't have option at home (Mnanira Village) than searching for a job in palm oil processing (FGD Participant, SIDO, ON 7th June, 2019).

Therefore, a place of living is a source of inequality in the informal labour market as shown in the findings. The findings are in line with intersectionality theory that inequality is caused by a multiple of locations, one of them is a place of living (Crenshaw, 1989; Atewologun, 2020).

Caring responsibilities

The study found a relationship between early parenting and difficulties of employment search for secondary school graduates as indicated by one of the participants during FGD at Mahembe;

...early parenting immediate after completion of secondary education impede girls to search jobs for some years unless they have parents or relatives who can assist them in child caring (FGD at Mahembe on 11th June 2019).

While early parenting immediately after the completion of secondary education and before employment adds difficulties for parents and the child, women are likely more affected compared to men. One reason is biological, that women start parenting immediately after conception and secondly is the child caring for early moths after birth. Early parenting has shown to be detrimental for both parents and the child (Reichman, 2003; Lafférs and Schmidpeter, 2020). A study by Heinrich (2014) shows that, early caring of a child has some effects on labour and employment for the mother and the overall growth of the child. in addition, both a mother and a child are negatively affected more by being unemployed of by coming from a low socio-economic family (Heinrich, 2014). The finding implies that caring responsibilities impede mobility in the labour market and victimise mothers and children the most. Therefore, equality in the labour market should not only consider numbers but also on implicitly embedded in the differences of caring responsibilities between sexes, socio-economic and employment statuses. The findings are in line with intersectionality theory which informs on multiple sources of inequalities in the society (Carastathis, 2014).

5.2.3 Gender inequality in informal labour market conditions

Variables under conditions of informal labour market were tested to examine their variations along gender lines. The results indicated in Table 5.2 show significant differences for three out of five labour market conditions variables tested. These are informal market accessibility, financial capital, and social capital. The results showed that informal labour market accessibility differed across gender divide whereby men scored a mean rank of 202.8 which was significantly different from the mean rank score by women, which was 137 ($p = 0.000$), Mann-Whitney test ($U = 8748$, $z = -11.358$, $r = -0.346$). The high rank score for men shows that the conditions of informal labour market

accessibility were more favourable for men than they were for women. The data show that men's accessibility in the informal labour was statistically significantly higher than that of women with a medium effect size ($r=-0.346$).

The findings show that there were significant differences between men and women on the way they were affected by different aspects of informal labour market conditions. In case of accessibility of labour market, the findings imply that the entry in the labour market was more favourable to male secondary school graduates than they were to female secondary school graduates. This might probably have resulted from traditionally rooted male dominance at the household level, and which is common in African communities where most decisions including those related to labour market entry rest upon men. Evidence of this dominance was further provided by key informant through an interview, which showed that women, especially married ones, had to seek for permission from husbands to engage in economic activities,

“One of the challenges we face when mobilising women to engage in economic groups is that they have to seek permission from male counterparts” (KI, Community Development Officer, Kigoma on 6th June 2019).

The above extract shows that women face a big challenge in getting in the informal employment in the areas studied. It can be deduced that women depend on the men's consent to get in employment unlike men who do not need permission from anyone. Furthermore, barriers of women's access to employment add up to other natural and social engineered responsibilities such as reproduction, family caring and household chores. Table 5.1 shows that the effect size for informal labour market accessibility ($r = -0.346$) was big in terms of the differences between men and women. The results concur

with the findings of a study by Espi *et al.* (2019) who found a big inequality in the labour market in South Africa.

Secondly, financial capital showed a mean rank of 187.1 among men which was significantly different from the mean rank among women which was 152.52, Mann-Whitney test (U) = 11355, Z = -3.408 and (p = 0.001) with effect size (r) = -0.185. The finding shows that financial capital was statistically significantly higher for men than it was for women with a medium effect size. The findings show that financial capital also differed along gender lines though in small magnitude men had a favourable perception compared to women. During FGD at SIDO-Kigoma, a male discussant had a view that financial stability for women puts marriages at risk. On the other hand, when the same issues were raised in an FGD with women their consensus was that they needed to raise financial capital to serve their families better, do small businesses and contribute to Village Community Banks (VICOBA) savings. The findings suggest that men have hidden fear on controlling women with financial independence. Women face exclusive hindrances in property ownership and freedom of engaging in businesses including access to financial capital to support themselves, families and business. The responses reflect long time held beliefs in the communities that women are part of the family property, thus, as far as their wrong beliefs are concerned, they assume that property cannot own another property. The findings notwithstanding, not all women were married, however all of them were likely to face challenges which are structural and patriarchal in some situations simply because men cultivate fear for women's financial independence.

Lastly, the other variable that displayed statistical gender difference was social capital. The mean rank for social capital among men was 196.74 and differed significantly from

that among women ($M_n = 143.21$), ($p = 0.000$) $U = 9754$, $z = -5.274$, $r = -0.286$. The finding indicates that, men were statistically significantly higher than women. The implication of the finding is that men have a better side of building social capital in the informal labour market compared to women. As a result, men will likely have more chances of being employed than women. The findings suggest that men have higher chances of excelling in the labour market since they have better established social capital items. The social capital theory (Coleman, 1988; Putnam and Mumby, 1993) suggests that individuals accrue benefits by establishing strong ties with other community members. It is also argued in a study by Brixiova and Kangoye (2016) that, entrepreneurship in Africa depends much on social capital.

Table 5.2: Differences in conditions of the informal labour market between women and men secondary school graduates

Informal labour market conditions	Sex	n	Mean Rank	Sum of Ranks	Mann-Whitney U	Z	Sig.	r
Informal labour market accessibility	Male	166	202.8	33665	8748	-6.377	0.000	-0.346
	Female	172	137.36	23626				
Informal Labour quality	Male	166	163.36	27118.5	13257.5	-1.268	0.205	-0.068
	Female	172	175.42	30172.5				
Financial capital	Male	166	187.1	31058	11355	-3.408	0.001	-0.185
	Female	172	152.52	26233				
Social capital	Male	166	196.74	32659	9754	-5.274	0.000	-0.286
	Female	172	143.21	24632				
Informal labour market legal framework	Male	166	167.04	27729	13868	-0.484	0.629	-0.026
	Female	172	171.87	29562				

A well echoed voice of KII on changing culture in the labour market which is likely affecting the secondary school graduates had this to say;

... boys have more chances to engage in income generating activities like transport, vending and trading compared to girls who previously travelled in big towns for domestic activities (Community Development Officer, 6th June, 2019).

There could be critique to what was expressed by the respondent but there is a recollection of memories on the way the past was, compared to present situation being experienced by the youths including secondary school graduates. The finding suggests Changes in employment choices, gender-based dissimilarities and rural urban employment structure.

Altogether, from these findings, it can be concluded that informal labour market accessibility and financial capital for men were statically significantly higher compared to those of women and social capital higher for women. The results suggest the rejection of the null hypothesis that there is no difference in informal labour market conditions between male and female respondents. The findings provide a clear picture on how women and men differ in the ways they are affected by the conditions of the informal labour market. The differences have various implications including, inequality in employment opportunities, inequality in financial capital acquisition, and inequality in social capital formation which in most cases favour men as opposed to women. Women alienation does not only affect women but also the whole humanity taking into consideration the contribution and role of women in reproduction and family caring.

The findings advance the intersectionality theory as they show that men are statistically significantly higher than women accessibility to the informal labour market financial capital, and social capital. Basing on the theory, there is a need of adding productive resources, opportunities, and finance; and reduce conditions of the informal labour market which impair women chances in the labour market.

5.2.4 Gender inequality and transferable competencies

Transferable competencies were found to have an impact on the labour market. The study investigated men's and women's possession of transferable competencies and whether there were any differences. The findings in Table 5.3 which display Mann-Whitney U test show transferable competencies which were tested to examine their variations along gender lines. The results indicate that there were gender differences in four out of five tested transferable competencies of which three favoured men and only one favoured women. Self-efficacy indicated a mean rank of 201.8 among men which differed significantly with the mean rank of 138.26 among women with Mann-Whitney test ($U = 8902.5$, $Z = -6.695$ $p = 0.000$ and $r = -0.364$). The results generally imply that men had higher self-efficacy compared to women. Self-efficacy is the inner ability of persons to believe in themselves that they can achieve what they intend to do. A person with higher self-efficacy is likely to continue pushing her/his agenda as long as failure cannot make her/him to give-up. Higher self-efficacy for men compared to women showed that men were likely to continue going on with their employment goals in the informal labour market compared to women. The results suggest that men had better chances of succeeding in the informal labour market as they had higher self-efficacy competence compared to women. The implication is that there are fewer chances for women even in the areas where they can flourish. The findings concur with views of a key informant at the Community Development Office who said, *“Current women and young girls should develop confidence to work and earn money for themselves to avoid being trapped by deceiving men”* (KI, Community Development officer, Kigoma on 6th June 2019).

Considering the statement above, the KI seemed to suggest that women had some dependence on men. Women cannot be completely separated from men equally as men

cannot live solely by themselves without women but in interdependence; there is nothing to differentiate men from women and vice versa. It is true that a social construct that men have inner confidence of carrying on duties can hardly be proven.

Furthermore, interpersonal relation was stronger among women than among men. Interpersonal relation showed a mean rank of 1999.36 among women compared to a mean rank of 140.68 among men with Mann-Whitney test ($U = 9318.5$, $Z = -$ $p = 0.000$ and $r = -0.327$). Consequently, the results show that, women are likely to be in a good position to have more friends in the labour market, increased connections and as a result benefit from employment opportunities. More evidence of these interpersonal ties was gathered from an FGD which was conducted at Mlote Secondary School. It was revealed that past communal cultural elements in Kigoma District favour men than it does women in forming interrelation, especially with other people who are not relatives. Contrasting evidence came from FGD that revealed that, it was seen as unusual for a woman to initiate a talk to a new person, or to boldly demand for her rights. Another observation from KII showed that women were likely to continue struggling with the way men look at them at first encounters. A KI at Kigoma Quality Assurance Office had this to say,

“... some men in families, education institutions and offices see women with an eye of lust; they see them as pleasure objects until when women show to them that they are wrong... that is the way our girls need to be taught...” ... (KI, 6th June 2019).

This shows that women have to struggle to educate men on not prioritising sexual advances rather than mutual respect while not risking their interrelationship. However, the

findings show that women have an uphill task in safeguarding their dignity and in achieving fair play ground in the informal labour market.

Furthermore, findings on entrepreneurial competence showed that the mean rank among men was 198.01 compared with the mean rank among women of 141.99 and that the ranks were significantly different with Mann-Whitney test (U) = 9543.5, Z = -5.530, p = 0.000 and r = -0.300. The results suggest that men respondents were more competent than women. This obviously implies that men seem to have a better chance of excelling in entrepreneurship endeavours compared to women if they put their competencies into practice. As a result, men who are secondary school graduates are more likely to access informal employment than women. The finding is supported by qualitative evidence obtained from an FGD which was conducted at Small Industries Development Organization (SIDO). The FDG revealed that, a few women who were able to engage in entrepreneurial activities were hampered by social and family roles including caring for children.

Lastly, farming competencies had comparably higher scores for women. Farming competencies showed that women had a mean rank of 199 while men had a mean rank of 147.19 with Mann-Whitney test (U) = 10572.5, Z = -4.315 and (p = 0.000) with an effect size (r) = -0.234. This is not surprising since the majority of women especially in rural areas of Africa are widely involved in farming activities as shown also by UNDP (2018). Women have higher competence on this because the burden of farm food production falls on them, enabling them to accumulate skills and competence. Once again, this is a positive indicator, which has an impact on women livelihood. There is a lot of potential in

farming as it provides high chances of employment where formal employment is scarcely available.

Table 5.3: Differences in transferable competencies between women and men secondary school graduates

Transferable competencies	Sex of respondent	n	Mean Rank	Sum of Ranks	Mann-Whitney U	Z	Sig.	r
Self-Efficacy	Male	166	201.87	33510.50	8902.500	-	0.00	-
	Female	172	138.26	23780.50		6.695	0	0.364
Metacognition	Male	166	167.48	27801.00	13940.000	-	0.67	-
	Female	172	171.45	29490.00		0.415	8	0.022
Interpersonal Relationship	Male	166	140.68	24196.50	9318.500	-	0.00	-
	Female	172	199.36	33094.50		6.026	0	0.327
Entrepreneurship	Male	166	198.01	32869.50	9543.500	-	0.00	-
	Female	172	141.99	24421.50		5.530	0	0.300
Farming Competencies	Male	166	147.19	24433.50	10572.500	-	0.00	-
	Female	172	191.03	32857.50		4.315	0	0.234

Lastly, this KII posed a significant opinion worth noting,

... it is difficult for secondary school graduates to get employed immediately after completion of their secondary education because they do not have necessary skill and experience... (KI District Labour Officer, on 6th June, 2019).

The opinion showed gaps in terms of competencies among secondary school graduates and the challenges they face in transitioning from school to work. The indicated difficulties facing secondary school graduates can better be resolved by reforming the secondary education system in terms of content and delivery. The findings concur with the findings by Komba and Mwandaji (2015) that 86 percent of teachers who participated in the study lacked proper understanding of the objectives of competence based curriculum being implemented in secondary schools. Another study by Kong (2015) showed technology infusion and digital platform learning added to the normal classroom program enabled secondary school students to developed critical thinking and evaluations which are important in the labour market. Another KII had this to say in relation with competencies facing secondary school graduates;

...my own child went for a boarding school in Tabora, after completing form four and failed he could not work in fishing well compared with my two nephew who

came to live with me. They had only standard seven educations but very successful in fishing (FGD participant at Kibirizi Market, 4th June, 2019).

The assertion highlights the incompatibility of the secondary education with the life they live after the completion of secondary education. Secondary schools enrol students from different socio-economic backgrounds, and the majority of them go back again in same settings where education is meant to enable them unlock their potentials. But the assertion suggests a different outcome that education acquired is different from community expectations. Consequently, these secondary school graduates miss the expected privileges and are alienated from socio-economic activities.

Overall, the findings are in line with intersectionality theoretical implications on transferable competencies among secondary school graduates. The findings have clearly shown that there is a competence difference between women and men involved in the study. Therefore, there is a need of addressing the imbalance through strengthening of transferable competencies.

5.3 Conclusion

The results have shown that conditions in the informal labour market act differently between male and female secondary school graduates. Men are in a favourable side compared to women in accessing employment opportunities, developing social capital and financial capital. These findings have highlighted the challenges women face in the informal labour market. The findings corroborate with the findings of other previous studies in other areas.

Similarly, acquisition of transferable competencies differs between men and women; men are better at self-efficacy, interpersonal relation and entrepreneurship while women

dominate in the farming competence. The findings have highlighted two take-away lessons; one is the gender inequality in the comprehension of key transferable competencies fit for enterprise employment. It is argued that formal and the informal non-agricultural sector is growing concurrently with urbanization and the emergency of new small cities. These areas will have more non-agricultural employment opportunities. This implies that men will have better chances to succeed in expanding informal employment, and hence perpetuation of gender inequality.

Lastly, the distribution of informal employment showed the presence of men in almost all informal employment reported while women did not appear in some informal employment. The findings suggest gendered informal employment. Informal employment are growing in non-agricultural sectors where secondary school graduates are more likely to secure jobs. The gendered informal employment perpetuate gender inequality. Informal employment in trading, construction, transportation, and mechanics are growing in urban centres. The implications are limited opportunities of women from securing employment.

5.4 Recommendations

The findings have broadly shown gender inequality in the informal labour market in Tanzania. There are many interventions, which should be carried out to ensure equal opportunities for women's engagement in the informal labour market. The central government should redress the conditions in the informal labour market which foster inequality in the labour market. Secondly, community development offices should assist the community in income generating activities with more involvement of women to

reduce the gender imbalances observed. Non-governmental organizations and religious institutions should advocate equality of men and women in the labour market.

In addition, women and girls should be empowered in transferable competencies. This can be done by the training institutions, local governments and non-governmental organizations. Training institutions should focus on transferable competencies in addition to the main curriculum contents to assist secondary school graduates' transit successfully into the labour market.

Lastly, it is recommended that gender parity should continue to be the focus in all informal employment as has been the case in the formal employment. Various types of support from financial institutions and non-governmental organisations should be directed at the elimination of gender inequality in the informal employment as it has been done in the formal employment through the provision of soft loans, training sessions and business spaces to small businesses and entrepreneurship activities for women and men. Local governments should set areas for small businesses with a view of supporting gender balance.

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CHAPTER SIX

6.0 Summary, Conclusions and Recommendations

6.1 Summary of Major Results

6.1.1 Transferrable competencies and their relationship with secondary school graduates' employability in Kigoma

Transferable competencies and their influence on employability were examined in Chapter two. The chapter examined the level of transferable competencies among secondary school graduates, the differences of transferable competencies between rural and urban areas and the influence of competencies on employability. The findings showed a low level of transferrable competencies among secondary school graduates.

Furthermore, the findings revealed the differences between urban and rural secondary school graduates on transferrable competencies contrary to the hypothesis in section 1.5.2 which assumed the presence of similarities in terms of transferable competencies. The urban secondary school graduates had higher ranks in self-efficacy, interpersonal relation and entrepreneurship while rural secondary school graduates indicated higher rank in farming.

Moreover, the results from ordinal logistic regression, which was intended to test the hypothesis in section 1.5.2, which assumed the absence of influence on transferable competencies on employability showed that competencies namely self-efficacy, interpersonal relation, entrepreneurship and farming had some influence on

employability. The determined transferable competencies can be built in different environments including within families, schools, internships and individual trails.

Overall, the findings in this chapter are in line with the conceptual model linking transferable competencies with employability as shown in section 1.7. Fundamentally, possession of transferable competencies increases employability, specifically there is an increase in confidence to find a suitable job, awareness of employment opportunities, and higher understanding of employment requirements. The findings have suggestions on employment and educational policies regarding the quality of secondary school graduates in the informal labour market in terms of transferable competencies and the associated employability.

6.1.2 Informal labour market conditions and their relationship with employability of secondary school graduates in Kigoma

The informal labour market conditions and their relationship with employability, guided by the Neoliberalism theory, are examined in Chapter Three. The informal labour market conditions moderate the mobility of a person in the labour market. The findings showed how secondary school graduates perceive informal labour market conditions. Their perception shows poor ranking of accessibility to work, social capital, financial capital and labour regulations. This implies that there are few opportunities in the informal labour market, and which cannot be reached in their areas. In addition, social capital and financial capital resources have an impact on supporting informal employment; poor ranking of these variables is an indication of the difficulties secondary school graduates face in the informal labour market. There were significant differences on the way urban and rural secondary school graduates were affected by the informal labour market conditions. Four informal labour market conditions significantly differed and ranked

higher for urban respondents with the effect size ranging from small effect size (0.129) to medium (0.389). The informal labour market conditions with significant differences were work accessibility, financial capital, social capital, labour market legal framework.

The findings aligned with the neoliberalism theory which advocates for labour with maximum employment by increasing labour accessibility for individuals from different kinds of lives, easier flow and exchange of resources (financial and capital) and deregulation of stringent regulation and compliances with the government. Moreover, the identified informal labour market conditions with influence on employability showed a possibility of improving secondary school graduates' mobility in the informal labour market. an increase in accessibility for work, more availability of social capital and financial resources and the reduction of over regulation will improve awareness of opportunities, confidence and required qualities on respondents.

6.1.3 Impact of transferrable competencies, informal labour market conditions and employability on informal employment

The findings showed that informal employment are influenced by transferrable competencies, informal labour market conditions and employability. these findings are in line with the notion in the Human Capital theory, which links individual competencies with successes in achieving employment in the informal labour market. The analysis was performed to test null hypothesis in section 1.5.2 on influence of transferable competencies on informal employment. Transferrable competencies with had some influence on informal employment were, self-efficacy, interpersonal relation, entrepreneurship and farming.

The neoliberalism theory guided the analysis of informal labour market conditions on informal employment. As hypothesised in section 1.5.2, informal labour market conditions had influence on informal employment. Informal labour market conditions which had an impact on informal employment were, informal labour market accessibility, financial capital, social capital and labour legal framework. The labour legal framework indicated a negative relationship with the probability of accessing informal employment opportunities. In other words, an increase of labour legal framework led to a decrease of the chances having informal employment. The other three variables namely informal labour market accessibility, financial capital, and social capital showed a positive relationship with informal employment. That is, as these variables increased so did the probability of attaining informal employment. In addition, individual circumstances, which were found to have some influences were the place of living and age.

Furthermore, the study identified informal employment and their distribution between rural and urban. The leading informal employment for the urban secondary school graduates were fish industry, palm oil processing and selling of palm products, transportation, trading, accommodation, food vending, mechanics and hair dressing. On the other hand, the leading informal employment for the rural secondary school graduates were, agriculture, trading, fish industry, palm oil and transportation. Overall, the findings have a policy implication that, successful achievement of employment targets for secondary school graduates requires improvements in transferable competencies, adjustments of the informal labour market conditions and raising employability prospects for this particular group of the workforce.

6.1.4 Gender inequality for secondary school graduates in the informal labour market

The contentious disparity in gender issues in the informal labour market show that, a lot of work still needs to be done to balance the inequality and lack of equity equilibrium caused by the conditions in the informal labour market. Accessibility to employment opportunities should be gender balanced leaving no one behind based on gender.

6.2 Conclusions

Based on the findings, it is concluded that the level of transferrable competencies was low implying that secondary school graduates have poor employability; low awareness of employment opportunities, poor understanding of employment requirements and low confidence in finding suitable employment. Nevertheless, transferable competencies showed a positive influence on employability. Based on the results, it is thus concluded that transferable competencies are crucial for secondary school graduates in successful awareness raising of employment opportunities, strengthening understanding of employment requirements, and in building confidence of finding suitable employment in the informal labour market.

The findings have revealed that, conditions in the informal labour market are significant and have a contribution on employability of secondary school graduates. The findings concur with the Neoliberalism theory which explains the ways the informal labour market should operate. The theory holds that informal labour markets should have a free movement of labour, flow of capital and reduced regulations including strict compliances

and over taxations to encourage innovations and to open opportunities for more employment.

The findings have shown that informal employment for secondary school graduates are influenced by transferrable competencies, conditions of the informal labour market, and employability. The level of transferrable competencies determines the chances of being either employed or not employed. Well acquired self-efficacy, interpersonal relation, entrepreneurship competencies together with farming competence are likely to avert the increasing unemployment rate. Furthermore, conditions in the informal labour market accessibility to informal labour market, availability of financial resources and social capital coupled with reduction of stringent regulations in the labour market tend to boost expansion of enterprise, which in turn tend to increase employment opportunities for secondary school graduates.

Lastly, the findings have revealed the presence of gender inequality in the informal labour market for secondary school graduates. The findings show transferrable competencies, conditions of the informal labour market and access to informal employment vary across different age groups, location, and sex. The findings of the overall assessment of social location and identities based on age groups, location and sex show consistence with the intersectionality theory concurs in that these variables have strong influence with access to informal employment opportunities.

6.3 Recommendations

- i. At a policy level, the Ministry of Education Science and Technology (MoEST) and the Prime Minister's Office, Labour, Youth, Employment and Persons with

Disability should re-examine the content and delivery approaches of secondary education. The ministries should work on training policies and programmes to institute transferrable competencies across secondary education to support secondary school graduates during their transition from school to work. Secondly, Local Government authorities (LGA), Non Governmental Organizations (NGOs), should collaborate with Small and Medium Enterprises in the provision of apprenticeship especially for entrepreneurship and interpersonal relations competencies. These measures will strengthen transferrable competencies of secondary school graduates and raise their employability in the informal labour market.

- ii. The Ministry of Industries and Trade, and compliance and regulatory authorities such as Tanzania Revenue Authorities, and District Councils should create conducive Informal labour market conditions which would create room for more employment for secondary school graduates. Local government should allocate areas for informal activities while the central government formulates supporting policies in areas such as delaying licensing and removing pretaxation for beginners to assist them generate some income to start and expand their businesses.
- iii. The Prime Minister's Office, Labour, Youth, Employment and Persons with Disability, and the Ministry of Finance and Planning and Local Authorities should reduce entry and operating conditions for employers in the informal sector to support employments. Local government financial support and grants should be impartially provided and focus on the youths. Public financing institutions such as

the Tanzania Investment Bank (TIB) should provide low interest loans which have shown to have had an impact on increasing informal employemnts and ultimately lowering unemployment.

- iv. The Local governments, employers and other financing institutions should emphasised on gender inclusiveness in supporting employment in the informal labour market. This will ensure that no one is left behind in the informal labour market simply because of lack of transferrable competencies and infringement of informal labour market conditions due to age, sex, place of living and caring responsibilities.

6.4 Contribution of the Study

6.4.1 Contribution to the body of knowledge

The study has a contribution to the body of knowledge; literature review indicates that previous studies worked on transferable competencies and employability, but scarcely or not at all on transferable competencies in informal employment. In addition, the reviewed studies worked mostly on higher education graduates and hardly or not at all on secondary school graduates.

Another contribution is on informal labour market conditions and their influence on employability of secondary school graduates to informal labour market previous studies on informal labour and informal employment perceived informal employment as a dispensable alternative. This study revealed that informal employment are necessary and important in expanding employment and accommodating the expanding secondary school graduates labour force which otherwise has never have and will never have real

opportunity of accessing in formal employment. It is obvious that, a transition from secondary school to the labour market without even specific or technical skills poses a challenge to secondary school graduates.

6.4.2 Theoretical reflections

The study used the modified model by Knight and York (2002) and other three theories: the neoliberalism theory (Peters, 2019); the Human Capital Theory (Nafukho *et al.*, 2004; Tan, 2014; Berntson *et al.*, 2016), and intersectionality theory (Crenshaw, 1989; 1991) to address the notions focused on in the study. The theories used addressed various aspects related to informal employment for secondary school graduates in the informal labour market.

The research findings contributed addition inputs to the employability model by Knight and York (2002). The original model had only four variables: Understanding, Skills, Self-Efficacy and Metacognition (USEM Model), the modified model used for this study added other variables namely, self-efficacy, metacognition, interpersonal relation, entrepreneurship and farming based on the context of the study. The human capital theory linked transferable competencies and informal employment.

The neoliberalism theory guided the development of informal labour market conditions variable. Through literature reviews it was noted that there was no any study that used other this theory in the studied areas. The theory was found relevant and applicable in guiding and explaining the way informal employment for secondary school graduates can be increased in the informal labour market and lower unemployment rate for this group.

Intersectionality theory was used to study gender inequality beyond strict male-female dichotomy emphasised in other feminist megatrend theories. The intersectionality theory was contextualised and assisted in studying inequalities based on different age groups, location and sex of secondary school graduates in the informal labour market and with a focus on informal employment.

6.5 Areas for Further Research

The following areas for further research are recommended:

The study has shown that transferrable competencies have an impact on informal employment. However, a systematic provision of them either as part of the secondary school curriculum or tailor-made courses for those who have finished secondary education needs further research to help policy makers and secondary school graduates address employability issues in the informal labour market.

The study showed that informal labour market conditions have an impact on informal employment. However, these variables need a further study in addressing the manner in which they can be adjusted or improved for the benefits of secondary school graduates and others in the informal labour market.

The study examined gender inequality with respect to transferable competencies and informal labour market conditions and informal employment. However, further qualitative research is needed to understand further the causes of this phenomenon because some areas of gender inequality are deeply embedded in the culture. It is suggested that ethnographic studies be done.

APPENDICES

Appendix 1: A copy of household questionnaire used in the research

SOKOINE UNIVERSITY OF AGRICULTURE



COLLEGE OF SOCIAL SCIENCES AND HUMANITIES

DEPARTMENT OF DEVELOPMENT STUDIES, P. O. BOX 3024, MOROGORO

A Questionnaire for PhD Research on

**TRANSFERABLE COMPETENCIES, INFORMAL LABOUR MARKET
CONDITIONS AND INFORMAL EMPLOYMENT FOR SECONDARY SCHOOL
GRADUATES' IN KIGOMA DISTRICT, TANZANIA**

By

By Adam Mnyavanu, PhD Student

My name is Adam Mnyavanu, a PhD student at Sokoine University of Agriculture in Morogoro. This questionnaire survey is part of the study tools. The information gathered here will be used for the purpose of this study only

Phone: 0755191445, Email: adamsvmm@yahoo.com

Section One: Background Information

(fill your particulars accordingly)

1. Division where the respondent is living
2. Ward
3. Village
4. Hamlet
5. Year completed a secondary education.....
6. Age of the respondent(in years)
7. Year of completion(year Graduated)
8. Highest level of education.....
9. Sex of respondent
 1. Male
 2. Female
10. Marital status
 1. Married
 2. Not Married
11. Caring responsibilities (tick whatever is correct)

Yes (any of the option)	No
Own Children, Extended children, Elderly, Relatives	

Section Two: Transferable Competencies

12. Please mark the level of your competence for each of the following statements [Tick in the relevant box). Semantic Differential scale from Incompetent to Competent

Incompetent	1	2	3	4	5	6	7	Competent
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Choose the position which describe best your transferrable competence level

Competence	SN	Skills	1	2	3	4	5	6	7
Self-Efficacy	1	I can always manage to solve difficult problems if I try hard enough							
	2	If someone opposes me, I can find the means and ways to get what I want.							
	3	It is easy for me to stick to my aims and accomplish my goals.							
	4	I am confident that I could deal efficiently with unexpected events.							
	5	Thanks to my resourcefulness, I know how to handle unforeseen situations.							
	6	I can solve most problems if I invest the necessary effort.							
	7	I can remain calm when facing difficulties because I can rely on my coping abilities.							
	8	When I am confronted with a problem, I can usually find several solutions.							
	9	If I am in trouble, I can usually think of a solution							
	10	I can usually handle whatever comes my way.							
Metacognition	1	I can distinguish and differentiate my own mental abilities (e.g., remembering, imagining, having fantasies, dreaming, desiring, deciding, foreseeing and thinking).							
	2	I can define, distinguish and name my own emotions.							
	3	I am aware of what are the thoughts or emotions that lead my actions.							
	4	I am aware that what I think about myself is an idea and not necessarily true. I realize that my opinions may not be accurate and may change.							
	5	I am aware that what I wish or what I expect may not be realized and that I have a limited power to influence things.							
	6	I can clearly perceive and describe my thoughts, emotions and relationships in which I am involved.							
	7	I can describe the thread that binds my thoughts and my emotions even when they differ from one moment to the next.							
	8	I can understand and distinguish the different mental activities as when they are, for example, remembering, imagining, having fantasies, dreaming, desiring, deciding, foreseeing and thinking.							
	9	I can identify and understand the							

Competence	SN	Skills	1	2	3	4	5	6	7
		emotions of people I know.							
	10	I can describe the thread that binds thoughts and emotions of people I know, even when they differ from one moment to the next.							
	11	I'm aware that I am not necessarily at the centre of the other's thoughts, feelings and emotions and that other's behaviours arise from reasons and goals that can be independent from my own perspective and from my own involvement in the relationship.							
	12	I am aware that others may perceive facts and events in a different way from me and interpret them differently.							
	13	I am aware that age and life experience can touch other's thoughts, emotions and behaviour.							
	14	I can deal with the problem voluntarily imposing or inhibiting a behaviour on myself.							
	15	I can deal with the problems voluntarily trying to follow my own mental order.							
	16	I can deal with the problems trying to challenge or enrich my views and my beliefs on problems themselves.							
	17	When problems are related to the relationship with the other people, I try to solve them on the basis of what I believe to be their mental functioning.							
	18	I can deal with the problems, recognizing and accepting my limitations in managing myself and influencing events.							
Interpersonal skills	1	It is easier to find the right words to express myself.							
	2	I accomplish my communication goals.							
	3	I can persuade others to my position.							
	4	I express myself well verbally.							
	5	Others would describe me as a good person.							
	6	I reveal how I feel to others.							
	7	I tell people when I feel close to them.							
	8	Other people think that I understand them.							
	9	When I've been wronged, I confront the person who wronged me.							
	10	I take charge of conversations							
	11	I stand up for my rights.							
	12	I let others know that I understand what they say.							
	13	In conversations, I perceive not only what they say, but also what they do not say							
	14	I allow friends to see who I really am.							
	15	My friends truly believe that I care about them.							

Competence	SN	Skills	1	2	3	4	5	6	7
	16	I try to look others in the eye when I speak with them.							
	17	I can find conflict solution both intra-personally and conflict among others							
	18	I am sensitive of political structures and acts accordingly							
	19	I use negotiations to achieve mutual resolution							
	20	I Listen attentively when talking with other people							
Entrepreneurial Skills	1	Identify goods or services customers want.							
	2	Develop long-term trusting relationships with others.							
	3	Maintain a personal network of work contacts.							
	4	Monitor progress toward objectives in risky actions.							
	5	Look at old problems in new ways.							
	6	Treat new problems as opportunities.							
	7	Organize resources.							
	8	Prioritize work in alignment with business goals.							
	9	Assess and link short-term, day-to-day tasks in the context of long-term direction.							
	10	Possess an extremely strong internal drive.							
	11	Keep up to date in my field.							
	12	Apply learned skills and knowledge into actual practices.							
	13	Maintain a high energy level.							
	14	Motivate self to function at optimum level of performance.							
	15	Respond to constructive criticism.							
	16	Prioritize tasks to manage my time.							
	17	Identify my own strengths and weaknesses and match them with opportunities and threats.							
Farming skills (livestock, husbandry, poultry)	1	Crop selection based on climate and land							
	2	Cropping system options (like intercropping, mixed, relay and rotation)							
	3	Crops market demands							
	4	Knowledge on needed mechanization							
	5	Layout of fields for different crops within your area							
	6	Selection of appropriate seeds							
	7	Crop growth management							
	8	Fertilizing							
	9	Harvesting							
	10	Storage							

Section Three: Informal labour market conditions

Answer the following questions as you perceive them

The questions below are about respondents 'perception (belief) about informal labour market conditions. The questions refer to informal labour market in general within Kigoma District and not merely what you have direct and actual experience. The questions ask about personal perception so there are no common right or wrong answer to all respondents. Kindly indicate your agreement or disagreement.

Tick the number that represents your opinion most closely about that question. Using the 5 point Likert scale below, indicate your agreement with each item by placing the appropriate number. Tick 1 if Strongly Disagree; tick 2 if you Disagree; tick 3 if neutral(neither disagree nor agree); tick 4 if agree; tick 5 if strongly agree.

13. What is the level of the Labour market accessibility

S/ N	Variables	1	2	3	4	5
1	Availability for places to work					
2	Areas specific located for informal activities					
3	Availability of social services like electricity, water					
4	Manageability of transport costs to work					
5	Employment opportunities are scarce					
6	There are scarce areas for work					
7	No social services like water and electricity					
8	High transport cost					

14. Rate the following statements of quality of available work in your environment as you perceive it.

S/ N	Items	1	2	3	4	5
1	I work and have time for family					
2	Satisfied with the size of currently activities					
3	I feel secured in times of need through my work					
4	I can depend the current jobs for income source					
5	I do not have time for family					
6	There are no enough work for me					
7	I am vulnerable when needs arise					
8	The current job does not guarantee my income					

15. Financial capital

Tick the following statements of source of your financial capital

S/ N	Items	1	2	3	4	5
1	Commercial or personal loans					
2	Credit from government grants					
3	Retained earnings					
4	Personal savings					

16. Rate the following social capital networks

S/ N	Items	1	2	3	4	5
1	Related to people with businesses					
2	Family has contacts with people who can employ me					
3	Relatives who can assist me to start businesses					
4	I have person friends who can assist me to secure employment					
5	I hardly have friends who are business people					
6	My family lacks people who can employ me					
7	There is little support to start business					
8	There is scarce of friends to assist me get a job					

17. Rate the legal aspects with regard to sorounding work environment you live in (This can be amount of cash or value of work you do in terms of cash

S/ N	Items	1	2	3	4	5
1	licensing					
2	Fees					
3	Government Administrative procedures					

4	Informal payments (corruption)					
---	--------------------------------	--	--	--	--	--

18. How much did you earn in the past 12 months (in TZS).....

Section Four: Employability

How easy would it be for you to acquire employment after secondary school education?

1= Not at all, 2= A little, 3 =To a greater extent

S/N	Items	1	2	3
1	Confidence to find suitable employment			
2	Awareness of employment opportunities			
3	Knowledge on the employment requirements			

Section Six: Employment status

19. Employment status

Employed (Yes)	Not employed (No)
Employed by company, industry, NGO or any other organization, another person	Not employed by company, industry, NGO or any other organization
Engaged in unpaid work, business, or farm belonging to you, family or related members whom you live with	Not engaged in unpaid work, business, or farm belonging to you, family or related members whom you live with

20. If you are employed, list the enterprise you are involved which earns you income or labour for a living. You are allowed to mention more than one starting with the main activity 1,..... 2,.....3,.....4,

21. What is your relation with the enterprise?

1. Owner
2. Family
3. Working only
4. Cooperative

22. What is a status of the registration of the enterprise?

1. Registered
2. Not registered
3. I do not know

23. Do you have employment contract?

1. Yes
2. No

24. Does your employer pay contributions to the pension fund for you?

1. Yes
2. No

25. Do you benefit from paid annual leave or from compensation instead of it?

1. Yes
2. No

26. Are you currently absent from work due to illness holiday or personal causes

1. Yes 2) No

Thank You for Your Cooperation

Appendix 2: Focus group discussion interview guide

Step 1: Introduction

I am grateful that you have accepted my invitation to participate in this group discussion on transferable competencies, informal labour market conditions and informal employment. I am accompanied by two data collectors; Mr, Buchumi and Ms Happiness. The data are meant for a PhD study and the information provided will be solely used for that purpose. Kindly be open and share the information to best you can. This session will last for 45 minutes to 1 hour.

Note time discussion startshr.....minutes

Step 2: Focus Group Discussion Leading Questions

1. What are the general perception of the competence of secondary school graduates in life ?
2. What competencies are more relevant for secondary school graduate in daily life.
3. What is the situation of informal employments for secondary school graduates?
4. how the informal informal Labour market accessibility, social capita and financail capital affect secondary school graduates
5. In what areas secondary school graduates get employed ?
6. what difficulties are encountered by secondary graduates working in or aspiring to work after completion of secondary education
7. How gender affect employment acquisition for secondary school graduates employment
8. How age, location and caring responsibilities affect secondary school graduates in the informal labour market

Step 3: Terminating the discussion

We appreciate for your participation. The information you have shared will help achieve the study purpose.

Thank you for your cooperation

Appendix 3: Key Informant interview guide

Step 1: Introduction

My name is Adam Mnyavanu, a PhD student at Sokoine University of Agriculture. I would like to thank you for accepting to contribute information on transferrable competencies, informal labour market conditions and informal employment for secondary school graduates. The study is being conducted in Kigoma District.

Note time discussion startshr.....minutes

1. What is your general perception of the competence of secondary school graduates in life ?
2. What competencies do you think are more relevant for secondary school graduate in daily life.
3. How do you evaluate the competence of secondary school graduates in areas of social competencies, personal qualities, learning new things, entrepreneurship and farming?
4. How do you asses the informal labour market for secondary school graduates
5. What are your opnion on informal Labour market accessibility, resources like social and financail capital?
6. In what areas secondary school graduates get employed ?
7. what difficulties are encountered by secondary graduates working in or aspiring to work in?
8. What are gender roles and implication in the informal employment?

9. How age, location and caring responsibilities affect secondary school graduates in the informal labour market

Step 3: Terminating the discussion

Kindly, accept my appreciation

Thank you for your cooperation