

## DETERMINANTS OF MICROENTERPRISE SUCCESS IN THE URBAN INFORMAL SECTOR OF ADDIS ABABA: A MULTIDIMENSIONAL ANALYSIS

This study analyzes determinants of microenterprise success in the urban informal sector of Addis Ababa. The study uses a multidimensional analysis of success factors whereby internal and external factors of success are analyzed simultaneously. Success is represented by three indicators, namely employment growth, turnover growth and profit growth. A two-round survey of 286 microenterprises over a period of 28 months has allowed computation of annual average growth rates of these success indicators.

The study is divided into seven chapters. The first chapter presents an introduction in which summarized issues to be examined in the thesis is presented. This is followed by Chapter 2, which presents the theoretical and conceptual framework of the study. The framework sets a stage for a multidimensional analysis of success. The methodology employed for the study is also discussed in the same chapter. The study uses descriptive statistics and econometric methods. A quantile regression approach is used to analyze success factors across various growth clusters. In Chapter 3, the country background is presented. Here an assessment of some macroeconomic performances has been done while providing the background information on microenterprises in the urban informal sector in Ethiopia as well.

Chapters 4 and 5 present findings based on a descriptive analysis. Chapter 4 focuses on internal factors whereby success is analyzed against the entrepreneur and firm character. In Chapter 5, attention is given to external factors such as social networks and enabling business environments, which are, analyzed against success. Chapter 6 brings all dimensions together and analyzes success using econometric methods. The final chapter concludes the study by presenting major findings and drawing some implications