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Small Enterprises in Fayoum Governorate: An Evaluative Study

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Summary

This study aims to evaluate small enterprises in Fayoum Governorate, and their role in the reduction of unemployment and poverty, as well as revealing the difficulties and constraints they faces, and evaluate the role of the Social Fund for Development (SFD) in supporting them.

The study was based on social survey method, and the questionnaire was used to collect data from small enterprises' owners who have obtained loans from the Social Fund for Development to create or expand their enterprises, as well as the workers who work at these enterprises. The field study was applied on a stratified sample of (138) owner of small enterprises in Fayoum, of whom (84) own commercial enterprises, (36) own service enterprises, and (18) own industrial enterprises, as well as (138) workers from these enterprises.

Some of the most important results of the current study are that small enterprises do not represent a radical solution to the problem of unemployment, and their importance in this area is limited in the absorption of labor force that was left of its positions at other activities. However, these enterprises are one of the important and effective strategies to eliminate poverty and low income, as the majority of small enterprises' owners and their employees got out of the cycle of poverty and have been able to satisfy their and their families basic needs.

The study also found that small enterprises face many difficulties, especially in the area of finance, obtaining licenses, and access to employment. While those enterprises did not suffer significantly from the difficulties of marketing, infrastructure and services and facilities, and access to production inputs, goods and equipment that they need.

The study also found significant shortcomings in the role of the Social Fund for Development (SFD) in supporting small enterprises, particularly with regard to non-financial services provided by the SFD to these enterprises.