

Suggested activity

Business Environment in Tanzania

Asha's Business Compliance Challenge

Indicative study duration: 60 min

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Teacher instructions

Objective

The objective of this task is to help students understand and apply the concepts of business compliance, risk management, and responsible entrepreneurship through a practical, real-life scenario.

More specifically, the task aims to:

- Develop students' ability to identify legal and regulatory issues in a small business context.
- Encourage students to analyze risks and consequences of non-compliance.
- Practice problem-solving and decision-making by proposing practical solutions.
- Show the benefits of following laws and regulations for sustainable business growth.
- Build communication and teamwork skills through group discussion and role-play.
- Strengthen critical thinking by comparing different groups' approaches and reflecting on lessons learned.

👉 In short: The task helps students learn how laws and compliance affect small businesses, and how good management decisions can protect and grow a business.

Preparation

- Prepare a handout with the case study (see below).
- Divide students into small discussion groups (4-5 students per group).
- Arrange the classroom to facilitate group discussions.
- Prepare a simple peer evaluation sheet (see handout section)
- Have flip chart or whiteboard available for sharing ideas.

Implementation

This study case can be used for group work or individual assignments. Students should read the case, identify key problems, and discuss risks and solutions. The role-play activity helps students practice communication and advisory skills. Teachers can guide discussions, provide feedback, and clarify any legal or business terms.

1. **Introduction (5 minutes):**
 - Briefly remind the main Tanzanian regulations and laws
 - Explain to students that they will be working in groups to discuss a case study
2. **Group discussion (20 minutes):**
 - Distribute the case study handouts
 - Instruct groups to read the case study carefully and discuss the following topics (either all topics or distribute the topics between groups):
 - Identify compliance issues
 - Explain the risks
 - Suggest solutions
 - Discuss the benefits of compliance
 - Role-play scenario
 - Encourage active participation and respectful listening within each group.
3. **Group feedback and recommendations (10 minutes):**
 - Ask each group to briefly share its analysis of the dilemma and its proposed solutions to another group.
 - Encourage students to share and compare different points of view.
 - Explain the role of peer evaluation in this activity.
4. **Class discussion (20 minutes):**
 - Discuss the solutions proposed by groups with the whole class.
 - Reflect the peer evaluation's role in learning and students experience from the activity.
5. **Conclusion (5 minutes):**
 - Summarize the key takeaways from the discussions.
 - Reiterate that following the laws and regulations is a vital skill for business success and community building.

Suggested answers:

Identify compliance issues:

- Business not registered with BRELA
- No business license obtained
- No formal employment contracts with workers
- Employees not registered for social security (NSSF) or PAYE tax
- No consistent financial record keeping or tax submissions
- No health and safety documentation for handling pharmaceuticals

Explain the risks:

- Fines and penalties from regulatory authorities
- Possible closure of business until compliance is achieved
- Legal action from employees due to lack of contracts and social security
- Loss of reputation and trust from customers and partners
- Financial losses due to unpaid taxes and penalties
- Safety risks leading to accidents or health violations

Suggest solutions:

- Register the business officially with BRELA
- Obtain the required business license from local authority
- Draft and sign formal employment contracts for all workers
- Register employees with NSSF and TRA for tax compliance
- Keep accurate financial records and submit tax returns regularly
- Develop and maintain health and safety policies and documentation

Discuss the benefits of compliance:

- Avoid fines and legal troubles
- Improve business credibility and customer trust
- Enable business growth through access to formal financing and support
- Protect personal assets through limited liability (if applicable)
- Ensure a safe and fair workplace, improving employee satisfaction and productivity

Role-play scenario:

- Explain importance of registration and licenses
- Highlight the need for contracts and social security registration
- Recommend consulting relevant agencies (BRELA, TRA, NSSF)
- Encourage regular tax filing and record keeping
- Emphasize how compliance supports sustainable business growth

Student instructions

Your task

You will work in groups to analyze a real-life case of a small business owner in Tanzania. Your goal is to identify the legal and regulatory issues Asha faces, discuss the risks of non-compliance, and propose practical solutions to help her grow her business in a sustainable and legal way.

Steps to follow:**1. Read the case**

- Carefully read the case study about Asha and her animal health supply shop.

2. Identify and discuss problems

Within your group, discuss the following questions:

- What are the main compliance issues Asha is facing?
- What risks and consequences could arise if she ignores these issues?
- What steps can Asha take to fix the problems and make her business compliant?
- How would compliance benefit her business in the long run?

3. Prepare your solution

- Summarize your group's recommendations for Asha.
- Prepare a short role-play presentation where one of you acts as Asha's business advisor and explains the next steps to her.

4. Share and evaluate

- Each group will present their solutions to the class.
- After the presentations, you will complete a short peer evaluation form about your classmates' presentations.

5. Discuss

- Together as a class, we will compare the different solutions.
- We will reflect on what we can learn about compliance, risk management, and responsible business growth.

Handout materials

Case study: Asha's Business Compliance Challenge

Asha owns a small animal health supply shop and consultancy in a rapidly growing town in Tanzania. She started her business two years ago, selling vaccines, feed supplements, and giving basic animal care advice. The business is growing, but Asha has not registered it officially with the Business Registration and Licensing Agency (BRELA) or the local government. She also has not obtained a business license.

Asha's annual turnover recently passed 120 million Tanzanian shillings. She employs three part-time workers but does not have formal employment contracts with them, nor has she registered them for social security or PAYE tax. Asha does not keep consistent financial records or submit tax returns. She also lacks health and safety documentation required for handling veterinary pharmaceuticals.

Tasks:

- **Task A:** List at least five legal or regulatory problems Asha faces with her business.
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- **Task B: Explain the risks:**
For each issue, describe the possible consequences if Asha does not address them.
- **Task C: Suggest solutions:**
Propose practical steps Asha should take to make her business compliant with Tanzanian laws.
- **Task E: Role-play scenario:**
Imagine you are Asha's business advisor. Prepare a short presentation to her explaining what she must do next and why.
- **Task D:** Discuss the benefits of compliance:
Explain how following the rules might help Asha's business grow and protect her.

Peer evaluation form

Please provide your feedback about another group's performance by filling in the form below:

Group number:

1. Did the group identify the key compliance issues Asha is facing?

Not at all: 1	2	3	4	Very clearly: 5
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2. Did the group discuss all possible risks?

Not at all: 1	2	3	4	All options were discussed: 5
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3. Did the group manage to find the benefits of following the regulations?

Not at all: 1	2	3	4	Values clearly defined: 5
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4. Did the group present a clear and reasonable solution for Asha?

Not at all 1	2	3	4	Solution was very clear and well thought out: 5
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5. Was the group respectful and inclusive during the presentation?

Not at all 1	2	3	4	Communication was very respectful: 5
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6. Do you have other comments?

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