



Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division

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Abstract: This research of this study is to expansion of small business sector is a key factor in Myanmar's Business Development and an efficient means of attaining social advancement. This study aims to investigate the relationship between entrepreneurial traits and the operational efficacy of small business sectors in Ayeyarwady Division. The study's methodology involved effectively surveying in small business sectors in Ayeyarwady Division and evaluating the information received. The framework of an individual who is entrepreneurial and has unique traits based on psychological and non-psychological motivators. The survey approach used in this study involves asking small business owners in various industries a series of questions. Based on the conducted, it was observed that entrepreneurial traits significantly impact the performance business of small business sectors. Gaining knowledge of the essential traits of small business owners and business performance is essential for promoting and comprehending the long-term survival of Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division, Myanmar.

Keywords: Small Business Sectors, entrepreneurial techniques, Entrepreneurial Characteristics.

1. INTRODUCTION

Small business sectors are crucial for developing countries, particularly Myanmar, contributing significantly to the business development. Despite government efforts to promote them through economic and political reforms, they face challenges in gaining business and competitiveness. In emerging nations, the creation of small businesses is crucial. Particularly in emerging nations like Myanmar, small businesses are the backbone of business development and are the primary contributors to the national economy. As we move toward a market-oriented economy, the government is working to support the small business sector through a number of political and economic changes. The small company sector in Myanmar still has a long way to go before it can become profitable and competitive enough to expand and enter both domestic and foreign markets.

This study investigates the impact of entrepreneurship characteristics on the economic performance of small and medium enterprises in Ayeyarwady Division, Myanmar, contributing significantly to Myanmar's Business Development.

Myanmar's government is prioritizing the development of Small Business Sectors (SMEs) to foster sustainable development, social, economy, and environmental growth. This will enable enterprises to thrive, survive, and prosper, thereby contributing significantly to the country's economic reform. Small and Medium Enterprises Development (SME Development Center) in Myanmar was established in 2012 to support SMEs and their integration into the ASEAN Economic Community. SMEs contribute to domestic growth and society through entrepreneurship development, market access improvement, financial facilities, competitiveness improvement, and information and support networks.

Small Business Sectors are vital for private ownership, entrepreneurial skills, and economic diversification. They generate employment, contribute to exports and trade, and require improved productivity, quality, and management. However, they face more uncertainty and limited resources for market information. Large firms may exit their business areas, while SMEs can respond differently due to their resources, strategic choices, industry opportunities, and location.

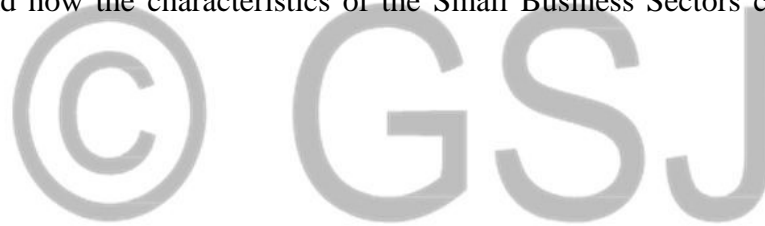
The performance of the firm is positively impacted by entrepreneurial abilities. Compared to early-stage entrepreneurs, entrepreneurs have drastically distinct personalities. These days, the majority of business owners have excellent management abilities, which has greatly improved their companies. The ability of an entrepreneur to foresee a company's performance is a useful skill. As a result, the entrepreneur is in charge of combining various circumstances to produce values. Entrepreneurial competencies positively impact business performance, with effective management skills and knowledge enhancing businesses. Entrepreneurs' competencies predict firm performance, and they combine contingencies to create values.

2. RATIONALE OF THE STUDY

Myanmar country is a rich in natural resources and resources and we can increase employment opportunities by manufacturing quality products with modern technology. Now it has become an opportunity for economic integration between the countries of the world, and the small business sector has opportunities to develop in Myanmar, and with the establishment of the Myanmar-ASEAN Economic Community (AEC)), global production, access to global supply. Changes, such as trade and service processes ;), which aim to promote ASEAN integration and the competitiveness of national economies, and which are seen to reduce the development gap between ASEAN national economies.

According to the statistics of the SME Development Department, the Ministry of Industry, Small Business Sectors occupied 90 percent of the businesses that are driving the Myanmar Economy, at a conservative estimate, and their job creations amounted to 99.6 percent. Small Business Sectors play an important role in the national economy and are also a major driving force in development. Moreover, it is occasionally called the industry that can bring about social development and equality. Small Business Sectors include farmers, growers, producers, wholesalers, retailers, those who transport these produce and products, and the ones who provide services concerning them for the goods to reach consumers in their respective sectors.

As the characteristics of the entrepreneurs related to the development of Small Business Sectors, this study attempts to understand how the characteristics of the Small Business Sectors contribute to their business development.



3. RESEARCH QUESTIONS

The problem of the study can be represented in the following key research questions:

1. To describe the Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division
2. To analyze the effect of entrepreneurial characteristics of entrepreneur on Business Performance
3. To analyze the Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division

4. OBJECTIVES OF THE STUDY

The purpose of this study is to determine the Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division. The following are the specific objectives.

1. To describe the Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division
2. To analyze the effect of entrepreneurial characteristics of entrepreneur on Business Performance
3. To analyze the Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division

1. METHOD OF STUDY

This research, the data will be collected from primary as well as secondary sources. Primary data will be collected using questionnaires and through interviews. Secondary data will be collected from academic research, journals and articles, the registration record book from the Online Survey, and the SME Development Center under the Ministry of Industry. The variables and their dimensions, a questionnaire is prepared. Selected entrepreneurs will be asked to put their scores in the appropriate case in the questionnaire. Items included in the questionnaire have been adapted from previous studies, therefore, their validity and consistency have been previously established. All items are measured with a 5-point Likert scale from 1 = strongly disagree to 5 = strongly agree, where 4 is interpreted as a point of indifference. All indicators and data will be computed in an Excel word file, and SPSS software.

2. SCOPE AND LIMITATIONS OF THE STUDY

The scope of the thesis will be restricted as follows;

- (1) This research will be limited overwhelming participation in regions and according to the list provided from directorate of Industrial Supervision and Online Survey,
- (2) The studied area of Small Business Sectors will be from the various different sectors in Ayeyarwady Division.
- (3) Sample size of the survey will be calculated 10 percent of small and medium enterprises and therefore total 120 Small Business Sectors will be selected for interviews with owners.

7. LITERATURE REVIEW

This study is to explore how entrepreneurial skill attributes affect the entrepreneurial characteristics and performance of small business sectors in Ayeyarwady Division, Myanmar. Some entrepreneurial characteristics that are used for the purpose of the study, and various reasons are provided. The businesses performance is then categorized into some business performance factors that contribute to the success and growth of these enterprises. The last part establishes a linkage between the chosen entrepreneurial characteristics and business performance to determine their impact on the long-term survival of small business sectors. Primary and secondary data sources from published research papers and publications.

7.1. Characteristics of Entrepreneur

From the characteristics of an entrepreneur to demographic characteristics, individual characteristic, personal traits, entrepreneur orientation, and entrepreneur readiness. Several previous studies found that demographic characteristics, such as age and gender, and individual background, e.g., education and former work experience, had an impact on entrepreneurial intention and endeavor, personal qualities and traits, such as self-confidence and perseverance, entrepreneurial orientation, e.g., autonomy, innovativeness, risk taking, pro-activeness, competitive aggressiveness, and motivation, entrepreneurial readiness in this study refers to self-efficacy. Underlying characteristics such as generic and specific knowledge, motives, traits, self-images, social roles, and skills which result in venture birth, survival, and/or growth (Mitchelmore & Rowley, 2010).

In the small business sector, the traits of entrepreneurs are crucial to the success of the enterprise. Demographics, individual attributes, personal qualities, entrepreneur orientation, and entrepreneur preparedness are all considered characteristics of an entrepreneur. Numerous prior studies have discovered that entrepreneurial intention and endeavor were influenced by demographic factors (e.g., age and gender) as well as individual background (e.g., education and prior work experience); personal qualities and traits (e.g., self-confidence and perseverance); entrepreneurial orientation (e.g., autonomy, innovativeness, risk taking, pro-activeness, competitive aggressiveness, and motivation); entrepreneurial readiness (in this study, defined as self-efficacy).

Entrepreneurial characteristics such as generic and specific knowledge, motives, traits, self-images, social roles, and skills which result in venture birth, survival, and/or growth (Mitchelmore & Rowley, 2010). The century the entrepreneurs of the digital age are Bill Gates, the founder of Microsoft, Berne & Larry page the founders of Google, and David Filo, (Yang & Filo) co-founder of Yahoo. Some refer to entrepreneurs as a 'different breed' (Isenbers, 2008), while others have questioned whether there is something different in their DNA (Watson, 2010).

7.2. Business Performance

Capabilities, traits, knowledge, and attitudes are required to improve successful corporate performance, according to Lathi (1999). Entrepreneurs who have the skills and personality traits necessary to use cognitive leadership are frequently able to manage a lucrative, steadily expanding company (Witt, 2005). Since there isn't a single, widely recognized definition of performance, there are many different methods to analyze company performance from different angles (Foley & Green, 1989). Performance encompasses several factors, such as survival, profit, sales growth, and workforce size.

The business continues to operate as a self-sustaining activity, is effectual in achieving profitability, effective in attracting resources, and is tailored properly to the environment (Chrisman, Bauerschmidt and Hoferis an important dependent variable in entrepreneurship research (Rauch, Unger and Rosenbusch, 2007:1). Business Organizational survival is an essential aspect of performance and a necessary condition for sustained business success (Kalleberg and Leicht, 1991). Also, important to note is that non-survival is not necessarily a sign of business failure in every case and survival on the other hand is not necessarily a sign of business success over a certain period of time, but a vital success indicator (Bruderl and Preisendorfer, 1998; Bruderl and Schussler, 1990). Sarwoko et al. (2013) studied about the entrepreneurial characteristics and competencies as determinants of business performance in small and medium enterprises.

On the other hand, Alasadi and Abdelrahim (2007) confirmed that a crucial performance criterion for recently founded businesses that indicates successful business formation is survival. According to Churchill and Lewis (quoted in Young, 2009), SMEs used survival as a key tactic up until they transitioned to a divisional management structure. Therefore, survival performance and growth performance—two related first-order constructs—are used to create company performance.

Business performance is defined as a measure of development towards a set of financial goals linked to efficiency and profit dimensions of business performance. Business performance, on the other hand, is defined as a firm's selection of internal capabilities and is correlated to financial and business volume (Chandler and Lyon, 2001). According to research conducted by LeBrasseur and Zinger (2005), it was discovered that business performance can be examined from two perspectives: survival and the degree of success.

7.3. Entrepreneurial Characteristics or Skills

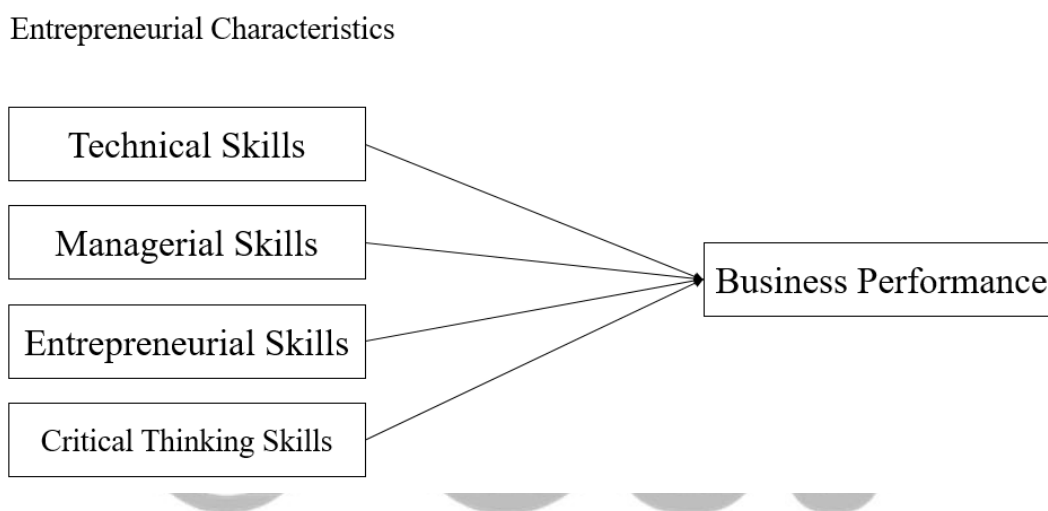
1. Technical skills, which are those skills necessary to produce the business's product or service;
2. Managerial skills, which are essential to the day-to-day management and administration of the company;
3. Entrepreneurial skills, which involve recognizing economic opportunities and acting effectively on them;

- 4. Critical thinking: analyze, interpret, evaluate, and make a judgment.

8. CONCEPTUAL FRAMEWORK OF THE STUDY

The conceptual framework for this study was developed based on the theoretical background and previous studies. Furthermore, the linkages between variables are developed based on literature review on theories and previous studies. As shown in figure, this study Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division

Figure 1. Conceptual Framework of the Study



Source: own compilation

8. ORGANIZATION OF THE STUDY

The contents of the study are organized in five chapters. In chapter one, the brief introduction about the research problem, rationale of the study, objective of the study, methods of the study, scope and limitations of the study, and organization of the study are presented. Chapter two is the literature review section of the study. It includes the detail theoretical background of Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division conceptual framework of the study. Chapter three presents the research methodology of the study that consists of research area, sampling and data collection, questionnaire, measurement of the variables used in this research, analytical methods and profile of the respondents. Chapter four presents analysis on Entrepreneurial Characteristics and Performance of Small Business Sectors in Ayeyarwady Division. The last chapter, chapter five presents’ findings and discussions of the study, suggestions and recommendations, contributions of the study and needs for further studies.

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