



ORIGINAL RESEARCH PAPER

Management

PROBLEMS VENTURE BY THE ENTREPRENEURS IN THE SUCCESS OF FIRM

KEY WORDS:

Entrepreneurship, Entrepreneur Challenges, enhancing entrepreneurs

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ABSTRACT

Economy, trade, and entrepreneurship are related to the world of men (Kyriakos Lingas 2013) with the advent and swift progress in field of sophisticated technology and the forces of globalization, any country, to nurture today in the globe of powerful opposition, requires entrepreneurs at the core of the economic growth. Entrepreneurial activities and entrepreneurship has been dominated by males since age but today in India women also a key player in economic development of the nations. Dimov (2010), Emami A (2017), Klein PG (2008) entrepreneurs primary task is acting in the face of uncertainty to discover, evaluate, and exploit profit opportunities often in the form of new ventures Francis T. Hannafey (2003) Entrepreneurs face uniquely complex moral problems related to basic fairness, personnel and customer relationships, distribution dilemmas, and other challenges. Entrepreneurs, to seek opportunity, with their inherent intelligence, drive and hard work, have made best use of the opportunities available to them. Hence, the paper evaluates the specific problems venture by the entrepreneurs in the success of firm. An attempt is made to identify the challenges faced by these entrepreneurs, by reviewing various literatures and provide some suggestion for overcoming these obstacles.

INTRODUCTION

Brush et al (2003), Busenitz et al., (2003) entrepreneurship is very complex to define because it is a versatile occurrence that spans many disciplinary margins. It is a rising field which has been evolved from a foundation in political economy, along with significant contributions from the fields of sociology and psychology. It is a most important driver, kicking off a righteous phase driving the Indian and world economy. Howard Stevenson (1997) the entrepreneurship is focused on six dimensions such as Strategic orientation, Commitment to opportunity, Commitment of resources, Control of resources, Management structure and Reward philosophy. Entrepreneurs who are business chief look for notion and add them into effect in fostering economic growth and development. They play an imperative position in the economic growth and development of industrial and service sector.

STATEMENT OF THE PROBLEM

The study of entrepreneurship has significance at present, because due to economic contribution of the innovative ventures, it facilitates entrepreneurs to fulfill their personal needs. Although Entrepreneurship propose a assurance of those research competence and business proficiency that one anticipates from a giant conglomerate, but the outcome is not impressive. This depart the industrialist, who normally lack both practical and business expertise, to provide as the chief linkage in the method of modernism, advancement, and economic development and renaissance. Entrepreneurship is a complex occurrence linking the individual the firm and the environment within which it occurs, and it is generally affected by the internal and external environment. Recognizing the entrepreneurial victory is a challenging task. Hence the researchers has made an attempt to analyze the entrepreneurial attitudinal motivation which probes the answers to the various entrepreneurial Dimensions available for the entrepreneur to succeed business and in what way the entrepreneurial dimension relates with the entrepreneur in designing the venture for success.

OBJECTIVES OF THE STUDY

- To evaluate the specific problems venture by the entrepreneurs in the success of firm.
- To find out the remedies for enhancing victory in business.

FORMULATION OF HYPOTHESIS

- There is no association between the entrepreneurial dimensions and the business the performance competence, sales growth and financial success.

- There is no significant association between the entrepreneurial attitudinal orientation dimensions with the business factors.

RESEARCH METHODOLOGY AND DESIGN

The discussion of methodology begins with research questions followed by the formulation of hypothesis. The research design includes sample design, data collection procedure, survey instrument, measurement of key variable, the pilot study and ends with the procedure for data analysis and testing the relationships among the constructs proposed in studying the behavior of the entrepreneurs in Tirupur city. In the first stage exploratory study was carried out to identify attributes of entrepreneurs followed with field survey to test the relationships between the hypothesis formulations. A pilot study was conducted for 75 garment unit entrepreneurs (25 micro units, 25 small scale units, and 25 medium sized units)

SAMPLING SIZE

Out of 2500 garment making units in Tirupur. A sample of 625, ie., one fourth of the units are taken for study (who are above 25 years of old), 208 Micro units, 209 Small scale units and 208 Medium sized units entrepreneurs were surveyed and these units were considered for the study and the questionnaire was distributed and collected (2016-2017) through stratified random sampling.

METHODS OF ANALYSIS

The Frequency Analysis, Chi-square Test, Factor Analysis, Cluster Analysis, Multiple Regression Analysis tools were used in the study and the Statistical Package for Social Sciences (SPSS) was used to analyze the data and draw the inference.

REVIEW OF LITERATURE

Frederick Wedzerai Nyakudya et al (2018) examines the extent to which risk aversion and entrepreneurial ability influence an individual's decision to enter into entrepreneurship. Their results indicated that lower levels of knowledge and skills among women explain a substantial part of the gender gap and it would be reduced if women had similar characteristics as men.

Bruno Brandão Fischer et al (2018) had appraised the geographical distribution of knowledge-intensive entrepreneurship (KIE) in the settings of an emerging economy. They found that the local presence of research-oriented universities, access to capital, and business concentration are correlated to KIE emergence and density. Results also indicate the moderating effect of agglomeration diseconomies mainly related to factors of rapid and anarchic expansion of urban centers and the consequences of extreme inequalities in income distribution.

Pawan V. Bhansing et al (2018) had focused on the context in which entrepreneurship in the cultural and creative industries (CCI) takes place. It showed that localised passion has two components namely passion ambience and obsession in others which reflects constructive consequence on stimulation.

Catalina Nicolás et al (2018) had studied key factors that may influence social enterprise creation and they analyzed the social entrepreneur's profile taking into account economic development and comparing results with non-social entrepreneurs. The results pointed out that the influence of the variables varies with the level of economic development of the country analyzed.

Mojtaba Hosseini et al (2018) had relayed on the resource-based view and contingency analysis, aims to investigate the relationship between firm-level entrepreneurship (FLE) and international performance among Iranian small and medium-sized enterprises (SMEs). Their result shows that when SMEs are performing in a business network, cooperation becomes the priority, and any type of opportunistic behaviour which harms the trust weakens their collective performance.

Rashmi Assudani et al (2017) had scrutinize the effect of one such institutional structure, the Czech Accelerator program, in developing entrepreneurial activity and innovation in Czech participating firms. Their study provides evidence to the facilitative role of an accelerator on the front end of innovation in firms participating with the accelerator's program.

JohnMorgan and DanaSisak(2016) had showed that when an individual's threshold for success is sufficiently high, fear of failure motivates additional investment. They pointed out triumph is equivalent to the inevitable external preference, but at similar instance fear of failure constantly never inspired. Their findings highlight the importance of the interaction between the degree of fear of failure and the aspirations of the would-be entrepreneur.

NabilKheilil(2016) had addressed two issues: the causes and potential consequences of business failure for entrepreneurs. His findings provided a starting point for a stronger theoretical grounding of research that goes beyond the traditional interpretation of entrepreneurial failure and opens new avenues of research opportunities to discover and evaluate the diverse configurations that have materialized and recognize the potential vitality.

StefaniaTesta and Silvana Frascheri(2015) had identified why some Entrepreneurship Education (EE) initiatives in secondary schools are ineffective. It recognized mistakes, which could have been responsible for the failures and to derive some useful lessons from them. They found the main five constitutive elements of EE in secondary schools: what should the goals of EE be, who should attend EE, who should teach it, what should be taught and how it should be taught.

Nick Wilson and Lee Martin (2015) had considered the freedom of each and every one to choose to pursue entrepreneurial opportunities – that is, to practice entrepreneurship – should we wish to do so. Their result conception of entrepreneurial capability introduces seven universal and necessary conditions for this distinctive type of freedom to be present.

Charles Braymen (2014) had observed the effect of immigrant and ethnic enclaves on the success of entrepreneurial ventures as measured by firm profits and viability. He found that statistically significant negative effect of immigrant representation in an area on firm profitability.

Vanessa Ratten (2014) had examined the effects of privacy concerns and consumer innovativeness towards consumer's adoption of a technological innovation in the form of cloud computing technology. His survey suggests that the performance expectancy, perceived usefulness and perceived ease of use can help predict intention to adopt cloud computing services.

Ivan Light and Léo-Paul Dana (2013) their research begins with a theoretical critique of the social capital literature, and then focuses on Old Harbor, Alaska. They suggest test that social capital promotes entrepreneurship only when supportive cultural capital is in place.

Graham Beaver and Christopher Prince (2002) took a critical examination of the process and management of innovation and the attainment of competitive advantage in the emerging enterprise. They found that ingredients for the successful management of innovation are explored using two case illustrations of companies that have attained profitable and sustainable business development against the odds in the pharmaceutical and fibre-optics industries.

ANALYSIS AND INTERPRETATION

Specific problems ventured by the Entrepreneurs in the success of firm The entrepreneurs in Tirupur city strives hard for achieving three business dimensions viz., 1. Performance competency 2. Sales growth 3. Financial success. For the purpose of analysis the three dimensions were analyzed with likert scaling with the statements comprising

Performance competency: Return on share holders' equity, Gross profit margin, Net profit from operation, Profit to sales ratio and Return on investment

Sales augmentation: Growth in market share, Return on investment, sales, currency flow and Net profit

Financial success: Perceived growth in market share, Change in cash flow, Sales growth, Business volume – earnings, Business volume – Sales and Business earnings – Net worth

FACTOR ANALYSES ON THE ASSESMENT OF PROBLEMS BY THE ENTREPRENEUR

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.827	
Bartlett's Test of Sphericity	Approx. Chi-Square	1853.971
	Df	15
	Sig.	.000

Table 1 Communalities

	Initial	Extraction
Uncertainty of the economy	1.000	.968
Choosing a right direction of work	1.000	.963
Regulations and paper work	1.000	.951
Cost control	1.000	.963
Educating the work force	1.000	.951
Attracting quality workers	1.000	.782
Productivity	1.000	.806
Time management	1.000	.600
General management skills	1.000	.621
Lack of suppliers	1.000	.546
Changing customer needs	1.000	.622
Competing globally	1.000	.994
Motivating employees	1.000	.994
Marketing problem	1.000	.557

Extraction Method: Principal Component Analysis.

Here the Bartlett's test, KAISER MEYER OLKIN procedures of sample competence were used to test the appropriateness of the factor model. As variables of this study are not associated, Bartlett's test was used to analyze the null hypothesis. Since the approximate chi-square satisfaction is 1853.971 which is significant at 1% level.

The value of KMO statistics (0.827) was also large and it revealed that factor analysis might be considered as an appropriate technique for analyzing the correlation matrix.

Table 2 Total Variance Explained

Component	Initial Eigen values d Loadings			Extraction Sums of Squared Loadings			Rotation Sums of Square		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.460	38.998	38.998	5.460	38.998	38.998	4.885	34.893	34.893
2	2.765	19.747	58.745	2.765	19.747	58.745	3.246	23.184	58.076
3	2.065	14.749	73.495	2.065	14.749	73.495	1.995	14.247	72.323
4	1.031	7.363	80.858	1.031	7.363	80.858	1.195	8.534	80.858
5	.832	5.945	86.802						
6	.584	4.175	90.977						
7	.492	3.517	94.495						
8	.390	2.783	97.277						
9	.199	1.423	98.700						
10	.165	1.178	99.878						
11	.011	.077	99.955						
12	.006	.045	100.000						
13	.000	.000	100.000						
14	.000	.000	100.000						

EXTRACTION METHOD: Principal Component Analysis.

From the table it was observed that the labelled "Initial Eigen Values" gives the EIGEN values. From the extraction sum of squared loadings, it was learnt that the I factor accounted for the variance of 5.460 which was 38.998%, the II factor accounted for the variance of 2.765 which was 19.747%, the III factor accounted for the variance of 2.065 which was 14.749%, The IV factor accounted for the variance of 1.031 which was 7.363%. The four components extracted accounted for the total cumulative variance of 80.858%

Table 3 Determination of factors based on Eigen Values

The four components possessing the Eigen values which were greater than 1.0 were taken as the components extracted.

Component Matrix(a)

	Component			
	1	2	3	4
Uncertainty of the economy	.933	-.294	-.101	
Choosing a right direction of work	.933	-.287	-.104	
Cost control	.933	-.287	-.104	
Attracting quality workers	.804	-.361	-.071	
General management skills	.758	-.168	-.133	
Time management	.714	-.283	-.094	
Regulations and paper work	.575	.769	.164	
Educating the work force	.575	.769	.164	
Productivity	.552	.698	.118	
Lack of suppliers	.350	.609	.151	.174
Motivating employees	.087	-.339	.900	.249
Competing globally	.090	-.339	.900	.249
Changing customer needs			-.350	.706
Marketing problem	.114	.060	.411	-.610

EXTRACTION METHOD: Principal Component Analysis.
a 4 components extracted.

Table 4 Rotated Component Matrix (a)

	Component			
	1	2	3	4
Uncertainty of the economy	.972	.143		
Choosing a right direction of work	.969	.148		
Cost control	.969	.148		
Attracting quality workers	.880		.075	
Time management	.772	.052		
General management skills	.770	.163		
Educating the work force	.164	.958		.069
Regulations and paper work	.164	.958		.069
Productivity	.182	.872	-.070	.085
Lack of suppliers		.734		-.073
Motivating employees	.053		.988	.116
Competing globally	.056		.988	.115
Changing customer needs			-.055	-.786
Marketing problem		.109	.128	.727

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.
a Rotation converged in 5 iterations.

The rotated component matrix shown in Table is a result of VARIMAX procedure of factor rotation.

Table 5 Clustering of Inducing Variables into Factors

Factor	Inducing Variable	Rotated factor loadings
I (34.893) Attention seeking factors	Motivating employees X13	.988
	Competing globally X12	.988
	Uncertainty of the economy X1	.972
II(58.076) In need of attention factors	Choosing a right direction of work X2	.969
	Cost control X4	.969
	Educating the work force X5	.958
	Regulations and paper work X3	.958
III(72.323) Traditionalist factors	Attracting quality workers X6	.880
	Productivity X7	.872
	Changing customer needs X11	.786
IV (80.858) Needs concentration	Time management X8	.772
	General management skills X9	.770
	Lack of suppliers X10	.734
	Marketing problem X14	.727

This table recognized three features as being greatest proportion discrepancy accounted. The variables X13, X12, X1 constitutes factor I and it accounts for 34.893 per cent of the total variance. The variables X2, X4, X5 and X3 constitutes factor II and it accounts for 58.076 per cent of the total variance. The variables X6, X7 and X11 constitutes factor III and it accounts for 72.323 per cent of the total variance. The variables X8, X9, X10 and X14 constitutes factor IV and it accounts for 80.858 per cent of the total variance.

The clustered group can be expressed under different heads viz., attention seeking factors, in need of attention factors, traditionalist factors and the factors which needs concentration.

Factor analysis has proved that the functional and management skills of the entrepreneur can be grouped as 1. Yielding factors 2. Skill component factors 3. Efficiency factor. When analyzing the Assessment of problems of the entrepreneur can be grouped as 1. Attention seeking 2. In need of attention 3. Traditionalist 4. Needs concentration. When analyzing the unique competency the factors can be grouped as 1. Accessing and holding market niche 2. Providing higher quality at lower price.

HYPOTHESIS

Ho: There is no significant association between the various dimensions of the entrepreneur and the performance competency, sales growth, financial success.

S.no	Independent factor	Dependent factor	Result
I	Achievement	Performance competency	NS
	Autonomy		
	Innovation		
	Opportunity		
	personal control		
II	Achievement	Sales growth	NS
	Autonomy		
	Innovation		
	Opportunity		
	personal control		
III	Achievement	Financial success	NS
	Autonomy		
	Innovation		
	Opportunity		
	personal control		
	Risk		

RESULT: As the calculated value is more than the tabulated value the hypothesis frame is rejected and it is concluded that there is exist a significant association between the various dimensions of the entrepreneur and the performance competency, sales growth, financial success.

Ho: There is no significant association between the entrepreneurial attitudinal orientation dimensions with the business factors.

S.no	Independent factor	Dependent factor	Result
1	Total work experience	Performance competency	NS
2	Location of the concern		
3	Type of Business		
4	Type of ownership		
5	Training under taken		
6	Total work experience	Sales growth	NS
7	Location of the concern		
8	Type of Business		
9	Type of ownership		
10	Training under taken		
11	Total work experience	Financial Success	NS
12	Location of the concern		
13	Type of Business		
14	Type of ownership		
15	Training under taken		

RESULT: As the calculated value is more than the tabulated value the hypothesis frame is rejected and it is concluded that there is exist a significant association between the entrepreneurial attitudinal orientation dimensions with the business factors.

FINDINGS & SUGGESTIONS:

- The rise of economic growth of a region to a large extent depends on the level of entrepreneurial activities in the region.
- At present the entrepreneurs can be created and nurtured through appropriate interventions in the form of entrepreneurship development programmes.
- In the era of LPG liberalization, privatization and globalization industrially backward regions/rural areas generally lags behind in taking advantage of these opportunities. Consequently, it necessitate to offer expertise progress and entrepreneurship growth exercise to such populace in order to mainstream.
- Micro Small and Medium Enterprises are indeed the driving force behind a large number of innovations and contribute to the growth of national economies through employment creation, investment and exports. It is estimated that there are around 15 crore MSME's in 130 Countries employing about 65 per cent of the total labor force.
- An entrepreneurial strategic posture may provide advantage to small firms in the hostile business environment of emerging economies, like India. An effectual chief persuade supporters in a preferred approach to accomplish favored objective.

Diverse management techniques may influence managerial efficiency.

- Generally the steps must be followed for success of entrepreneurship are; scanning the environment ,market survey ,selection of technology, preparation of business plan, arranging funds and mobilizing utilities; project implementation; organizing market function ,management of enterprise and assessment of project risk.

CONCLUSION

Entrepreneurs have become the champions of monetary progress and modern ventures. The chief proportions in Entrepreneurial Orientation are Innovativeness, risk taking, and pro activeness and it illustrate that high point of innovation and risk taking may throw in certainly to business performance. The surroundings to nurture the entrepreneurship in our nation are; autonomy to create an economic venture and liberty to be artistic and innovative with that enterprise there must be tendency and favorable economic conditions. To be ahead of the opposition, entrepreneurs in Tirupur have to bring in innovated commodities and services and have to act in expectation of future requirement.

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