

**T.C. İSTANBUL KÜLTÜR UNIVERSITY INSTITUTE OF GRADUATE
STUDIES**

**MOGADISHU START-UPS: MOTIVATIONS, PROBLEMS, AND KEY
SUCCESS FACTORS**



MASTER THESIS

ABDULLAHI JAMA HERSI

2100007211

**Department: Business Administration
Program: Business Administration**

Supervisor: Assist. Prof. Dr. Didem Kayalidereden

FEBRUARY 2024

**T.C. İSTANBUL KÜLTÜR UNIVERSITY INSTITUTE OF GRADUATE
STUDIES**

**MOGADISHU START-UPS: MOTIVATIONS, PROBLEMS, AND KEY
SUCCESS FACTORS**

MASTER THESIS

ABDULLAHI JAMA HERSI

2100007211

**Department: Business Administration
Program: Business Administration**

**Supervisor and Chairperson: Assist. Prof. Dr. Didem Kayalidereden
Members of Examining Committee: Assist. Prof. Dr. Artur Yetvart Mumcu
Assist. Prof. Dr. Hatice Funda Sezgin**

FEBRUARY 2024

Preamble

I would like to extend my greatest gratitude to everyone who has helped me prepare for, write, and complete this work. I would like to offer special thanks to my supervisor doctor lecturer Didem Kayalidereden for the great suggestions and follow up that made this thesis to become in this form. I would like also to offer many thanks to Mr. Abdishakur Darwish who helped me with the data collection and without his immense contribution this work would have been very different. Special thanks to Istanbul Kültür Üniversitesi for giving me this opportunity to present this work. I would like to express my thanks to my family members who were by my side and supported me. Finally, I would like to thank anyone who has encouraged and motivated me through this journey from beginning to end.

02.02.2024

ABDULLAHI JAMA HERSI



TABLE OF CONTENTS (INDEX)

LIST OF TABLES	iv
ABSTRACT IN TURKISH	vii
ABSTRACT IN ENGLISH	viii
1. INTRODUCTION	1
1.1. RESEARCH QUESTION.....	3
2. LITERATURE REVIEW.....	3
2.1. STARTUP DEFINITION.....	3
2.2. THE ENTREPRENEUR.....	7
2.3. KEY SUCCESS FACTORS.....	9
2.4. KEY FAILURE FACTORS.....	11
2.5. MOTIVATIONS, PROBLEMS, AND KEY SUUCCESS FACTORS... 18	
2.5.1. MOTIVATION FOR STARTING A BUSINESS.....	18
2.5.2. PERCEIVED SUCCESS FACTORS.....	19
2.5.3. PROBLEMS FACED BY ENTREPRENEURS	19
2.6. STARTUPS IN SOMALIA	21
3. METHODOLOGY	25

4. DATA ANALYSIS	26
4.1. MOTIVATIONAL FACTORS.....	26
4.2. PROBLEMS FACED BY ENTREPRENEURS.....	42
4.3. PERCEIVED SUCCESS FACTORS.....	71
5. DISCUSSION AND CONCLUSION.....	96
5.1. MOTIVATIONAL FACTORS.....	97
5.2. PROBLEMS FACED BY ENTREPRENEURS.....	101
5.3. PERCEIVED SUCCESS FACTORS.....	106
5.4. RESEARCH CONTRIBUTION.....	111
5.5. LIMITATIONS.....	113
6. BIBLIOGRAPHY.....	114
7. APPENDICES.....	121
7.1. APPENDIX A.....	121
7.2. APPENDIX B.....	121
7.3. APPENDIX C.....	122

LIST OF TABLES

Table 2.1.	Common Startup Failure Reasons.....	12
Table 4.1.	Reliability Statistics for Motivational Factors.....	26
Table 4.2.	Descriptive Statistics for Motivational Factors.....	27
Table 4.3.	KMO and Bartlett's Test for Motivational Factors.....	35
Table 4.4.	Correlations for the Motivational Factors.....	36
Table 4.5.	The Goodman Kruskal Gamma Between So I Will Have Job Security and To Be My Own Boss.....	40
Table 4.6.	The Goodman-Kruskal Gamma Between So I Will Have Job Security and To Gain Public Recognition.....	41
Table 4.7.	The Goodman-Kruskal Gamma Between So I Will Have Job Security and To Build a Business to Pass On.....	41
Table 4.8.	The Goodman-Kruskal Gamma Between So I Will Have Job Security and to Maintain My Personal Freedom.....	41
Table 4.9.	The Goodman-Kruskal Gamma Between for My Own Satisfaction and Growth and To Be Able to Use My Past Experience....	42
Table 4.10.	The Goodman-Kruskal Gamma Between for My Own Satisfaction and Growth and To Maintain My Personal Freedom.....	42
Table 4.11.	The Goodman-Kruskal Gamma Between to Gain Public Recognition and To Be Closer to My Family.....	42
Table 4.12.	Reliability Statistics for Problems Faced by Entrepreneurs.....	43
Table 4.13.	Descriptive Statistics for Problems Faced by Entrepreneurs.....	44
Table 4.14.	Correlations for the Problems Faced by Entrepreneurs.....	56
Table 4.15.	The Goodman-Kruskal Gamma Between Unreliable and Undependable Employees and Too Much Competition.....	63
Table 4.16.	The Goodman-Kruskal Gamma Between Too Much Competition and Obtaining Short Term Financial Capital.....	63
Table 4.17.	The Goodman-Kruskal Gamma Between Too Much Competition and Weak Economy.....	64
Table 4.18.	The Goodman-Kruskal Gamma Between Too Much Competition and Language Problem.....	64
Table 4.19.	The Goodman-Kruskal Gamma Between Obtaining Short Term Financial Capital and Too Much Government Regulation/Bureaucracy.....	64
Table 4.20.	The Goodman-Kruskal Gamma Between Obtaining Short Term Financial Capital and Foreign Exchange Limitations.....	65
Table 4.21.	The Goodman-Kruskal Gamma Between Obtaining Short Term Financial Capital and Complex and Confusing Tax Structure...	65
Table 4.22.	The Goodman-Kruskal Gamma Between Obtaining Short Term Financial Capital and Too Much Competition.....	65
Table 4.23.	The Goodman-Kruskal Gamma Between Too Much Government Regulation/Bureaucracy and Electricity Problems.....	66
Table 4.24.	The Goodman-Kruskal Gamma Between Too Much Government Regulation/Bureaucracy and Discrimination from Customers...	66
Table 4.25.	The Goodman-Kruskal Gamma Between Too Much Government Regulation/Bureaucracy and Complex and Confusing Tax Structure.....	66
Table 4.26.	The Goodman-Kruskal Gamma Between Limited Parking and Discrimination from Customers.....	67

Table 4.27.	The Goodman-Kruskal Gamma Between Unsafe Location and Poor Roads/Transportation.....	67
Table 4.28.	The Goodman-Kruskal Gamma Between Weak Economy and Electricity Problems.....	67
Table 4.29.	The Goodman-Kruskal Gamma Between Lack of Management Training and Lack of Marketing Training.....	68
Table 4.30.	The Goodman-Kruskal Gamma Between Lack of Marketing Training and Inability to Maintain Accurate and Informative Accounting Records.....	68
Table 4.31.	The Goodman-Kruskal Gamma Between Inability to Maintain Accurate and Informative Accounting Records and Business Registration Process.....	68
Table 4.32.	The Goodman-Kruskal Gamma Between Inability to Maintain Accurate and Informative Accounting Records and Foreign Exchange Limitations.....	69
Table 4.33.	The Goodman-Kruskal Gamma Between Inability to Maintain Accurate and Informative Accounting Records and Language Problem.....	69
Table 4.34.	The Goodman-Kruskal Gamma Between Business Registration Process and Foreign Exchange Limitations.....	69
Table 4.35.	The Goodman-Kruskal Gamma Between Foreign Exchange Limitations and Language Problem.....	70
Table 4.36.	The Goodman-Kruskal Gamma Between Foreign Exchange Limitations and Discrimination for Customers.....	70
Table 4.37.	The Goodman-Kruskal Gamma Between Poor Roads/Transportation and Discrimination for Customers.....	70
Table 4.38.	The Goodman-Kruskal Gamma Between Electricity Problems and Discrimination for Customers.....	71
Table 4.39.	The Goodman-Kruskal Gamma Between Discrimination for Customers and Complex and Confusing Tax Structure.....	71
Table 4.40.	Reliability Statistics for Perceived Success Factors.....	71
Table 4.41.	Descriptive Statistics for Perceived Success Factors.....	72
Table 4.42.	KMO and Bartlett's Test on Perceived Success Factors.....	81
Table 4.43.	Correlations for the Success Factors.....	82
Table 4.44.	The Goodman-Kruskal Gamma Between Good General Management Skills and Previous Business Experience.....	88
Table 4.45.	The Goodman-Kruskal Gamma Between Charisma; Friendliness to Customers and Appropriate Training.....	89
Table 4.46.	The Goodman-Kruskal Gamma Between Charisma; Friendliness to Customers and Good Product at Competitive Price.....	89
Table 4.47.	The Goodman-Kruskal Gamma Between Charisma; Friendliness to Customers and Maintenance of Accurate Records of Sales/Expenses.....	89
Table 4.48.	The Goodman-Kruskal Gamma Between Charisma; Friendliness to Customers and Ability to Manage Personnel.....	90
Table 4.49.	The Goodman-Kruskal Gamma Between Satisfactory Government Support and Access to Capital.....	90
Table 4.50.	The Goodman-Kruskal Gamma Between Satisfactory Government Support and Reputation for Honesty.....	90

Table 4.51.	The Goodman-Kruskal Gamma Between Appropriate Training and Marketing Factors Such as Promotion.....	91
Table 4.52.	The Goodman-Kruskal Gamma Between Appropriate Training and Good Product at a Competitive Price.....	91
Table 4.53.	The Goodman-Kruskal Gamma Between Appropriate Training and Good Customer Service.....	91
Table 4.54.	The Goodman-Kruskal Gamma Between Appropriate Training and Ability to Manage Personnel.....	92
Table 4.55.	The Goodman-Kruskal Gamma Between Access to Capital and Marketing Factors Such as Sales Promotion.....	92
Table 4.56.	The Goodman-Kruskal Gamma Between Access to Capital and Community Involvement.....	92
Table 4.57.	The Goodman-Kruskal Gamma Between Marketing Factors Such as Sales Promotion and Community Involvement.....	93
Table 4.58.	The Goodman-Kruskal Gamma Between Good Product at a Competitive Price and Good Customer Service.....	93
Table 4.59.	The Goodman-Kruskal Gamma Between Good Product at a Competitive Price and Maintenance of Accurate Records of Sales/Expenses.....	93
Table 4.60.	The Goodman-Kruskal Gamma Between Good Product at a Competitive Price and Ability to Manage Personnel.....	94
Table 4.61.	The Goodman-Kruskal Gamma Between Good Customer Service and Hard-work.....	94
Table 4.62.	The Goodman-Kruskal Gamma Between Good Customer Service and Location.....	94
Table 4.63.	The Goodman-Kruskal Gamma Between Hard-work and Location.....	95
Table 4.64.	The Goodman-Kruskal Gamma Between Maintenance of Accurate Records of Sales/Expenses and Ability to Manage Personnel.....	95
Table 4.65.	The Goodman-Kruskal Gamma Between Maintenance of Accurate Records of Sales/Expenses and Reputation for Honesty.....	95

KISA ÖZET

MOGADIŞU'DAKI START-UP'LAR: MOTİVASYONLAR, SORUNLAR VE TEMEL BAŞARI FAKTÖRLERİ

Abdullahi Jama Hersi

Bu çalışma; start-up'ların çok yönlü doğasını keşfederek, yeni fikirleri ürüne dönüştürmenin önemini açıklamaktadır. Start-up'ların evrimi, fikirlerin ortaya çıktığı başlangıç aşamasından sonraki ardışık aşamalarına yani üretim, dağıtım, tanıtım, satış ve sonrası kadar incelenerek fikirlerin büyüme potansiyeli ve eriştiği olgunluğu ele alınmıştır. Ayrıca araştırmanın çıktısı olarak yapılan analizler ile müşteri tepkisi ölçülerek nasıl karar verecekleri konusunda tahminlemeler yapılacaktır.

İşletmelerin kuruluşu, çeşitli faktörlerden etkilenen çok yönlü bir olgudur ve iş kurma motivasyonları ülkeler ve bireyler arasında önemli ölçüde değişebilir. Bu motivasyonları anlamak, girişimcilerin işlerini büyütme konusunda strateji oluşturmak açısından kritiktir. Her çevrede start-up'lar önemli zorluklarla karşılaşsa da, az gelişmiş ülkelerdeki girişimciler, iş ortamlarını gelişmiş ülkelerdeki meslektaşlarından ayıran bir dizi zorlukla karşılaşır. Start-up işletmelerin başarı faktörleri üzerine yapılan araştırmalar, girişimcinin psikolojik ve davranışsal özellikleri, yönetim becerileri ve dış iş çevresi olmak üzere üç geniş kategoriye düşen belirli faktörleri içermekle beraber bir uzlaşma eksikliğini ortaya koymaktadır. Belirli faktörler kültürler ve bölgeler arasında değişebilirken, genelde müşteri odaklılık, yoğun çalışma, kaynaklara erişim ve sosyal destek gibi temalar start-up yolculuğunda genel nitelikler olarak ortaya çıkar. Bu faktörleri etkili bir şekilde yöneten girişimciler, start-up girişimlerinin dinamik ve zorlayıcı ortamında daha başarılı olabilirler.

Bu araştırma, Somali'nin başkenti Mogadişu'daki start-up'ların karşılaştığı önemli motivasyon faktörlerini, zorlukları ve başarı faktörlerini anlamayı amaçlamaktadır. Somali bağlamında bu konuları ele alan daha önce hiçbir araştırma yapılmamıştır ve bu araştırma bu boşluğu doldurmayı amaçlamaktadır. Verileri toplamak için üç bölümden oluşan bir anket kullanılmış ve daha sonra SPSS yazılımı kullanılarak analiz edilmiştir. Sonuçlar, kurucular için en önemli motivasyon faktörünün geliri artırmak olduğunu, en önemli zorluğun kısa vadeli finansal sermaye sağlamak olduğunu ve en belirgin başarı faktörünün ise yoğun çalışma olduğunu göstermektedir.

Anahtar Sözcükler: Mogadişu Start-up'ları, Başarı Faktörleri, Sorunlar, Motivasyon Faktörleri, Somali.

Bilim Dalı Sayısal Kodu: M13, L26, M30, M40, M20

ABSTRACT

MOGADISHU START-UPS: MOTIVATIONS, PROBLEMS, AND KEY SUCCESS FACTORS

Abdullahi Jama Hersi

The research explores the multifaceted nature of startups, emphasizing their fundamental goal of transforming ideas into products and gauging customer response to determine whether to persist or pivot. The evolution of startups is traced from their inception, where ideas are developed, to the subsequent stages of manufacturing, distribution, promotion, and sales, leading to potential growth and maturity.

The establishment of businesses is a multifaceted phenomenon influenced by a variety of factors, and the motivations for starting a business can vary significantly across countries and individuals. Understanding these motivations is crucial for formulating strategies to support entrepreneurs in growing their businesses. While startups in every context face significant challenges, those in less developed countries encounter a myriad of challenges that distinguish their business environment from that of their counterparts in developed nations. The unique blend of these challenges creates a distinct set of obstacles for entrepreneurs in less developed economies.

Research on the success factors of startup businesses reveals a lack of consensus, but certain factors are frequently mentioned across studies, often falling into three broad categories: psychological and behavioral traits of the entrepreneur, managerial skills, and the external business environment. While the specific factors may vary across cultures and regions, the overall themes of customer focus, hard work, access to resources, and social support consistently emerge as influential in the startup journey. Entrepreneurs navigating these factors effectively are better positioned for success in the dynamic and challenging landscape of startup ventures.

This research aims to provide an understanding of the important motivation factors, challenges, and success factors encountered by startups in Mogadishu, the capital city of Somalia. No previous research has been done to address these issues in the context of Somalia, and this research aims to fulfill this gap. This research is qualitative research and a questionnaire consisting of three parts is employed to collect the non-parametric data which is analyzed afterwards using the SPSS software. Results show that the most important motivational factor for founders is to increase income, the most important challenge is obtaining short-term financial capital, and the most prominent success factor is hard work.

Keywords: Mogadishu Start-ups, Success Factors, Problems, Motivational Factors, Somalia.

Science Code: M13, L26, M30, M40, M20

1. Introduction

A startup can be defined as a company that is in a temporary state, with the main goal of establishing a new business model. Startups are considered the backbone of the economy, provide a major force for development and prosperity, and possess significant potential to enhance the innovation and competitiveness levels of national economies. (Skawinska & Zalewski). Most developing countries rely heavily on them and countries that have more startups have higher economic stability (Okrah et al.). They contribute to job creation, productivity growth and are highly innovative. Nevertheless, the story of startups is a one of success and failure. On average only one out of ten startups succeed on the long run. In other words, 90% of all startup efforts end in failure within two years (Agrawal et al.). While some startups fail as early as day 120 (Kusumaningtyas et al.). Additionally, according to (Bednár & Tarišková) a Klynveld Peat Marwick Goerdeler (KPMG) survey in 2016 found that only 37% of startups generate revenue. Usually, these types of businesses are highly innovative and strongly rely on products or services that are built on the ideas of their founders, and they operate under high uncertainty rates. In addition, they usually operate under a limited number of resources including a lack of highly skilled workforce and sufficient funds. These internal issues coupled with external issues such as intense competition and volatile markets make the nature of any startup a highly risky business. However, despite the high failure rate involved, startups are being continuously established.

Research has shown that the reason for individuals to embark on such a risky adventure can be attributed to a number of factors that are generally categorized as “push” factors and “pull” factors (Borgia et. al.). With push factors, the startup founder is pushed into starting a business by the influence of negative external factors which include unemployment, job dissatisfaction, insufficient income, and stringent work schedules. With pull factors, the individual is pulled by factors such as obtaining independence, self-fulfillment, wealth, and other attractive outcomes. Furthermore, (Ali et al.) show that financial and life security play significant role in starting a business, and that independence is one of the main motives people prefer to start a business. (Cooper & Dunkelberg) state that a variety of experiences contribute to making individuals more or less likely to establish their own businesses. Furthermore, these experiences are

generally related to their families, school, or work. Thus, the decision of the individual to establish a new business is influenced by these factors.

Startup initiatives differ in several aspects including the characteristics of the founder, the organization created, the environment of the startup, and the process that lead to the establishment of the new venture (Agrawal et al.). According to (Cooper & Dunkelberg), personal savings appear to be the main source of funding for a startup. While loans from family and friends play a significant role, bank loans seem to play a small role in financing new ventures. This can be attributed to the fact that banks require a history by which they can determine the ability to repay, and from the point of view of the banks in the case of a new venture this is a highly risky business. Supplier credit is also a source of startup funding together with outside investors such as venture capital and angel investors.

Research have identified several factors that contribute to the failure of startup initiatives. Among these are no market demand, running out of cash, wrong business model, poor product, and losing to competition. (Mikle) proposes that the absence of an existing need for the product is the major cause of startup failure, followed by lack of capital, and building a wrong team respectively. While (Cantamessa et al.) listed wrong business model, lack of business development, and running out of cash as the three main reasons for startup failure. (Kusumaningtyas et al.) mentioned that no market need, running out of cash, and not having the right team as the major startup failure factors.

The research is organized as follows, section 2 provides a literature review about startups, the entrepreneur, motivational factors, challenges, and success factors related to startups. Section 3 presents the methodology of the research. Section 4 provides a comprehensive analysis of the data collected in this research. Section 5 ends the research with a discussion and concluding remarks.

1.1. Research Question

The research question is “what are the motivations, problems, and perceived success factors faced by entrepreneurs in the context of Mogadishu startups?”. Therefore, this research aims to provide a deeper understanding about the motivational factors, problems, and success factors faced by the entrepreneurs and founders of startups in Mogadishu, Somalia. This is the first time that such research is conducted in the country and aims to further contribute to the small research that exists on startups in Somalia. No previous research of this depth has been done to investigate the motivations, problems, and success factors related to startups in Somalia in general and in Mogadishu in particular. Since entrepreneurs and private businesses are significant contributors to economic growth and employment creation for nations, establishment of new businesses and success of entrepreneurs are important. The goal of this research is to discover the factors that motivate Somali entrepreneurs to start their businesses, problems they face when doing so, and variables contributing to their success.

2. Literature Review

2.1. Startup Definition

The fundamental goal of a startup is to turn ideas into products, measure the response of the customers and based on feedback determine whether to persevere or pivot (Reis). This implies that a startup has two parallel processes to product development (Reisdorfer-Leite et. al.). In addition to the product development process and implementing the initial ideas which are focused on product-centric activities, the company has a customer-centric continuous learning process that is going on at the same time. In general, the process of a startup begins with an idea that is initiated and developed by people. After the idea is developed the company begins manufacturing, distributing, promoting, and selling the product. Later, the company achieves a rate of

growth supported by a successful product or service that eventually reaches its maturity, after which the startup will represent an established company.

According to Cockayne the term startup prior to the 1980s was used to describe the early stages of any company's actions in general terms (Cockayne). However, starting from the 1980s the term became a synonym and a descriptor for a particular kind of work or working practice in the economic geography of that era. More specifically, it mainly referred to the new technological firms that were active mainly in the field of electronics and computer technology created in the Silicon Valley, California (Skawinska & Zalewski). Since then, the term expanded in its applicability of meaning as well as the geographical contexts to which it applies. According to (Skawinska & Zalewski), there are two distinct interpretations of the term "startup." The first characterizes it as an innovative micro venture, spanning from its inception to market maturity, covering the entire entrepreneurial development process. The second usage pertains solely to a particular phase in the development of ventures, situated between other stages.

The literature provides a rich set of definitions concerning startups and none can be described as unique. However, several variables are found to be common in the definitions of a startup. These variables characterize a startup and set to differentiate it from other firms such as a small business. Among these are four prominent variables which are the age of the startup, the level of innovation, uncertainty and risk, and growth (Zaem). A new venture has a certain age limit which may depend on factors such the industry and geographical location. Beyond this limit the company can no longer maintain the startup status. Research agree that startups are highly innovative, which is a prerequisite for the survival of the new venture in the business environment that is increasingly competitive and dynamic. A startup operates under extreme uncertainty and risk since it has a business model that is built on many assumptions that need verification and testing before achieving initial success. In addition, competition from large corporations and changing consumer demands which can have a significant impact on any business, as well as the general scarcity of resources make the risk even greater for a newly established firm. Finally, the growth of the business is a major goal of startups in order to continue operations and achieve substantial returns on their initial investments.

Some researchers choose to focus solely on the age of a company in order to define a startup. This approach to startup definition is followed by much of the past research (Zaeem). “Startup is the creation of an entirely new enterprise which did not exist as an organization” (Keeble; Luger & Koo). “Startups are companies bound by their liability of newness and smallness” (Freeman et. al.; Abatecola et al.). “A newly born company without previous history of operation” (Carter et. al.).

Contemporary research takes a more inclusive approach in its definition with the variables of innovation, uncertainty and risk, and growth taking a greater role in the description of what constitutes a startup. Reis defines a startup as “a human institution established to create a new product or service under conditions of extreme uncertainty” (Ries). “A startup can be described as dynamism of form and merit, which results from functioning in a very unstable, unpredictable environment” (Reisdorfer-Leite et. al.). “A temporary organization that creates innovative products and/or services using high technology” (Cho & McLean). “A type of company with a high-level projection of growth due to the intensive use of the technology in its construction and development, whose main objective is to innovate in products or services for its clients” (UNAM; Hernández & González). “A startup is a new and temporary company that has a business model based on innovation and technology. In addition, these types of companies have a potential for rapid growth and scalability” (Krejci et. al.). “Newly established, innovative companies with a service life up to 2 years and a maximum of 10 employees” (Herte). “A startup that has been established for no more than 60 months as well as having as an object social and prevalent innovative products and/or services with high technological value, is considered “innovative”” (Paoloni & Modaffari). “A startup is a young, small, independent enterprise, which is creative, innovative, conducting research and development activity to solve actual problems, and proposing prospective solutions, striving for talented employees, and sales growth, with an attractive business model” (Skawinska & Zalewski).

(Shvets) cites several other definitions which are “Startup is a temporary structure, carrying out a search for renewable, profitable and scaled business model” (Blank & Dorf). “A company designed for quick expansion” (Graham). In addition, the author presents that the notion of startup is associated with four major peculiarities which are

the creation of a new and unique product that satisfies the most important needs of consumers, a rapid development in a short period, financial resources that are initially limited, and high risk (Shvets).

(Santisteban et al.) cites several formal definitions of startups, including “Temporary organizations that use advanced technology to create innovative products and/or services” (Kakati; Spyros & Nickolaos). “Organizations at an early stage of development” (Thiranagama & Edirisinghe). “Dynamic and flexible companies that evolve along with the market” (Gimmon & Levie). “Technology-based small and medium companies with a high likelihood of success and that tend to lack the financial resources necessary to create a robust business model because of the company’s limited experience and the small number of employees, requiring external funding to sustain growth” (Festel et al.; Sefiani & Bown). “Business initiatives operated by entrepreneurial teams that identify a business opportunity with high growth potential on a regional or global scale” (CAF). “Emerging and intrinsically innovative technology companies” (World Economic Forum). “Scalable companies with low incremental costs and potential for significant growth in the short-term” (Petru et al.). “Organizations that create new products or services in conditions of high uncertainty and search for business models that, once tested, can promote business growth” (Garcia-Muiña & Navas-López; Konsek-Ciechonska).

Mikle defines a startup to be “A small business in unstable or extreme conditions that tries to reach consumers by providing a product that is not yet provided by any other competing business or was the founder of an innovative idea in industry” (Mikle). Hence, originality is a key that allows a startup to distinguish itself in the market, which is achieved through creation of a new idea that provides a competitive advantage for the startup. Furthermore, the author finds several key differentiators between a startup and a small business the main being innovation because a small business does not require innovativeness. The second differentiator is the rate of profit expected which is greater in the case of startup. Lastly, the vision of a startup is different from that of a small business in that a startup aims for a rapid growth through the sale of as many products as possible followed by an acquisition by a larger company. On the other hand, a small business is oriented towards staying active in the market, generating constant profits, and maintaining its customer segment (Mikle).

(Cockayne) lists that firm size, duration of operation, growth, finance, absence of product, informality, and hard work as factors that define a startup. Firm size can refer to the revenue or the number of employees working for the startup whether these workers are paid employees, remunerated in other ways, or unpaid employees. However, the author concludes that number of employees despite being an indicative prerequisite for startup definition, taking it in isolation does not yield a meaningful measure in determining a firm to be a startup or not. Regarding the duration of operation, the study finds that defining a startup by how long it has been in operation is often vague and unclear due to the difficulty of formally defining a firm's beginning. In terms of growth startups are often correlated with high growth, but being startup can also denote a stage of venture's development before hitting the high growth stage. Venture financing is the main source of capital for startup and as such characterizes a startup's definition despite that this may exclude other self-financed firms from the definition. Interviewees in the study also referred to a startup as firm that faces an absence of a viable product or absence of a robust customer or client base. Informality and hard work are also another set of potentially opposing factors, where on one hand there is a sense of being informal, flexible, and a horizontal organization, and on the other hand is hard work, taking initiative, and holding the responsibility individually. Based on these findings, the author concludes that the concept of startup is a fuzzy one that is characterized by many contradictions. Because of this, the term startup could be better used as an adjective rather than a noun (Cockayne).

2.2. The Entrepreneur

(Mueller et al.), describes that the behaviors of entrepreneurs are pivotal in identifying, assessing, and capitalizing on opportunities that drive the inception and expansion of business ventures. From this perspective it seems plausible to analyze and understand the nature, motivation and behavior of those individuals. (Mueller et al.) present several findings from their observational study of several early-stage entrepreneurs' everyday behavior. The work of those early-stage entrepreneurs was characterized by brevity and fragmentation. They focused their activities on working analytically and conceptually as well as exchanging information and opinions. They focused their actions on human resources and employee relations; marketing, sales, and PR; and

administration as well as environmental monitoring. Most of the actions were related to exploitation which are actions taken to run or improve existing business operations. They spent most of their working time communicating with others especially external partners (Mueller et al.).

(Kropp et al.), states that the lead entrepreneur plays an important role in a new startup, and that the vision and path undertaken by the lead entrepreneur or founder influence and shape the venture. Among the factors that influence the startup are the entrepreneur's perceptions of risk and control, personal goals and growth, expectations, and culture. Interestingly, the authors found that older and less educated people are more likely to become entrepreneurs than younger and highly educated individuals (Kropp et al.).

An entrepreneur is an individual who is self-employed and who starts, organizes, manages, and assumes responsibility for a business (Borgia et al.). Furthermore, the individual accepts the financial risks that are associated with establishing a new business, however, the entrepreneur will benefit directly from the potential success of the venture. A noticeable remark on the motivation to become an entrepreneur is the proposal of the "pull" theory and the "push" theory (Gilad & Levine; Borgia et al.). The "pull" theory suggests that individuals are pulled into entrepreneurship for reasons related to looking for independence, wealth, self-fulfillment, and similar results. While the "push" theory contends that individuals are driven into entrepreneurship by negative external forces such as insufficient salary, job dissatisfaction, inflexible work schedule, or difficulty finding a job. Between the two theories, "pull" factors appear to have more influence on individuals to become entrepreneurs (Keeble et al.; Orhan and Scott; Borgia et al.). In analyzing the individuals' self-employment intentions, Borgia et al. state the existence of positive relationship between the three factors of perceived net desirability of self-employment, tolerance for risk, and perceived feasibility (self-efficacy) of self-employment, and an individual's self-employment intentions (Borgia et al.).

Research in cognitive factors influencing start-up behaviors Gatewood et al. found that the use of an attributional measure was useful in predicting success at starting a business. Interestingly, the findings include that the gender of the potential

entrepreneur makes a difference. Particularly, women who entered business with internal and stable motivations, such as a self-perceived desire, skills, and abilities for success, were more inclined to establish businesses that generated sales. On the other hand, men who had external and stable motivations, like seizing market opportunities, were more likely to initiate businesses that generated sales. Consequently, females who perceive they don't have the desire, skills, and abilities, and males who don't perceive a market opportunity stop their entrepreneurial activity (Gatewood et al.).

2.3. Key Success Factors

Several different definitions for startup success exist in the literature and there is no apparent consensus between them (Santisteban et al.). Furthermore, entrepreneurs and investors define success differently. However, the most common themes across research on indicators of successfulness are those related with meeting the customers' and organizations' demand, generating higher profits than rivals in the same industry, being purchased by another company for a higher price than the startup's value, and having a stock market value higher than the company's base value. The authors identified ten critical success factors for startups which are technological surveillance, knowledge absorptive capacity, perceived performance, quality of a product and/or service, customer satisfaction, staged financing, support of business incubator, innovation and entrepreneurship ecosystem, dynamic capability, innovative and entrepreneurial culture (Santisteban et al.).

(Saniuta & Filip), propose a model that incorporates internal and external factors that influence the success or failure of a startup. Specifically, they considered the CSF (critical success factors) model which presents 11 business keystones that together with the idea and the initiating strategy are the internal factors determining the success of a new venture. These keystones are core team commitment, strategy, customer relations, management, product development, complete solution, organization, funding, networking, marketing strategy, and core team expertise. These internal factors are influenced by three interrelated factors that constitute the external environment which are the political situation, the general environment, and the economic situation. The authors also cited (Bullen & Rockhart) who identified five

sources of startup success, which are industry factors, environmental factors, strategic factors, temporal factors, managerial factors.

Skawinska and Zalewski mention that the effectiveness of the initial operations of a startup and its success is dependent on the idea for a product, its rapid creation, receiving feedback from the potential target group, measuring quality, deciding the streamlining of the product, and transitioning into the following development phase. This sequence is modeled by the PDCA cycle which is built on the premise of continuous improvement of quality and the reduction of waste in production and supply chain. In analyzing startups' key success factors the authors adopt a view based on competitive advantage, proposing that companies can gain a competitive advantage in a market by leveraging distinctive and unique intangible resources and skills. The application of these assets allows them to meet market needs more efficiently and effectively than their competitors. Eight competitive advantages were identified as success factors, namely, innovation, entrepreneurship, resource, competence, intellectual capital, sustainable development, content management, and information advantages. From the analysis, they derived five key success factors of startups which are listed as follows: access to human capital, quality and outcomes of institutions and business relations, focus on market situation, business experience, developmental potential (Skawinska & Zalewski).

(Okrah et al.), state that consistency with innovation and continuous flow of funds are the two main factors that determine startup success, and that there is a strong relationship between financing and innovation with financing being the main hindrance to innovation in startups. Furthermore, there are several factors that influence financing which are turnover, government policies, internal market openness, and internal market dynamics. A positive turnover positively effects a company's performance, builds its reputation, and impacts the desire and confidence of investors to invest in the startup (Okrah et al.).

Government policies serve as the driving force behind the economy. Measures like tax credits, reduced corporation taxes, intellectual property rights, antitrust laws, and funding provision have the potential to either promote or hinder financing and investment prospects within a country's business and entrepreneurship ecosystem. The

degree of openness in a nation's internal market acts as a crucial entry point for external investors and trade opportunities, attracting investments that contribute to economic growth while fostering innovation and competitiveness. Given the unpredictable nature of the market, investors find themselves approaching startup financing with caution and rigor to mitigate risks, influencing the likelihood of securing funding for other equally innovative startups (Okrah et al.).

Aminova and Marchi point out that innovation influences a startup's performance and enables it to survive. Furthermore, innovation can be an idea, practice, or object. Through innovation new ventures can identify new opportunities that differentiate them and help them gain a competitive advantage in a niche market. Despite the positivity of innovation, highly innovative firms follow a riskier path with much more fiscal instability, which exposes them to higher chances of failure. The author listed five variables that effect innovation that in turn have an impact on a startup's performance. The variables are patents and new products, investments, industry, startup size, and the academic qualifications of the founders. Startups with more patents and new products, higher investments, higher relative innovativeness in its industry, larger in size, and have more founder with academic qualification and higher percentage of graduate workers are more likely to innovate and have the higher performance (Aminova & Marchi),

2.4. Key Failure Factors

In an interview with Harvard professor Thomas Eisenman, (Leavy) defines a startup as a failure if its investors did not or will never make money, that is, not generating enough cash to yield a positive return to investors. From a financial perspective, since the goal of any firm including startups is to increase the shareholder wealth, failing to do so is an indicator of the failure of the startup initiative. The author lists six distinct patterns that are mainly responsible for a startup failure. Furthermore, the six patterns are divided into three early-stage and three late-stage patterns. The first of the early-stage patterns is the entrepreneur's failure in gathering the resources necessary to exploit the identified opportunity. Second, a failure to conduct enough consumer research before launching the first product. Third, false promising results that appear to be early success rates, such as high demand from early adaptors that may lead

founders to scale up too soon. The first of the late-stage patterns is investors pouring capital into the startup in anticipation of a continued growth which is stalled as the time passes, leading to diminished returns. Second, is the startup's failure to hire the right executive to run an important function within the venture. Third, pursuing bold concepts that are difficult to meet and if not met determines the failure of the startup.

Wilson et al. identify three factors contributing to the failure of a new venture, encompassing both business marginality and entrepreneur-related aspects. Business marginality factors involve issues such as cash flow problems, insufficient finances, bleak long-term business prospects, unfavorable trading conditions, inadequate earnings, and heightened competition. Entrepreneur-related factors include securing full-time paid employment and personal reasons, primarily linked to family or challenges in balancing home and business responsibilities (Wilson et al.).

Looking through previous research in the field of startups, they seem to share common startup failure factors that repeatedly appear in their papers. In this section, 20 of the most common startup failure reasons are presented and discussed in detail see (Table 2.1).

#	Startup Failure Reasons
1	No Market Demand
2	Running Out of Funds
3	Wrong Business Model
4	Not Having the Right Team
5	Losing to Competition
6	Absence of Passion
7	Inaccurate Positioning
8	Poor Product
9	Cost & Pricing Problems
10	Legal & Regulatory Issues
11	Lack of Harmony Among Team & Investors
12	Absence of Business Development
13	Bad Organization
14	Wrong or No Scaling
15	Not Feasible/ Sustainable Idea
16	Inaccurate Customer Development
17	Few Customers
18	Inexperienced Management
19	Absence of Traction
20	Co-founder Conflict

Table 2.1. Common Startup Failure Reasons

The common startup failure factors are discussed below:

1- *No Market Demand*

This means that the product or service that is being offered by the company does not have a market need (e.g., does not satisfy any apparent need). The product or service introduced can be functioning perfectly but still, if there is no demand from the market then it is bound to fail. It means that the needs that are satisfied by the product or service are not looked for or requested. This happens because the company enters the market without a proper market research to identify the existing needs that it can fulfill (Kusumaningtyas et al.).

2- *Running Out of Funds*

Many startups are forced to close their businesses because there is no cash left anymore to support the business. Startups in general are short of cash given the necessity of funds to operate and run a business. They simply spend more on their daily operations than they can earn. High burn rate can be a reason for running out of cash, when startups spend their funds in a short period of time. Bad management and wrong business development (Cantamessa et al.), as well as a lack of or poor financial planning, underestimating the costs and expenses, and not pricing the product or service in the right way can cause the startup to run out funds (Kusumaningtyas et al.).

3- *Wrong Business Model*

The business model is a description of how a firm will create value for customers through its products and services and how it will capture part of that value in order to generate a profit (Cantamessa et al.). Due to its importance and the underlying changes in both the internal and external environment of the business, the startup needs to update and evaluate its business model from time to time according to the feedback received from the market and the environment in general. The business model is a critical determinant on the failure and success of a business, and it is considered as the essence of the foundation of the business. Thus, continuously monitoring and analyzing the environment to come up with the right business model is a great challenge for any startup (Kusumaningtyas et al.).

4- Not Having the Right Team

Lack of good communication and harmony between team members can cause flaws in the coordination of tasks, and reduces the efficiency and effectiveness of the operations of the business. The scarcity of the wide range needed skills and experiences in the small team can affect many aspects of the products or services (Kusumaningtyas et al.).

5- Losing to Competition

Competition can be a good thing for the startup if it is able to differentiate itself from competitors. Nevertheless, competition poses a great challenge for startups, especially if those competitors are strong and large where they have access to suppliers and wide customer communication channels (Cantamessa et al.) .

6- Absence of passion

Having a great motivation and working with enough energy is a necessary requirement for the startup team in order to face the intense pressures that are inherent in the startup's environment. Getting bored with the routine daily operations, the increasing stress, and burn out can decrease morale in the startup (Cantamessa et al.).

7- Inaccurate Positioning

Positioning is capturing a favorable place in the consumer's mind. It is shaping the behavior of the customer so that they react in a favorable way to the firm's products or services. Wrong positioning results from multiple causes that lead the startup to very costing positioning mistakes. Defining the problem that the startup is trying to solve is an important part when implementing the business idea. Nevertheless, many startups commit to ideas that are built on wrong or incomplete understanding of the problem (Cantamessa et al.).

8- Poor Product

A poor product can result in many unwanted consequences such as low sales and product recall, and it damages the image of the startup. In many cases such as in the software startups, usually deploying a product with incomplete features is a common practice usually in order to allow for faster feedback from the customer and a shorter time to market period. A product is poor when among other things it doesn't meet the

expectations of the customer and/or the startup, this can be the result of some aspects or features of the product that are not functioning properly, and when a product has no practical benefit or use (Abrahamsson et al.).

9- Cost & Pricing Problems

Many factors affect the pricing strategies of the startup and cost is among many other considerations when thinking about pricing. A startup may be forced to lower its initial prices in order to match the competition or increase its market share. This may sometimes lead to pricing the product or service at a level lower than the cost of its production which may lead to costs that are greater than the revenues. This harms the startup as it already tries to manage its scarce resources which cash is one of the major resources, thus can be a great cause for startup failure. Sometimes the cost of the product or service is so high that the startup becomes required to increase the prices (Cantamessa et al.).

10- Legal & Regulatory Issues

Change in existing regulations or facing a legal issue can be a critical determinant for a startup. Products, services, and how a startup conducts its operations are all subject to regulations and legal challenges of the business environment that the startup operates within. Startups need to have a clear understanding of the existing laws and regulations such as those regarding taxes and employment laws, within the environments they conduct their operations in (Cantamessa et al.).

11- Lack of Harmony Among Investors & Team

Although having some conflict can be normal and even beneficial for the startup but increasing levels of conflict and tension can lead to a reduced morale and motivation, slower decision-making process, and loss of focus. When investors and the startup team lose harmony, the situation can lead to investors withdrawing their funds and the team complaining about the impatience of the investors. Lack of team spirit leads to losing connection and deteriorates cooperation that can cause increased employee turnover which can lead for the startup to lose critical talents in its workforce (Cantamessa et al.).

12- Absence of Business Development

Business development is all the actions and ideas that drive a business to make it stronger and grow. It's about thinking what to do to carry the startup into a better position in its market. It can include increasing profitability, growth, revenues, or sales, as well as achieving operational efficiency. The absence of a business development plan can affect the startup negatively and may even lead at the end to its collapse. The startup team who is oftentimes equipped with high technical skills but less business skills may become victim to overlooking the importance of having a comprehensive business development strategy (Cantamessa et al.).

13- Bad Organization

Having unclear roles and task assignments can give rise to chaos within the startup, and lead to operational inefficiencies. Roles must be defined clearly in a way that all stakeholders understand what tasks they need to perform and what position they fill in the overall business. This helps increase the efficiency and effectiveness of operations therefore reducing the costs associated with the mistakes than can result from undefined roles (Cantamessa et al.).

14- Wrong or No Scaling

The absence of scaling or scaling too early can post many difficulties for the startup. Absence of scaling can stall growth and cause the startup to miss on opportunities in the form of increased revenues that can be gained as a result of entering to new markets. However, the downside of scaling is the increased working capital costs that can surpass the additional revenues received from the scaling. So, startups need to avoid wrong scaling that can bring on negative outcomes, that can result from scaling too early or too late and scaling to markets based on incomplete data and unsupported predictions (Cantamessa et al.).

15- Not Feasible/ Sustainable Idea

Sometimes a startup comes up with a great idea that can solve a problem and satisfy an existing need but implementing that idea may prove to be impractical and even impossible for the startup due to lack of resources, skills or the idea cannot be incorporated in a business model and deemed profitable for the startup. This happens due to high costs of production that exceed the expected revenues thus making the

product economically unaffordable. Sometimes the existing regulations prohibit the product itself or part of its components that can be regarded as unsafe and harmful (Cantamessa et al.).

16- Inaccurate Customer Development

Getting involved with customers by researching their needs and modifying the product or service according to what the customer wants is considered vital for startups. Likewise, wrong segmentation by identifying wrong needs, or targeting the wrong customer segment, or positioning the product or service incorrectly to potential customers or choosing inaccurate communication channels can be a source of trouble for the startup (Cantamessa et al.).

17- Few Customers

Operating in a small market can be problematic for the startup as it can cause reduced revenues that do not justify the high costs. Many reasons can be behind a small market including but are not limited to product or service positioned in a niche market, entering a mature market, and the presence of too many competitors in the market where every competitor has a small share of the market, and the products are undifferentiated (Cantamessa et al.).

18- Inexperienced Management

There are many cases of startups with a strong team of skilled and technical employees who lack the business management knowledge. The founders usually are too focused on the product or service trying to make it perfect that they allocate all resources and workforce to the tasks directly related with the production. This comes at the expense of other functions within the startup that results in an absence of business development plan and the establishment of a flawed business model (Cantamessa et al.).

19- Absence of Traction

Traction is the progress that the startup experiences as its operations grow. A lack of traction can cause a business to face trouble in the market specially where competition exists, and it can lead investors and stakeholders doubt the ability of the startup to achieve its goals that can impact their decision to provide further investments (Cantamessa et al.).

20- Co-founder Conflict

When cofounders have different interests and goals to achieve, or when they possess different backgrounds and concentration of skills it may cause poor decisions and poor management (Cantamessa et al.). When conflicts and differences are not assimilated on the long run it can halt performance, productivity, provoke founders to leave, and may bring about the startup failure (Cantamessa et al.).

2.5. Motivations, Problems, and Success Factors

2.5.1. Motivation for Starting a Business

The reason for establishing a business differs from country to country and from one person to another depending on the economic, social, cultural, and political environment that entrepreneurs operate within (Chu et. al.). Understanding the motives for business ownership is crucial for developing the measures necessary to help them grow their businesses. Scheinberg and Macmillan conducted a study on new business startups in 11 countries and found six motives that lead people to become entrepreneurs. These motivations which differ from one part of the world to another are the need for independence, perceived wealth, need for personal development, need for approval, and degree for communication. Entrepreneurs in the United States ranked the need for independence as the most important motivator for business startups, while communitarianism was the top motivator for Italian entrepreneurs. For Australian and British entrepreneurs, money was cited as the reason for starting a business (Scheinberg & Macmillan).

Similarly, Entrepreneurs in Asia also rank money as the most important motivator for establishing a new business (Mann & Thorpe). In contrast, Scandinavian entrepreneurs rated money as the least significant factor for starting a business. Entrepreneurs in Kenya and Ghana view increasing their income and providing themselves with jobs as the two most important factors for establishing a business (Chu et al.). Nigerian women listed reducing poverty and reversing deteriorating economic condition as main reasons for starting a business (Woldie & Adersua). This result supports the findings of other research that people in countries with poor economic conditions and poverty have limited choices other than self-employment (Pingle). In China, higher earnings, making a direct contribution to the success of an enterprise, the need for personal

achievement, better economic opportunities, and improving living standards are the primary motives for starting a business (Mann & Thorpe).

2.5.2. Perceived Success Factors

Research on the success factors of startup businesses show no consensus but there are some factors that are listed more often than other (Chu et al.). These factors can be grouped into three categories namely psychological and behavioral traits of the entrepreneur, managerial skills, and external environment. According to (Huck & McEwen), for Jamaican entrepreneurs the most important success determinants are understanding customer's needs, access to capital, the support of family, networking with friends from former schools and colleges, and hard work. Kenyan entrepreneurs list availability of capital, possession of business skills, previous experience, and family support are critical for the success of the new venture (Pratt).

Family support is an important success factor for Vietnamese entrepreneurs since they provide a direct support by providing a reliable source of employment and financial support (Masarel & Smit). Pakistani entrepreneurs stated that hard work, good customer service, and product quality are three most important success factors (Coy et al.). Family, social networking and knowing the right people as well as business acumen are believed to be leading factors of business success in China (Yueh; Liao & Sohmen).

2.5.3. Problems Faced by Entrepreneurs

Entrepreneurs in less developed countries face more business-related challenges compared to those in developed nations. These challenges include an unstable and highly bureaucratic environment, complicated and difficult to understand governmental laws, poorly designed and enforced contract and property laws, inadequate infrastructure, poor macroeconomic policies, limited access to financial capital, corruption, and a lack of managerial experience (Chu et al.).

In a study of more than 360 business owners in 69 countries Kisunko et al. found that the problems encountered by entrepreneurs in different parts of the world are quite similar (Kisunko et al.). In south and southeast Asia, high tax and tax regulations are

the most serious problems faced by the entrepreneurs in the region as well as inadequate infrastructure, inflation, labor regulation, and laws regulating the starting and operating of a business. While in the Middle East and North Africa financing, lack of infrastructure, corruption, tax regulations and high tax are considered the most critical problem face by entrepreneurs. For Central and Eastern European entrepreneurs financing, inflation, high tax and tax regulation, and corruption are rated the most serious problems encountered by new businesses. In Sub-Saharan Africa the most critical problems were unavailable capital, inflation, complicated tax law, theft, corruption, inadequate infrastructure. Nigerian entrepreneurs reported that corruption, bad roads, poor telecommunication systems, water shortages, and erratic electric supply are the most important obstacles inhabiting their businesses (Mamubla). Chinese entrepreneurs face problems such as volatility of property rights, unpublished regulations, different levels of bureaucracy, difficulty in accessing to resources and funding, and attracting skilled and reliable employees (Liao & Sohmen).

Benzing et. al. provides that the owners of the small and medium sized ventures in Turkey are mainly driven by income rewards, having a job security, and maintaining personal freedom to start their businesses (Benzing et. al). They also found that a reputation for honesty, friendliness and charisma, social skills, and offering a good customer service were the most important determinants of success for startups. This is similar to what was found regarding entrepreneurs in Romania and Vietnam where honesty, friendliness, and good customer service were the three most important success variables (Callanan et., al.), (Bove et., al.). Likewise, entrepreneurs in Pakistan placed good customer service among the top three success factors (Coy, et. al.). Regarding problems faced by Turkish entrepreneurs, a confusing and complex tax structure, inability to attract and retain good employees, inability to maintain accurate accounting records, and a weak economy were rated as the most serious. This finding suggests that entrepreneurs in Turkey are less constrained by financial capital than those in other countries such as Ghana, Romania, and Vietnam (Chu et. al.), (Bove et. al.), (Callanan et. al.).

Chu et. al. found that the most important motivators for Chinese entrepreneurs when starting a business are increasing income, becoming their own boss, proving that they can succeed which is consistent with Bulgarian entrepreneurs. They also found that

the top success factors are reputation for honesty, providing good customer service, and having good management skills which is also found to be important in Czech Republic and Vietnam (Papulova & Mokros; Chu & Benzing). Regarding problems encountered by Chinese entrepreneurs unreliable/undependable employees, intense competition, and lack of management training were listed as the top three (Chu et. al.).

Zimmerman and Chu list that the desire to be one's own boss, to increase income, and to reach own satisfaction and growth are three most important motivators of Venezuelan entrepreneurs. Additionally Venezuelan entrepreneurs rated a weak economy, too much competition, and foreign exchange limitations as the three most important problems. For success factors, the top three were good management skills, appropriate training, and maintenance of accurate records of sales/ expenses (Zimmerman & Chu).

Stefanovic et. al. in their investigation of Serbian entrepreneurs, the three most important motivators for starting a business were increasing income, being able to use past experience and training, and having a job security. The three most important factors contributing to business success were good customer service, good product at a competitive price, and a reputation for honesty (Stefanovic et. al.).

2.6. Startups in Somalia

According to StartupBlink's Global Startup Ecosystem Report 2023, Somalia has become a surprising example of innovation flourishing even under challenging economic and geopolitical conditions. Despite historical instability, the country has seen a positive shift over the last decade, contributing to the growth of its startup ecosystem. Somalia's strategic location at the Horn of Africa, with access to routes through the Red Sea and the Suez Canal, provides it with significant geopolitical importance. This location can serve as a gateway for trade and economic activities, contributing to the country's potential for growth and development. Somalia's ecosystem is in the early stages of development which sets forth a potential for further growth and expansion, with opportunities for both local and international players to contribute to its development (StartupBlink).

The public sector, local entrepreneurs, and international organizations have collaborated to foster disruptive innovations aimed at addressing the country's significant challenges. This collaborative approach underscores the importance of partnerships in driving positive change. The innovative potential of Somalia is supported by both local and international organizations. Notable examples include Innovate Ventures, VC4A, and the Response Innovation Labs. These organizations play a crucial role in providing support, resources, and mentorship to startups, contributing to the ecosystem's vibrancy. However, it is important to note that there is no existing official governmental body dedicated to support startups in Somalia (StartupBlink).

Salaam Bank's allocation of five million US dollars to the entrepreneurship fund in 2023, in collaboration with Hormuud Telecom, signifies a commitment to supporting startups and entrepreneurs. This financial support can be instrumental in fostering innovation and business growth. The World Bank Group's foreign investor survey highlights that 56% of the private sector finds it less difficult to invest in Somalia due to the current legal framework. This positive perception suggests that the legal environment is becoming more conducive to foreign investment (StartupBlink).

The Somali Resilience Innovation Lab focuses on offering effective innovations to enhance the impact of humanitarian and development interventions. This lab plays a crucial role in developing solutions that improve the resilience of the Somali people in the face of various challenges. The Ministry of Commerce and Industry's launch of the Somali Business Registration System is aimed at reducing the time required for a company to register. This streamlined process can encourage more entrepreneurs to formalize their businesses and contribute to the overall business environment. The Somalia National Development Plan 2020 to 2024 includes a focus on creating an enabling environment for entrepreneurs to run businesses and thrive. This holistic approach aligns with the goal of fostering economic growth and sustainable development. Somalia's Foreign Investment Law of 2015 provides favorable incentives to foreign investors, including tax advantages and guarantees against expropriations. These incentives are designed to attract foreign capital and expertise, contributing to economic development (StartupBlink).

Innovate Ventures is a leading Somali startup accelerator and early-stage startup fund. The three-month intensive incubator program it offers provides entrepreneurs with valuable support and investment opportunities, accelerating the growth of startups. iRise, an innovation hub in Mogadishu, aims to build and empower young entrepreneurs. The provision of creative workspaces and fully furnished office spaces facilitates innovation and networking, creating an environment conducive to startup success (StartupBlink).

Somalia is on a major transformation path, indicating a commitment to positive change. The country is having several reforms which suggests a proactive approach to addressing challenges and fostering a more conducive environment for entrepreneurship. Challenges faced by Somalia go beyond financial aspects and include building infrastructure and changing the country's narrative and mentality regarding entrepreneurship. Infrastructure development is essential for creating a supportive ecosystem, and changing the narrative can influence perceptions and attract investment (StartupBlink).

The report highlights that Somalia maintains its 98th position globally in startup ecosystems. However, it has lost the 4th place in Eastern Africa to Uganda after dropping one spot. The ranking is based on the number of startups in the ecosystem as well as hundreds of data points from sources such as Crunchbase, SEMrush, and Brightdata, and general indicators related to infrastructure, business environment, and the ability to operate freely in the country. The information highlights a minimal gap in score between Somalia and Angola, which is ranked 97th globally. This close proximity suggests that Somalia has a realistic opportunity to improve its ranking in the coming year, especially if there is a focus on impact by the local startup scene (StartupBlink).

Mogadishu, Somalia's top-ranked city, with a total population of 2.6 million and a GDP per capita of 428 US dollars, has shown positive momentum by regaining 86 spots in the global city rankings, reaching 678th place globally and 23rd in Africa. This reversal of negative momentum from the previous year indicates improvements or positive developments in the city. However, despite the global improvement,

Mogadishu decreased by one spot regionally in Eastern Africa, now ranking 8th. This suggests that while there may be positive changes globally, there are still challenges or increased competition within the Eastern Africa region (StartupBlink).

Hargeisa, the second city in Somalia, had initially joined the top 1,000 cities worldwide in 2021 but dropped out in 2022. The current information indicates that Hargeisa has returned to the global city index, ranking 842nd. This suggests a recovery or improvement in the city's standing. Regionally, Hargeisa has climbed one spot to 9th in Eastern Africa. This regional improvement indicates that Hargeisa's performance has been comparatively better within the Eastern Africa context (StartupBlink).

Despite enduring challenges such as civil war and famine, Somalia has managed to achieve success in certain sectors. One notable example is the remarkable development of its telecommunications and financial industries. Somalia boasts the lowest international call rates in Africa and among the cheapest globally. Around 34% of adults in Somalia utilize mobile money, showcasing a significant adoption of digital financial services in the country. The country handles approximately \$1.6 billion in money remittances annually. Somalia's online money transfer service, Dahabshiil, has emerged as one of the largest money transfer companies in Africa, operating in 155 countries (Osman).

The information underscores that Somalia has a realistic opportunity to progress in the global rankings in the next year, especially if there is a prioritization of impact by the local startup scene. This implies that fostering a supportive environment for startups and emphasizing their positive impact could contribute significantly to Somalia's overall standing in global and regional indices.

3. Methodology

The survey used in this research was developed by Hung M. Chu (Chu & Katsioloudes) and has been utilized in several studies of entrepreneurs in China, Turkey, Poland, Kenya, Vietnam, Nigeria, Romania, Ghana, Venezuela, Thailand, Bulgaria, and Serbia (Benzing et. al.; Chu & Katsioloudes; Chu et al.; Benzing et al.; Chu et al.; Benzing & Chu; Stefanovic et al.; Zimmerman & Chu; Kara et al.).

The questionnaire survey is composed of questions which are divided into three parts (Appendices 7.1, 7.2, 7.3). The responses are measured using a five-point Likert scale. The scale ranges from “1” to indicate that item is unimportant to “5” indicating the most important value. The first part consists of 12 questions on the motivational factors of startup entrepreneurs. The second part consist of 18 questions about the problems faced by entrepreneurs. The third part involves 17 questions related to the entrepreneurial success factors.

Using convenience sampling in this qualitative research, non-parametric data were collected from 20 startups in Mogadishu the capital city of Somalia in one-to-one in-depth interviews. The age of these startups ranged from 1 to 10 years with an average of 4.5 years. The age of the startups of up to ten years agrees with the European Startup Monitor 2015, which considers a startup to be younger than ten years (KPMG). The average age of the participant entrepreneurs in this research was 34 years with the oldest being 65 years old and youngest being 27 years old.

Using the convenience sampling is valid since the research assumes that all entrepreneurs in Mogadishu are affected by the same factors due to the small area and environment in which these startups exist. Mogadishu is a city that is home to around 2.6 million people, making it the largest populated city in Somalia. It's also the economic center and lifeblood of a country that has been struggling to stay on its feet after 30 years of civil war. Following a period of relative stability in recent years there has been a significant growth in the number of startups and small businesses in Mogadishu with prospects for further growth. This trend is important since these startups contribute to the economy of the country by providing jobs and income to the population.

4. Data Analysis

4.1. Motivational Factors

The reliability of the first part of the instrument on motivational factors was deemed satisfactory since the Cronbach's Alpha was at .721 (Table 4.1). Cronbach's Alpha is a measure of the internal consistency of a scale and values greater than 0.6 indicate that the instrument is acceptable. It measures the extent to which the instrument we are using is working properly. The table below shows the result of the reliability statistics analysis of the 11 items of the motivational factors scale. The Cronbach's Alpha coefficient of 0.721 indicates that the scale is reliable and can be used for further analysis.

Reliability Statistics	
Cronbach's Alpha	N of Items
.721	11

Table 4.1. Reliability Statistics for Motivational Factors

Table 4.2 shows the descriptive statistics for the 11 items of the motivational factors scale. All respondents answered every question of the motivational factors part with $N = 20$. A higher mean score on a factor would indicate greater importance for that factor with respect to other factors. Similarly, a lower mean score on a variable indicates a lower importance for that variable relative to the other variables.

The range measures the difference between the highest score and the lowest score for a particular variable. For example, given a particular question if at least one respondent has given a rate of 5 to an item and at least one of the respondents has given a rate of 1, then the range would be 5. However, for a particular question if at least one participant provided a rate of 5 and at least one participant provided a rate of 2 but no other participant provided a lower rate than the range in this case would be 4.

Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation
To be my own boss	20	4,00	1,00	5,00	4,1000	1,33377
To be able to use my past experience and training	20	4,00	1,00	5,00	3,8000	1,23969
To prove I can do it	20	4,00	1,00	5,00	4,0500	1,14593
To increase my income	20	2,00	3,00	5,00	4,4500	,60481
To gain public recognition	20	4,00	1,00	5,00	2,7500	1,01955
To provide jobs for family members	20	4,00	1,00	5,00	3,3000	1,38031
For my own satisfaction and growth	20	3,00	2,00	5,00	4,3500	,98809
So I will always have job security	20	4,00	1,00	5,00	3,7500	1,29269
To build a business to pass on	20	3,00	2,00	5,00	4,0500	,94451
To maintain my personal freedom	20	2,00	3,00	5,00	4,3500	,67082
To be closer to my family	20	4,00	1,00	5,00	3,3500	1,13671
Valid N (listwise)	20					

Table 4.2. Descriptive Statistics for Motivational Factors

The minimum value indicates the lowest score that a particular item has been given. If at least one respondent has given a score of 1 to a variable, then the minimum value would be 1, however if at least one respondent has given a score of 2 but no respondent has given a score of 1 then the minimum value would be 2. Similarly, the maximum value shows the highest score that was given to a particular question. For example, given a particular question, if at least one respondent has given a score of 5 to the question, then the maximum value is 5, while if at least one participant has given a score of 4 but no other respondent has given a score of 5, then the maximum value would be 5.

Standard deviation measures the extent to which answers provided to the same question are similar. In other words, if the standard deviation for an item is relatively low it means that participants are considering answering the question in the same way. Conversely, if the standard deviation for a given question is high, it means that participants' answers are very different from one another. In short, the greater the standard deviation the greater the difference between the ideas of respondents.

The characteristics of descriptive statistics on motivational factors are as listed below:

1- To Be My Own Boss:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 4.1000
- Standard Deviation: 1.33377

2- To Be Able to Use My Experience and Training:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.8000
- Standard Deviation: 1.23969

3- To Prove I Can Do It:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 4.0500
- Standard Deviation: 1.14593

4- To Increase My Income:

- Range: 2.00
- Minimum: 3.00
- Maximum: 5.00
- Mean: 4.4500
- Standard Deviation: 0.60481

5- To Gain Public Recognition:

- Range: 4.00
- Minimum: 1.00

- Maximum: 5.00
- Mean: 2.7500
- Standard Deviation: 1.01955

6- To Provide Jobs for Family Members:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.3000
- Standard Deviation: 1.38031

7- For my Own Satisfaction and Growth:

- Range: 3.00
- Minimum: 2.00
- Maximum: 5.00
- Mean: 4.3500
- Standard Deviation: 0.98809

8- So I will Always Have Job Security:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.7500
- Standard Deviation: 1.29269

9- To Build a Business to Pass On:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 4.0500
- Standard Deviation: 0.94451

10- To Maintain My Personal Freedom:

- Range: 2.00
- Minimum: 3.00
- Maximum: 5.00
- Mean: 4.3500
- Standard Deviation: 067082

11- To Be Closer to My Family:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.3500
- Standard Deviation: 1.13671

Based on the results obtained the most important motivational factor is to increase my income with a mean of 4.45. This shows that the entrepreneurs mostly started their businesses because of income needs. This is understandable since Somalia has a high unemployment rate due to the weak economy. Unemployed people who find it difficult to get a job may turn to look for self-employment to gain income. Furthermore, it's not uncommon for people to turn into a part time self-employment or as a side hassle to make more money to compensate for working in low paying jobs or to meet other necessities. In previous studies of entrepreneurs in developing countries increasing income was also a prime motive (Benzing et al.).

The second most important factor is for my own satisfaction and growth which has a mean value of 4.35. Respondents show that achieving self-satisfaction and developing oneself is a very important motivator to start a business. This is especially true for college graduates who may find a discrepancy between their situation in their current jobs and their future expectations leading them to consider self-employment for better prospects. Furthermore, with recent growth in startups, some people may want to achieve what other people they know have achieved which can bring satisfaction with oneself. Likewise, the third most important factor is to maintain my personal freedom which has a mean value of 4.35. Employees may find that their jobs put restrictions on their freedom and may consider establishing their own businesses to achieve freedom.

It may be important for some people to be able to take a break from work when they want and do what they are doing at their own pace.

The fourth important factor is to be my own boss with a mean of 4.10. Employees may admire an environment in which they make their own decisions and work for themselves thus self-employment can provide more control in decision making. This motive can also be initiated by the aftermath of a bad experience with a supervisor or their boss. The fifth most important factor is to prove I can do it with a mean of 4.05. Employees may believe that their potential is greater than what they are involved with and may take steps that they find necessary to prove these believes. Also, this motive can result from pressure due to the desire achieving what their entrepreneur peers and friends have achieved. Similarly, the sixth most important factor is to build a business to pass on both having a mean of 4.05. People working under employment may think that self-employment can result in a business that can benefit their offspring. People who went through an uneasy life may want to prevent their families' future generations from going through the same fate by establishing a business if they believe that the business will live long to be inherited and run by their children.

The seventh most important factor is to be able to use my past experience and training scoring a mean of 3.80. Experience from previous employment jobs can equip people with the skills and confidence necessary to capitalize on an available opportunity, which otherwise could go unutilized. The eight most important factor is so I will always have job security with a mean of 3.75. The uncertainty surrounding the employment sector in Somalia leads many people to choose self-employment to minimize the uncertainty associated with weak economy and non-existent employment laws that protect the rights of the employees. The ninth most important factor is to be closer to my family which received a mean value of 3.35. Exhausting workloads that can strain employees and consume too much of their personal time can lead many to look for self-employment to secure more personal time with their families.

The tenth most important factor is to provide jobs for family which has a mean of 3.30. The least important motivational factor is to gain public recognition which has a mean value of 2.70. Surveyed respondents see that public recognition and fame as being only

close to mildly important when they were thinking about establishing their own business. This suggests that when establishing their businesses, participants do not consider seeking public recognition an important motivator as much as they are motivated by more important factors.

Despite the relative importance of the 11 motivational factors, they are still considered high with respect to the scale being used. The sample's lowest mean of 2.70 means that there are no factors in this list that are seen by the respondents as not very important or unimportant. This is a significant result since it implies that all the motivational factors provided are important to some degree thus having a role in the decision of these entrepreneurs to start their businesses.

The factor to be my own boss received at least one rating of "5", the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to be my own boss received at least one rating of "1", the minimum rating, which means the factor is unimportant for at least one respondent. The factor to be able to use my past experience and training received at least one rating of "5", the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to be able to use my past experience and training received at least one rating of "1", the minimum rating, which means the factor is unimportant for at least one respondent. The factor to prove I can do it received at least one rating of "5", the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to prove I can do it received at least one rating of "1", the minimum rating, which means the factor is unimportant for at least one respondent.

The factor to increase my income received at least one rating of "5", the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to increase my income received a minimum rating of "3" which means that none of the respondents regards the factor as not very important or unimportant. The factor to gain public recognition received at least one rating of "5", the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to gain public recognition received at least one rating of "1", the minimum rating, which means the factor is unimportant for at least one respondent. The factor to provide jobs for family members received at least one rating of "5", the maximum

rating, which means the factor is extremely important for at least one participant. Also, the factor to provide jobs for family members received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor for my own satisfaction and growth received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor for my own satisfaction and growth received a minimum rating of “2” which means that none of the respondents regards the factor as unimportant.

The factor so I will have job security received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor so I will have job security received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor to build a business to pass on received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to build a business to pass on received a minimum rating of “2” which means that none of the respondents regards the factor as unimportant. The factor to maintain my personal freedom received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to maintain my personal freedom received a minimum rating of “3” which means that none of the respondents regards the factor as not very important or unimportant. The factor to be closer to my family received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor to be closer to my family received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The range of a variable measures difference between the maximum and minimum values of the variable. The factors to increase my income, and to maintain my personal freedom both have a range of 2, which means there is only a difference of two between the maximum value and minimum value of the factor. The answers of the respondents are closest in these two variables than in any other variable. The factors for my own satisfaction and growth, and to build a business to pass on have a range of 3, which means there is a difference of three between the maximum and minimum values, which is a relatively intermediate range level. The factor to be my own boss has a range of 4,

which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor to be able to use my past experience and training has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable.

The factor to prove I can do it has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor to gain public recognition has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor to provide jobs for family members has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor so I will always have job has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor to be closer to my family has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable.

Standard deviation tells to what extent are the answers provided to the same question similar. The greater the standard deviation the greater the difference is between the ideas of the respondents. The motivational factor to provide jobs for family members received a standard deviation of 1.38 which is the highest standard deviation in the sample for motivational factors. This means that respondents tend to answer differently to this question hence the entrepreneurs generally strongly disagree with respect to providing jobs to family members being a motivational factor. To be own my boss has a standard deviation of 1.33 indicating a relative strong disagreement between respondents. The variable so I will always have job has a standard deviation of 1.29 indicating a relative strong disagreement between respondents. The variable to

be able to use my past experience and training has a standard deviation of 1.23 indicating a relative strong disagreement between respondents. The variable to prove I can do it has a standard deviation of 1.14 indicating a relative disagreement between respondents.

The variable to be closer to my family has a standard deviation of 1.13 indicating a relative disagreement between respondents. The variable to gain public recognition has a standard deviation of 1.01 indicating a relative low disagreement between respondents. The variable for my satisfaction and growth has a standard deviation of 0.98 indicating a relative agreement between respondents. The variable to build a business to pass on has a standard deviation of 0.94 indicating a relative agreement between respondents. The variable to maintain my personal freedom has a standard deviation of 0.67 indicating a relative strong agreement between respondents. Finally, the variable to increase my income received a standard deviation of 0.60 which is the lowest standard deviation indicating that respondents relatively very strongly agree on this factor. As stated above, the factor to increase my income received the highest mean in the motivational factors' sample. Thus, in general, the respondents agree that to increase my income was the primary motivator behind establishing and owning their businesses.

Table 4.3 shows the KMO and Bartlett's test results. The KMO test is measure of how well the data is suited for factor analysis. In general, the acceptable values for this test are values greater than 0.5. For Bartlett's test the significant level must be less than 0.05. Based on the result in Table 4.3 factor the KMO value of .362 is lower than 0.5 and the Bartlett's test is 0.07 which is higher than the significant level of 0.05, therefore it is not acceptable to perform a factor analysis. Thus, the items in the motivational factors list cannot be factored.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,362
Bartlett's Test of Sphericity	Approx. Chi-Square	84,123
	df	55
	Sig.	,007

Table 4.3. KMO and Bartlett's Test for Motivational Factors

Table 4.4 shows the spearman's correlation test results of the data on the motivational factors. The correlation coefficient, r_s between two variables indicates the strength of the relationship between the two factors and has values between -1 and 1. Values greater than 0 indicate a positive relationship, that is as one factor is given higher rankings the other variable tend to also get high rankings. On the other hand, values less than 0 indicate a negative relationship between the two variables, specifically as one of the variables gets higher rankings the other variable gets lower rankings and vice versa. A correlation coefficient between 0.0 and 0.1 indicates no correlation. A correlation coefficient between 0.1 and 0.3 indicates a low correlation. A correlation coefficient between 0.3 and 0.5 indicates a medium correlation. A correlation coefficient between 0.5 and 0.7 indicates a high correlation. A correlation coefficient between 0.7 and 1 indicates a very high correlation.

Correlations													
			To be my own boss	To be able to use my past experience and training	To prove I can do it	To increase my income	To gain public recognition	To provide jobs for family members	For my own satisfaction and growth	So I will have job security	To build a business to pass on	To maintain my personal freedom	To be closer to my family
Spearman's rho	To be my own boss	Correlation Coefficient	1,000	,316	,248	,172	,187	,383	,033	,477	,138	,379	,241
		Sig. (2-tailed)		,174	,292	,470	,429	,096	,892	,033	,563	,099	,306
		N	20	20	20	20	20	20	20	20	20	20	20
	To be able to use my past experience and training	Correlation Coefficient	,316	1,000	-,226	,278	,141	,240	-,450*	,096	,204	,099	-,003
		Sig. (2-tailed)	,174		,338	,235	,553	,309	,047	,688	,389	,677	,989
		N	20	20	20	20	20	20	20	20	20	20	20
	To prove I can do it	Correlation Coefficient	,248	-,226	1,000	-,169	-,188	,027	,300	-,084	-,155	,221	-,102
		Sig. (2-tailed)	,292	,338		,477	,429	,909	,198	,725	,514	,349	,668
		N	20	20	20	20	20	20	20	20	20	20	20
	To increase my income	Correlation Coefficient	,172	,278	-,169	1,000	,207	,219	-,406	,292	-,102	-,230	-,083
		Sig. (2-tailed)	,470	,235	,477		,381	,354	,076	,212	,668	,330	,727
		N	20	20	20	20	20	20	20	20	20	20	20
	To gain public recognition	Correlation Coefficient	,187	,141	-,188	,207	1,000	,386	,296	,526*	,357	,343	,448*
		Sig. (2-tailed)	,429	,553	,429	,381		,093	,205	,017	,122	,139	,048
		N	20	20	20	20	20	20	20	20	20	20	20
	To provide jobs for family members	Correlation Coefficient	,383	,240	,027	,219	,386	1,000	,186	,237	-,007	-,091	,357
		Sig. (2-tailed)	,096	,309	,909	,354	,093		,432	,315	,977	,702	,123
		N	20	20	20	20	20	20	20	20	20	20	20
	For my own satisfaction and growth	Correlation Coefficient	,033	-,450*	,300	-,406	,296	,186	1,000	,207	,360	,465*	,344
		Sig. (2-tailed)	,892	,047	,198	,076	,205	,432		,380	,119	,039	,137
		N	20	20	20	20	20	20	20	20	20	20	20
	So I will have job security	Correlation Coefficient	,477	,096	-,084	,292	,526*	,237	,207	1,000	,435	,512*	,340
		Sig. (2-tailed)	,033	,688	,725	,212	,017	,315	,380		,055	,021	,143
		N	20	20	20	20	20	20	20	20	20	20	20
	To build a business to pass on	Correlation Coefficient	,138	,204	-,155	-,102	,357	-,007	,360	,435	1,000	,426	,007
		Sig. (2-tailed)	,563	,389	,514	,668	,122	,977	,119	,055		,061	,978
		N	20	20	20	20	20	20	20	20	20	20	20
	To maintain my personal freedom	Correlation Coefficient	,379	,099	,221	-,230	,343	-,091	,465*	,512*	,426	1,000	,011
		Sig. (2-tailed)	,099	,677	,349	,330	,139	,702	,039	,021	,061		,964
		N	20	20	20	20	20	20	20	20	20	20	20
	To be closer to my family	Correlation Coefficient	,241	-,003	-,102	-,083	,448*	,357	,344	,340	,007	,011	1,000
		Sig. (2-tailed)	,306	,989	,668	,727	,048	,123	,137	,143	,978	,964	
		N	20	20	20	20	20	20	20	20	20	20	20

*. Correlation is significant at the 0.05 level (2-tailed).

Table 4.4 Correlations for the Motivational Factors

The p-value indicates the whether the correlation coefficient is significantly different from 0. A value less than 0.05 indicates that the test is significant, and the null hypothesis (i.e. there is no correlation) is rejected and the alternative hypotheses (i.e. there is a correlation) is accepted. Otherwise, the null hypothesis is accepted.

The correlation between the variables “so I will have job security” and “to gain public recognition” of .526 is the highest. This shows that a strong positive correlation exists between the two factors $r_s(28) = .526$, $p = .017$. In other words, if respondents give a high rating to one of the variables, they also give a high rating to the other variable. Conversely, if respondents give low rating to one of the variables, they tend to give a low rating to the other variable as well.

The factor “to be my own boss” has a non-significant moderate strength positive correlation with the factor “to be able to use my past experience and training” $r_s(28) = .316$, $p = .174$. A non-significant weak positive correlation with the factor “to prove I can do it” $r_s(28) = .248$, $p = .292$. A non-significant a weak positive correlation with the factor “to increase my income” $r_s(28) = .172$, $p = .470$. A non-significant a weak positive correlation with the factor “to gain public recognition” $r_s(28) = .187$, $p = .429$. A non-significant a moderate strength positive correlation with the factor “to provide jobs for family members” $r_s(28) = .383$, $p = .096$. No correlation with the factor “for my own satisfaction and growth” $r_s(28) = .033$, $p = .892$. A significant moderate strength positive correlation with the factor “so I will have job security” $r_s(28) = .477$, $p = .033$. A non-significant weak positive correlation with the factor “to build a business to pass on” $r_s(28) = .138$, $p = .563$. A non-significant moderate strength positive correlation with the factor “to maintain my personal freedom” $r_s(28) = .379$, $p = .099$. A non-significant moderate strength positive correlation with the factor “to be closer to my family” $r_s(28) = .241$, $p = .306$.

The factor “to be able to use my past experiment and training” has a non-significant weak negative correlation with the factor “to prove I can do it” $r_s(28) = -.226$, $p = .338$. A non-significant weak positive correlation with the factor “to increase my income” $r_s(28) = .278$, $p = .235$. A non-significant weak positive correlation with the factor “to gain public recognition” $r_s(28) = .141$, $p = .553$. A non-significant weak positive correlation with the factor “to provide jobs for family members” $r_s(28) = .240$, $p =$

.309. A significant moderate strength negative correlation with the factor “for my own satisfaction and growth” $r_s(28) = -.450, p = .047$. No correlation with the factor “so I will have job security” $r_s(28) = .096, p = .688$. A non-significant weak positive correlation with the factor “to build a business to pass on” $r_s(28) = .204, p = .389$. No correlation with the factor “to maintain my personal freedom” $r_s(28) = .099, p = .677$. No correlation with the factor “to be closer to my family” $r_s(28) = -.003, p = .989$.

The factor “to prove I can do it” has a non-significant weak negative correlation with the factor “to increase my income” $r_s(28) = -.169, p = .477$. A non-significant weak negative correlation with the factor “to gain public recognition” $r_s(28) = -.188, p = .429$. A non-significant weak positive correlation with the factor “provide jobs for family members” $r_s(28) = .027, p = .909$. A non-significant moderate strength positive correlation with the factor “for my own satisfaction and growth” $r_s(28) = .300, p = .198$. No correlation with the factor “so I will have job security” $r_s(28) = -.084, p = .725$. A non-significant weak negative correlation with the factor “to build a business to pass on” $r_s(28) = -.155, p = .514$. A non-significant weak positive correlation with the factor “to maintain my personal freedom” $r_s(28) = .221, p = .349$. A non-significant weak negative correlation with the factor “to be closer to my family” $r_s(28) = -.102, p = .668$.

The factor “to increase my income” has a non-significant weak positive correlation with the factor “to gain public recognition” $r_s(28) = .207, p = .381$. A non-significant weak positive correlation with the factor “to provide jobs for family members” $r_s(28) = .219, p = .354$. A non-significant moderate strength negative correlation with the factor “for my own satisfaction and growth” $r_s(28) = -.406, p = .076$. A non-significant weak positive correlation with the factor “so I will have job security” $r_s(28) = .292, p = .212$. A non-significant weak negative correlation with the factor “to build a business to pass on” $r_s(28) = -.102, p = .668$. A non-significant weak negative correlation with the factor “to maintain my personal freedom” $r_s(28) = -.230, p = .330$. No correlation with the factor “to be closer to my family” $r_s(28) = -.083, p = .727$.

The factor “to gain public recognition” has a non-significant moderate strength correlation with the factor “to provide jobs for family members” $r_s(28) = .386, p = .093$. A non-significant weak positive correlation with the factor “for my own

satisfaction and growth" $r_s(28) = .296, p = .205$. A non-significant moderate strength positive correlation with the factor "to build a business to pass on" $r_s(28) = .357, p = .122$. A non-significant weak positive correlation with the factor "to maintain my personal freedom" $r_s(28) = .343, p = .139$. A significant moderate strength positive relationship correlation with the factor "to be closer to my family" $r_s(28) = .448, p = .048$.

The factor "to provide jobs for family members" has a non-significant weak positive correlation with the factor "for my own satisfaction and growth" $r_s(28) = .186, p = .432$. A non-significant weak positive correlation with the factor "so I will have job security" $r_s(28) = .237, p = .315$. No correlation with the factor "to build a business to pass on" $r_s(28) = -.007, p = .977$. No correlation with the factor "maintain my personal freedom" $r_s(28) = -.091, p = .702$. A non-significant moderate strength positive correlation with the factor "to be closer to my family" $r_s(28) = .357, p = .123$.

The factor "for my own satisfaction and growth" has a non-significant weak positive correlation with the factor "so I will have job security" $r_s(28) = .207, p = .380$. A non-significant moderate strength positive correlation with the factor "to build a business to pass on" $r_s(28) = .360, p = .119$. A significant moderate strength positive correlation with the factor "to maintain my personal freedom" $r_s(28) = .465, p = .039$. A non-significant moderate strength positive correlation with the factor "to be closer to my family" $r_s(28) = .344, p = .137$.

The factor "so I will have job security" has a significant moderate strength positive correlation with the factor "to build a business to pass on" $r_s(28) = .435, p = .055$. A significant strong positive correlation with the factor "to maintain my personal freedom" $r_s(28) = .512, p = .021$. A non-significant moderate strength positive correlation with the factor "to be closer to my family members" $r_s(28) = .340, p = .143$. The factor "to build a business to pass on" has a non-significant moderate strength positive correlation with the factor "to maintain my personal freedom" $r_s(28) = .426, p = .061$. No correlation with the factor "to be closer to my family" $r_s(28) = .007, p = .978$. The factor "to maintain my personal freedom" has no correlation with the factor "to be closer to my family" $r_s(28) = .011, p = .964$.

The Goodman-Kruskal Gamma test measures correlation between variables in an ordinal scale and the values range from -1 to 1. A value of -1 indicates a perfect negative relationship between the two variables. A value of 1 indicates a perfect positive relationship between the two variables. A value of 0 indicates that there is no correlation between the two variables. The Goodman Kruskal Gamma test is used to support the Spearman's correlation test and is useful when the data in consideration is non-parametric. Values between 0.00 and 0.10 indicates the correlation is negligible. Values between 0.10 and 0.20 indicate a weak correlation between the two variables. Values between 0.20 and 0.40 indicate a moderate correlation between the two variables. Values between 0.40 and 0.60 indicate a relatively strong correlation. Values between 0.60 and 0.80 indicate a strong correlation. Finally, values between 0.80 and 1 indicate a very strong correlation. A significance value less than 0.05 indicates that the correlation is significant and the null hypotheses (i.e. there is a correlation) is accepted. Otherwise, it is rejected.

The Goodman-Kruskal Gamma test was used with correlations that presented significant strong or moderate strength relationships. Table 4.5 shows the Gamma test for the two variables so I will have job security and to be my own boss. There is a non-significant relatively strong positive relationship between respondents' ratings of the two variables so I will have job security and to be my own boss with $\gamma = .574$, $p = .066$.

Symmetric Measures				
	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,574	,249	1,841	,066
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.5. The Goodman Kruskal Gamma Between “So I Will Have Job Security” and “To Be My Own Boss”

Table 4.6 shows the Gamma test for the two factor “so I will have job security” and “to gain public recognition”. A significant strong positive correlation is observed between the two factors with $\gamma = .604$, $p = .005$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,604	,209	2,811	,005
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.6. The Goodman-Kruskal Gamma Between “So I Will Have Job Security” and “To Gain Public Recognition”

Table 4.7 shows the Gamma test for the two factors “so I will have job security” and “to build a business to pass on”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .458$, $p = .013$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,458	,183	2,482	,013
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.7. The Goodman-Kruskal Gamma Between “So I Will Have Job Security” and “To Build a Business to Pass On”

Table 4.8 shows the Gamma test for the two factors “so I will have job security” and “to build a business to pass on”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .652$, $p = .005$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,652	,182	2,835	,005
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.8. The Goodman-Kruskal Gamma Between “So I Will Have Job Security” and “to Maintain My Personal Freedom”

Table 4.9 shows the Gamma test for the two factors “for my own satisfaction and growth” and “to be able to use my past experience”. A significant strong negative correlation is observed between the two factors with $\gamma = -.630$, $p = .014$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	-,630	,210	-2,466	,014
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.9. The Goodman-Kruskal Gamma Between “for My Own Satisfaction and Growth” and “To Be Able to Use My Past Experience”

Table 4.10 shows the Gamma test for the two factors “for my own satisfaction and growth” and “to maintain my personal freedom”. A significant strong positive correlation is observed between the two factors with $\gamma = .671$, $p = .020$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,671	,204	2,331	,020
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.10. The Goodman-Kruskal Gamma Between “for My Own Satisfaction and Growth” and “To Maintain My Personal Freedom”

Table 4.11 shows the Gamma test for the two factors “to gain public recognition” and “to be closer to my family”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .509$, $p = .025$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,509	,204	2,237	,025
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.11. The Goodman-Kruskal Gamma Between “to Gain Public Recognition” and “To Be Closer to My Family”

4.2. Problems Faced by Entrepreneurs

From Table 4.12, the reliability analysis of the 18 questions regarding the problems faced by entrepreneurs deemed satisfactory since the value of the Cronbach’s Alpha coefficient is 0.726 which is greater than the acceptable level of 0.6. Since the result shows that the instrument in use is reliable, further analysis can be performed.

Reliability Statistics	
Cronbach's Alpha	N of Items
.726	18

Table 4.12. Reliability Statistics for Problems Faced by Entrepreneurs

The descriptive statistics for the 18 items of the problems faced by entrepreneurs' section of the questionnaire is show below in Table 4.13. All the 20 respondents who participated in the survey have answered all the questions with valid N = 20. This indicates that the data of all the variables can be accounted for since no answer is unavailable.

Mean values for the analyzed data regarding the problems faced by the participant entrepreneurs' range between 1 and 5. A relatively higher mean denotes that the problem is more important for the entrepreneurs, while a lower mean indicates that the problem is less important. In other words, in general, the higher the mean value for a problem the more it had an effect on the operations of the startups.

Descriptive Statistics						
	N	Range	Minimum	Maximum	Mean	Std. Deviation
Unreliable and undependable employees	20	3,00	2,00	5,00	3,9000	1,02084
Too much competition	20	4,00	1,00	5,00	3,2000	1,43637
Obtaining short-term financial capital	20	2,00	3,00	5,00	3,9500	,51042
Obtaining long-term financial capital	20	4,00	1,00	5,00	3,5500	1,39454
Too much government regulation/bureaucracy	20	3,00	1,00	4,00	2,3500	1,08942
Limited parking	20	3,00	1,00	4,00	2,2000	1,00525
Unsafe location	20	4,00	1,00	5,00	3,5000	1,43270
Weak economy	20	4,00	1,00	5,00	3,8500	1,08942
Lack of management training	20	4,00	1,00	5,00	3,5000	1,23544
Lack of marketing training	20	3,00	2,00	5,00	3,6000	1,09545
Inability to maintain accurate and informative accounting records	20	4,00	1,00	5,00	3,2000	1,39925
Business registration process	20	4,00	1,00	5,00	2,6000	1,39170
Foreign exchange limitations	20	4,00	1,00	5,00	2,2000	1,10501
Poor roads/transportation	20	4,00	1,00	5,00	2,8000	1,47256
Electricity problems	20	4,00	1,00	5,00	3,5000	1,63836
Language problem	20	3,00	1,00	4,00	2,0500	1,09904
Discrimination from customers	20	4,00	1,00	5,00	1,5500	,94451
Complex and confusing tax structure	20	3,00	1,00	4,00	1,9500	1,05006
Valid N (listwise)	20					

Table 4.13. Descriptive Statistics for Problems Faced by Entrepreneurs

The detailed characteristics of the descriptive statistics related to problems faced by entrepreneurs are listed below:

1- Unreliable and Undependable Employees:

- Range: 3.00
- Minimum: 2.00
- Maximum: 5.00

- Mean: 3.9000
- Standard Deviation: 1.02084

2- Too Much Competition:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.2000
- Standard Deviation: 1.43637

3- Obtaining Short-Term Financial Capital:

- Range: 2.00
- Minimum: 3.00
- Maximum: 5.00
- Mean: 3.9500
- Standard Deviation: 0.51042

4- Obtaining Long-Term Financial Capital:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.5500
- Standard Deviation: 1.39454

5- Too Much Government Regulation/Bureaucracy:

- Range: 3.00
- Minimum: 1.00
- Maximum: 4.00
- Mean: 2.3500
- Standard Deviation: 1.08942

6- Limited Parking:

- Range: 3.00

- Minimum: 1.00
- Maximum: 4.00
- Mean: 2.2000
- Standard Deviation: 1.00525

7- Unsafe Location:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.5000
- Standard Deviation: 1.43270

8- Weak Economy:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.8500
- Standard Deviation: 1.08942

9- Lack of Management Training:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.5000
- Standard Deviation: 1.23544

10- Lack of Marketing Training:

- Range: 3.00
- Minimum: 2.00
- Maximum: 5.00
- Mean: 3.6000
- Standard Deviation: 1.09545

11- Inability to Maintain Accurate Informative Accounting Records:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.2000
- Standard Deviation: 1.39925

12- Business Registration Process:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 2.6000
- Standard Deviation: 1.39170

13- Foreign Exchange Limitation:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 2.2000
- Standard Deviation: 1.10501

14- Poor Roads/Transportation:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 2.8000
- Standard Deviation: 0.94451

15- Electricity Problems:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.5000

- Standard Deviation: 1.63836

16- Language Problem:

- Range: 3.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 2.0500
- Standard Deviation: 1.09904

17- Discrimination From Customers:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 1.5500
- Standard Deviation: 0.94451

18- Complex and Confusing Tax Structure:

- Range: 4.00
- Minimum: 3.00
- Maximum: 4.00
- Mean: 1.9500
- Standard Deviation: 1.05006

The variable with the highest mean is obtaining short-term financial capital which has a mean value of 3.95. This means that participants view the factor of obtaining short-term financial capital to be the most important problem they faced establishing and running their startups. The second most important factor is unreliable and undependable employees which obtained a mean value of 3.90. The third most important problem is weak economy which has a mean value of 3.85. The fourth most important problem is lack of marketing training with a mean value of 3.60. The fifth most significant problem is obtaining long-term financial capital receiving a mean value of 3.55. The sixth most important variable is unsafe location which received a mean value of 3.50, along with the seventh most important factor which is lack of

management training, and the eight most important problem which is electricity problems all receiving the same mean value signifying that all three problems have equal impact on the businesses of the respondents. The ninth most important problem is too much competition receiving a mean value of 3.20 together with the tenth most important problem inability to maintain accurate and informative accounting records. This means that the two problems of too much competition, and the inability to maintain accurate accounting records are viewed to have the same impact on the operations of the respondents' startups.

The eleventh most important factor is poor roads/ transportation which has a mean of 2.80. The twelfth most important factor is business registration problem which a mean value of 2.60. The thirteenth most important factor that entrepreneurs faced is too much government regulation/bureaucracy which has a mean value of 2.35. The fourteenth most important factor is limited parking which received a mean value of 2.20, along with the fifteenth most important factor which is foreign exchange limitations which has the same mean value. The sixteenth most important problem is language problem with a mean value of 2.05. The seventeenth most important problem is complex and confusing tax structure which has a mean value of 1.95. Finally, the least important factor is discrimination from customers which has a mean value of 1.55. This shows that entrepreneurs view this problem as having the least effect on their operations. In other words, in general, participants did not receive discrimination from their customers.

The maximum value for a variable shows the highest single value received by that variable as responded by all participants. Likewise, the minimum value for a variable shows the lowest single value received by that variable as responded by all participants. The factor unreliable and undependable employees received at least one rating of "5", the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor unreliable and undependable employees received a minimum rating of "2" which means that none of the respondents regards the factor as unimportant. The factor too much competition received at least one rating of "5", the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor too much competition received at least one rating of

“1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor obtaining short-term capital received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor obtaining short-term financial capital received a minimum rating of “3” which means that none of the respondents regards the factor as not very important or unimportant. The factor obtaining long-term financial capital received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor obtaining long-term financial capital received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor too much government regulation/bureaucracy received a maximum rating of “4”, which means at least one participant viewed this factor to be very important. Also, the factor too much government regulation/ bureaucracy did not receive any rating of “5” which means no participant viewed this variable to be extremely important. In addition, the factor too much government regulation/bureaucracy received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor limited parking received a maximum rating of “4”, which means at least one participant viewed this factor to be very important. Also, the factor limited parking did not receive any rating of “5” which means no participant viewed this variable to be extremely important. In addition, the factor limited parking received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor unsafe location received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor unsafe location received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor weak economy received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor weak economy received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor lack of management training

received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor lack of management training received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor lack of marketing training received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor lack of marketing training received a minimum rating of “2” which means at least one respondent considered the factor to be not very important. The factor lack of marketing training did not receive any rating of “1” which means that none of the respondents regards the factor as unimportant. The factor inability to maintain accurate and informative accounting records received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor inability to maintain accurate and informative accounting received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor business registration process received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor business registration process received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor inability to maintain accurate and informative accounting records received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor inability to maintain accurate and informative accounting records received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor foreign exchange limitations received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor foreign exchange limitations received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor poor roads/transportation received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor poor roads/transportation received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor electricity problems received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor electricity problems received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor language problem received a maximum rating of “4”, which means at least one participant viewed this factor to be very important. Also, the factor language problem did not receive any rating of “5” which means no participant viewed this variable to be extremely important. In addition, the factor language problem received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor discrimination from customers received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor discrimination from customers received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor complex and confusing tax structure received a maximum rating of “4”, which means at least one participant viewed this factor to be very important. Also, the factor complex and confusing tax structure did not receive any rating of “5” which means no participant viewed this variable to be extremely important. In addition, the factor complex and confusing tax structure received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The highest range in the sample is 4 which is obtained by the variables of too much competition, obtaining long-term financial capital, unsafe location, weak economy, lack of management training, inability to maintain accurate and informative accounting records, business registration process, foreign exchange limitations, poor roads/transportations, electricity problems, discrimination from customers. The lowest range in the sample is 2 which is received by the variable obtaining short-term financial capital. The factor unreliable and undependable employees has a range of 3, which means there is a difference of three between the maximum and minimum values, which is a relatively intermediate range level.

The factor too much competition has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor obtaining short-term financial capital has a range of 2, which means there is only a difference of two between the maximum value and minimum value of the factor. This means that there is a small difference in magnitude between the answers of the participants. The factor obtaining long-term financial capital has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable.

The factor too much government regulation/bureaucracy has a range of 3, which means there is a difference of three between the maximum and minimum values, which is a relatively intermediate range level. The factor limited parking has a range of 3, which means there is a difference of three between the maximum and minimum values, which is a relatively intermediate range level. The factor unsafe location has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor weak economy has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable.

The factor lack of management training has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor lack of marketing training has a range of 3, which means there is a difference of three between the maximum and minimum values, which is a relatively intermediate range level. The factor inability to maintain accurate accounting records has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable.

The factor business registration process has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor foreign exchange limitations has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable.

The factor poor roads/transportation has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor electricity problems has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor language problem has a range of 3, which means there is a difference of three between the maximum and minimum values, which is a relatively intermediate range level. The factor discrimination from customers has a range of 4, which means there is a difference of four between the maximum value and minimum value of the factor. This means there is a large difference between the answers of the respondents regarding this variable. The factor complex and confusing tax structure has a range of 3, which means there is a difference of three between the maximum and minimum values, which is a relatively intermediate range level.

As shown in Table 4.13, the variable electricity problems received the highest standard deviation in the sample of problems faced by entrepreneurs, with a value of 1.63. This means that the answers of the respondents vary greatly across the sample. Respondents tend to disagree on the variable of electricity problems more than any other variable in the sample of problems faced by entrepreneurs. The second highest standard deviation was obtained by the factor poor roads/transportation with a standard deviation of 1.47. The third highest standard deviation was received by the factor too much competition with a value of 1.43. The fourth highest standard deviation was received by the factor unsafe location with a value of 1.43. The fifth highest standard deviation was received by the factor inability to maintain accurate accounting and informative records with a value of 1.39.

The sixth highest standard deviation was received by the factor obtaining long-term financial capital with a value of 1.39. The seventh highest standard deviation was received by the factor business registration process with a value of 1.39. The eighth highest standard deviation was received by the factor lack of management training with a value of 1.23. The ninth highest standard deviation was received by the factor foreign exchange limitations with a value of 1.10. The tenth highest standard deviation was received by the factor language problem with a value of 1.09. The eleventh highest standard deviation was received by the factor lack of marketing training with a value of 1.09. The twelfth highest standard deviation was received by the factor too much government regulation/bureaucracy with a value of 1.08. The thirteenth highest standard deviation was received by the factor weak economy with a value of 1.08. The fourteenth highest standard deviation was received by the factor complex and confusing tax structure with a value of 1.05.

The fifteenth highest standard deviation was received by the factor unreliable and undependable employees with a value of 1.02. The sixteenth highest standard deviation was received by the factor limited parking with a value of 1.00. The seventeenth highest standard deviation was received by the factor discrimination from customers with a value of 0.94. The eighteenth highest standard deviation was received by the factor obtaining short-term financial capital with a value of 1.5, which is the lowest standard deviation for sample of the problems faced by entrepreneurs.

Table 4.14 shows the spearman's correlation test results of the data on the problems faced by entrepreneurs. The factor "unreliable and undependable employees" has a significant moderate strength positive correlation with the factor "too much competition" $r_s(28) = .491, p = .028$. A non-significant weak positive correlation with the factor "obtaining short-term financial capital" $r_s(28) = .232, p = .325$. A non-significant moderate strength positive correlation with the factor "obtaining long-term financial capital" $r_s(28) = .331, p = .154$. A non-significant weak negative correlation with the factor "too much government regulation/bureaucracy" $r_s(28) = -.181, p = .444$.

			Unreliable and undependable employees	Too much competition	Obtaining short-term financial capital	Obtaining long-term financial capital	Too much government regulation/bureaucracy	Limited parking	Unsafe location	Weak economy	Lack of management training	Lack of marketing training	Inability to maintain accurate and informative accounting records	Business registration process	Foreign exchange limitations	Poor roads/transportation	Electricity problems	Language problem	Discrimination from customers	Complex and confusing tax structure
Spearman's rho	Unreliable and undependable employees	Correlation Coefficient Sig. (2-tailed)	1.000	.491	.232	.331	-.181	-.193	.025	-.050	.193	.067	-.142	-.018	-.005	-.432	-.178	-.344	-.013	-.048
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Too much competition	Correlation Coefficient Sig. (2-tailed)	.491	1.000	.173	.601**	-.029	-.199	-.073	-.495	-.231	-.172	-.224	.002	.023	-.410	-.015	-.519*	-.117	-.081
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Obtaining short-term financial capital	Correlation Coefficient Sig. (2-tailed)	.232	.173	1.000	.103	.586*	.203	.308	.102	-.347	-.119	.282	.340	.519*	-.007	.349	.182	.356	.651**
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Obtaining long-term financial capital	Correlation Coefficient Sig. (2-tailed)	.331	.601**	.103	1.000	.121	.030	-.313	-.181	-.012	-.089	-.137	.214	.243	-.325	.170	-.098	.139	.335
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Too much government regulation/bureaucracy	Correlation Coefficient Sig. (2-tailed)	-.181	-.029	.586*	.121	1.000	.405	.382	.345	-.280	-.279	.028	.090	.352	.308	.482*	.010	.557*	.732*
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Limited parking	Correlation Coefficient Sig. (2-tailed)	-.193	.199	.203	.030	.405	1.000	.279	-.221	.158	.241	.166	.006	.344	.422	.360	-.053	.584*	.128
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Unsafe location	Correlation Coefficient Sig. (2-tailed)	.025	-.073	.308	-.313	.382	.279	1.000	.407	.085	.263	.179	-.208	.056	.527*	.308	-.063	.243	.106
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Weak economy	Correlation Coefficient Sig. (2-tailed)	-.050	-.495	.102	-.181	.345	-.221	.407	1.000	.060	-.139	-.112	-.268	.088	.109	.516*	-.080	.134	.304
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Lack of management training	Correlation Coefficient Sig. (2-tailed)	.193	-.231	-.347	-.012	-.280	.158	.085	.060	1.000	.844**	.431	.025	.245	.228	-.133	.215	.207	-.299
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Lack of marketing training	Correlation Coefficient Sig. (2-tailed)	.067	-.172	-.119	-.089	-.279	.241	.263	-.139	.844**	1.000	.687**	.258	.425	.404	-.133	.443	.174	-.258
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Inability to maintain accurate and informative accounting records	Correlation Coefficient Sig. (2-tailed)	-.142	-.224	.282	-.137	.028	.166	.179	-.112	.431	.687**	1.000	.631**	.587**	.382	-.016	.583*	.313	.099
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Business registration process	Correlation Coefficient Sig. (2-tailed)	-.018	.002	.340	.214	.090	.006	-.268	-.139	.025	.258	.631**	1.000	.494*	-.023	-.200	.442	.015	.296
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Foreign exchange limitations	Correlation Coefficient Sig. (2-tailed)	-.005	.023	.519*	.243	.352	.344	.056	.088	.245	.425	.587**	.494*	1.000	.202	.324	.523*	.506*	.395
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Poor roads/transportation	Correlation Coefficient Sig. (2-tailed)	-.432	-.410	-.007	-.325	.308	.422	.527*	.109	.228	.404	.382	-.023	.202	1.000	.121	.392	.470*	.395
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Electricity problems	Correlation Coefficient Sig. (2-tailed)	-.178	-.015	.349	.170	.482*	.380	.308	.516*	-.133	-.133	-.016	-.200	.324	.121	1.000	-.042	.538*	.225
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Language problem	Correlation Coefficient Sig. (2-tailed)	-.344	-.519*	.182	-.068	.010	-.053	-.063	-.080	.215	.443	.583*	.442	.523*	.392	-.042	1.000	.289	.246
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Discrimination from customers	Correlation Coefficient Sig. (2-tailed)	-.013	-.117	.356	.139	.557*	.584*	.243	.134	.207	.174	.313	.015	.506*	.470*	.538*	.289	1.000	.463
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Complex and confusing tax structure	Correlation Coefficient Sig. (2-tailed)	-.048	-.081	.651**	.335	.732*	.128	.106	.204	-.299	-.258	.099	.296	.395	.205	.225	.246	.463*	1.000
	N		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).

Table 4.14. Correlations for the Problems Faced by Entrepreneurs

Also, the factor “unreliable and undependable employees” has a non-significant weak negative correlation with the factor “limited parking” $r_s(28) = -.193$, $p = .414$. No correlation with the factor unsafe location $r_s(28) = .025$, $p = .916$. No correlation with the factor “weak economy” $r_s(28) = -.050$, $p = .835$. A non-significant weak positive correlation with the factor “lack of management training” $r_s(28) = .193$, $p = .415$. No correlation with the factor “lack of marketing training” $r_s(28) = .067$, $p = .779$. A non-significant weak negative correlation with the factor “inability to maintain accurate and informative accounting records” $r_s(28) = -.142$, $p = .550$. No correlation with the factor “business registration process” $r_s(28) = -.018$, $p = .941$. No correlation with the factor “foreign exchange limitations” $r_s(28) = -.005$, $p = .983$. A significant moderate strength negative “poor roads/transportation” $r_s(28) = -.432$, $p = .057$. A non-significant weak negative correlation with the factor “electricity problems” $r_s(28) = -.178$, $p = .015$.

.178, $p = .453$. A non-significant moderate strength negative correlation with the factor “language problem” $r_s(28) = -.344$, $p = .137$. No correlation with the factor “discrimination from customers” $r_s(28) = -.013$, $p = .956$. No correlation with the factor “complex and confusing tax structure” $r_s(28) = -.048$, $p = .842$.

The factor “too much competition” has a non-significant weak positive correlation with the factor “obtaining short-term financial capital” $r_s(28) = .173$, $p = .466$. A significant strong positive correlation with the factor “obtaining long-term financial capital” $r_s(28) = .601$, $p = .005$. No correlation with the factor “too much government regulation/bureaucracy” $r_s(28) = -.029$, $p = .903$. A non-significant weak positive correlation with the factor “limited parking” $r_s(28) = .199$, $p = .401$. No correlation with the factor “unsafe location” $r_s(28) = -.073$, $p = .759$. A significant moderate strength negative correlation with the factor “weak economy” $r_s(28) = -.455$, $p = .044$. A non-significant weak negative correlation with the factor “lack of management training” $r_s(28) = -.231$, $p = .328$. A non-significant weak negative “lack of marketing training” $r_s(28) = -.172$, $p = .468$. A non-significant weak negative correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = -.224$, $p = .343$. No correlation with the factor “business registration process” $r_s(28) = .002$, $p = .995$. No correlation with the factor “foreign exchange limitation” $r_s(28) = .023$, $p = .923$. A non-significant moderate strength negative correlation with the factor “poor roads/transportation” $r_s(28) = -.410$, $p = .072$. No correlation with the factor “electricity problems” $r_s(28) = -.015$, $p = .950$. A significant strong negative correlation with the factor “language problem” $r_s(28) = -.519$, $p = .019$. A non-significant weak negative correlation with the factor “discrimination from customers” $r_s(28) = -.117$, $p = .623$. No correlation with the factor “complex and confusing tax structure” $r_s(28) = -.081$, $p = .733$.

The factor “obtaining short-term financial capital” has a non-significant weak positive correlation with the factor “obtaining long-term financial capital” $r_s(28) = .103$, $p = .665$. A significant strong positive correlation with the factor “too much government regulation/bureaucracy” $r_s(28) = .586$, $p = .007$. A non-significant weak positive correlation with the factor “limited parking” $r_s(28) = .203$, $p = .392$. A non-significant weak positive correlation with the factor “unsafe location” $r_s(28) = .308$, $p = .187$. A non-significant weak positive correlation with the factor “weak economy” $r_s(28) =$

.102, $p = .668$. A non-significant moderate strength negative correlation with the factor “lack of management training” $r_s(28) = -.347$, $p = .134$. A non-significant weak negative correlation with the factor “lack of marketing training” $r_s(28) = -.119$, $p = .616$. A non-significant weak positive correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = .282$, $p = .228$. A non-significant moderate strength positive correlation with the factor “business registration process” $r_s(28) = .340$, $p = .142$. A significant strong positive correlation with the factor “foreign exchange limitation” $r_s(28) = .519$, $p = .019$. No correlation with the factor “poor roads/transportation” $r_s(28) = -.007$, $p = .976$. A non-significant moderate strength positive correlation with the factor “electricity problems” $r_s(28) = .349$, $p = .132$. A non-significant weak positive correlation with the factor “language problem” $r_s(28) = .182$, $p = .441$. A non-significant strong positive correlation with the factor “discrimination from customers” $r_s(28) = .356$, $p = .123$. A significant strong positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .651$, $p = .002$.

The factor “obtaining long-term financial capital” has a non-significant weak positive correlation with the factor “too much government regulation/bureaucracy” $r_s(28) = .121$, $p = .612$. No correlation with the factor “limited parking” $r_s(28) = .030$, $p = .902$. A non-significant moderate strength positive correlation with the factor “unsafe location” $r_s(28) = -.313$, $p = .179$. A non-significant weak negative correlation with the factor “weak economy” $r_s(28) = -.181$, $p = .446$. No correlation with the factor “lack of management training” $r_s(28) = -.012$, $p = .961$. No correlation with the factor “lack of marketing training” $r_s(28) = -.089$, $p = .710$. A non-significant weak positive correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = -.137$, $p = .565$. A non-significant moderate strength positive correlation with the factor “business registration process” $r_s(28) = .214$, $p = .364$. A non-significant moderate strength positive correlation with the factor “foreign exchange limitation” $r_s(28) = .243$, $p = .302$. A non-significant moderate strength negative correlation with the factor “poor roads/transportation” $r_s(28) = -.325$, $p = .162$. A non-significant weak positive correlation with the factor “electricity problems” $r_s(28) = .170$, $p = .474$. No correlation with the factor “language problem” $r_s(28) = -.098$, $p = .680$. A non-significant weak positive correlation with the factor “discrimination from customers” $r_s(28) = .139$, $p = .558$. A non-significant moderate

strength positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .335, p = .149$.

The factor “too much government regulation/bureaucracy” has a non-significant moderate strength positive correlation with the factor “limited parking” $r_s(28) = .405, p = .076$. A non-significant moderate strength positive correlation with the factor “unsafe location” $r_s(28) = .392, p = .087$. A non-significant moderate strength positive correlation with the factor “weak economy” $r_s(28) = .345, p = .136$. A non-significant weak negative correlation with the factor “lack of management training” $r_s(28) = -.280, p = .232$. A non-significant weak negative correlation with the factor “lack of marketing training” $r_s(28) = -.279, p = .234$. No correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = .028, p = .906$. No correlation with the factor “business registration process” $r_s(28) = .090, p = .707$. A non-significant moderate strength positive correlation with the factor “foreign exchange limitation” $r_s(28) = .352, p = .128$. A non-significant moderate strength positive correlation with the factor “poor roads/transportation” $r_s(28) = .306, p = .189$. A significant moderate strength positive correlation with the factor “electricity problems” $r_s(28) = .482, p = .031$. No correlation with the factor “language problem” $r_s(28) = .010, p = .967$. A significant strong positive correlation with the factor “discrimination from customers” $r_s(28) = .557, p = .011$. A significant very strong positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .732, p < .000$.

The factor “limited parking” has a non-significant weak positive correlation with the factor “unsafe location” $r_s(28) = .279, p = .234$. A non-significant weak negative correlation with the factor “weak economy” $r_s(28) = -.221, p = .348$. A non-significant weak positive correlation with the factor “lack of management training” $r_s(28) = .158, p = .505$. A non-significant weak positive correlation with the factor “lack of marketing training” $r_s(28) = .241, p = .305$. A non-significant weak positive correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = .166, p = .485$. No correlation with the factor “business registration process” $r_s(28) = .006, p = .979$. A non-significant moderate strength positive correlation with the factor “foreign exchange limitation” $r_s(28) = .344, p = .138$. A non-significant moderate strength positive correlation with the factor “poor roads/transportation” $r_s(28) = .422,$

$p = .064$. A non-significant moderate strength positive correlation with the factor “electricity problems” $r_s(28) = .360$, $p = .119$. No correlation with the factor “language problem” $r_s(28) = -.053$, $p = .825$. A significant moderate strength positive correlation with the factor “discrimination from customers” $r_s(28) = .584$, $p = .007$. A non-significant weak positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .126$, $p = .597$.

The factor “unsafe location” has a non-significant moderate strength positive “weak economy” $r_s(28) = .407$, $p = .075$. No correlation with the factor lack of management training $r_s(28) = .085$, $p = .721$. A non-significant weak positive correlation with the factor “lack of marketing training” $r_s(28) = .263$, $p = .263$. A non-significant weak positive correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = .179$, $p = .451$. A non-significant weak negative correlation with the factor “business registration process” $r_s(28) = -.208$, $p = .380$. No correlation with the factor “foreign exchange limitation” $r_s(28) = .056$, $p = .815$. A significant strong positive correlation with the factor “poor roads/transportation” $r_s(28) = .523$, $p = .018$. A non-significant moderate strength positive correlation with the factor “electricity problems” $r_s(28) = .308$, $p = .187$. No correlation with the factor “language problem” $r_s(28) = -.063$, $p = .791$. A non-significant weak positive correlation with the factor “discrimination from customers” $r_s(28) = .243$, $p = .301$. A non-significant weak positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .106$, $p = .658$.

The factor “weak economy” has no correlation with the factor “lack of management training” $r_s(28) = .060$, $p = .800$. A non-significant weak negative “lack of marketing training” $r_s(28) = -.139$, $p = .558$. A non-significant weak negative correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = -.112$, $p = .637$. A non-significant weak negative correlation with the factor “business registration process” $r_s(28) = -.268$, $p = .254$. No correlation with the factor “foreign exchange limitation” $r_s(28) = .088$, $p = .711$. A non-significant weak positive correlation with the factor “poor roads/transportation” $r_s(28) = .109$, $p = .647$. A significant strong positive correlation with the factor “electricity problems” $r_s(28) = .516$, $p = .020$. No correlation with the factor “language problem” $r_s(28) = -.080$, $p = .738$. A non-significant weak positive correlation with the factor “discrimination from

customers” $r_s(28) = .134$, $p = .573$. A non-significant weak positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .204$, $p = .389$.

The factor “lack of management training” has a significant very strong positive correlation with the factor “lack of marketing training” $r_s(28) = .844$, $p < .000$. A non-significant moderate strength positive correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = .431$, $p = .058$. No correlation with the factor “business registration process” $r_s(28) = .025$, $p = .915$. A non-significant weak positive correlation with the factor “foreign exchange limitation” $r_s(28) = .245$, $p = .297$. A non-significant weak positive correlation with the factor “poor roads/transportation” $r_s(28) = .228$, $p = .333$. A non-significant weak negative correlation with the factor “electricity problems” $r_s(28) = -.133$, $p = .576$. A non-significant weak positive correlation with the factor “language problem” $r_s(28) = .215$, $p = .363$. A non-significant weak positive correlation with the factor “discrimination from customers” $r_s(28) = .207$, $p = .380$. A non-significant weak negative correlation with the factor “complex and confusing tax structure” $r_s(28) = -.299$, $p = .201$.

The factor “lack of marketing training” has a significant strong positive correlation with the factor “inability to maintain accurate informative accounting records” $r_s(28) = .697$, $p = .001$. A non-significant weak positive correlation with the factor “business registration process” $r_s(28) = .258$, $p = .272$. A non-significant moderate strength positive correlation with the factor “foreign exchange limitation” $r_s(28) = .425$, $p = .062$. A non-significant moderate strength positive correlation with the factor correlation with the factor “poor roads/transportation” $r_s(28) = .404$, $p = .077$. A non-significant weak negative correlation with the factor “electricity problem”’s $r_s(28) = -.133$, $p = .575$. A non-significant weak positive correlation with the factor “language problem” $r_s(28) = .443$, $p = .051$. A non-significant weak positive correlation with the factor “discrimination from customers” $r_s(28) = .174$, $p = .463$. A non-significant weak negative correlation with the factor “complex and confusing tax structure” $r_s(28) = -.258$, $p = .272$.

The factor “inability to maintain accurate informative accounting records” has a significant strong positive correlation with the factor “business registration process” $r_s(28) = .631$, $p = .003$. A significant strong positive correlation with the factor “foreign

exchange limitation" $r_s(28) = .587, p = .007$. A non-significant moderate strength positive correlation with the factor "poor roads/transportation" $r_s(28) = .382, p = .096$. No correlation with the factor "electricity problems" $r_s(28) = -.016, p = .946$. A significant strong positive correlation with the factor "language problem" $r_s(28) = .583, p = .007$. A non-significant moderate strength positive correlation with the factor "discrimination from customers" $r_s(28) = .313, p = .179$. No correlation with the factor "complex and confusing tax structure" $r_s(28) = .099, p = .677$.

The factor "business registration process" has a significant strong positive business registration process "foreign exchange limitation" $r_s(28) = .494, p = .027$. No correlation with the factor "poor roads/transportation" $r_s(28) = -.023, p = .922$. A non-significant weak negative correlation with the factor "electricity problems" $r_s(28) = -.200, p = .397$. A non-significant moderate strength positive correlation with the factor "language problem" $r_s(28) = .422, p = .051$. No correlation with the factor "discrimination from customers" $r_s(28) = .015, p = .951$. A non-significant weak positive correlation with the factor "complex and confusing tax structure" $r_s(28) = .296, p = .206$.

The factor "foreign exchange limitation" has a non-significant weak positive correlation with the factor "poor roads/transportation" $r_s(28) = .202, p = .393$. A non-significant moderate strength positive correlation with the factor "electricity problems" $r_s(28) = .324, p = .164$. A significant strong positive correlation with the factor "language problem" $r_s(28) = .523, p = .018$. A significant strong positive correlation with the factor "discrimination from customers" $r_s(28) = .506, p = .023$. A non-significant moderate strength positive correlation with the factor "complex and confusing tax structure" $r_s(28) = .395, p = .085$.

The factor "poor roads/transportation" has a non-significant weak positive correlation with the factor "electricity problems" $r_s(28) = .121, p = .611$. A non-significant moderate strength positive correlation with the factor "language problem" $r_s(28) = .392, p = .087$. A significant strong positive correlation with the factor "discrimination from customers" $r_s(28) = .470, p = .036$. A non-significant weak positive correlation with the factor "complex and confusing tax structure" $r_s(28) = .205, p = .385$.

The factor “electricity problems” has no correlation with factor “language problem” $r_s(28) = -.042$, $p = .862$. A significant strong positive correlation with the factor “discrimination from customers” $r_s(28) = .538$, $p = .014$. A non-significant weak positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .225$, $p = .340$. The factor “language problem” has a non-significant weak positive correlation with the factor “discrimination from customers” $r_s(28) = .289$, $p = .217$. A non-significant weak positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .246$, $p = .296$. The factor “discrimination from customers” has a significant moderate strength positive correlation with the factor “complex and confusing tax structure” $r_s(28) = .463$, $p = .040$.

Table 4.15 shows the Gamma test for the two factors “unreliable and undependable employees” and “too much competition”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .461$, $p = .019$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,461	,182	2,346	,019
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.15. The Goodman-Kruskal Gamma Between “Unreliable and Undependable Employees” and “Too Much Competition”

Table 4.16 shows the Gamma test for the two factors “too much competition” and “obtaining short term financial capital”. A non-significant moderate strength positive correlation is observed between the two factors with $\gamma = .270$, $p = .431$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,270	,334	,787	,431
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.16. The Goodman-Kruskal Gamma Between “Too Much Competition” and “Obtaining Short Term Financial Capital”

Table 4.17 shows the Gamma test for the two factors “too much competition” and “weak economy”. A significant relatively strong negative correlation is observed between the two factors with $\gamma = -.551$, $p = .045$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	-,551	,251	-2,001	,045
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.17. The Goodman-Kruskal Gamma Between “Too Much Competition” and “Weak Economy”

Table 4.18 shows the Gamma test for the two factors “too much competition” and “language problem”. A significant relatively strong negative correlation is observed between the two factors with $\gamma = -.560$, $p = .005$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	-,560	,202	-2,832	,005
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.18. The Goodman-Kruskal Gamma Between “Too Much Competition” and “Language Problem”

Table 4.19 shows the Gamma test for the two factors “obtaining short term financial capital” and “too much government regulation/bureaucracy”. A significant very strong positive correlation is observed between the two factors with $\gamma = .908$, $p = .005$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,908	,101	2,782	,005
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.19. The Goodman-Kruskal Gamma Between “Obtaining Short Term Financial Capital” and “Too Much Government Regulation/Bureaucracy”

Table 4.20 shows the Gamma test for the two factors “obtaining short term financial capital” and “foreign exchange limitations”. A significant very strong positive correlation is observed between the two factors with $\gamma = .836$, $p = .017$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,836	,168	2,394	,017
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.20. The Goodman-Kruskal Gamma Between “Obtaining Short Term Financial Capital” and “Foreign Exchange Limitations”

Table 4.21 shows the Gamma test for the two factors “obtaining short term financial capital” and “complex and confusing tax structure”. A significant very strong positive correlation is observed between the two factors with $\gamma = 1.000$, $p = .002$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	1,000	,000	3,035	,002
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.21. The Goodman-Kruskal Gamma Between “Obtaining Short Term Financial Capital” and “Complex and Confusing Tax Structure”

Table 4.22 shows the Gamma test for the two factors “obtaining short term financial capital” and “too much competition”. A non-significant moderate strength positive correlation is observed between the two factors with $\gamma = .270$, $p = .431$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,270	,334	,787	,431
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.22. The Goodman-Kruskal Gamma Between “Obtaining Short Term Financial Capital” and “Too Much Competition”

Table 4.23 shows the Gamma test for the two factors “too much government regulation/bureaucracy” and “electricity problem”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .505$, $p = .004$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,505	,164	2,887	,004
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.23. The Goodman-Kruskal Gamma Between “Too Much Government Regulation/Bureaucracy” and “Electricity Problems”

Table 4.24 shows the Gamma test for the two factors “too much government regulation/bureaucracy” and “discrimination from customers”. A significant strong positive correlation is observed between the two factors with $\gamma = .727$, $p = .003$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,727	,192	2,969	,003
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.24. The Goodman-Kruskal Gamma Between “Too Much Government Regulation/Bureaucracy” and “Discrimination from Customers”

Table 4.25 shows the Gamma test for the two factors “too much government regulation/bureaucracy” and “complex and confusing tax structure”. A significant very strong positive correlation is observed between the two factors with $\gamma = .836$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,836	,109	5,215	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.25. The Goodman-Kruskal Gamma Between “Too Much Government Regulation/Bureaucracy” and “Complex and Confusing Tax Structure”

Table 4.26 shows the Gamma test for the two factors “limited parking” and “discrimination from customers”. A significant very strong positive correlation is observed between the two factors with $\gamma = .786$, $p = .001$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,786	,157	3,272	,001
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.26. The Goodman-Kruskal Gamma Between “Limited Parking” and “Discrimination from Customers”

Table 4.27 shows the Gamma test for the two factors “unsafe location” and “poor roads/transportation”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .554$, $p = .010$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,554	,208	2,588	,010
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.27. The Goodman-Kruskal Gamma Between “Unsafe Location” and “Poor Roads/Transportation”

Table 4.28 shows the Gamma test for the two factors “weak economy” and “electricity problem”. A significant strong positive correlation is observed between the two factors with $\gamma = .612$, $p = .004$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,612	,193	2,905	,004
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.28. The Goodman-Kruskal Gamma Between “Weak Economy” and “Electricity Problems”

Table 4.29 shows the Gamma test for the two factors “lack of management training” and “lack of marketing training”. A significant very strong positive correlation is observed between the two factors with $\gamma = .896$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,896	,104	6,646	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.29. The Goodman-Kruskal Gamma Between “Lack of Management Training” and “Lack of Marketing Training”

Table 4.30 shows the Gamma test for the two factors “lack of marketing training” and “inability to maintain accurate and informative accounting records”. A significant strong positive correlation is observed between the two factors with $\gamma = .714$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,714	,130	5,063	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.30. The Goodman-Kruskal Gamma Between “Lack of Marketing Training” and “Inability to Maintain Accurate and Informative Accounting Records”

Table 4.31 shows the Gamma test for the two factors “inability to maintain accurate and informative accounting records” and “business registration process”. A significant strong positive r correlation is observed between the two factors with $\gamma = .646$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,646	,159	3,754	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.31. The Goodman-Kruskal Gamma Between “Inability to Maintain Accurate and Informative Accounting Records” and “Business Registration Process”

Table 4.32 shows the Gamma test for the two factors “inability to maintain accurate and informative accounting records” and “foreign exchange limitations”. A significant strong positive correlation is observed between the two factors with $\gamma = .655$, $p = .001$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,655	,184	3,227	,001
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.32. The Goodman-Kruskal Gamma Between “Inability to Maintain Accurate and Informative Accounting Records” and “Foreign Exchange Limitations”

Table 4.33 shows the Gamma test for the two factors “inability to maintain accurate and informative accounting records” and “language problem”. A significant strong positive correlation is observed between the two factors with $\gamma = .658$, $p = .001$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,658	,176	3,242	,001
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.33. The Goodman-Kruskal Gamma Between “Inability to Maintain Accurate and Informative Accounting Records” and “Language Problem”

Table 4.34 shows the Gamma test for the two factors “business registration process” and “foreign exchange limitations”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .563$, $p = .022$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,563	,227	2,284	,022
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.34. The Goodman-Kruskal Gamma Between “Business Registration Process” and “Foreign Exchange Limitations”

Table 4.35 shows the Gamma test for the two factors “foreign exchange limitations” and “language problem”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .587$, $p = .025$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,587	,240	2,243	,025
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.35. The Goodman-Kruskal Gamma Between “Foreign Exchange Limitations” and “Language Problem”

Table 4.36 shows the Gamma test for the two factors “foreign exchange limitations” and “discrimination for customers”. A significant strong positive correlation is observed between the two factors with $\gamma = .655$, $p = .015$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,655	,210	2,430	,015
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.36. The Goodman-Kruskal Gamma Between “Foreign Exchange Limitations” and “Discrimination for Customers”

Table 4.37 shows the Gamma test for the two factors “poor roads/transportation” and “discrimination for customers”. A significant strong positive correlation is observed between the two factors with $\gamma = .553$, $p = .006$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,553	,178	2,759	,006
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.37. The Goodman-Kruskal Gamma Between “Poor Roads/Transportation” and “Discrimination for Customers”

Table 4.38 shows the Gamma test for the two factors “electricity problems” and “discrimination for customers”. A significant strong positive correlation is observed between the two factors with $\gamma = .722$, $p = .001$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,722	,184	3,346	,001
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.38. The Goodman-Kruskal Gamma Between “Electricity Problems” and “Discrimination for Customers”

Table 4.39 shows the Gamma test for the two factors “discrimination for customers” and “complex and confusing tax structure”. A significant relatively strong positive correlation is observed between the two factors with $\gamma = .553$, $p = .041$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,553	,240	2,044	,041
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.39. The Goodman-Kruskal Gamma Between “Discrimination for Customers” and “Complex and Confusing Tax Structure”

4.3. Perceived Success Factors

Table 4.40 shows the reliability statistics for the part of the questionnaire related with entrepreneurial success factors. Reliability is the extent to which the instrument is working properly. A Cronbach’s Alpha coefficient of 0.711 indicates that the instrument is reliable. An internal consistency results greater than 0.60 is deemed satisfactory and further analysis can be conducted.

Reliability Statistics

Cronbach's Alpha	N of Items
,711	17

Table 4.40. Reliability Statistics for Perceived Success Factors

The descriptive statistics for the 17 questions on success factors is shown in Table 4.41. The value of N shows the number of participants who answered each question.

If the value is 20 for a particular question it means that all participants have provided an answer to that question. From Table 4.41, the N of all the questions is 20 which indicates that every participant has answered each question. Valid N shows the number of participants who fully provided their answers to the questions. In part the Valid N is 20 which means that all participants have fully provided answers to all of the questions.

The mean measures the average value that a given variable has received. Given a particular question the mean is computed by summing the values of all the scores that have been given by all respondents and dividing that by the number of answers or respondents.

Descriptive Statistics						
	N	Range	Minimum	Maximum	Mean	Std. Deviation
Good general management skills	20	4,00	1,00	5,00	4,4500	,94451
Charisma; friendliness to customers	20	2,00	3,00	5,00	4,4000	,68056
Satisfactory government support	20	4,00	1,00	5,00	2,2000	1,36111
Appropriate training	20	4,00	1,00	5,00	3,2000	1,54238
Access to capital	20	4,00	1,00	5,00	3,9000	1,11921
Previous business experience	20	4,00	1,00	5,00	3,6000	1,09545
Support of family and friends	20	2,00	3,00	5,00	4,2000	,69585
Marketing factors such as sales promotion	20	4,00	1,00	5,00	3,3000	1,12858
Good product at a competitive price	20	2,00	3,00	5,00	4,3500	,74516
Good customer service	20	2,00	3,00	5,00	4,6000	,59824
Hard-work	20	1,00	4,00	5,00	4,7500	,44426
Location	20	4,00	1,00	5,00	4,2000	1,05631
Maintenance of accurate records of sales/expenses	20	4,00	1,00	5,00	4,0000	1,02598
Ability to manage personnel	20	1,00	4,00	5,00	4,5500	,51042
Community involvement	20	3,00	2,00	5,00	3,9500	1,09904
Political involvement	20	4,00	1,00	5,00	1,8000	1,15166
Reputation for honesty	20	4,00	1,00	5,00	4,6000	,94032
Valid N (listwise)	20					

Table 4.41. Descriptive Statistics for Perceived Success Factors

The summarized results of the descriptive statistics for success factors is shown below:

1- Good General Management Skills:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 4.4500
- Standard Deviation: 0.94451

2- Charisma; Friendliness to Customers:

- Range: 2.00
- Minimum: 3.00
- Maximum: 5.00
- Mean: 4.4000
- Standard Deviation: 0.68056

3- Satisfactory Government Support:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 2.2000
- Standard Deviation: 1.36111

4- Appropriate Training:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.2000
- Standard Deviation: 1.54238

5- Access to Capital:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.9000
- Standard Deviation: 1.11921

6- Previous Business Friends:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.6000
- Standard Deviation: 1.09545

7- Support for Family and Friends:

- Range: 2.00
- Minimum: 3.00
- Maximum: 5.00
- Mean: 4.2000
- Standard Deviation: 0.69585

8- Marketing Factors such as Sales Promotion:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 3.3000
- Standard Deviation: 1.12858

9- Good Products at a Competitive Price:

- Range: 2.00
- Minimum: 3.00
- Maximum: 5.00
- Mean: 4.3500
- Standard Deviation: 0.74516

10- Good Customer Service:

- Range: 2.00
- Minimum: 3.00
- Maximum: 5.00

- Mean: 4.6000
- Standard Deviation: 0.59824

11- Hard-Work:

- Range: 1.00
- Minimum: 4.00
- Maximum: 5.00
- Mean: 4.7500
- Standard Deviation: 0.44426

12- Location:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 4.2000
- Standard Deviation: 1.05631

13- Maintenance of Accurate Records of Sales/Expenses:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 4.0000
- Standard Deviation: 1.02598

14- Ability to Manage Personnel:

- Range: 1.00
- Minimum: 4.00
- Maximum: 5.00
- Mean: 4.5500
- Standard Deviation: 0.51042

15- Community Involvement:

- Range: 3.00

- Minimum: 2.00
- Maximum: 5.00
- Mean: 3.9500
- Standard Deviation: 1.09904

16- Political Involvement:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 1.8000
- Standard Deviation: 1.15166

17- Reputation for Honesty:

- Range: 4.00
- Minimum: 1.00
- Maximum: 5.00
- Mean: 4.6000
- Standard Deviation: 0.94032

The mean value of a given variable indicates its relative importance compared to other variable in the sample's questions. Mean values in this sample range between 1 and 5 and show the average of the answers of all participants. A high mean score indicates that the variable is relatively more important, while a lower mean indicates that the variable is less important. Consequently, a high mean value for an item indicates that the variable is a significant contributor to the success the sample entrepreneurs. The variable hard-work received the highest mean within the sample with a value of 4.75. This shows that hard work is the most important success factors for the participants of this questionnaire. The second most important factor is good customer service which has received a mean value of 4.60. The third most important factor is reputation for honesty which also has received a mean value of 4.60.

The fourth most important factor is ability to manage personnel with a mean value 4.55. The fifth most important factor is good general management skills which

obtained a mean value of 4.45. The sixth most important factor is charisma and friendliness to customers which was given a mean value of 4.40. The seventh most important factor is good product at a competitive price which has received a mean value of 4.35. The eighth most important factor is support of family and friends which obtained a mean value of 4.20. The ninth most important factor is location which has received a mean value 4.20. The tenth most important factor is maintenance of accurate accounting records of sales/ expense which has received a mean value of 4.00. The eleventh most important factor is community involvement which has received a mean value of 3.95.

The twelfth most important factor is access to capital which has received a mean value of 3.90. The thirteenth most important factor is previous business experience which has obtained a mean value of 3.60. The fourteenth most important factor is marketing factors such as sales promotion which was given a mean value of 3.30. The fifteenth most important factor is appropriate training which has received a mean value of 3.20. The sixteenth most important factor is satisfactory government support with a mean value of 2.20. The least important factor is political involvement which has received a mean value of 1.80. Respondents view the factor of political involvement is the least important success factor. In other words, political involvement was seen by the sample entrepreneurs as the least contributor to their success.

The factor good general management skills received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor good general management skills received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor charisma; friendliness to customers received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor charisma; friendliness to customers received a minimum rating of “3” which means that none of the respondents regards the factor as not very important or unimportant. The factor satisfactory government support received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor satisfactory government support received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor appropriate training received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor appropriate training received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor access to capital received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor access to capital received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor previous business experience received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor previous business experience received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor support of family and friends received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor support of family and friends received a minimum rating of “3” which means that none of the respondents regards the factor as not very important or unimportant. The factor marketing factors such as sales promotion received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor marketing factors such as sales promotion received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor good product at a competitive price received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor good product at a competitive price received a minimum rating of “3” which means that none of the respondents regards the factor as not very important or unimportant.

The factor good customer service received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor good customer service received a minimum rating of “3” which means that none of the respondents regards the factor as not very important or unimportant. The factor marketing factors such as sales promotion received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one

participant. Also, the factor marketing factors such as sales promotion received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor hard work received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor hard work received a minimum rating of “4” which means that none of the participants regards the factor as mildly important, not very important, or unimportant.

The factor location received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor location received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor maintenance of accurate records of sales/ expenses received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor maintenance of accurate records of sales/ expenses received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor ability to manage personnel received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor ability to manage personnel received a minimum rating of “4” which means that none of the participants regards the factor as mildly important, not very important, or unimportant.

The factor community involvement received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor community involvement received a minimum rating of “2” which means at least one respondent considered the factor to be not very important. The factor community involvement did not receive any rating of “1” which means that none of the respondents regards the factor as unimportant. The factor political involvement received at least one rating of “5”, the maximum rating, which means the factor is extremely important for at least one participant. Also, the factor political involvement received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent. The factor reputation for honesty received at least one rating of “5”, the maximum rating, which means the factor is extremely

important for at least one participant. Also, the factor reputation for honesty received at least one rating of “1”, the minimum rating, which means the factor is unimportant for at least one respondent.

The factor appropriate training received the highest standard deviation in the sample regarding the perceived success factors with a value of 1.54238. This means that answers regarding the factor of appropriate training display the greatest variation across the sample respondents. Participants tend to disagree on this subject when giving their answers. The second highest standard deviation was received by the factor satisfactory government support with a value of 1.36111. The third highest standard deviation was received by the factor political involvement with a value of 1.15166. The fourth highest standard deviation was obtained by the factor marketing factors such as sales promotion with a value of 1.12858. The fifth highest standard deviation was received by the factor access to capital with a value of 1.11921. The sixth highest standard deviation was received by the factor community involvement with a value of 1.09904.

The seventh highest standard deviation was obtained by the factor previous business experience with a value of 1.09545. The eight highest standard deviation was obtained by the factor location with a value of 1.05631. The ninth highest standard deviation was given to the factor maintenance of accurate records of sales/ expenses with a value of 1.02598. The tenth highest standard deviation was received by the factor good general management skills with a value of 0.94451. The eleventh highest standard deviation was obtained by the factor reputation for honesty with a value of 0.94032. The twelfth highest standard deviation was obtained by the factor good product at a competitive price with a value of 0.74516. The thirteenth highest standard deviation was received by the factor support of family and friends with a value of 0.69585.

The fourteenth highest standard deviation was received by the factor charisma; friendliness to customers with a value 0.68056. The fifteenth highest standard deviation was obtained by the factor good customer service with a value of 0.59824. The sixteenth highest standard deviation was received by the factor ability to manage personnel with a value of 0.51042. The lowest highest standard deviation was obtained by the factor hard work which has received a value of 0.44426. This means that

participants' answers show the lowest disagreement when considering the factor of hard work. In other words, in general answers of participants show a relatively strong agreement and similarity with respect to the factor of hard work.

Table 4.42 shows the result of the KMO and Bartlett's test for factor analysis. Values of 0.281 for KMO and 0.000 for Bartlett's test are obtained. Since the KMO's value is less than 0.5, it can be concluded the result is unsatisfactory to conduct factor analysis.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,281
Bartlett's Test of Sphericity	Approx. Chi-Square	301,973
	df	136
	Sig.	,000

Table 4.42. KMO and Bartlett's Test on Perceived Success Factors

Table 4.43 shows the spearman's correlation test results of the data on the success factors.

			Good general management skills	Charisma; friendliness to customers	Satisfactory government support	Appropriate training	Access to capital	Previous business experience	Support of family and friends	Marketing factors such as sales promotion	Good product at a competitive price	Good customer service	Hard-work	Location	Maintenance of accurate records of sales/expenses	Ability to manage personnel	Community involvement	Political involvement	Reputation for honesty
Spearman's rho	Good general management skills	Correlation Coefficient	1.000	.015	.059	.006	.083	.522	.270	.376	.138	.158	-.244	-.294	-.194	-.071	-.068	-.110	-.088
		Sig. (2-tailed)	.952	.806	.979	.728	.018	.250	.102	.562	.505	.300	.208	.414	.767	.775	.645	.713	
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Charisma; friendliness to customers	Correlation Coefficient	.015	1.000	-.106	.614*	-.092	.083	.327	.024	.654**	.442	.356	.316	.771**	.890**	.439	.012	.385
		Sig. (2-tailed)	.952		.866	.004	.700	.792	.160	.888	.002	.051	.124	.175	.000	.000	.053	.960	.093
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Satisfactory government support	Correlation Coefficient	.059	-.106	1.000	-.265	.587*	-.067	-.010	.141	.038	-.430	-.095	-.396	-.269	-.102	-.158	.246	-.470*
		Sig. (2-tailed)	.806	.866		.258	.007	.778	.966	.553	.875	.059	.689	.084	.252	.670	.505	.297	.037
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Appropriate training	Correlation Coefficient	.006	.614*	-.265	1.000	.017	.302	-.077	.481*	.445*	.541*	.246	.198	.418	.473*	.135	.184	.273
		Sig. (2-tailed)	.979	.004	.258		.945	.196	.747	.041	.050	.014	.295	.404	.067	.035	.570	.438	.244
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Access to capital	Correlation Coefficient	.083	-.092	.587*	.017	1.000	.143	.164	.471*	-.015	-.356	-.095	-.367	-.093	-.155	-.516*	.021	-.262
		Sig. (2-tailed)	.728	.700	.007	.945		.548	.490	.036	.949	.123	.692	.112	.698	.513	.020	.930	.265
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Previous business experience	Correlation Coefficient	.522*	.083	-.067	.302	.143	1.000	.283	.437	-.056	.224	-.095	-.238	-.212	-.018	-.110	-.163	.198
		Sig. (2-tailed)	.018	.792	.778	.196	.548		.227	.054	.815	.342	.691	.313	.370	.939	.646	.492	.402
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Support of family and friends	Correlation Coefficient	.270	.327	-.010	-.077	.164	.283	1.000	.181	.300	.201	.319	-.179	.222	.392	-.134	-.348	.001
		Sig. (2-tailed)	.250	.160	.966	.747	.490	.227		.445	.198	.395	.171	.451	.348	.087	.572	.143	.998
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Marketing factors such as sales promotion	Correlation Coefficient	.376	.024	.141	.481*	.471*	.437	.181	1.000	.251	.151	-.166	-.437	.093	.081	-.452*	-.175	-.023
		Sig. (2-tailed)	.102	.888	.553	.041	.036	.054	.445		.285	.524	.486	.054	.696	.734	.046	.480	.925
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Good product at a competitive price	Correlation Coefficient	.138	.654**	.038	.445*	-.015	-.056	.300	.251	1.000	.452*	.384	.305	.638*	.564**	.325	.069	.160
		Sig. (2-tailed)	.562	.002	.875	.050	.949	.815	.198	.285		.045	.094	.191	.002	.010	.162	.773	.499
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Good customer service	Correlation Coefficient	.158	.442	-.430	.541*	-.356	.224	.201	.151	.452*	1.000	.718*	.497*	.317	.406	.146	.113	.384
		Sig. (2-tailed)	.505	.051	.059	.014	.123	.342	.395	.524	.045		.000	.026	.173	.076	.539	.635	.095
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Hard-work	Correlation Coefficient	-.244	.356	-.095	.246	-.095	-.095	.319	-.166	.384	.718*	1.000	.468*	.234	.406	.053	.321	.172
		Sig. (2-tailed)	.300	.124	.689	.295	.692	.691	.171	.486	.094	.000		.037	.321	.076	.826	.168	.468
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Location	Correlation Coefficient	-.294	.316	-.396	.198	-.367	-.238	-.179	-.437	.305	.497*	.468*	1.000	.337	.114	.396	.027	.410
		Sig. (2-tailed)	.208	.175	.084	.404	.112	.313	.451	.054	.191	.026	.037		.146	.633	.084	.910	.072
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Maintenance of accurate records of sales/expenses	Correlation Coefficient	-.194	.771**	-.269	.418	-.093	-.212	.222	.093	.638*	.317	.234	.337	1.000	.748**	.437	-.086	.562**
		Sig. (2-tailed)	.414	.000	.252	.067	.698	.370	.348	.696	.002	.173	.321	.146		.000	.054	.720	.010
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Ability to manage personnel	Correlation Coefficient	-.071	.890**	-.102	.473*	-.155	-.018	.392	.081	.564**	.406	.406	.114	.768**	1.000	.266	-.019	.415
		Sig. (2-tailed)	.767	.000	.870	.035	.913	.939	.087	.734	.010	.076	.076	.633	.000		.257	.936	.069
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Community involvement	Correlation Coefficient	-.068	.439	-.158	.135	-.516*	-.110	-.134	-.452*	.325	.146	.053	.396	.437	.266	1.000	.210	.293
		Sig. (2-tailed)	.775	.053	.505	.570	.020	.646	.572	.046	.162	.539	.626	.084	.054	.257		.375	.210
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Political involvement	Correlation Coefficient	-.110	.012	.246	.184	.021	-.163	-.340	-.175	.069	.113	.321	.027	-.086	-.019	.210	1.000	-.282
		Sig. (2-tailed)	.645	.960	.297	.438	.930	.492	.143	.460	.773	.635	.168	.910	.720	.936	.375		.228
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Reputation for honesty	Correlation Coefficient	-.088	.365	-.470*	.273	-.262	.198	.001	-.023	.160	.384	.172	.410	.562*	.415	.293	-.282	1.000
		Sig. (2-tailed)	.713	.093	.037	.244	.265	.402	.998	.925	.499	.095	.468	.072	.010	.069	.210	.228	
		N	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

Table 4.43. Correlations for the Success Factors

The factor “good general management skills” has no correlation with the factor “charisma; friendliness to customers” $r_s(28) = .015$, $p = .952$. No correlation with the factor “satisfactory government support” $r_s(28) = .059$, $p = .806$. No correlation with the factor appropriate training $r_s(28) = .006$, $p = .979$. No correlation with the factor “access to capital” $r_s(28) = .083$, $p = .728$. A significant strong positive correlation with the factor “previous business experience” $r_s(28) = .522$, $p = .018$. A non-significant weak positive correlation with the factor “support of family and friends” $r_s(28) = .270$, $p = .250$. A non-significant moderate strength positive correlation with the factor “marketing factors such as sales promotion” $r_s(28) = .376$, $p = .102$. A non-significant weak positive correlation with the factor “good product at a competitive price” $r_s(28) = .138$, $p = .562$. A non-significant weak positive correlation with the factor “good customer service” $r_s(28) = .158$, $p = .505$. A non-significant weak negative correlation with the factor “hard-work” $r_s(28) = -.244$, $p = .300$. A non-

significant weak negative correlation with the factor “location” $r_s(28) = -.294, p = .208$. A non-significant weak negative correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = -.194, p = .414$. No correlation with the factor “ability to manage personnel” $r_s(28) = -.071, p = .767$. No correlation with the factor “community involvement” $r_s(28) = -.068, p = .775$. A non-significant weak negative correlation with the factor “political involvement” $r_s(28) = -.110, p = .645$. A non-significant weak negative correlation with the factor “reputation for honesty” $r_s(28) = -.088, p = .713$.

The factor “charisma; friendliness to customers” has a non-significant weak negative correlation with the factor “satisfactory government support” $r_s(28) = -.106, p = .656$. A significant strong positive correlation with the factor “appropriate training” $r_s(28) = -.614, p = .004$. No correlation with the factor “access to capital” $r_s(28) = -.092, p = .700$. No correlation with the factor “previous business experience” $r_s(28) = .063, p = .792$. A non-significant moderate strength positive correlation with the factor “support of family and friends” $r_s(28) = .327, p = .160$. No correlation with the factor “marketing factors such as sales promotion” $r_s(28) = .034, p = .888$. A significant strong positive correlation with the factor “good product at a competitive price” $r_s(28) = .654, p = .002$. A non-significant moderate strength positive correlation with the factor “good customer service” $r_s(28) = .442, p = .051$. A non-significant moderate strength positive correlation with the factor “hard-work” $r_s(28) = .356, p = .124$. A non-significant moderate strength positive correlation with the factor “location” $r_s(28) = .316, p = .175$. A significant very strong positive correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = .771, p < .000$. A significant very strong positive correlation with the factor “ability to manage personnel” $r_s(28) = .890, p < .000$. A non-significant moderate strength positive correlation with the factor “community involvement” $r_s(28) = .439, p = .053$. No correlation with the factor “political involvement” $r_s(28) = .012, p = .960$. A non-significant moderate strength positive correlation with the factor “reputation for honesty” $r_s(28) = .385, p = .093$.

The factor “satisfactory government support” has a non-significant weak negative correlation with the factor “appropriate training” $r_s(28) = -.265, p = .258$. A significant strong positive correlation with the factor “access to capital” $r_s(28) = .587, p = .007$.

No correlation with the factor “previous business experience” $r_s(28) = -.067, p = .778$. No correlation with the factor “support of family and friends” $r_s(28) = -.010, p = .966$. A non-significant weak negative correlation with the factor “marketing factors such as sales promotion” $r_s(28) = .141, p = .553$. No correlation with the factor “good product at a competitive price” $r_s(28) = -.038, p = .875$. A non-significant moderate strength negative correlation with the factor “good customer service” $r_s(28) = -.430, p = .059$. No correlation with the factor “hard-work” $r_s(28) = -.095, p = .689$. A non-significant moderate strength negative correlation with the factor “location” $r_s(28) = -.396, p = .084$. A non-significant weak negative correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = -.269, p = .252$. A non-significant weak negative correlation with the factor “ability to manage personnel” $r_s(28) = -.102, p = .670$. A non-significant weak negative correlation with the factor “community involvement” $r_s(28) = -.158, p = .505$. A non-significant weak positive correlation with the factor “political involvement” $r_s(28) = .246, p = .297$.

The factor “appropriate training” has no correlation with the factor “access to capital” $r_s(28) = .017, p = .945$. A non-significant moderate strength positive correlation with the factor “previous business experience” $r_s(28) = .302, p = .196$. No correlation with the factor “support of family and friends” $r_s(28) = -.077, p = .747$. A significant moderate strength positive correlation with the factor “marketing factors such as sales promotion” $r_s(28) = .461, p = .041$. A significant moderate strength positive correlation with the factor “good product at a competitive price” $r_s(28) = .445, p = .050$. A significant strong positive correlation with the factor “good customer service” $r_s(28) = .541, p = .014$. A non-significant weak positive correlation with the factor “hard-work” $r_s(28) = .246, p = .295$. A non-significant weak positive correlation with the factor “location” $r_s(28) = .198, p = .404$. A non-significant moderate strength positive correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = .418, p = .067$. A significant moderate strength positive correlation with the factor “ability to manage personnel” $r_s(28) = .473, p = .035$. A non-significant weak positive correlation with the factor “community involvement” $r_s(28) = .135, p = .570$. A non-significant weak positive correlation with the factor “political involvement” $r_s(28) = .184, p = .438$. A non-significant weak positive correlation with the factor “reputation for honesty” $r_s(28) = .273, p = .244$.

The factor “access to capital” has a non-significant weak positive correlation with the factor “previous business experience” $r_s(28) = .143$, $p = .548$. A non-significant weak positive correlation with the factor “support of family and friends” $r_s(28) = .164$, $p = .490$. A significant moderate strength positive correlation with the factor “marketing factors such as sales promotion” $r_s(28) = .471$, $p = .036$. No correlation with the factor “good product at a competitive price” $r_s(28) = -.015$, $p = .949$. A non-significant moderate strength negative correlation with the factor “good customer service” $r_s(28) = -.356$, $p = .123$. No correlation with the factor “hard-work” $r_s(28) = -.095$, $p = .692$. A non-significant moderate strength negative “location” $r_s(28) = -.367$, $p = .112$. No correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = -.093$, $p = .698$. A non-significant weak negative correlation with the factor “ability to manage personnel” $r_s(28) = -.155$, $p = .513$. A significant strong negative correlation with the factor “community involvement” $r_s(28) = -.516$, $p = .020$. No correlation with the factor “political involvement” $r_s(28) = .021$, $p = .930$. A non-significant weak negative correlation with the factor “reputation for honesty” $r_s(28) = -.262$, $p = .265$.

The factor “previous business experience” has a non-significant weak positive correlation with the factor “support of family and friends” $r_s(28) = .283$, $p = .227$. A non-significant moderate strength positive correlation with the factor “marketing factors such as sales promotion” $r_s(28) = .437$, $p = .054$. No correlation with the factor “good product at a competitive price” $r_s(28) = -.056$, $p = .815$. A non-significant weak positive correlation with the factor “good customer service” $r_s(28) = .224$, $p = .342$. No correlation with the factor “hard-work” $r_s(28) = -.095$, $p = .691$. A non-significant weak negative correlation with the factor “location” $r_s(28) = -.238$, $p = .313$. A non-significant weak negative correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = -.212$, $p = .370$. No correlation with the factor “ability to manage personnel” $r_s(28) = -.018$, $p = .939$. A non-significant weak negative correlation with the factor “community involvement” $r_s(28) = -.110$, $p = .646$. A non-significant weak negative correlation with the factor “political involvement” $r_s(28) = -.163$, $p = .492$. A non-significant weak positive correlation with the factor “political involvement” $r_s(28) = .198$, $p = .402$.

The factor “support of family and friends” has a non-significant weak positive correlation with the factor “marketing factors such as sales promotion” $r_s(28) = .181$,

$p = .445$. A non-significant moderate strength positive correlation with the factor “good product at a competitive price” $r_s(28) = .300$, $p = .198$. A non-significant weak positive correlation with the factor “good customer service” $r_s(28) = .201$, $p = .395$. A non-significant moderate strength positive correlation with the factor “hard-work” $r_s(28) = .319$, $p = .171$. A non-significant weak negative correlation with the factor “location” $r_s(28) = -.179$, $p = .451$. A non-significant weak positive correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = .222$, $p = .348$. A non-significant moderate strength positive correlation with the factor “ability to manage personnel” $r_s(28) = .392$, $p = .087$. A non-significant weak negative correlation with the factor “community involvement” $r_s(28) = -.134$, $p = .572$. A non-significant moderate strength negative correlation with the factor “political involvement” $r_s(28) = -.340$, $p = .143$. No correlation with the factor “reputation for honesty” $r_s(28) = .001$, $p = .998$.

The factor “marketing factors such as sales promotion” has a non-significant weak positive correlation with the factor “good product at a competitive price” $r_s(28) = .251$, $p = .285$. A non-significant weak positive correlation with the factor “good customer service” $r_s(28) = .151$, $p = .524$. A non-significant weak negative correlation with the factor “hard-work” $r_s(28) = -.166$, $p = .486$. A non-significant moderate strength negative correlation with the factor “location” $r_s(28) = -.437$, $p = .054$. No correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = .093$, $p = .696$. No correlation with the factor “ability to manage personnel” $r_s(28) = .081$, $p = .734$. A significant moderate strength negative correlation with the factor “community involvement” $r_s(28) = -.452$, $p = .046$. A non-significant weak negative correlation with the factor “political involvement” $r_s(28) = -.175$, $p = .460$. No correlation with the factor “reputation for honesty” $r_s(28) = -.023$, $p = .925$.

The factor “good product at a competitive price” has a significant moderate strength positive correlation with the factor “good customer service” $r_s(28) = .452$, $p = .045$. A non-significant moderate strength positive correlation with the factor “hard-work” $r_s(28) = .384$, $p = .094$. A non-significant moderate strength positive correlation with the factor “location” $r_s(28) = .305$, $p = .191$. A significant strong positive correlation with the factor “maintenance of accurate records of sales/expenses” $r_s(28) = .638$, $p = .002$. A significant strong positive correlation with the factor “ability to manage

personnel" $r_s(28) = .564$, $p = .010$. A non-significant moderate strength positive correlation with the factor "community involvement" $r_s(28) = .325$, $p = .162$. No correlation with the factor "political involvement" $r_s(28) = .069$, $p = .773$. A non-significant weak positive correlation with the factor "reputation for honesty" $r_s(28) = .160$, $p = .499$.

The factor "good customer service" has a significant very strong positive correlation with the factor hard-work $r_s(28) = .718$, $p < .000$. A significant moderate strength positive correlation with the factor "location" $r_s(28) = .497$, $p = .026$. A non-significant moderate strength positive correlation with the factor "maintenance of accurate records of sales/expenses" $r_s(28) = .317$, $p = .173$. A non-significant moderate strength positive correlation with the factor "ability to manage personnel" $r_s(28) = .406$, $p = .076$. A non-significant weak positive correlation with the factor "community involvement" $r_s(28) = .146$, $p = .539$. A non-significant weak positive correlation with the factor "political involvement" $r_s(28) = .113$, $p = .635$. A non-significant moderate strength positive correlation with the factor "reputation for honesty" $r_s(28) = .384$, $p = .095$.

The factor "hard-work" has a significant moderate strength positive correlation with the factor "location" $r_s(28) = .468$, $p = .037$. A non-significant weak positive correlation with the factor "maintenance of accurate records of sales/expenses" $r_s(28) = .234$, $p = .234$. A non-significant moderate strength positive correlation with the factor "ability to manage personnel" $r_s(28) = .406$, $p = .076$. No correlation with the factor "community involvement" $r_s(28) = .053$, $p = .826$. A non-significant moderate strength positive correlation with the factor "political involvement" $r_s(28) = .321$, $p = .168$. A non-significant weak positive correlation with the factor "reputation for honesty" $r_s(28) = .172$, $p = .468$.

The factor "location" has a non-significant moderate strength positive correlation with the factor "maintenance of accurate records of sales/expenses" $r_s(28) = .337$, $p = .146$. A non-significant weak positive correlation with the factor "ability to manage personnel" $r_s(28) = .114$, $p = .633$. A non-significant moderate strength positive correlation with the factor "community involvement" $r_s(28) = .396$, $p = .084$. No correlation with the factor "political involvement" $r_s(28) = .027$, $p = .910$. A non-

significant moderate strength positive correlation with the factor “reputation for honesty” $r_s(28) = .410$, $p = .072$.

The factors “maintenance of accurate records of sales/expenses” has a significant very strong positive correlation with the factor “ability to manage personnel” $r_s(28) = .768$, $p < .000$. A non-significant moderate strength positive correlation with the factor “community involvement” $r_s(28) = .437$, $p = .054$. No correlation correlation with the factor “political involvement” $r_s(28) = -.086$, $p = .720$. A significant strong positive correlation with the factor “reputation for honesty” $r_s(28) = .562$, $p = .010$.

The factors “ability to manage personnel” has a non-significant moderate strength positive correlation with the factor “community involvement” $r_s(28) = .266$, $p = .257$. No correlation with the factor “political involvement” $r_s(28) = -.019$, $p = .936$. A non-significant moderate strength positive correlation with the factor “reputation for honesty” $r_s(28) = .415$, $p = .069$. A non-significant weak positive correlation with the factor “political involvement” $r_s(28) = .210$, $p = .375$. A non-significant weak positive correlation with the factor “reputation for honesty” $r_s(28) = .293$, $p = .210$. The factor “political involvement” has a non-significant weak negative correlation with the factor “reputation for honesty” $r_s(28) = -.282$, $p = .228$.

Table 4.44 shows the Gamma test for the two factors “good general management skills” and “previous business experience”. A significant strong positive correlation is observed between the two factors with $\gamma = .678$, $p = .017$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,678	,224	2,385	,017
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.44. The Goodman-Kruskal Gamma Between “Good General Management Skills” and “Previous Business Experience”

Table 4.45 shows the Gamma test for the two factors “charisma; friendliness to customers” and “appropriate training”. A significant strong positive correlation is observed between the two factors with $\gamma = .709$, $p = .003$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,709	,200	3,015	,003
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.45. The Goodman-Kruskal Gamma Between “Charisma; Friendliness to Customers” and “Appropriate Training”

Table 4.46 shows the Gamma test for the two factors “charisma; friendliness to customers” and “good product at competitive price”. A significant very strong positive correlation is observed between the two factors with $\gamma = .857$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,857	,102	4,278	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.46. The Goodman-Kruskal Gamma Between “Charisma; Friendliness to Customers” and “Good Product at Competitive Price”

Table 4.47 shows the Gamma test for the two factors “charisma; friendliness to customers” and “maintenance of accurate records of sales/expenses”. A significant very strong positive correlation is observed between the two factors with $\gamma = .918$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,918	,082	6,637	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.47. The Goodman-Kruskal Gamma Between “Charisma; Friendliness to Customers” and “Maintenance of Accurate Records of Sales/Expenses”

Table 4.48 shows the Gamma test for the two factors “charisma; friendliness to customers” and “ability to manage personnel”. A significant very strong positive correlation is observed between the two factors with $\gamma = .918$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	1,000	,000	11,573	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.48. The Goodman-Kruskal Gamma Between “Charisma; Friendliness to Customers” and “Ability to Manage Personnel”

Table 4.49 shows the Gamma test for the two factors “satisfactory government support” and “access to capital”. A significant strong positive correlation is observed between the two factors with $\gamma = .701$, $p = .002$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,701	,181	3,150	,002
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.49. The Goodman-Kruskal Gamma Between “Satisfactory Government Support” and “Access to Capital”

Table 4.50 shows the Gamma test for the two factors “satisfactory government support” and “reputation for honesty”. A significant strong negative correlation is observed between the two factors with $\gamma = -.662$, $p = .023$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	-,662	,194	-2,277	,023
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.50. The Goodman-Kruskal Gamma Between “Satisfactory Government Support” and “Reputation for Honesty”

Table 4.51 shows the Gamma test for the two factors “appropriate training” and “marketing factors such as promotion”. A significant strong positive correlation is observed between the two factors with $\gamma = .472$, $p = .031$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,472	,203	2,163	,031
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.51. The Goodman-Kruskal Gamma Between “Appropriate Training” and “Marketing Factors Such as Promotion”

Table 4.52 shows the Gamma test for the two factors “appropriate training” and “good product at a competitive price”. A significant strong positive correlation is observed between the two factors with $\gamma = .529$, $p = .026$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,529	,219	2,233	,026
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.52. The Goodman-Kruskal Gamma Between “Appropriate Training” and “Good Product at a Competitive Price”

Table 4.53 shows the Gamma test for the two factors “appropriate training” and “good customer service”. A significant strong positive correlation is observed between the two factors with $\gamma = .714$, $p = .003$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,714	,175	3,000	,003
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.53. The Goodman-Kruskal Gamma Between “Appropriate Training” and “Good Customer Service”

Table 4.54 shows the Gamma test for the two factors “appropriate training” and “ability to manage personnel”. A significant strong positive correlation is observed between the two factors with $\gamma = .582$, $p = .018$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,582	,231	2,365	,018
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.54. The Goodman-Kruskal Gamma Between “Appropriate Training” and “Ability to Manage Personnel”

Table 4.55 shows the Gamma test for the two factors “access to capital” and “marketing factors such as sales promotion”. A significant strong positive correlation is observed between the two factors with $\gamma = .538$, $p = .042$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,538	,240	2,031	,042
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.55. The Goodman-Kruskal Gamma Between “Access to Capital” and “Marketing Factors Such as Sales Promotion”

Table 4.56 shows the Gamma test for the two factors “access to capital” and “community involvement”. A significant strong negative correlation is observed between the two factors with $\gamma = -.600$, $p = .017$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	-,600	,226	-2,396	,017
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.56. The Goodman-Kruskal Gamma Between “Access to Capital” and “Community Involvement”

Table 4.57 shows the Gamma test for the two factors “marketing factors such as sales promotion” and “community involvement”. A significant strong negative correlation is observed between the two factors with $\gamma = -.526$, $p = .034$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	-,526	,246	-2,116	,034
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.57. The Goodman-Kruskal Gamma Between “Marketing Factors Such as Sales Promotion” and “Community Involvement”

Table 4.58 shows the Gamma test for the two factors “good product at a competitive price” and “good customer service”. A significant strong positive correlation is observed between the two factors with $\gamma = .632$, $p = .041$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,632	,234	2,041	,041
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.58. The Goodman-Kruskal Gamma Between “Good Product at a Competitive Price” and “Good Customer Service”

Table 4.59 shows the Gamma test for the two factors “good product at a competitive price” and “maintenance of accurate records of sales/expenses”. A significant very strong correlation is observed between the two factors with $\gamma = .811$, $p = .001$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,811	,152	3,402	,001
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.59. The Goodman-Kruskal Gamma Between “Good Product at a Competitive Price” and “Maintenance of Accurate Records of Sales/Expenses”

Table 4.60 shows the Gamma test for the two factors “good product at a competitive price” and “ability to manage personnel”. A significant very strong positive correlation is observed between the two factors with $\gamma = .831$, $p = .001$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,831	,154	3,220	,001
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.60. The Goodman-Kruskal Gamma Between “Good Product at a Competitive Price” and “Ability to Manage Personnel”

Table 4.61 shows the Gamma test for the two factors “good customer service” and “hard-work”. A significant very strong positive correlation is observed between the two factors with $\gamma = .857.$, $p = .001$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,857	,138	3,207	,001
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.61. The Goodman-Kruskal Gamma Between “Good Customer Service” and “Hard-work”

Table 4.62 shows the Gamma test for the two factors “good customer service” and “location”. A significant strong positive correlation is observed between the two factors with $\gamma = .667.$, $p = .014$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,667	,193	2,448	,014
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.62. The Goodman-Kruskal Gamma Between “Good Customer Service” and “Location”

Table 4.63 shows the Gamma test for the two factors “hard-work” and “location”. A significant strong positive correlation is observed between the two factors with $\gamma = .642.$, $p = .018$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,642	,202	2,366	,018
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.63. The Goodman-Kruskal Gamma Between “Hard-work” and “Location”

Table 4.64 shows the Gamma test for the two factors “maintenance of accurate records of sales/expenses” and “ability to manage personnel”. A significant very strong positive correlation is observed between the two factors with $\gamma = 1.000.$, $p < .000$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	1,000	,000	8,739	,000
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.64. The Goodman-Kruskal Gamma Between “Maintenance of Accurate Records of Sales/Expenses” and “Ability to Manage Personnel”

Table 65 shows the Gamma test for the two factors “maintenance of accurate records of sales/expenses” and “reputation for honesty”. A significant very strong positive correlation is observed between the two factors with $\gamma = .873.$, $p = .010$.

Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,873	,120	2,590	,010
N of Valid Cases	20			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.65. The Goodman-Kruskal Gamma Between “Maintenance of Accurate Records of Sales/Expenses” and “Reputation for Honesty”

5. Discussion and Conclusion

Startups play a crucial role in driving economic development. In Mogadishu, Somalia, as in many developing countries, startups are considered the backbone of the economy. They contribute significantly to job creation, productivity growth, and the overall innovation and competitiveness of the national economy. The economic stability of developing countries often relies heavily on the presence of startups. Research indicates a positive correlation between the number of startups and economic stability. Countries with a higher number of startups tend to experience higher economic stability.

Startups are known for their high level of innovation. In Mogadishu, Somalia, they can act as catalysts for technological advancements and creative solutions to local challenges. Additionally, startups contribute significantly to job creation, providing employment opportunities that are crucial for the country's workforce.

The research conducted in Mogadishu, the capital city of Somalia, employed a survey developed by Hung M. Chu, a tool that has been utilized in various studies across different countries. This survey, documented in studies such as those in China, Turkey, Poland, Kenya, Vietnam, Nigeria, Romania, Ghana, Venezuela, Thailand, Bulgaria, and Serbia, aims to comprehensively assess the motivational factors, challenges faced, and success factors pertinent to entrepreneurs. The methodology involves a Likert scale-based questionnaire divided into three parts, each probing specific aspects of the entrepreneurial experience.

The survey components are 12 questions on motivational factors, 18 questions on challenges faced, and 17 questions on success factors. Entrepreneurs were asked to rate the importance of various motivational factors on a Likert scale. The survey delves into aspects such as the desire for independence, financial gains, personal development, and communication. Participants were prompted to evaluate the severity of different challenges using the Likert scale. Areas explored include financial constraints, market demand, team dynamics, regulatory issues, and competition. Entrepreneurs assessed the significance of different success factors. Elements such as

management skills, customer service, business model viability, and adaptability were explored.

The research employed convenience sampling to gather non-parametric data from 20 startups in Mogadishu. This method is justified by the assumption that the unique challenges and dynamics of entrepreneurship in Mogadishu create a relatively homogenous group, making convenience sampling a valid approach. The startups included in the study varied in age, ranging from 1 to 10 years, with an average age of 4.5 years. The participant entrepreneurs exhibited an age range from 27 to 65 years, with an average age of 34 years. This diversity provides insights into the experiences of entrepreneurs across different stages of business development and various life stages.

Understanding the factors influencing entrepreneurship in Mogadishu has local significance, aiding in the development of targeted strategies to support startups. The study recognizes the unique challenges and opportunities presented by Mogadishu's socio-economic and political context. The research, utilizing a survey tool with international applicability, contributes to the broader understanding of entrepreneurial dynamics by adding a perspective from a region less frequently studied.

5.1. Motivational Factors

Reliability analysis is a crucial step in validating the effectiveness of a survey instrument. In this study, the reliability of the first part of the instrument, specifically focusing on motivational factors, was assessed using Cronbach's Alpha. In this study, the Cronbach's Alpha coefficient for the motivational factors scale was calculated to be 0.721. A Cronbach's Alpha of 0.721 suggests that the motivational factors scale is reasonably reliable for measuring the intended construct. The items within the scale exhibit a moderate level of internal consistency. While the scale is deemed reliable, it's advisable to explore the specific items contributing to this reliability. Analyzing item-total correlations can provide insights into the contribution of each item to the overall scale reliability. If deemed necessary, based on further analysis or theoretical

considerations, researchers might refine the scale by removing or modifying specific items to enhance reliability.

The detailed analysis of the descriptive statistics for the 11 items related to motivational factors provides valuable insights into the priorities and considerations of entrepreneurs in Mogadishu. The highest mean score of 4.45 indicates that the most prevalent motivator for entrepreneurs is the desire to increase their income. This aligns with the economic context of Somalia, where a weak economy and high unemployment rates may drive individuals to seek self-employment for financial stability. The significance of achieving personal satisfaction and growth suggests that entrepreneurs are not solely motivated by financial gains. This aligns with a broader trend where individuals, particularly college graduates, seek fulfillment and self-development through entrepreneurship. Entrepreneurs highly value the autonomy associated with maintaining personal freedom. This could be a response to perceived restrictions in traditional employment settings, driving individuals to entrepreneurship for greater control over their work and lifestyle.

The range of each variable measures the difference between the maximum and minimum values. A smaller range indicates closer agreement among respondents on that particular factor. Variables such as "Increase My Income" and "Maintain My Personal Freedom" have a range of 2, suggesting relatively uniform agreement among respondents on these factors. On the other hand, variables like "Be My Own Boss," "Use My Past Experience and Training," "Prove I Can Do It," "Gain Public Recognition," "Provide Jobs for Family," "Have Job Security," and "Be Closer to My Family" have larger ranges (4), indicating more diverse perspectives among respondents. While public recognition scored the lowest mean (2.70), it's essential to note that none of the factors are considered unimportant or not very important. This indicates that, to varying degrees, all provided motivational factors played a role in the decision-making process for entrepreneurs.

Several factors, such as "Be My Own Boss," "Use My Past Experience and Training," "Prove I Can Do It," "Increase My Income," "Gain Public Recognition," "Provide Jobs for Family," "Have Job Security," and "Be Closer to My Family," received both the

maximum (5) and minimum (1) ratings. This suggests a diversity of opinions among respondents, emphasizing the subjective nature of entrepreneurial motivations.

The exploration of standard deviations provides valuable insights into the level of agreement or disagreement among respondents regarding various motivational factors. The highest standard deviation for the motivational factors (1.38) suggests a significant level of disagreement among respondents regarding the motivation to provide jobs for family members. This divergence in opinions may stem from varying perceptions of the role of family in business or the feasibility of integrating family members into the entrepreneurial venture. A relatively high standard deviation for the desire to be one's own boss indicates varying perspectives among entrepreneurs. While some may strongly desire autonomy, others might prioritize collaborative or team-based approaches.

The standard deviation for the motivation of having job security suggests notable disagreement among respondents. This discrepancy may reflect diverse interpretations of job security within the context of entrepreneurship, where traditional notions of job stability might differ. A relatively high standard deviation for the motivation to use past experience and training highlights differing views on the importance of leveraging prior expertise in entrepreneurial endeavors. The standard deviation for the motivation to prove oneself indicates a certain level of disagreement among respondents. This could be influenced by varying perceptions of personal capabilities or the need to demonstrate competence in the entrepreneurial landscape. A standard deviation above 1 suggests a significant level of disagreement among respondents regarding the motivation to be closer to family. This may reflect differing opinions on the role of personal relationships in entrepreneurial decisions.

The lowest standard deviation (0.60) for the motivation to increase income implies a high level of agreement among respondents. This aligns with the high mean score for this factor, indicating a consensus that financial gain was a primary motivator for starting and owning businesses. A relatively low standard deviation for the desire to maintain personal freedom indicates a stronger agreement among respondents. This suggests a consensus that autonomy and freedom were important drivers in entrepreneurial decision-making. The standard deviation for the motivation to build a

business to pass on suggests a relatively high level of agreement among respondents. This shared perspective could be influenced by a collective consideration for long-term business sustainability and legacy planning. The standard deviation for the motivation for personal satisfaction and growth indicates a relatively high level of agreement. Entrepreneurs seem to share the view that achieving personal satisfaction and growth is a significant motivator. A standard deviation slightly above 1 suggests a relatively low level of disagreement among respondents regarding the motivation for public recognition. While opinions may vary, the overall sentiment is not highly divergent.

Bartlett's test evaluates whether the observed variables in your dataset are correlated, indicating whether factor analysis is appropriate. A significance level (p-value) higher than 0.05 suggests that the correlation matrix is not significantly different from an identity matrix, making factor analysis less suitable. In this case, the Bartlett's test p-value of 0.07 exceeds the typical significance level of 0.05. This suggests that the observed variables may not have sufficient correlation to support meaningful factor analysis.

Given the low KMO value and the non-significant Bartlett's test, it's essential to reconsider the nature of the data. This may involve examining the inter-item correlations and exploring whether the motivational factors exhibit substantial shared variance. The limitations identified by the KMO and Bartlett's test may prompt a consideration of collecting additional data or revisiting the survey instrument. Ensuring that the items are appropriately designed to capture shared variance can be crucial for successful factor analysis.

The data presented is the result of Spearman's correlation tests conducted on various motivational factors. The correlation coefficient r_s measures the strength and direction of the relationship between two variables, ranging from -1 to 1. A positive value indicates a positive relationship, while a negative value indicates a negative relationship. Values closer to 0 suggest weaker correlations. Additionally, p-values were calculated to determine the significance of the correlation coefficients. A p-value less than 0.05 indicates a significant correlation.

A strong positive correlation was found between the desire for job security and the desire for public recognition. Moderate to weak positive correlations were observed between the desire to be one's own boss and various factors such as using past experience, proving oneself, increasing income, and providing jobs for family members. No correlation was found between the desire to be one's own boss and personal satisfaction/growth. Significant negative correlations were observed between the desire for personal satisfaction/growth and the desire to use past experience. Significant positive correlations were found between personal satisfaction/growth and maintaining personal freedom, as well as between gaining public recognition and being closer to family.

The Goodman-Kruskal Gamma test supported some of the Spearman's correlation findings, indicating significant relationships between certain motivational factors. The analysis provides insights into the interplay between various motivational factors and highlights the significance of factors such as job security, personal growth, and relationships with family.

5.2. Problems Faced by Entrepreneurs

Regarding problems faced by entrepreneurs' part of the questionnaire, the Cronbach's Alpha coefficient of 0.726 surpasses this threshold, signifying satisfactory reliability for the 18 questions related to the problems faced by entrepreneurs. The reliability coefficient suggests that the 18 questions collectively exhibit a high degree of internal consistency. This means that, as a group, these questions are measuring the same underlying construct or dimension related to the problems encountered by entrepreneurs.

Depending on the research objectives, future steps might involve exploring the factorial structure of the 18 questions through factor analysis. This could reveal underlying dimensions or factors contributing to the problems faced by entrepreneurs. Reliability is an ongoing concern, and researchers should continuously assess and validate the instrument's consistency, especially if modifications are made or if the context of entrepreneurship evolves.

The descriptive statistics provided in Table 4.13 offer a comprehensive overview of the perceived challenges encountered by entrepreneurs in Mogadishu. The fact that all 20 respondents provided valid responses for all the questions enhances the representativeness and reliability of the dataset. It indicates a high level of engagement from the participants and suggests that the obtained information is comprehensive.

The mean values assigned to different problems faced by entrepreneurs range from 1 to 5. A higher mean signifies a greater perceived impact of the problem on startup operations, while a lower mean indicates a lesser impact. The three problems with the highest mean values are obtaining short-term financial capital (Mean = 3.95), unreliable and undependable employees (Mean = 3.90), weak economy (Mean = 3.85). Obtaining short-term financial capital is identified as the most critical issue, indicating that entrepreneurs in Mogadishu consider securing short-term financial capital as a significant challenge. Unreliable and undependable employees is recognized as the second most crucial problem, highlighting the impact of workforce-related challenges. Weak economy is the third most important problem, reflecting the influence of broader economic conditions on startup operations.

Unsafe Location, Lack of Management Training, and Electricity Problems are identified as equally impactful problems with mean values of 3.50. This suggests that these issues share a similar level of significance among the respondents. Problems such as Too Much Competition, Inability to Maintain Accurate Accounting Records, Poor Roads/Transportation, Business Registration Issues, and Electricity Problems fall within the mid-range (2.80 to 3.20), indicating common concerns shared by entrepreneurs. Discrimination from Customers is perceived as the least impactful problem (Mean = 1.55), followed by Language Problems, Complex and Confusing Tax Structure, and Foreign Exchange Limitations. These are viewed as having comparatively lesser effects on startup operations.

The examination of maximum and minimum ratings for various entrepreneurial challenges provides valuable insights into the diverse perspectives of the surveyed entrepreneurs in Mogadishu. The key variables with the maximum rating of 5 are unreliable and undependable employees, too much competition, obtaining short-term financial capital, and obtaining long-term financial capital. For the factor unreliable

and undependable employees, the unanimous acknowledgment of the extreme importance of employee reliability indicates a shared concern among participants. The minimum rating of 2 suggests that while most find it crucial, some participants might not consider it as highly impactful. For the factor too much competition, the unanimous recognition of the extreme importance of managing competition underscores the competitive landscape.

The key variables with the minimum rating of 1 are too much government regulation/bureaucracy, and limited parking. For the variable too much government regulation/bureaucracy, the absence of a maximum rating of 5 implies divergent opinions on the extreme importance of government regulations. The presence of a minimum rating of 1 suggests that while some entrepreneurs perceive it as unimportant, others recognize its significance. Similar to government regulations, the absence of a maximum rating of 5 suggests varied perceptions on the extreme importance of limited parking. The minimum rating of 1 indicates that, for some entrepreneurs, it is considered unimportant.

The range represents the difference between the maximum and minimum values for each variable, providing insights into the variability or spread of responses. For the factor too much competition a range of 4 suggests a wide disparity in how respondents perceive the impact of competition on businesses. This could indicate varied experiences or perspectives within the surveyed group. For the factor obtaining short-term financial capital with a range of 2, there is a relatively small difference in opinions. This might imply that respondents generally agree on the challenges associated with obtaining short-term financial capital. For the factor obtaining long-term financial capital a range of 4 indicates a substantial divergence in responses, suggesting that participants have significantly different views on the challenges related to obtaining long-term financial capital.

The factors unsafe location, weak economy, and lack of management training all have a range of 4, suggesting widespread differences in opinions. This could highlight the diverse challenges businesses face in locations perceived as unsafe or economically weak, and in terms of management training. Ranges of 3 are labeled as relatively intermediate, indicating moderate divergence in opinions. This applies to factors like

too much government regulation/bureaucracy, limited parking, lack of marketing training, language problems, discrimination from customers, and complex tax structures.

High ranges suggest that certain issues, such as unsafe location, weak economy, and lack of management training, are perceived very differently among respondents. This information can guide policymakers, business owners, and researchers in addressing specific challenges faced by businesses. For factors with large ranges, targeted interventions or policies may be needed to address the diverse concerns raised by different segments of the business community. It might be beneficial to delve deeper into the reasons behind the observed differences. Qualitative research, interviews, or additional surveys could provide more context and help understand the nuances of respondents' perspectives.

Standard deviation is a statistical measure that quantifies the amount of variation or dispersion in a set of values. A higher standard deviation indicates greater variability in the data. The high standard deviation of 1.63 for electricity problems suggests significant disagreement among respondents. This variability may stem from differing experiences or perceptions related to the challenges posed by electricity problems for entrepreneurs. A standard deviation of 1.47 for poor roads/transportation indicates notable variability in responses regarding poor roads and transportation. This could imply diverse opinions on the impact of transportation issues on entrepreneurial activities. The third-highest standard deviation of 1.43 for too much competition suggests substantial disagreement among respondents regarding the challenges posed by excessive competition. This may reflect differing perspectives on the intensity and effects of competition.

Similar to competition, the factors unsafe location and inability to maintain accurate accounting records exhibit considerable variability in responses. Entrepreneurs' perceptions of safety concerns and accounting challenges vary significantly within the sample. A low standard deviation of 0.5 for the factor obtaining short-term financial capital indicates less variability and suggests that respondents generally agree on the challenges associated with obtaining short-term financial capital.

High standard deviations highlight areas where there is disagreement or diversity of opinions among respondents. These areas may require more nuanced approaches in policy-making or support initiatives to address the varied challenges faced by entrepreneurs. Varied experiences, geographic locations, and industry types among respondents could contribute to the observed differences in perceptions. Differences in the severity of issues faced by entrepreneurs in different regions or sectors may also contribute to the variability.

There is a significant, moderate-strength positive relationship between the problems of unreliable and undependable employees and too much competition. There are also significant strong positive relationships between obtaining long-term financial capital and too much competition; obtaining short-term financial capital and too much government regulation/bureaucracy, foreign exchange limitation, and complex and confusing tax structure; too much government regulation/bureaucracy and electricity problems, discrimination from customers, and complex and confusing tax structure; unsafe location and poor roads/transportation, electricity problems, and language problem; weak economy and electricity problems; lack of management training and lack of marketing training; lack of marketing training and inability to maintain accurate informative accounting records; inability to maintain accurate informative accounting records and business registration process, foreign exchange limitation, and language problem; business registration process and foreign exchange limitation; foreign exchange limitation and language problem, discrimination from customers, and complex and confusing tax structure; discrimination from customers and complex and confusing tax structure.

Many relationships between different variables were found to be non-significant, either weak or moderate, including relationships between various problems faced by entrepreneurs, such as lack of management training, lack of marketing training, inability to maintain accurate informative accounting records, business registration process, foreign exchange limitation, poor roads/transportation, electricity problems, language problem, and discrimination from customers. Positive relationships indicate that as one variable increases, the other tends to increase as well, and vice versa for negative relationships. The strength of relationships varies from weak to moderate, with some being strong and very strong. These findings suggest that certain challenges

faced by entrepreneurs are interrelated, and addressing one challenge may have implications for others.

Understanding these relationships can help in developing targeted strategies and interventions to address multiple challenges simultaneously and improve overall business outcomes. Overall, these correlation test results provides valuable insights into the complex landscape of challenges faced by entrepreneurs, highlighting both significant and non-significant relationships between various factors.

5.3. Perceived Success Factors

Regarding the perceived success factors' reliability test results, the obtained value of 0.711 indicates a relatively high level of internal consistency. This strengthens the confidence in the reliability of the instrument for assessing entrepreneurial success factors. A reliable instrument contributes to the quality of data collected. Researchers and policymakers can have greater confidence in using the data to draw conclusions or make decisions related to entrepreneurial success factors.

The descriptive statistics presented provide a comprehensive overview of participants' responses to the set of 17 questions on success factors, offering insights into both the central tendency and variability of opinions among the participants. The mean values indicate the relative importance of each success factor according to the perceptions of the respondents. The highest mean score is hard work (4.75) indicating that participants view hard work as the most crucial factor contributing to entrepreneurial success. Ranked second is good customer service (4.60), emphasizing the importance of providing excellent service to customers. Tied for second place is reputation for honesty (4.60), underlining the significance of maintaining an honest and trustworthy reputation. Ability to manage personnel (4.55) is the fourth most important factor, highlighting the importance of effective personnel management. Good general management skills (4.45) is the fifth most important factor, emphasizing the overall managerial competence.

Charisma and friendliness to customers (4.40) ranked sixth, indicating that interpersonal skills with customers are considered significant. Good product at a

competitive price (4.35) is seventh in importance, highlighting the significance of offering competitive products. Support of family and friends (4.20) is eighth most important, recognizing the role of personal support networks. Location (4.20) is tied for eighth place, underscoring the importance of business location. Maintenance of accurate accounting records (4.00) is tenth most important, emphasizing the value of sound financial record-keeping. Satisfactory government support (2.20) ranked sixteenth, indicating that respondents consider government support as relatively less important for entrepreneurial success. Political involvement (1.80) is the least important factor, as perceived by the sample entrepreneurs. This suggests that respondents view political involvement as having the least contribution to their success.

Extreme ratings refer to the highest “5” and lowest “1” scores given by participants for each success factor. These extreme ratings help identify factors that are considered either extremely important or unimportant by at least one participant, providing insights into the diversity of opinions within the sample. The factor "hard work" received the highest mean score, indicating that it is considered extremely important by at least one participant. Additionally, the minimum rating is 4, emphasizing that none of the participants considered it less than mildly important. Similarly, the good general management skills factor received the highest rating, signifying its perceived importance. The minimum rating of 1 indicates that at least one participant considered it unimportant.

Each of the other factors received at least one rating of 5, indicating that they are considered extremely important by at least one participant. The presence of a minimum rating of 1 suggests that, for some respondents, these factors are not crucial to success. Community involvement received a minimum rating of 2, suggesting that at least one respondent considered it not very important. No participant rated it as unimportant, and it received ratings of 3, 4, and 5, indicating a range of perceptions on its importance. The factor marketing factors such as sales promotion received both the highest (5) and lowest (1) ratings, showing a range of opinions on its significance. Similar to community involvement, political involvement received both the highest (5) and lowest (1) ratings, indicating varied perceptions among participants.

Reputation for honesty received a minimum rating of 1, signifying that at least one participant considers it unimportant. Despite this, it also received a maximum rating of 5, indicating its extreme importance to another participant. Charisma/ friendliness to customers received both the highest (5) and a minimum rating of 3, suggesting that, for some participants, it is considered less important than for others. Factors with minimum ratings of 1 may be areas where entrepreneurs can focus on improvement or seek external support. Factors consistently rated as extremely important (5) are strengths that entrepreneurs can leverage for success.

Standard deviation measures the amount of variation or dispersion of a set of values from their mean (average). In this context, a higher standard deviation indicates greater variability in responses, reflecting disagreement or diverse opinions among participants. The highest standard deviation for appropriate training (1.54238) suggests that participants' opinions vary significantly regarding the importance of training in entrepreneurial success. This variability could stem from differences in participants' backgrounds, experiences, or perspectives on the effectiveness of training programs. A high standard deviation (1.36111) for satisfactory government support indicates diverse opinions on the efficacy and satisfaction with government support programs. Policymakers and support organizations may need to tailor their initiatives to better meet the varied expectations and needs of entrepreneurs.

The high standard deviation (1.15166) for political involvement implies varying opinions on the role of political engagement in entrepreneurial success. Entrepreneurs may have diverse perspectives on the impact of political factors on their businesses, requiring a nuanced approach to policymaking. The factors access to capital, community involvement, previous business experience, and location exhibit moderate variability in responses, suggesting some level of disagreement among participants but not as pronounced as the factors with higher standard deviations. These factors may benefit from targeted strategies that acknowledge and address the differing opinions of entrepreneurs.

The lowest standard deviation for hard work (0.44426) indicates a relatively high level of agreement among participants on the importance of hard work in entrepreneurial success. The consensus suggests that participants see hard work as a fundamental and

universally accepted factor contributing to success. High standard deviations highlight areas where participants diverge in their opinions. For factors like appropriate training, addressing these differences may involve offering diverse training programs that cater to varying needs.

Conducting qualitative research, such as interviews or focus groups, could provide deeper insights into the reasons behind the variability in responses for specific factors. Consideration of industry, geographic location, and business type could further contextualize the findings and offer a more nuanced understanding of the observed variations. In research reports or policy documents, transparently reporting standard deviation values alongside mean scores enhances the clarity of findings and informs readers about the degree of agreement or disagreement among participants.

The KMO test assesses the sampling adequacy for factor analysis. In the provided information on success factors, the KMO value is low, indicating poor sampling adequacy for factor analysis. Bartlett's test, on the other hand, indicates that there is some structure in the correlation matrix. While Bartlett's test suggests some structure, the low KMO value raises concerns about the adequacy of the data for factor analysis. If variables in the dataset are not correlated, factor analysis may not be appropriate. Factor analysis may require a larger sample size to yield reliable results. Outliers or non-normal distributions can affect the results of factor analysis.

Correlation analysis was conducted to find various relationships that exist between the different variables. Findings include a strong positive correlation with previous business experience. weak negative correlation with hard-work and location. The variable charisma; friendliness to customers had a strong positive correlation with maintenance of accurate records of sales/expenses and ability to manage personnel; moderate positive correlation with good customer service and community involvement; weak negative correlation with satisfactory government support.

Satisfactory government support had a strong positive correlation with access to capital; weak negative correlation with appropriate training and marketing factors such as sales promotion. Appropriate training had a moderate positive correlation with marketing factors such as sales promotion, good product at a competitive price, and

good customer service; strong positive correlation with ability to manage personnel; weak negative correlation with access to capital. Access to capital had a strong negative correlation with community involvement; moderate positive correlation with marketing factors such as sales promotion; weak negative correlation with political involvement.

Previous business experience had a moderate positive correlation with appropriate training; weak positive correlation with support of family and friends; weak negative correlation with location. Support of family and friends had a moderate positive correlation with hard-work and ability to manage personnel; weak positive correlation with marketing factors such as sales promotion. Marketing factors such as sales promotion had a moderate negative correlation with community involvement; weak positive correlation with reputation for honesty.

Good product at a competitive price had a strong positive correlation with maintenance of accurate records of sales/expenses and ability to manage personnel; moderate positive correlation with good customer service. Good customer service had a strong positive correlation with hard-work and location; moderate positive correlation with maintenance of accurate records of sales/expenses and ability to manage personnel. Hard-Work had a moderate positive correlation with location and maintenance of accurate records of sales/expenses; weak positive correlation with reputation for honesty.

Location had a moderate positive correlation with maintenance of accurate records of sales/expenses; weak positive correlation with reputation for honesty; maintenance of accurate records of sales/expenses; strong positive correlation with ability to manage personnel and reputation for honesty. Ability to Manage Personnel had a moderate positive correlation with reputation for honesty. Community Involvement had a weak positive correlation with reputation for honesty. Political Involvement had a weak negative correlation with reputation for honesty. These analyses highlight the strength and direction of relationships between various success factors, providing insights into their interplay within the dataset.

5.4. Research Contribution

The research question “what are the motivations, problems, and perceived success factors faced by entrepreneurs in the context of Mogadishu startups?” was answered based on the following findings. For startups in Mogadishu Somalia the three most important motivational factors are to increase my income, for my own satisfaction and growth, and to maintain my personal freedom; the three most important problems are obtaining short-term financial capital, unreliable and undependable employees, and weak economy; the three most important success factors are hard-work, good customer service, and reputation for honesty.

Regarding the outcomes of this study, policymakers and business support organizations can use these insights to tailor programs that address the specific motivations, problems, and success factors of entrepreneurs in Mogadishu. The information on Mogadishu startups’ success factors results can guide entrepreneurs, policymakers, and support organizations in understanding where to focus efforts and resources to enhance entrepreneurial success recognizing that the perceived importance of success factors can vary based on industry, geographic location, and business type. Entrepreneurial education programs could consider the diversity in motivations and problems providing a more individualized approach to address the varied needs of aspiring entrepreneurs. Motivators like "Build a Business to Pass On" highlight a consideration for long-term sustainability, potentially impacting business practices and strategies for legacy planning.

Entrepreneurs can strategically prioritize areas such as securing short-term financial capital, addressing employee-related challenges, and navigating economic conditions to enhance the resilience and success of their ventures. Findings related to issues like Too Much Government Regulation/Bureaucracy, Business Registration Problems, and Limited Parking could inform policymakers and support agencies in creating a more conducive environment for entrepreneurship. Future research might explore the interconnectedness of the problems, examining how solutions to one issue might positively or negatively impact others. Additionally, understanding entrepreneurs' coping mechanisms and successful strategies could provide valuable insights.

Recognizing areas of disagreement can inform the design of tailored support programs that address the diverse motivations, challenges, and success factors faced by entrepreneurs. For instance, programs addressing family involvement in businesses could be tailored based on the varied perspectives. Policymakers may consider these insights when developing policies that impact entrepreneurship. Understanding areas of agreement and disagreement can help create policies that are more responsive to the diverse needs of entrepreneurs.

Entrepreneurial landscapes evolve, and challenges change over time. Continuous monitoring and reassessment of the entrepreneurial ecosystem will help stakeholders stay abreast of emerging issues and adapt support mechanisms accordingly. Future research might also explore the factors contributing to varying perceptions, especially for variables with lower minimum ratings. Investigating the impact of these challenges on different industries or business scales could offer nuanced insights. Continuous monitoring of such variations in opinions can guide support agencies in adapting their mechanisms to cater to the dynamic needs of entrepreneurs. Further qualitative research or interviews may provide deeper insights into the reasoning behind the mean scores. Entrepreneurial environments are dynamic, and the importance of certain factors may evolve over time. Regular assessments and updates can ensure that support programs remain relevant.

Satisfactory government support received extreme ratings, emphasizing its polarizing nature. This insight could inform policymakers about the varied perspectives on the effectiveness of government support programs. Similar to government support, appropriate training received both the highest and lowest ratings. This suggests a need for customizable training programs to meet the diverse needs of entrepreneurs. Further exploration through in-depth interviews or targeted surveys could help understand the specific reasons behind extreme ratings and uncover nuanced perspectives. Tracking these perceptions over time through longitudinal studies can provide insights into the evolving dynamics of success factor importance. Including information about extreme ratings in research reports enhances transparency and enables a more comprehensive understanding of the data.

5.5. Limitations

The convenience sampling method used is a non-probability sampling method. This poses a constraint on the way the results of the study are treated. Although the research was conducted on the assumption that given the small geographical area in which the data collection is performed, there is a great expected similarity in the motivational factors, problems, and success factors encountered by the population entrepreneurs, a probability sampling method such as simple random sampling would have introduced diversity to the sample. This limitation reflects difficulties in accessing the specified population due to many issues including a lack of a formal startup registry such as the Chamber of Commerce official documentation of startups, as well as the absence of any previous research targeted at this population that could act as a valid source.

6. Bibliography

- 1 Abatecola, Gianpaolo, Cafferata Roberto, and Sara Poggesi. "Arthur Stinchcombe's "Liability of Newness": Contribution and Impact of the Construct." *Journal of Management History* 18 (2012): 402-418.
- 2 Agrawal, Ankit, Choudhary Alok, and Krishna Amar. "Predicting the Outcome of Startups: Less Failure, More Success." *IEEE 16th International Conference on Data Mining Workshops* (2016): 798-805.
- 3 Ali, Rosalina, Hazudin Siti Fahazarina, Kader Mohd Aidil Riduan, Tarmuji Nor Habibah, and Ishak Maisarah. "Discovering Small Business Start up Motives, Success Factors and Barriers: A Gender Analysis." *Procedia Economics and Finance* 31 (2017): 436-443.
- 4 Aminova, Munira, and Marchi Edoardo. "The Role of Innovation on Start-Up Failure vs. Its Success." *International Journal of Business Ethics and Governance* (2021): 41-72.
- 5 Bednár Richard and Tarišková Natália. "Indicators of Startup Failure." *International Scientific Journal "Industry 4.0"*. (2017): 238-240.
- 6 Benzing Cynthia, Chu Hung Manh, and Kara Orhan. "Entrepreneurs in Turkey: A Factor Analysis of Motivations, Success Factors, and Problems." *Journal of Small Business Management* 47 (2009): 58-91.
- 7 Benzing, Cynthia, Chu Hung Manh, and Szabó Béla. "Hungarian and Romanian Entrepreneurs in Romania – Motivation, Problems, and difference." *Journal of Global Business* 16 (2005): 77-87.
- 8 Benzing, Cynthia, and Chu Hung Manh. "A Comparison of the Motivations of Small Business Owners in Africa." *Journal of Small Business and Enterprise Development* 16 (2009): 60-77.
- 9 Blank, Steve, and Dorf Bob. *The Startup Owner's Manual: The Step-by-Step Guide for Building a Great Company*. Pennsauken: K&S Ranch, 2012.
- 10 Borgia, Daniel, Segal Gerry, and Schoenfeld Jerry. "The Motivation to Become an Entrepreneur." *International Journal of Entrepreneurial Behavior & Research* 11 (2005): 42-57.
- 11 Bove, Roger, Benzing Cynthia, and Chu Hung Manh. "The Motivation, Problems, and Perceived Success of Entrepreneurs in Romania." *Journal of the Academy of Business Administration* 10 (2005): 73-88.

- 12 Bullen, Christine V., and Rockart John F. "A primer on critical success factors." Massachusetts Institute of Technology (MIT), Sloan School of Management. 1220-81 1981.
- 13 CAF. *Annual Report 2014*. 2015
<<http://scioteca.caf.com/handle/123456789/759>>
- 14 Callanan, Gerard, Cynthia Benzing, and Chu Hung Manh. "A Regional Comparison of the Motivation and Problems of Vietnamese Entrepreneurs." *Journal of Developmental Entrepreneurship* 10 (2005): 3-27.
- 15 Cantamessa Marco, Gatteschi Valentina, Perboli Guido, and Rosano Mariangela. "Startup's Roads to Failure." *Sustainability* 10 (2018): 1-19.
- 16 Carter, Nancy M., Gartner William, and Reynolds Paul D. "Exploring Start-Up Event Sequences." *Journal of Business Venturing* 11 (1996): 151-166.
- 17 Cho, Yonjoo and McLean Gary N. "Successful IT Start-ups? HRD Practices: Four Cases in South Korea." *Journal of European Industrial Training* 33 (2009): 125-141.
- 18 Chu, Hung Manh and Benzing Cynthia. "Vietnamese Entrepreneurs: Motivation, Problems, and Success Factors." *Journal of Global Business* 15 (2004): 25-33.
- 19 Chu, Hung Manh, Kara Orhan, Zhu Xiaowei, and Gok Kubilay. "Chinese Entrepreneurs: Motivations, Success Factors, Problems, and Business-related Stress." *Journal of Chinese Entrepreneurship* 3 (2011): 84-111.
- 20 Chu, Hung Manh, Benzing Cynthia, and McGee Charles. "Ghanian and Kenyan Entrepreneurs: A Comparative Analysis of their Motivations, Success characteristics, and Problems." *Journal of Developmental Entrepreneurship* 12 (2007): 295-322.
- 21 Chu, Hung Manh and Katsioloudes, Marios I. "Cultural Context in the Vietnamese-American Entrepreneurial Experience." *Journal of Transnational Development* 7 (2001): 37-46.
- 22 Cockayne, Daniel. "What is a Startup Firm? A Methodological and Epistemological Investigation into Research Objects in Economic Geography." *Geoforum* 107 (2019): 77-87.
- 23 Cooper Arnold. C. and Dunkelberg William C. "Entrepreneurship and Paths to Business Ownership." *Strategic Management Journal* 7 (1986): 53-68.

- 24 Coy, Steven, Shipley Margaret, Omer Khursheed, and Khan Rao Nisar A. "Factors Contributory to Success: A Study of Pakistan's Small Business Owners." *Journal of Developmental Entrepreneurship* 12 (2007) 181-198.
- 25 Festel, Gunter, Wuermseher Martin, and Cattaneo Giacomo. "Valuation of Early Stage High-Tech Start-up Companies." *International Journal of Business* 18 (2013): 216-231.
- 26 Freeman, John, Carroll Glenn R., and Hannan Michael T. "The Liability of Newness: Age Dependence in Organization Death Rates." *American Sociological Review* 48 (1983): 692-710.
- 27 Galyna Shvets. "Startup as a New Business Line." *Reporter of the Priazovskyi State Technical University* (2018) 26-32.
- 28 Garcia-Muiña Fernando, and Navas-López José. "Explaining and Measuring Success in New Business: The Effect of Technological Capabilities on Firm Results." *Technovation*, 27, (2007): 30-46.
- 29 Gatewood, Elizabeth J., Shaver Kelly G., and Gartner William. "A Longitudinal Study of Cognitive Factors Influencing Start-Up Behaviors and Success at Venture Creation." *Journal of Business Venturing* 10 (1995): 371-391.
- 30 Gilad, Benjamin, and Levine Philip. "A Behavioral Model of Entrepreneurial Supply." *Journal of Small Business Management* 24 (1986): 45-54.
- 31 Global Startup Ecosystem Report (2023). StartupBlink, 2023
<<https://lp.startupblink.com/report/>>
- 32 Gimmon, Elli, and Levie Jonathan. "Founder's Human Capital, External Investment, and the Survival of New High-Technology Ventures." *Research Policy* 39 (2010): 1214-1226.
- 33 Graham, Paul. Want to Start a Startup? 2012
<<http://www.paulgraham.com/growth.html>>
- 34 Hernández, Carlos C., and González Domingo. "Study of the Start-Up Ecosystem in Lima, Peru: Analysis of Interorganizational Networks." *Journal of Technology Management & Innovation* 12 (2017): 71-83.
- 35 Herte, Anamaria Diana. "SMEs and Start-Ups. Importance and Support Policies in European Union and Romania." *Oradea* (2017): 56-60.

- 36 Huck, John F., and McEwen Thaddeus. "Competencies Needed for Small Business Success: Perception of Jamaican Entrepreneurs." *Journal of Small Business Management* 3 (1991): 90-3.
- 37 Kakati, Mihir. "Success Criteria in High-Tech New Ventures." *Technovation* 23 (2003) 447-457.
- 38 Kara, Orhan, Zhu Lei, and Zhu Xiaowei. "A Comparative Study of Women Entrepreneurship in Transitional Economies: The Case of China and Vietnam." *Journal of Entrepreneurship in Emerging Economies* 11 (2019): 66-80.
- 39 Keeble, David. "Industrial Location and Planning in the United Kingdom." London: Routledge, 1976.
- 40 Keeble, David, Bryson John, Wood Peter. "The Rise and Role of Small Service Firms in the United Kingdom." *International Small Business Journal* 11 (1992): 11-22.
- 41 Kisunko, Gregory, Brunetti Aymo, and Weder Beatrice di Mauro. "Institutional Obstacles to Doing Business: Region-by-Region Results from a Worldwide Survey of the Private Sector." The World Bank, Washington, DC. 1999.
- 42 Konsek-Ciechonska, Justyna. "Startup Companies Challenges in Poland." *Knowledge International Journal* 30 (2019): 1621-1626.
- 43 Krejci Martin, Strielkowski Wadim, and Cabelkova Inna. "Factors that Influence the Success of Small and Medium Enterprises in ICT: A Case Study from the Czech Republic." *Business: Theory and Practice* 16 (2015): 304-315.
- 44 Kropp, Fredric, Lindsay Noel J. and Shoham Aviv. "Entrepreneurial Orientation and International Entrepreneurial Business Venture Startup." *International Journal of Entrepreneurial Behavior and Research* 14 (2008): 102-117.
- 45 Kusumaningtyas, Anastasia, Bolo Edgar, Istianah, Chua Steward, Wiratama Mahendra, and Tirdasari Nyayu Lathifah. "Why Start-ups Fail: Cases, Challenges, and Solutions." *Advances in Economics, Business and Management Research* 198 (2021): 155-159.

- 46 Leavy, Brian. "Startups- Tom Eisenmann Analyzes the Most Prevalent Failure Patterns and How to Avoid Them." *Strategy and Leadership* 49 (2021): 31-37.
- 47 Liao, Debbie, and Sohmen, Philip. "The Development of Modern Entrepreneurship in China." *Stanford Journal of East Asian Affairs* 1 (2001): 27-33.
- 48 Lugar, Michael I., and Koo, Jun. "Defining and Tracking Business Start-Ups." *Small Business Economics* 24 (2005): 17-28.
- 49 Mamubla, Charles. "Perceptions of SME Growth Constraints in Nigeria." *Journal of Small Business Management* 40 (2002): 58-65.
- 50 Mann, Veena, and Thorpe Richard. "Characteristics of Asian and White Female Business Owners" *Journal of Consumer Studies & Home Economics* 22 (1998): 221-9.
- 51 Masurel, Enno, and Smit Hidde P. "Planning Behavior of Small Firms in Central Vietnam." *Journal of Small Business Management* 38 (2000): 96-102.
- 52 Mikle Lenka. "Startups and Reasons for their Failure." SHS Web of Conferences 83 (2020): 1-7.
- 53 Mueller, Susan, Volery Thierry, and von Siemens Björn. "What Do Entrepreneurs Actually Do? An Observational Study of Entrepreneurs' Everyday Behavior in the Start-Up and Growth Stages." *Entrepreneurship Theory and Practice* 36 (2012): 995-1017.
- 54 Okrah, James, Nepp Alexander, and Agbozo Ebenezer. "Exploring the Factors of Startup Success and Growth." *The Business and Management Review* 9 (2018): 229-237.
- 55 Orhan, Muriel, and Scott, Don. "Why Women Enter into Entrepreneurship: An Explanatory Model." *Women in Management Review* 16 (2011): 232-43.
- 56 Osman Hassan M. "Telecom: Somalia's Success Industry." *Hogan Lovells* 2012. <https://www.hoganlovells.com/~media/hoganlovells/pdf/publication/africaseptember2012newslettersomaliatelecoms_pdf.pdf>

- 57 Paoloni, Paola, and Modaffari, Giuseppe. "Female-Owned Innovative Startups in Italy: Status Quo and Implications." *Administrative Sciences* 8 (2018): 1-66.
- 58 Papulova, Zuzana, and Mokros Matej. "Importance of Managerial Skills and Knowledge in Management for Small Entrepreneurs." E-leader 2007 <www.g-case.com/PDF/Papulova-Mokros.pdf>
- 59 Petru, Nadezda, Pavlak Miroslav, and Polak Josef. "Factors impacting Startup Sustainability in the Czech Republic." *Innovative Marketing* 15 (2019): 1-15.
- 60 Pingle, Vibha. "Micro Business and Sustainable Livelihoods." Conference on New Frontiers of Social Policy: Development in a Globalizing World, Arusha, December 12-15 (2005).
- 61 Pratt, Victor. "Sharing Business Skills in Kenya." Center for International Private Enterprise, Washington, DC. 2001 <www.cipe.org>
- 62 Reisdorfer-Leite, Bernardo, Marcos Michele de Oliveira, Rudek Marcelo, and Szejka Anderson Luis. "Startup Definition Proposal Using Product Lifecycle Management." *17th IFIP International Conference on Product Lifecycle Management (PLM)* (2020): 426-435.
- 63 Ries, Eric. *The Lean Start-up. How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Business*. New York: Crown Business, 2011.
- 64 Săniuță Adina, and Filip Sorana-Oana. "Artificial Intelligence: An Overview of European and Romanian Startups Landscape and the Factors that Determine their Success." *Strategica. Shaping the Future of Business and Economy Conference* (2021): 872-884.
- 65 Scheinberg, Sari, and Macmillan Ian C. "An 11 Countries Study of Motivations to Start a Business." *Frontiers of Entrepreneurship Research* (1988): 669-87.
- 66 Sefiani, Yassine, and Bown Robin. "What Influences the success of Manufacturing SMEs? A Perspective from Tangier." *International Journal of Business and Social Science* 4 (2013): 297-309.
- 67 Sentisteban, José, Mauricio David, and Cachay Orestes. "Critical Success Factor for Technology-Based Startups." *Int. J. Entrepreneurship and Economics* 42 (2021): 397-421.

- 68 Skawińska, Eulalia., and Zalewski Romuald I. “Success Factors of Startups in the EU-A Comparative Study.” *Sustainability* 12 (2020): 1-28.
- 69 Spyros, J., Vliamos, and Nickolaos, G., Tzeremes. “Factors Influencing Entrepreneurial Process and Firm Startups: Evidence from Central Greece.” *Journal Knowledge Economics* 3 (2012): 250-264.
- 70 Stefanovic, Ivan, Prokic Sloboda, and Ranković Ljubodrag. et. al. “Motivational and Success Factors of Entrepreneurs: The Evidence from a Developing Country.” *Proceedings of Rijeka School of Economics* 28 (2010): 251-269.
- 71 Thiranagama, Randi, and Edirisinghe, Kanchana. “Factors Affecting Small Business Startup of Engineers and Accountants in Sri Lanka.” *NSBM Business and Management Journal* 6 (2015): 84-107.
- 72 *The Future of Jobs Report 2018*. World Economic Forum. Center for the New Economy and Society, WEF, Geneva 2018
<http://www3.weforum.org/docs/WEF_FUTURE_of_Jobs_2018.pdf>
- 73 UNAM. Startup, Modelo Para Una Economía Emergente y Creativa.. 2013
<<https://www.revista.unam.mx/vol.15/num1/art07/>>
- 74 Wilson, Nicholas, Watson Kathryn, and Hogarth-Scott Sandra.. “Small Business Start-ups: Success Factors and Support Implications.” *International Journal of Entrepreneurial Behavior & Research* 4 (1998): 217-238.
- 75 Woldie, Atsed, and Adesua Adebimpe Lincoln E. “Female Entrepreneurs in a Transitional Economy: Business Women in Nigeria.” *International Journal of Social Economics* 31 (2004): 78-93.
- 76 Yueh, Linda. “China’s Entrepreneurs.” Department of Economics, Pembroke College, University of Oxford, Oxford, March 2007.
- 77 Zaeem, Al Ehsan. “Defining a Startup – A Critical Analysis.” *SSRN Electronic Journal* (2021): 1-7.
- 78 Zimmerman Monica A., and Chu Hung Manh. “Motivation, Success, and Problems of Entrepreneurs in Venezuela.” *Journal of Management Policy and Practice* 14 (2013): 76-90.

7. Appendices

7.1. Appendix A

(5= extremely important, 4= very important, 3= mildly important, 2= not very important, 1= unimportant)

	MOTIVATIONAL FACTORS	1	2	3	4	5
1	To be my own boss					
2	To be able to use my past experience and training					
3	To prove I can do it					
4	To increase my income					
5	To gain public recognition					
6	To provide jobs for family members					
7	For my own satisfaction and growth					
8	So I will always have job security					
9	To build a business to pass on (IF)					
10	To maintain my personal freedom (IF)					
11	To be closer to my family (IF)					
12	Any other reason (IF)					

7.2. Appendix B

(5= extremely important, 4= very important, 3= mildly important, 2= not very important, 1= unimportant)

	PROBLEMS FACED BY ENTREPRENEURS	1	2	3	4	5
1	Unreliable and undependable employees PET					
2	Too much competition PET					
3	Obtaining short-term financial capital PS					
4	Obtaining long-term financial capital PS					
5	Too much government regulation/bureaucracy PS					
6	Limited parking PS					
7	Unsafe location PS					
8	Weak economy AM					
9	Lack of management training AM					
10	Lack of marketing training AM					
11	Inability to maintain accurate and informative accounting records AM					
12	Business registration process AM					
13	Foreign exchange limitations JS					
14	Poor roads/transportation JS					
15	Electricity problems JS					
16	Language problem JS					
17	Discrimination from customers NAC					
18	Complex and confusing tax structure NAC					
19	Any other problem you face NAC					

7.3. Appendix C

(5= extremely important, 4= very important, 3= mildly important, 2= not very important, 1= unimportant)

	PERCEIVED SUCCESS FACTORS	1	2	3	4	5
1	Good general management skills					
2	Charisma; friendliness to customers					
3	Satisfactory government support					
4	Appropriate training					
5	Access to capital					
6	Previous business experience					
7	Support of family and friends					
8	Marketing factors such as sales promotion					
9	Good product at a competitive price					
10	Good customer service					
11	Hard-work					
12	Location					
13	Maintenance of accurate records of sales/expenses					
14	Ability to manage personnel					
15	Community involvement					
16	Political involvement					
17	Reputation for honesty					