

# BARRIERS TO ENTREPRENEURSHIP GROWTH IN DAWRO ZONE: THE CASE OF LOMMA WOREDA

Samuel Batisa

Department of Management, Wolaita Sodo University, Ethiopia.

## Abstract

*The aim of this study is to identify the barriers that affect entrepreneurship growth in Lomma woreda. Four MSEs sectors were purposively selected and stratified sampling technique was applied to draw sample from target groups. Descriptive types of research design were employed. The sources of data which used in this study were both primary and secondary types. From 148 distributed survey questionnaires 132 questionnaires were returned by sample respondents. The collected data were analyzed through descriptive statistics tool and correlation analysis methods. The finding indicates that economic, environmental and individual factors affect the entrepreneurship growth of the area. Lastly, Regional as well as Zonal government bodies should encourage entrepreneurship development center and provides different provision activities to increase their involvements.*

**Key words: - Economic factor, Environmental factor, Entrepreneurship, Individual factor, MSEs.**

## INTRODUCTION

### BACK GROUND OF THE STUDY

The industrial health of a country depends on the level of entrepreneurship existing in it. Country might remain back ward not because of lack of natural resources or lack of capitals it many times thought, but because of entrepreneurial talents or inability to tap the entrepreneurial talents existing in the society (Szirmai, 2011). Entrepreneurship is basically concerned with creating wealth through production of goods and services. It is one of the most critical inputs in economic development of a nation. Entrepreneurship speeds up the process of activating factors of production, leading to higher rate of economic growth, dispersal of economic activities and balanced economic growth among the regions (Beyene, 2007).

The Federal Democratic Republic of Ethiopia has made economic policy reform that replaced the socialist economy to market-based economy. Before the reform, the economy was in deep crisis and there were structural problems and severe imbalances. The economy was growing at low rate (1.5%) in 1974 to 1990, while population was growing undisturbed at close to 3 percent resulting in falling per capita GDP by 1.4 percent per annum (Dawit, 1999). The same author explained as there was severe fiscal imbalance and balance of payment problem, wider saving gap, under capacity operation of manufacturing enterprises, increasing food deficit, and massive poverty. Given this situation, measures to reverse the negative trends and to put the economy on a sustained path of growth was imperative.

The new economic policy of 1992 has the objective of transforming the economy from controlled to a market-based one. Accordingly, the role of the private sector in the economic development of the country has been given a due attention and the role of the state will be restricted to areas of strategic importance such as investment in areas considered important for the creation of self-sustained industrial base and in areas that are either beyond the capacity of the private sector or are unattractive to private investment (Eshetu and Mamo, 2009). The reformation of public enterprises has created favorable environment for the operation of market forces and the development of the private sector. The government, in line with the guiding principle of free-market economy, identified basic strategic elements to create enabling environment that promote private sector and entrepreneurship. These day entrepreneurs, both local and foreign are being encouraged towards taking initiatives to undertake private business (Newland and Tanaka, 2010).

However, in spite of the positive moves, there are still unfavorable situations. Though favorable policies are articulated, they are sometimes not backed by tangible measures. According to (Gietema, 2011) the one-stop service promised by the investment policy is inadequately implemented. The same author stated that investment lead time (the time required to process an investment up to commencement of operation) is still very long, mainly owing to the time required to acquire land, credit and power source. The World Bank report on doing business in Ethiopia indicated that, Ethiopia stood 111<sup>th</sup> of 183 countries of the world (World Bank, 2012).

According to Dawit and Zeleke sited in Aregash (2005), 98% of business firms in Ethiopia are micro and small enterprises out of which small enterprises represent 65% of all businesses. The fact that the majority of firms operating in micro and small may indicate that established firms may be experienced difficulty to grow to the next higher level due to lack of an enabling environment for sustained growth. Concrete measures are required to create better business environment. Some of them include creating better access to resources, such as land, credit, information on business opportunities, and capacity building of entrepreneurs (Taye, 1995).

Owing to the cumulative effect of past social, economic and political situations entrepreneurship activities development is still at its embryonic stage in the country. The development of entrepreneurship in a country can be measured in different ways; commonly applied yardsticks include the quality or features of entrepreneurship, the contribution to national economy, and type of technology applied and the size of the modern sector (Werotaw, 2010).

In developing countries, including Ethiopia, there is a strong co-existence of the modern with the traditional, the formal with the informal, the agricultural with the industrial, the urban with the rural economy. In the modern sector, entrepreneurs make use of modern technology, depend on two or more capital sources, and plan for future growth, and hence, demonstrate a developed entrepreneurship. On the contrary, the entrepreneurs in the traditional sector have limited capital sources; depend on outdated technology, low productivity and their contribution to the national economy is not significant as compared to the modern sector. Entrepreneurship in such sector is at its embryonic stage which is typical characteristics of a large number of entrepreneurs owned enterprises in Dawro Zone.

The domination of the subsistence agriculture in Ethiopia also shows the low level of entrepreneurship development. Subsistence agriculture is the single most important employer and food supplier. 85 percent of the total employment and 46 percent of the GDP are contributed by agriculture ([www.indexmundi.com/ethiopia/economy\\_profile.html](http://www.indexmundi.com/ethiopia/economy_profile.html)). National report of Ethiopia on UN conference of Economic development (2012) showed that, Ethiopia lacks sustainable development indicator and is facing challenges of unemployment at urban areas and job creation in its growth and transformation plan implementation. The challenge of unemployment and job creation can be directly tally with the lack of entrepreneurship development in the country. Entrepreneurship is critical element not only for reduction of unemployment and job creation but also for balanced and sustainable economic growth.

Research conducted by Eshetu (1999), Brixiova & Emerta (2010), Newland & Tanaka, (2010) showed that, Entrepreneurship development in Ethiopia is still at its embryonic stage. They recommended fostering entrepreneurship as one of the most important measures to accelerate economic and human development in the country. To promote entrepreneurship we need to know the determining factors that negatively affect entrepreneurship.

Researches such as individual and social factor behind successful entrepreneurship, attitude of college students' toward entrepreneurship, mobilizing Diaspora entrepreneurs in Ethiopia, Women Entrepreneurship in SME in Ethiopian, were among some of the researches conducted on this area. But I couldn't come across the research conducted on barriers to entrepreneurship development in Dawro Zone Lomma woreda. Therefore, the aim of this study is to identify the barriers that impede entrepreneurial business venture and to recommend possible way out to reduce the barriers so that Lomma woreda entrepreneurs play their role in enhancing the economic development of the zone and regional or the country in general.

## **STATEMENT OF THE PROBLEM**

Currently communities are facing widespread international developments due to scientific and technological progress and changes which in turn leads to new needs in societies. To respond to these needs, one cannot rely on existing methods and processes. Therefore, inventions, innovations, new products, and new processes are necessary more than ever before. Today, this mission, mostly, is the responsibility of the entrepreneurs. According to Adam, S., Wim, N. and Micheline, G. (2010) entrepreneurship is a decisive factor in order to achieve dynamism and competition for today's knowledge-based economy.

According to Sarri and Trihopoulou (2005), entrepreneurship is considered not only as a means of contributing to employment and social and political stability, but as a power for innovation and competition. There is a growing belief that entrepreneurship, innovation and new risks provide necessary fuel for modern development engines. It is also noteworthy that the simpler and shorter the administrative regulations and procedures are in a country, the greater the potential entrepreneurs' tendency to launch a business is. Complex and contrasting regulations in relation with accessing finance, working premises are some of the barriers to enterprise innovation in Ethiopia (Admasu, 2012).

Therefore, eliminating barriers to entrepreneurship in each country is essential prerequisite to boost the economic development. Experts believe that the rate of entrepreneurship development may be considered as a criterion for differences among the countries' future economy's growth. A comparative study conducted in more than 40 countries indicated that higher levels of entrepreneurship are positively correlated with higher levels of economic development of the country (Newland,&Tanaka,2010).Those countries that promote entrepreneurship development consequently enhance sustainable economic growth but those that do not, will face economic slump and social problems (Schumpeter, 1934).

The Government of the Federal Democratic Republic of Ethiopia has recognized and paid due attention to the promotion and development of MSEs for they are important vehicles to address the challenges of unemployment, economic growth and equity in the country. To this effect, the government has formulated a national MSE development and promotion strategy, which enlightens a systematic approach to alleviate the problems and promote entrepreneurship (FeMSEDS, 1997).

The government, in line with the guiding principle of free market economy, identified basic strategic elements to create enabling environment and promote the development of private sector and entrepreneurship. Entrepreneurs, both local and foreign are being encouraged towards taking initiatives to undertake private business (Newland and Tanaka, 2010).

However, in spite of the positive moves, there are still unfavorable situations. Though favorable policies are articulated, they are sometimes not backed by tangible measures. According to Gietema(2011)the one-stop service promised by the investment policy is inadequately implemented. Though favorable policies are articulated, they are sometimes not backed by tangible measures. Concrete measures, such as ease access to land, credit, information on business opportunities and creation of business confidence is still are area that need the attention of policy implementers of the country (Gietema, 2011). According to the preliminary study on private sector development of Ethiopia (2010), the main challenges for launching a business in Ethiopia are lengthy licensing procedures, high level of minimum capital requirement in some businesses, and high government involvement in most economic sectors.

According to Alemayehu (2008), lengthy bureaucratic procedures in acquiring land, lack of transparent procedures in dealing with officials about land, lack of coordination and information flow, and the introduction of a long term and costly leasing system are some of the barriers that hinder entrepreneurship. The same author emphasize that the cumulative effect of past social, economic and political situations are still traceable in hindering the growth of entrepreneurship in the country. By all measures, entrepreneurship development is at its infant stage in the country and most of the enterprises in Ethiopia are characterized by their limited contribution to the economic development (Eshetu, 2009). Though the crucial role, to be played by entrepreneurship in driving economic development and job creation, is increasingly emphasized, the contribution of the sector to the in the creation of sustainable business employment is inconsiderately significant. The latest statistics of our country showed that

about 24.9 percent of the active forces of the young people are unemployed (<http://www.indexmundi.com/ethiopia/>). Even university graduates suffer from unemployment and 9 percent of them do not have jobs. On contrary to this huge unemployment, majority of the MSE businesses established in Dawro Zone were liquidated for some unclear reason. For example majority, 72% of Micro and Small Enterprises started their venture in Tercha town were not successful and liquidated within two to three year of their establishment (Tercha Town administration MSE, 2018 report). Such problem related to entrepreneurship in the region catches the attention of the investigator to conduct research to identify the barriers that impair entrepreneurship in Dawro Zone specifically at Lomma woreda.

### **OBJECTIVE OF THE RESEARCH**

The general objective of this study is to identify the barriers that affect entrepreneurship growth in Dwro Zone Lomma woreda

### **LITERATURE REVIEW**

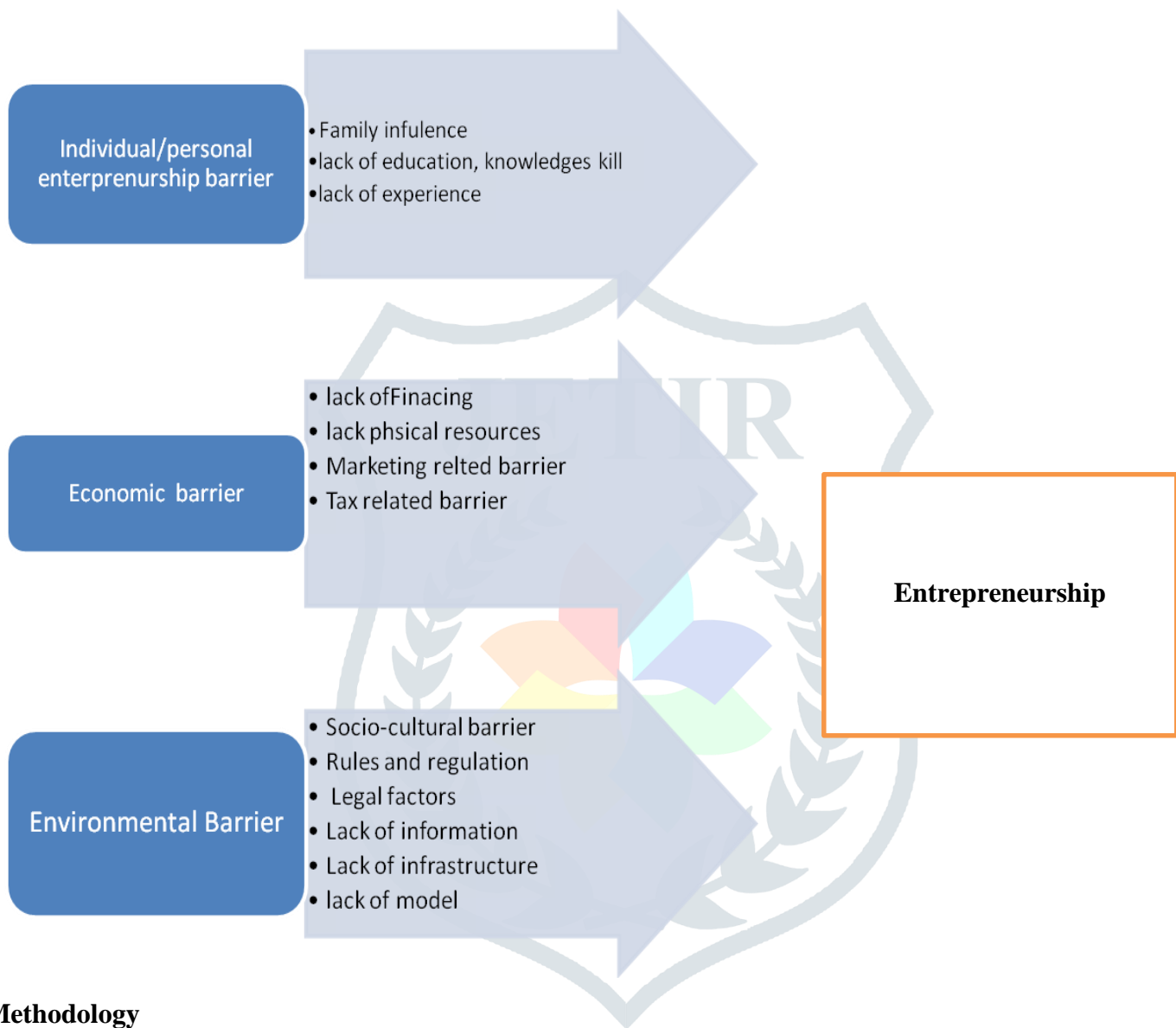
#### **DEFINITION OF ENTREPRENEURSHIP**

Entrepreneurship has been defined differently over and over by many scholars and academics, though most of them borrow the basis from four major intellectual traditions. They are the French, Austrian, German-Austrian and the Knowledge/Marshall schools of thoughts (Wennekers and Thurik, 1999). These traditions trace their origins to Richard Cantillon, a banker and risk taker who referred to individuals that pursued profits under uncertain conditions and simultaneously organized the means of production. To some extent the four traditions provide a working definition of the term, and are understood differently by academics in the field. These multiple definitions and ways of understanding, present a barrier in itself in the way entrepreneurs carry out their activities.

The aim of this literature review is to decompose the notion of entrepreneurship for economic development so as to highlight the possible barriers to entrepreneurship. It begins by identifying the definitions and debates in literature over the concept of entrepreneurship followed by a review of literature on its applications to driving economic development and lastly, a review of literature on the barriers to entrepreneurship.

Entrepreneur is a person who starts an enterprise. He/she search for change and respond to it. Richard Cantillon defines entrepreneur as a person who pays a certain price for a product to resell it at a certain price, thereby making decision about obtaining and using resource while consequently admitting the risk of enterprise. J.B.Say defines entrepreneur as an economic agent who unite all means of production and produce a product. By selling the product in the market and pay rent of land wedge of labor, interest on capital and what remains is his/her profit. Schumpeter defines entrepreneur as an innovator who use a process of shattering the status-quo of the existing product and services to set up new product and new service. Devid McCllaland defines an entrepreneur is person

with high need for achievement. He is energetic and moderate risk taker. Peter Druker defines entrepreneur as a person who search for change, respond to it and exploits opportunities. An entrepreneurship can be described as a process of action an entrepreneur undertakes to establish his enterprise (Sethi, 2009). Lumsdaine and Binks( 2007) define entrepreneurship as the ability to spot opportunities and fill the gaps in the market earlier than others



## Methodology

The type of research employed under this study was descriptive and made use of descriptive statistical analysis. According to Kumar (2005) the major aim of descriptive study is to describe and provide information on what is available regarding a group of people, community, situation etc. The study employed both primary and secondary sources of data collection. The sample size of the study was 156 and the target groups were entrepreneurs who are operating currently their businesses. A well-designed questionnaire was developed to collect information from the respondents. Both purposive and stratified sampling techniques were applied to select the respondents. For data analysis and presentation both descriptive statistics tools and Pearson correlation methods were employed.

#### 4.1. Analysis of Economic, Individual and Environmental Barriers

In addition to the above findings this has also categorized the barriers to entrepreneurship as economic barrier, individual barrier, and environmental barrier. The purpose of categorization was to identify the area where the barriers are more sever and evaluate the seriousness of each category of barriers

##### 4.1.1. Analysis of Economic

This part explains the descriptive statistics calculated on the basis of the barriers that affect entrepreneurial activities in MSEs. The results for measures of central tendency and dispersion are shown in the following table.

Table 4.1. Central tendency and dispersion result of economic barriers

Item	Industry		Service		Urban agriculture		Trade		Grand	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
<b>Economic Barriers</b>										
<b>Lack of access to capital and credit</b>	3.96	1.15	3.72	1.28	4.07	1.16	3.55	1.36	3.78	1.26
<b>Reluctances of banks to provide loan to MSEs</b>	3.47	1.21	3.46	1.26	3.40	1.45	3.71	1.21	3.52	1.24
<b>Lack of land working premises</b>	3.81	1.17	3.91	1.22	3.93	1.10	3.96	1.12	3.89	1.17
<b>Lack of attractive profit</b>	2.89	1.26	3.47	1.12	3.13	1.60	3.10	1.20	3.19	1.23
<b>Lack of sustainable market</b>	3.69	1.24	3.82	0.95	3.73	1.22	3.78	1.23	3.77	1.12
<b>Unreasonable tax &amp; tax payment system</b>	3.62	1.13	3.85	1.21	3.47	1.41	3.33	1.31	3.85	1.23
<b>Inflation</b>	3.74	1.20	3.76	1.26	3.67	1.35	3.84	1.09	3.77	1.21
<b>Grand mean score and deviation</b>									<b>3.65</b>	<b>0.72</b>

Source:- own survey

As it is indicated in table above, the mean and standard deviation for the economic barriers were calculated. The table 4.1 shows that lack of land and working premise has a highest mean score of 3.89 with standard deviation of 1.17. Therefore, it may be concluded that lack of access to land and working premise is the major economic barrier that negatively affect entrepreneurship. This is followed by average score of the respondent's response with regard to unreasonable tax and related issues. According to the same table above, enterprises engaged in MSE, the tax levied on their business is not reasonable. The agreement on the non-reasonability of the tax amount is justified by the calculated means of 3.85 with standard deviation of 1.23.

Furthermore, the table indicates that lack of access to capital and credit for startup and expansion of business is another barrier that affects enterprises in MSE which is justified by the mean score of 3.78 and standard deviation of 1.26. The respondents of this study claimed that banks were reluctant to facilitate credit facility to Micro and Small Enterprises. The calculated mean score and standard deviation of this variable 3.56 and 1.23 respectively which justifies the importance of this barrier to entrepreneurship.

The table also shows that unpredictable material price and lack of sustainable market as two equally important barriers to entrepreneurship development in the region. The importance of these barriers is equally valued by the average respondents. The mean and standard deviation of inflation and or unhealthy fluctuation of material price is 3.77 and 1.21 respectively and that of sustainable market for goods and services is 3.77 and 1.12 respectively. Lastly, the table indicates that the entrepreneurs in MSE have not decided whether lack of profit from entrepreneurial activity is barrier to them or not. The mean and standard deviation of this variable is 3.19 and 1.23 which is under the bracket of undecided scale of importance

#### 4.1.2 Analysis of Individual Barrier

Individual barriers are barriers related to the individual entrepreneur or owners of Micro and Small Enterprises. Details result of the measure of central tendency and dispersion on major individual related barrier is presented on the table below

Table 4.2 Central tendency and dispersion result of individual barriers

Personal/individual	Industry		Service		Urban Agriculture		Trade		Grand	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Lack of knowledge and skill	3.48	1.24	3.40	1.26	3.20	1.15	3.77	.91	3.49	1.19
Lack of information	3.50	1.24	3.33	1.14	3.60	1.12	3.21	1.21	3.39	1.19
Lack of motivation, job satisfaction, and financial interest	3.37	1.29	3.45	1.21	3.53	1.12	3.23	1.17	3.38	1.22
Lack of experience and trainings	3.21	1.39	3.39	1.32	3.73	1.16	3.33	1.16	3.34	1.30
Family influence	3.14	1.26	3.27	1.23	3.27	1.44	2.82	1.25	3.13	1.26
Lack of understanding of business creation	3.24	1.33	3.41	1.29	3.53	1.36	3.21	1.18	3.31	1.28
<b>Grand mean/standard deviation</b>									<b>3.34</b>	<b>0.90</b>

Source; - Own survey

As indicated on the table above the mean and standard deviation score of lack of knowledge and skill is 3.49 and 1.19. From this measure of central tendency value we can say that this variable is the most prominent personal barrier to entrepreneurship followed by lack of information. Lack of information accessibility mean and standard deviation score is 3.39 and 1.19.



The other variable that is raised by respondent as personal barrier is lack of motivation, job satisfaction and lack of interest, the mean score of which is 3.38 and standard deviation of 1.22. As indicated on the table most of the personal variables raised under personal category are neither important barrier nor not important barrier. This can be justified by the mean score value between 2.75 and 3.25.

#### 4.1.3 Analysis of environmental

The analysis of environmental factor emphasizes barriers related to infrastructure, legal factors, rules and regulations governing the business operations. Table 4.10 shows the mean and standard deviation score of some of the variables under this category

Table 4.3 Central tendency and dispersion result of environmental barriers

Item	Industry		Service		Urban agri.		Trade		Grand	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Environmental Barrier										
Lack of awareness of society to entrepreneurship	3.59	1.37	3.53	1.29	3.73	1.33	3.58	1.12	3.57	1.28
Lengthy licensing procedure, bureaucracy and corruption	3.96	1.21	3.73	1.32	3.60	1.59	3.60	1.21	3.77	1.28
Lack of model entrepreneurs in the community & business information	3.22	1.24	3.32	1.29	2.86	1.59	2.94	1.15	3.18	1.27
Entrepreneurial orientation of the community	3.31	1.29	3.32	1.24	3.66	1.34	3.04	1.22	3.27	1.26
Lack of infrastructure (Road, power supply and telecommunication).	3.98	1.14	4.20	1.10	4.00	1.30	4.27	1.00	4.13	1.10
Grand mean/standard deviation									<b>3.59</b>	<b>.89</b>

Source: - Own survey

The result presented in the above table of infrastructure including power interruption and road is the main major barrier to the entrepreneurship operation in the region. The average means scores and standard deviation of infrastructure is 4.13 and 1.10 justifying the significance of this barrier to the respondents

The second most important environmental barrier as indicated on the table above is lengthy licensing procedure, bureaucracy and corruption. The average mean score of the same is 3.77 and standard dispersion is 1.28. Lack of entrepreneurship awareness of society is the other important barrier to entrepreneurship. The average mean score of which is 3.57 and its standard dispersion is 1.28. Average respondents were indifferent on barriers like lack of model and entrepreneurial orientation of the community, which is justified by the average mean score of undecided scale value.

The main purpose of framing these barriers to entrepreneurship in to these three main group is to identify the category of barriers with sever adverse effect on entrepreneurship. Table bellows shows the grand mean of the three categories of barriers.

Table 4.4 Grand central tendency and dispersion of the barriers

Barrier category	Grand mean	Grand SD	Rank of Severity
Economic	3.65	0.72	1 <sup>st</sup>
Personal/individual	3.34	0.90	3 <sup>rd</sup>
Environmental	3.59	0.89	2 <sup>nd</sup>

Source: - own survey

As indicated from the above grand table economic barrier the most important barrier followed by environmental barrier. The grand mean score of economic barrier is 3.65 and its grand standard deviation score is 0.72. The grand mean score of environmental barrier is 3.59 and its standard deviation is 0.89 and personal barrier mean score is 3.34 and grand standard deviation of 0.90.

Therefore, it can be concluded that economic barrier ranked as the most sever barrier to entrepreneurship and environmental barrier rank as the second followed by individual barrier based on the their level of severity.

#### 4.1.11. Correlation Analysis

Correlation is a single number that describes the degree of relationship between two variables. It shows how strongly the relationships between pairs of variables are related (Pallant, 2007). The correlation table below indicates the existence of appositve correlation of 0.535 between economic and individual barrier, correlation of 0.311 between economic barrier and environmental barrier and correlation of 0.275 between individual and environmental barrier

Table 4.5 Correlation between Barriers

Barriers	1	2	3
Economic	1		
Individual	.535*	1	
Environmental	.311*	.275*	1

\*p<0.05 show significant at less than 5 % probability level

## CONCLUSION

Based on the findings of the study one can conclude that economic, individual and environmental factors were influences the growth pattern of entrepreneurs in the study areas. From those variables, economic factors were the

predominant barrier in obstacle the growth of entrepreneurship activities, whereas environmental barriers were followed it.

## RECOMMENDATION

The regional as well as zonal governments better to increase the number of stakeholders who work on entrepreneurship development and assist entrepreneurs in different angles including business development services, capacity building, market linkage and provision of information and design strategies that recognize and promote the entrepreneurs who easily spot the opportunities and exert their effort to take the advantage of the opportunities to create self- initiated entrepreneurs.

The entrepreneurs in MSEs should form groups and partnerships to make use of pooled negotiating power to act up on the pressing barriers to their operation. They can use such negotiating power to deal on the most important barriers to bring to the attention of responsible body. Group of entrepreneurs especially those who are in the same sector can use pooled strategies to negotiate with banks and other financing institutions design strategy to access credit considering the MSEs competitive advantage as collateral than physical asset.

## Reference

- Akhalwaya and Havenga.(2012). *The Barriers that Hinder the Success of women Entrepreneurs in Gauteng, South Africa*. OIDA International Journal of Sustainable Development (accessed 03 May 2012)
- Alemayehu, G.(2008).*The Road to private sector Economic growth. Available at "addischamber.com/AACCSA/.../2011.../TheRoadtoPrivateSector.pdf" (accessed 20 December2012).*
- Asmamew,E., Brixiova,Z.(2010). *Unlocking Productive Entrepreneurship in Ethiopia: Which Incentive matters*
- Barnett, C.G (193): *Defining Entrepreneurship*. Unpublished paper delivered at the 7th annual conference of small business, Southern Africa 1993. Available at [www.kmu.usg.ch/rencontres/band2002/F\\_04\\_deKlerk.pdf](http://www.kmu.usg.ch/rencontres/band2002/F_04_deKlerk.pdf).(accessed 07 November 2012)
- Bekele,E. and Worku, Z.(2008).*Women Entrepreneurship in Micro, Small and Medium Enterprises: The Case of Ethiopia*, Journal of International Women's Studies Vol. 10 #2 (2008 ) pp.5
- Brixiova, Z. (2010). *On determinates of SMMS enterprise start up in Ethiopia: theoretical exploration*. African Development Bank, Development Research Department. available at [www.afdb.org/fileadmin/uploads/.../Ethiopia\\_Labor\\_ZB\\_Nov15.pdf](http://www.afdb.org/fileadmin/uploads/.../Ethiopia_Labor_ZB_Nov15.pdf). (accessed.20:09(2012)
- Birley, S. (1997). *Entrepreneurship in the Global Context*. Routledge 1st edition
- Casson, M. (1982).*The Entrepreneur: An Economic Theory*: (Totowa, NJ: Barnes & Noble Books).
- Creswell J. W. (2009): *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches, 3rd edition*. Landon, Sega publications.

- Dawit Eshetu,. (1999). *Individual and social factors behind successful entrepreneurship in Ethiopia* (working papers, no. 01, 1999)
- Downing, G. (2006). *Women Entrepreneurs. The SAWEN Way*. MD of Acorn Products Ltd. Acorn Pharmaceutical Ltd. And Leading Gauteng SAWEN Member.
- Drucker, P. F. (1994). *Innovation and entrepreneurship: Practice and principles*, Oxford: Butterworth Heineman Ltd.
- Eshetu Bekele & Mammo Muchie (2009). *Promoting micro, small and medium Enterprises for sustainable rural Livelihood*; DIIPER Working Paper No.11 Aalborg University Denmark.
- Eshetu Bekele & Zeleke Worku. (2008). *Factors that Affect the Long-term Survival of Micro, Small, and Medium Enterprises in Ethiopia*. South African Journal of Economics
- Ethiopia – European Community (2007). Country strategy paper and national indicative program 2008-2013, [http://ec.europa.eu/development/icenter/repository/scanned\\_et\\_csp10\\_en.pdf](http://ec.europa.eu/development/icenter/repository/scanned_et_csp10_en.pdf) (p. 27)
- Gemechise, T. (2007). *Attitude of college students towards entrepreneurship*. Thesis presented to Addis Ababa University for fulfillment of Masters Degree in Business administration
- Gietema, J. (2012), preliminary study on Private sector development in Ethiopia PDF. pp.8
- Gorji, B. (2011). *Barriers to Entrepreneurship among men and women*, Australian Journal of Business and Management Research Vol.1 No.9 pp32 December-2011
- Hailay Gebretinsae Beyene. (2007). *Entrepreneurship and Small Business Management*, 2<sup>nd</sup> edition, Mekele University, Ethiopia,
- HK.Hailu, (2010). Success Factors in Micro and Small Enterprises Cluster Development: available at [uir.unisa.ac.za/.../\(accessed 16/02/2013\)](http://uir.unisa.ac.za/.../(accessed%2016/02/2013))
- Hisrich, R. D., Peters, M. P. (1998). *Entrepreneurship*. 4<sup>th</sup> ed., Boston: Irwin / McGraw Hill.
- Hofstede, G. (1980). *Culture's Consequences: International Differences in Work-related Values*, Beverly Hills, CA: Sage Publications.
- ILO 2003. *Ethiopian Women Entrepreneurs: Going for Growth, Jobs, Gender and Small Enterprises in Africa*, ILO Sub – regional office, A.A.
- Jennings, D. F. (1994). *Multiple perspectives on entrepreneurship: text, readings and cases*. Cincinnati: South Western.
- Kauffman C. (2005). *Financing SMEs in Africa*, policy insights No. 7 [www.OECD.org/dev.insights](http://www.OECD.org/dev.insights)
- Minilek Kefale & K. P. M Chinnan, (2012). *Employment growth and challenges in small and micro enterprises Woldiya, North East Amhara region, Ethiopia* available at <http://www.wudpeckerresearchjournals.org/ERE>. Accessed 15/08/ 2013
- MOTI 1997. *Micro and Small Enterprise Development strategy*, The Federal Democratic Republic of Ethiopia Ministry of Trade and Industry: Addis Ababa
- Kenny, Navss-Sabater, Qiang (2000). *ICTs and Poverty Draft for comments* World Bank

- Kumar, R. (2005). *Research Methodology, A Step-By –Step Guide for Beginners*, 2nd edn, Sage Publication, London.
- Kilby, P. (1971). *Entrepreneurship and Economic Development*, (New York: The free press).
- Kirzner, Israel M. (1985). *Discovery and Capitalist Process*, (Chicago: University of Chicago Press).
- Knight, F. H. (1971) In: G. J. Stigler (Ed.), *Risk, uncertainty and profit*, Chicago: University of Chicago Press.
- Kuratiko, D.F. (1998). *Entrepreneurship a contemporary approach*. 4<sup>th</sup> edition
- Lalani, A. (2008). *Barriers to Entrepreneurship and in an East African context: a case study of Kenya and Tanzania*. Available at [dissertations.nottingham.ac.uk/1810/1/08MSClialx9.pdf](http://dissertations.nottingham.ac.uk/1810/1/08MSClialx9.pdf). (Accessed 20/09/2012)
- Leora Klapper, Luc Laeven, and Raghuram Rajan, 2004. *Barriers to Entrepreneurship*. available at [faculty.chicagobooth.edu/.../Entrepreneurship\\_KLR\\_Luc\\_Laeven.pdf](http://faculty.chicagobooth.edu/.../Entrepreneurship_KLR_Luc_Laeven.pdf). 15/7/2012
- Marshall, A. (1930). *Principles of economics*. London: Macmillan and Co.
- Macke Don and Markley Deb (2003). *Readiness for Entrepreneurship, Tools for energizing Entrepreneurship*, Centre for Rural Entrepreneurship pp. 1 – 4, [www.ruraleship.org](http://www.ruraleship.org)
- McGrath, R.G., I.C. MacMillan, and S. Scheinberg, MMS (1992) "Elitists, Risk-Takers, and Rugged Individualists? An Exploratory Analysis of Cultural Differences between Entrepreneurs and Non-Entrepreneurs," *Journal of Business Venturing*, 7, pp. 115-132.
- McCormick, Dorothy. (1996) "The Impact of Economic Reform on Entrepreneurial Activity: A Theoretical Framework for Analyzing Small Enterprise" *The Independent Review*, A Journal of Eastern Africa Literacy and Cultural Studies, Vol I. No. 1 pp 65 – 76
- M.A.C. Salfiya Ummah and Dr. S. Gunapalan (2012). *Factors influencing on entrepreneurial Success: an Empirical Study on women headed families in Ampara and Batticaloa districts in sri lanka*. *International Journal of Business, Economics and Law*, Vol. 1 ISSN 2289-1552. PP 1
- Gorji, BM. (2011) *The study of Barriers to Entrepreneurship in men and women*, *Australian Journal of Business and Management Research* Vol.1 No.9 [31-36] | December- 2011. available at [www.ajbmr.com/articlepdf/AJBMR\\_18\\_34i1n9a5.pdf](http://www.ajbmr.com/articlepdf/AJBMR_18_34i1n9a5.pdf). Accessed 15/7/2012
- A.C. Salfiya Ummah, & Dr. S. Gunapalan, 2012. *Factors influencing on Entrepreneurial Success: an empirical study on women headed families in Ampara and Batticaloa districts in sri lanka*. *International Journal of Business, Economics and Law*, Vol. 1 ISSN 2289-1552. Available at ([www.journaltoocs.hw.ac.uk/.../zotero.php?.../journaltoocs](http://www.journaltoocs.hw.ac.uk/.../zotero.php?.../journaltoocs)) accessed Feburary 16, 2012
- Maria, M. (2007) *Availability of information and education key Global Entrepreneurship Monitor (GEM) Computer business review*, Technews. [www.technews.co.za](http://www.technews.co.za) downloaded 10/5/12
- Niazkar, F and Arab-Moghaddam, N. (2011) *Study of Barriers to Women's Entrepreneurship Development among Iranian Women* *World Academy of Science, Engineering and Technology* 60 2011. available at [www.waset.org/journals/waset/v60/v60-210.pdf](http://www.waset.org/journals/waset/v60/v60-210.pdf). (Accessed 14 February, 2013)

- Newland,K. & Tanaka,H.(2010),Mobilizing Dispora Entrepreneurship for Economic development.pp3
- Neil, R.C. & Viljoen, L. (2001). Support for Female Entrepreneurs in South- Africa. Improvement or decline? *Journal of Family Ecology and Consumer Sciences*. (29),pp 37-44
- Peterson, S.J. and Lee, S.M., (2000).Culture, Entrepreneurial Orientation, and Global
- Rotter, J. B. (1989). Internal versus external control of reinforcement: A case history of a variable. *American Psychologist*, 45,489-493.
- Ruqaya, A. (2012), *An identification of barriers to women entrepreneurship in the Al-Batinah Region of Oman*
- Say, J. B. (1971) *A treatise on political economy or the distribution and consumption of wealth*. New York: A. M. Kelly Publishers.
- Sarri K. and Trihopoulou, A. (2005), *Female entrepreneurs personal characteristics and motivation: a review of the Greek situation*, *Women in management review*, Vol.20, No.1, pp.24-36
- Schumpeter, J. (1934). *The theory of economic development*. Cambridge Mass.: Harvard University Press.
- Schultz, T. W. (1980), Investing in Entrepreneurial Ability, *The Scandinavian Journal of Economics*, Vol. 82, No. 4 (1980), pp. 437-448
- Scott, M.G. and Twomey D.F. (1988). The long-term Supply of Entrepreneurs: Students' Career Aspirations in Relation to Entrepreneurship, *Journal of Small Business Management*, pp26, 35-73.
- Schoof,U.(2006).Stimulating Youth Entrepreneurship: *Barriers and incentives to enterprisestart-ups by young people*. Available at [www.ilo.org/empent/Publications/WCMS\\_094025/lang.../index.htm](http://www.ilo.org/empent/Publications/WCMS_094025/lang.../index.htm). (Accessed 03 March,2012
- Weber, Max, (1930). *The Protestant Ethic and the Spirit of Capitalism*, New York, Scribners.
- Werotew Bezabih Assefa. (2010). *Entrepreneurship: An Engine for Sustainable Growth, Development, prosperity and Good Governance*; Genius Training and Consultancy Service, Addis Ababa, Ethiopia.
- World Bank (2006).*Toward competitive Frontier: Strategies for Improving Ethiopia's Investment Climate*. Report No.48472-ET.pp 33
- Zeleke Worku. (2009). Efficiency in Management as a Determinant of Long-term Survival in Micro, Small and Medium enterprises in Ethiopia. *Problems and Perspectives in Management*, 7(3):1-9.