



Enterprise Related Factors Influencing Entrepreneurial Orientation

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ABSTRACT

This purpose of this study was to examine the association and influence of enterprise related factors on entrepreneurial orientation. Primary data was collected through self administered questionnaire with backup interview from two hundreds and nineteen randomly selected samples. Questionnaire was distributed among members registered with different (Khyber Pakhtunkhwa, Hazara and D.I.Khan) chambers of commerce and industry in Khyber Pakhtunkhwa province of Pakistan. Data were analyzed in both descriptive and inferential ways. Study also examined the association between the independent variables (enterprise informalization, value based compensation and access to resources) and dependent variable (entrepreneurial orientation). Pearson correlation matrix shows a positive relationship between the dependent and independent variables. Results of all hypotheses were in expected direction which means that positively correlated with each other. Similarly, multiple regressions were used to measure the influence of independent variables (enterprise informalization, value based compensation and access to resources) on the dependent (entrepreneurial orientation) due to the continuous nature of data. The results show that model is perfectly fit and explaining 43.4% variation in entrepreneurial orientation due to enterprise informalization, value based compensation and access to resources. Furthermore, the beta score indicate that access to resources is the most significant predictor where as enterprise informalization is the next leading predictor.

KEY WORDS: Entrepreneurial orientation, enterprise informalization, value based compensation, access to resources.

1. INTRODUCTION

Entrepreneurship can break the shackles of poverty and move out Pakistan from the club of less developed countries to become developed country. Others have done it and surely people in Pakistan can also do it. Institutional support in the country is available in the form of SMEDA, Women Bank etc. It is up to the young and old ambitious people of Pakistan to make use of these opportunities (Naqi, 2003, p. 3)

In the present era it is being recognized that entrepreneurs contributes to the development of a country in several ways like establishing conducive business environments by creating awareness through creativity and innovation; assembling and filling gaps of various inputs; value addition; by risks taking and planning; seeking opportunities through scanning environments; to reduce cost and increase quality and quantity ;competition; expanding horizons of markets, and also supporting the growth of existing as well as of newly establishing enterprises(Batra,2002,pp.1-3). The general attitude reflected by academics and policy makers indicates an assumption that the absence of economic development is due to an absence of entrepreneurs and entrepreneurial spirit.

In addition, the research found among the major industrialized G-7-countries (Canada, France, Germany, Italy, Japan, The United Kingdom, and The United States) in particular “a very strong relationship between the level of entrepreneurial activity and annual economic growth” (Mary, 2005). From global perspective, it can also conclude that entrepreneurial activities play important role in a country’s economic growth.

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Entrepreneurship contributes towards the economic development of a country especially by creating employment, service provision, new technology induction, product and market innovation etc, which ultimately reduces poverty and increases per capita income of country (Batra, 2002; Samli, 2002). Interest, concentration and research in entrepreneurship have been rising over the past few years (Green et al., 1996; Outcalt, 2000; Alstete, 2002; Morrison, 2000) due to its role in boosting economic growth and development of a country. It is the entrepreneurial activity that builds industries and businesses which turn companies and countries into big economic power houses (Naqi, 2003).

Presently entrepreneurship is playing very crucial role in moving the economies of developing countries. The flourishing entrepreneurship stories are not only coming from Silicon Valley and Cambridge Research Park but also from Beirut, Saudi Arabia as well as from Pakistan. Successful entrepreneurs such as those created Servaid Pharmacy, Air Blue or the university start up and enterprises emerging now in different cities of Pakistan are acknowledged and receive visibility that they need to grow into larger business and this will force the economy of country forward. Such trends will motivate young generation to be not only job seeker rather jobs creators and entrepreneurs.

As entrepreneurial orientation theories have emerged primarily from research in developed countries, it is important to examine the extent to which these apply in the context of developing countries such as Pakistan and particularly in KPK province). Hence, this research study focused to measure empirically the impact of different enterprise related factors affecting entrepreneurial orientation in Pakistan with special reference to KPK province. In this study entrepreneurial orientation is dependent variable while enterprise related factors (enterprise informalization, value based compensation, access to resources) are independent variables.

2. LITERATURE REVIEW

2.1 Entrepreneurial orientation

The term “entrepreneurship” has been described for over 200 years from different prospective (Hebert and Link, 1988). The traditional focus was on the efforts of an individual whose innovative behavior translates his vision into successful business enterprise (Collins and Moore, 1964). More recently, however, entrepreneurship has been conceptualized as a “*process*” which can occur in enterprises of all sizes & types and which is distinct from, but dependent on, specific individuals (Burgelman, 1983, Gartner, 1985, Kao, 1989, Miller, 1983, Wortman, 1987). So in this way, entrepreneurship can be defined as “process of creating value by bringing together a unique package of resources to exploit an opportunity” (Stevenson, Roberts and Grousbeck, 1989). This process includes both an entrepreneurial event and an entrepreneurial agent. The event refers to the conceptualization and implementation of a new venture. While agent on the other hand is an individual or group that assumes personal responsibility for bringing the event into successful business enterprise.

The entrepreneurial process has attitudinal and behavioral components (Bird, 1988; Long et al., 1995). Attitudinally, it refers to the willingness of an individual or organization to seek new opportunities and take responsibility for effecting creative change (Miller and Friesen., 1982, 1984). This willingness is referred to as an “entrepreneurial orientation”. Behaviorally, it includes the set of activities required to evaluate an opportunity, define a business concept, assess and acquire the necessary resources and then to operate and harvest the rewards through firm’s creation (Stevenson, Roberts and Grousbeck., 1989).

Entrepreneurial orientation refers to the processes, practices, and decision-making activities used by entrepreneurs to act entrepreneurially that lead to the initiation of an entrepreneurial firm (Lumpkin and Dess, 1996). Miller (1983) defines an entrepreneurial firm as “one that engages in product market innovation, undertakes somewhat risky ventures, and is first to come up with ‘proactive’ innovations, beating competitors to the punch.” However, each dimension is suggested to be positively correlated (Lumpkin et al., 1996), which has been validated empirically (Rauch et al., 2004). So Entrepreneurial firms are those whose entrepreneurial behavior focuses on risk taking, innovation, and proactiveness. So Entrepreneurial Orientation is evidenced through observable entrepreneurial tendencies toward innovativeness, Proactiveness and risk taking.

The construct Entrepreneurial Orientation (multidimensional construct encompassing firm *innovativeness*, *proactiveness* and *risk taking*) is receiving increased attention in the field of entrepreneurship. This Entrepreneurial orientation (EO) construct seems too applicable in all types of enterprises. Further Kreiser et al. (2002) found that the Entrepreneurial orientation (EO) construct was valid across different national contexts i.e. applicable globally.

Empirically, the positive impact of Entrepreneurial orientation on firm performance and growth has been supported by several studies (Stuart,1990; Lumpkin and Dess, 1996,2001; Wiklund, 1998,2003; Zahra, Jennings, & Kuratko, 1999).

The conceptualizations of Entrepreneurial orientation include three dimensions: proactiveness, risk taking, and innovativeness. A literature review confirmed that these three dimensions are the most commonly used in entrepreneurial research. (Covin and Slevin,1989; Morris and Paul, 1987; Knight,1997;Miller,1983;Zahra and Covin,1995 and Zahra,1993). Innovation refers to the seeking of creative, unusual or novel solutions to problems and needs. These solutions take the form of new technologies and processes, as well as new products and services(Vesper,1980 and Schumpeter,1934). Risk taking involves the willingness to commit large resources to opportunities which have a reasonable chance of costly failure(Stewart,2001 and Gasse,1982). Proactiveness is the propensity to anticipate and act on future market needs and opportunities (Schwartz et al., 2005;Kouriloff, 2000; and Lumpkin et al.,1996) and has first mover advantage to become pioneer and also always strive to gain an edge over their competitors(Kerin,1992).

2.2 Enterprise related factors influencing entrepreneurial orientation

Many studies focused on the association between entrepreneurial orientation and its determinants (Zahra et al., 1999 and Bygrave, 1989). According to Guth and Ginsberg(1990) and Morris et al., (1994), enterprise related factors include “enterprise size and its structure, strategic decision-making process, enterprise resources and its culture”

Previous studies verified that many enterprises related factors have an impact on firm's entrepreneurial behavior (Zahra, 1991) and by these factors opportunities might be identified, evaluated and exploited effectively. Zahra (1991) made differentiation between intangible and tangible enterprise related factors. According to Zahra (1991) “Intangible mainly refers to the enterprise's set of values which represent managerial philosophies and ideals and the formal norms that guide employee behavior”.

Following is the detail of organization related factors affecting entrepreneurial orientation:

2.2.1 Enterprise informalization

Entrepreneurship researchers (Stevenson and Gumpert, 1985; Covin and Slevin, 1991; Zahra, 1993) consider that a lower degree of formalization flourishes the new ideas. Enterprises where operations and procedures are operated by formal rules are less probable to promote innovation, because “they are more oriented towards realizing processes than goals” (Barringer and Bluedorn, 1999). According to Green et al. (2008)“Informal enterprises (organic structures) are those in which information are widely and openly shared among the employees, informal control mechanisms and the norm of cooperation are used to direct individuals' actions; lateral communication focuses consultation rather than command, the search of goals is often carried out with little concern for past practice or existing procedures; and finally informal patterns of interaction are used as the basis for adjusting and continually redefining processes and individual responsibilities”. In short activities are more flexible in enterprise.

With low formalization, delegation of power and participation of employees makes them more powerful to solve their problems, generate new ideas and hence increase their chances to deal with experimentation and novel ideas more frequently (Burgelman, 1984). Further, as employees engaged into “planning process free of formal restrictions, the willingness to express different viewpoints leads to innovation” (Dutton et al., 1987). Similarly, Covin et al. (1988) and Dane and Pratt, (2004) talk about the importance of structural formation in entrepreneurial firms. Research on family enterprise indicates that the degree of delegation and informalization is positively influencing entrepreneurial orientation (Salvato,2002).

Hypothesis (H1): Enterprise informalization has a positive influence on entrepreneurial orientation

2.2.2 Compensation system based on value added by employees

Rewarding employees for performance motivate them to remain intact with enterprise for longer period of time and increases their loyalties as well as devotions (Stevenson and Gumpert, 1985).Employees consider the concept of owning the enterprise and enhance their loyalties against their competitor. According to Miller(1983) “value based compensation guides people to communicate both internally and externally to better scan for opportunities that increase enterprise value, making the whole enterprise more adaptive”. This act of owner or entrepreneur increases ability of their employees to make change when necessary in order to deal with different situations. Offer rewards to employees for their performance helps

to attract and retains good quality members and increase satisfaction of employees which ultimately increases their entrepreneurial orientation. In other words Salvato (2002)said that “Compensation systems in which the extent to which employees are rewarded on the basis of value added to the enterprise is positively associated to entrepreneurial orientation”. Hence, employees, value added based compensation system is significantly influencing entrepreneurial orientation.

Hypothesis (H2): Compensation systems based on value added by employees significantly predict the variance in entrepreneurial orientation

2.2.3 Access to resources

Access to resources enables the entrepreneur to aggressively exploit opportunities well before time as compare to competitor instead of due to environmental pressures (Wernerfelt, 1984; Barney, 1986). Resources such as physical and non physical assets are necessary to implement “value-creating strategies” (Eisenhardt and Martin, 2000) and to exploit opportunities by flourishing entrepreneurial orientation.

Access to resources and then its efficient reallocation or reorganizing is essential to entrepreneurial orientation, other wise wastage of available resources is adverse or offset to entrepreneurship (Fahy, 2002).According to Timmons (1977) “effective entrepreneurial economic activity requires the business person to access and leverage resources to create value addition”. Entrepreneur should able to grab an opportunity and then commit the necessary resources in order to effectively perform entrepreneurial role and exploit the opportunity.

Similarly Claessens *et al.*,(1999) described that “specialization and competition for the available resources increase innovation” and ultimately increase entrepreneurial orientation. Access to resources includes both tangible and intangible. According to Fahy (2002) and Andersen and Kheam (1998) and Foss(1997) “tangible resources are key determinants of firm success”. Studies by Galun *al.* (1998), Grant (1996) and Teece *et al.* (1997) reported that how resources may be reorganized i.e. combining existing and new resources in innovation process. Innovation “consists to a substantial extent of recombination of conceptual and physical materials that were previously in existence” (Nelson *et al.*, 1982). Thus, entrepreneurship can be seen as the result of combining existing and new resources (Schumpeter, 1934). Empirically, it has been stated that enterprises whose owner with easily access to resources are more likely to have higher entrepreneurial orientation (Covin *et al.*, 1991; Brown,1997; Wiklund, 1998). Hence, access to resources has a positive influence on entrepreneurial orientation.

Hypothesis (H3): Access to resources has a positive influence on entrepreneurial orientation.

2.3 Research framework and variables selection

Theoretical framework is displayed in Figure 1. Which shows the relationship direction between the dependent variable and independent variables.

Schematic diagram of the theoretical framework

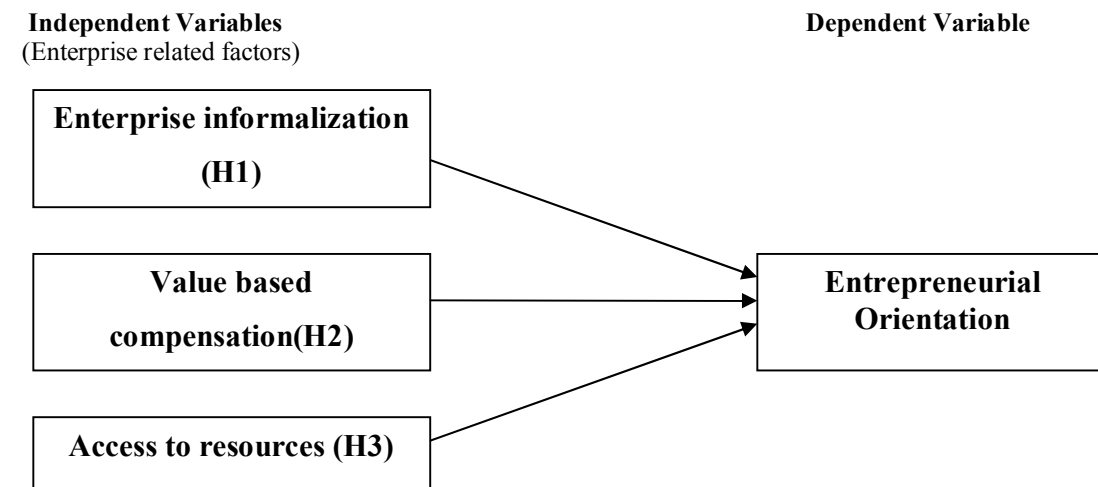


Figure 1: Influence of enterprise related factors on entrepreneurial orientation

3. RESEARCH METHODOLOGY

3.1 Survey approach

Survey research is excessively used in social sciences for data collection. Similarly Survey strategy can also be “an excellent vehicle for measuring attitudes and orientation in large population” (Babbie, 1993:257). Survey approach was used to obtain data from the respondents registered with different chambers of commerce and industry in KPK through a self administered questionnaire with back up interview.

3.1.1 Population and sample size of the study

Total population composed of 3496 members registered with Khyber Pakhtunkhwa (Sarhad), Hazara and D.I.khan Chamber of Commerce and Industry downloaded from www.kpcci.org.pk on 14-01-2008. After pilot study sample size (n) of 219 was taken from population by using Cochran's sample size determination formula (Cochran and Snedecor, 1980).

Target population of this study included the total number of members registered with different chambers of commerce and industry in Khyber Pakhtunkhwa province of Pakistan working in different categories of traders, services providers and traders and manufacturers on small and medium scale with employment base up to 99. The formula for finite population was used to compute the sample-size for each population category. As population is the combination of three different groups, also the population of traders' group with respect to others is too large. It can be observed from the Table 2 that results of proportionate sampling do not give proper representation to each group. Therefore, situations like this Sekaran (1999:102) described that “disproportionate sampling decisions are made either when some stratum or strata too small or too large, or when there is more variability suspected within a particular stratum”. Thus, disproportionate stratified sampling procedure was applied as shown in the right most to the above Table 2 In the social sciences 95% confidence level is usable, which equals 1.96 z-values.

3.1.2 Questionnaire development

The questionnaire was divided into two sections. The first section consists of entrepreneurial orientation measurement. entrepreneurial orientation is measured by asking nine questions about innovativeness, risk taking propensity and proactiveness collectively on five-point Likert scale from strongly agree to strongly disagree developed by Covin and Slevin (1989) with slightly modification.

Second section consist of enterprise related factors. Twenty three questions about enterprise related factors that is, ten questions about enterprise informalization, six questions about value based compensation system and seven questions about access to resources were asked from the respondents in the questionnaire. All these question are asked on interval scale.

Statistical methods

Descriptive statistics (means, standard deviations and frequency distributions) were calculated to develop profile of the sample. To analyze the data and test the hypotheses specified in the study, multiple regression test was performed to investigate the influence of three independent variables one dependent variable due to the continuous nature of the data. The regression model takes the following form:

$$EO = \beta_0 + \beta_1 EI + \beta_2 VBC + \beta_3 AR + e \text{ where,}$$

β_0 =Constant

EO =Entrepreneurial Orientation (Dependent variable)

EI = Enterprise informalization (Independent variable)

VBC = Value based compensation system (Independent variable)

AR = Access to resources (Independent variable)

e =error term

4. Data presentation, analysis and interpretation

After collection of data from samples, the next step is to analyze it and test the research hypotheses. Different kinds of analyses like *Reliability Analysis*, *Descriptive analysis*, *Correlation analysis* and *multiple regression analysis* were analyzed by using SPSS (V.16.0)

4.1 Reliability analysis

A Cronbach's coefficient Alpha was obtained to measure the reliability of all its item variables. According to Sekaran (1999:311), “Cronbach Alpha is a reliability coefficient that indicates how well the

items are positively correlated to one another and closer the Cronbach's alpha is to 1, higher the internal consistency". The result obtained for Cronbach's alpha test for the variables depicted below in Table3.

Table 3: Reliability Statistics.

Variables	Cronbach Alpha
Entrepreneurial Orientation (Dependent variable)	0.89
Enterprise informalization (Independent variable)	0.86
Value based compensation system (Independent variable)	0.88
Access to resources (Independent variable)	0.90

4.2 Descriptive analysis

Descriptive statistics such as means were obtained for both the dependent and independent variables measured on 5-point interval scale. The results are shown in Table5.

Table 5: Descriptive Statistics

Variables	Sample size(n)	Mean
Enterprise Informalization	219	3.0498
Value Based Compensation	219	3.2828
Access to Resources	219	3.3883
Average Entrepreneurial Orientation	219	3.0609

Mean value 3.38 for access to resources and 3.28 for value based compensation indicates that some of the respondents are optimistic about role of access to resources and value based compensation in the entrepreneurial orientation enhancement. While the mean values for enterprise informalization and entrepreneurial orientation are near about 3.0 on a 5-point scale which indicates that most of the respondents are indifferent/neutral about these variables.

4.3 INFERENTIAL STATISTICS: PEARSON CORRELATION

Correlation analysis was conducted between the dependent variable entrepreneurial orientation along with other three independent variables i.e. enterprise informalization, value based compensation system and access to resources in order to find out whether there was any relationship among the variables. The Pearson's correlation matrix obtained is showed in Table 6:

Table 6: Correlations among the variables

Correlations		Enterprise Informalization	Value based compensation	Access to resources	Entrepreneurial orientation
Enterprise Informalization	Pearson Correlation	1	.461**	.763**	.616**
	Sig. (2-tailed)		.000	.000	.000
	N	219	219	219	219
Value based compensation	Pearson Correlation	.461**	1	.500**	.426**
	Sig. (2-tailed)	.000		.000	.000
	N	219	219	219	219
Access to resources	Pearson Correlation	.763**	.500**	1	.635**
	Sig. (2-tailed)	.000	.000		.000
	N	219	219	219	219
Entrepreneurial orientation	Pearson Correlation	.616**	.426**	.635**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	219	219	219	219
**. Correlation is significant at the 0.01 level (2-tailed)					

From the result above Table 6, it is concluded that the entrepreneurial orientation is positively correlated with all independent variables, which suggest that if entrepreneurial orientation is to be increased, then it is necessary to enhance level of enterprise informalization, value based compensation system and access to resources. The correlations values computed among all the variables are in the expected direction i.e. positively correlated to entrepreneurial orientation.

4.4 Multiple regression analysis to test hypotheses

To test these hypotheses, multiple regression analysis was used. The results of three independent variables against one dependent variable can be seen in Table 7, Table 8 and Table 9, which are given below:

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.654 ^a	.434	.432	.56977

a. Predictors: (Constant), Access to Resources, Enterprise Informalization, Value Based Compensation

In Model Summary Table 7, R 0.654 is the correlation of the three independent variables with the dependent variable. In the model summary Table, R Square (0.434), which is the explained variance, is actually the square of the R (0.654) which means that 43.4% of the variance (R-Square) in the *entrepreneurial orientation* has been significantly explained by the three independent variables. In other words all the three independent variables i.e. enterprise informalization, value based compensation system and access to resources together explain 43.4% of the variance in the perception towards entrepreneurial orientation. Over all variability of all independent variables over dependent variable (R²) is observed as 43.4%.

Table 8: ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	58.082	3	19.361	59.638	.000 ^a
	Residual	69.797	215	.325		
	Total	127.880	218			

a. Predictors: (Constant), Access to Resources, Enterprise Informalization, Value Based Compensation

b. Dependent Variable: Entrepreneurial Orientation

ANOVA Table 8, shows degree of freedom (df) 215, which is calculated as (N-K-1), where N (219) is the total number of respondent and K(3) represents number of independent variables. Further in the same Table the results are found to be highly significant as indicated by the F value 59.638 (**p<0.05**). Thus enterprise informalization, value based compensation system and access to resources have positive and significant influence on entrepreneurial orientation.

Table 9: Coefficients^a

Model		Un standardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.091	.161		6.765	.000		
	Enterprise Informalization	.229	.061	.294	3.731	.000	.409	2.447
	Value Based Compensation	.087	.045	.113	1.920	.045	.734	1.362
	Access to Resources	.298	.068	.354	4.384	.000	.389	2.569

Dependent Variable: Entrepreneurial Orientation

The next titled Coefficients Table 9, indicate that among the three independent variables which one has most significant influence on the entrepreneurial orientation. It can be said that the highest number in the beta is 0.354 for access to resources, which is significant at 0.000 levels. It may also be seen that the beta is 0.294 for the enterprise informalization, significant at 0.000 levels and 0.113 for value based compensation system, significant at 0.045 levels respectively. The positive Beta weight indicates that if entrepreneurial orientation is to be enhanced, it is compulsory to promote enterprise informalization; value based compensation and access to resources. At the end it is concluded that three independent variables as discussed above have positive and significant influence on entrepreneurial orientation.

Similarly the above Table titled Coefficients also demonstrates the multi collinearity diagnostic between dependent and independent variables. There is no multi collinearity among the variables. The size of the $VIF(\hat{\alpha}_i)$ analyze the magnitude of multicollinearity problem. A common rule of thumb is that if $VIF(\hat{\alpha}_i) > 5$, then multicollinearity is high, Also 10 has been proposed as a cut off value. In above Table titled Coefficients, VIF values are in range of 1.00 to 5.0 which shows there is no Multi collinearity issue in above stated variables.

5. DISCUSSION AND CONCLUSIONS

The research found that enterprise informalization, value based compensation and access to resources are positively and significantly associated with entrepreneurial orientation. The results are also consistent with previous research studies as discussed in the literature review like Stevenson *et al.*, (1985); Covin *et al.*, (1991) and Zahra (1993).

Employers may be able to improve their enterprise informalization, because more flexible work practices and higher degree of delegation to employee in the enterprise facilitates in the emergence of new ideas. Similarly experimentation and novel ideas, open channels of communication, informal relationships in enterprise and making decision mostly rely on experienced-based intuition and more oriented towards realizing goals than processes facilitates innovation (Barringer *et al.*, 1999; Burgelman, 1984; Dutton *et al.*, 1987; Dane and Pratt, 2004; Stevenson *et al.*, 1985; Covin *et al.*, 1988, 1991; Zahra, 1993; Green *et al.*, 2008 and Salvato, 2002).

Furthermore value based compensation system generates unusual motivation, cement loyalties and increase trust in the enterprise and increases their satisfaction and performance which ultimately increases firm entrepreneurial orientation (Stevenson *et al.*, 1985; Miller, 1983 and Salvato, 2002).

Also access to resources (plants and equipments) and having better technology access as compare to competitors make the enterprise more entrepreneurial oriented. More over easily access to take loan as well as qualified staff members, employees and their training boost-up to capture more opportunities by exploiting it and become more entrepreneurial oriented as compare to others (Covin *et al.*, 1991; Brown, 1997; Wiklund, 1998; Nelson *et al.*, 1982; Claessens *et al.*, 1999; Timmons, 1977; Eisenhardt *et al.*, 2000; Wernerfelt, 1984; Barney, 1986; Galunic *et al.*, 1998; Grant, 1996; and Teece *et al.*, 1997).

At the end result of the research study clearly evidenced that there is strong and positive relationship between independent variables, (enterprise informalization, value based compensation and access to resources) with dependent variable entrepreneurial orientation. The results also demonstrate that enterprise related factors as mentioned above have positive affect on entrepreneurial orientation. Furthermore, in order to build up entrepreneurial culture in the society, then we must have to developed theses enterprise related factors by creating awareness and by conducting different workshops, training programmes and through a proper support system from business development services providers like SMEDA particularly in Khyber Pakhtunkhwa (KPK) province of Pakistan.

Similarly, within an enterprise working relationships among the intrapreneurs should be participative toward informalization which leads to develop innovative ideas. Further such kind of participative approach should be based on the delegation and empowerment to the intrapreneurs for effective decision making process and problems solving.

Moreover, in KPK majority of the respondents from the sample have a preference to get finance from informal sources of friend and family for their businesses due to easy access and immediate availability without any lengthy procedure and proper collateral requirements. This creates demand for enhancing the role of supporting agencies like financial institution, SME bank as well as for developing policy based on one window operation for providing loans which can encourage business community through networking to get capital through formal source of finance.

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