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**ENTREPRENEURIAL CHARACTERISTICS AND COMPETENCIES AS
DETERMINANTS OF BUSINESS PERFORMANCE: A STUDY ON SMALL
ENTERPRISES IN MOGADISHU, SOMALIA**

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FOREWORD

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ABBREVIATIONS

| | |
|-----------------|--|
| UNCTAD | : United Nations Conference on Trade and Development |
| SME | : Small and Medium-Sized Enterprise |
| CEO | : Chief Executive Officer |
| MFI | : Micro-Finance Institution |
| GDP | : Gross Domestic Product |
| SBA | : Small Business Administration |
| EO | : Entrepreneurial Orientation |
| DF | : Degree of Freedom |
| S.C | : Self-Confidence |
| L.T. I | : Long-Term Involvement |
| L.F. F | : Learning from Failure |
| T.O.C | : Thrive on Competition |
| P. S | : Problem-Solving |
| W.L.T. R | : Willingness to Learn and Take Risks |
| O. F | : Opportunity Focused |
| G.C. S | : Good Communication Skills |
| K. Cs | : Key Challenges |



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İŞLETME PERFORMANSININ BELİRLEYİCİLERİ OLARAK GİRİŞİMCİ ÖZELLİKLERİ VE YETKİNLİKLERİ: MOGADIŞU SOMALİ'DEKİ KÜÇÜK İŞLETMELER ÜZERİNE BİR ÇALIŞMA

ÖZET

Son yıllarda etkin girişimcilikle sağlanan örgütsel başarının olumlu sonuçları, akademik ve yönetsel alanlarda dikkatlerin, girişimci özellikleri ve girişimci yeterlilikleri kavramlarına çekilmesine sebep olmuştur. Örneğin Somali'de, kadınların çok sayıda ve çeşitli finansal, teknik bilgi ve aile ile ilgili zorluklarla karşılaşmalarına rağmen, küçük işletme sektöründe önemli bir rol oynadıkları görülmektedir. Bu araştırmanın amacı, yeni başlayan girişimciler arasında, girişimci yeterliliği ve girişimcinin demografik ve kişisel özelliklerinin işletme performansı üzerindeki etkisini değerlendirmektir. Ayrıca, Somali'de küçük ölçekli işletmelerde yer alan kadın girişimcilerin karşılaştıkları temel güçlüklerin belirlenmesi de hedeflenmektedir. Çalışma, nicel araştırma yaklaşımını benimsemiştir. Çalışmada likert ölçeğini oluşturacak şekilde kapalı uçlu anket kullanılarak, Mogadişu - Somali'deki toplam 187 küçük ölçekli girişimciden veri toplanmıştır. Araştırmada temel veri analizi araçları olarak basit yüzdeler analizi ve ki-kare testi kullanılmıştır. Toplanan veriler SPSS Programı kullanılarak analiz edilmiştir. Çalışma sonuçları, sorun çözme, riskleri öğrenme ve alma isteği; fırsat odaklılık ve iyi iletişim becerileri gibi girişimci yeterlilikleri ile özgüven, hatadan ders çıkarma, uzun vadeli iştirak, rekabet ve işletme performansında başarı gibi girişimci özellikleri arasında önemli pozitif ilişkilerin varlığını göstermiştir. Ayrıca çalışma, Somalili kadın girişimcilerin Somali'de küçük ölçekli işletmelere önemli ölçüde katkı sağladığı iddiasını da desteklemektedir. Bununla birlikte araştırma, Somalili kadınların karşılaştıkları ve ivedi şekilde karşılanması zorunlu olan çok sayıda önemli güçlüğü de göz önüne çıkarmıştır.

Anahtar kelimeler: *Girişimci Özellikleri, Girişimci Yeterlilikleri, Somalili Kadın Girişimciler, Küçük Ölçekli İşletme.*



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ABSTRACT

The positive results of organizational success, arising from effective entrepreneurship has led academic and managerial attention on concepts of entrepreneurial competencies and entrepreneurial characteristics in the recent decades. In Somalia particularly, the women have been found to be playing a significant role in the small business sector, despite the several financial, technical knowledge, and family-related challenges faced by them. The present research aims at assessing the effect of entrepreneurial competencies and entrepreneur's demographic and personal characteristics on business performance among initial stage entrepreneurs. Further, it also aims at identifying the major challenges encountered by the women entrepreneurs involved in Small business in Somalia. The study adopted a quantitative examination approach, and collected data from a total of 187 small scale entrepreneurs in Mogadishu, Somalia, through the use of a structured, closed-ended questionnaire incorporating the Likert Scale. The study utilized the Simple percentage analysis and the Chi-square test as its primary data analysis tools. The data collected was further analyzed by using SPSS Software. The study results showed the significant positive relation between entrepreneurial competencies such as problem-solving, willingness to learn and take risks; opportunity focused and good communication skills, and entrepreneurial characteristics such as self-confidence, learning from failure, long-term involvement, and thrive on competition and the business performance. Further, the study also supports the claim that Somali women entrepreneurs make a significant contribution to the small scale businesses in Somalia. However, the survey results have further brought forward several major challenges which are faced by the Somali women and must be catered to as an urgency.

Keywords: *Entrepreneurial Characteristics, Entrepreneurial Competencies, Somali Women Entrepreneurs, Small-Scale Business.*





1. INTRODUCTION

1.1 Research Background

The interest in entrepreneurship and business has improved significantly. An increasing number of people take on a relatively positive attitude on the way to entrepreneurship. Moreover, the relation between the business success and entrepreneurs has become increasingly significant. Entrepreneurial competency is very important in a business performance. Competence can be stated, like something an individual is very good at doing it. It is said to be a talent, which allows them to do the job very well (Driessen and Zwart, 2007). The collection of capabilities, characteristics, knowledge, behaviors, and attitudes are essential for a good performance. Competencies could be understood as a successful attitude and behavior in a crucial practice where the capabilities, knowledge, and attitude work together to achieve this kind of behavior. Knowledge, capable to, wanting and being are all significant for the competent behavior or competence. Characteristics are also the important component of entrepreneurial competence.

The psychological, the behavioral and the demographic characteristics of the entrepreneurs are mentioned as the most effective factors in the small and medium-sized enterprises' performance. Competency is considered as a fundamental characteristic of a person which associated by the opportunity to a successful implementation in a job. It is only the people's characteristics that develop their effectiveness or performance or implementation at work. A very closer link between the business performance and the job skills and knowledge recommends better ability of the management to maintain the business performance (Sanchez, 2011). Moreover, this concept is a solution to the requirement to state the durable characteristics of an individual which lead to the success, quite just the capabilities and abilities, and which will enable the entrepreneurs to meet the increasing competitiveness and innovation.

Despite the importance and contribution of the small business industries to the economy of the nation, several issues and constraints exist still in producing the growth and development. This indicates the insufficient technical and entrepreneurial attitude and talent in particular influences the improvement of the small-scale processing and manufacturing industries (Adegbite, 2007). Whereas the large-scale industries could be instituted with expatriate resources, small business industries require having an industrial base and domestic entrepreneurship. There is a wide consensus among the policy makers, practitioners, and researchers in which a basic cause of the difficulties faced by the several developing nations like Nigeria is need of technical entrepreneurship. This indicated the slight rate in which the small scale production industries made and with the vast range of death-rate in the subsector.

The characteristics of an individual are said to be an entrepreneurial competency. An entrepreneur is a person who assumes the risk for increasing the profit in the business enterprise. Entrepreneurs should be eager to try out various strategies in the quest of the profitable results as it is the entrepreneur's power, motivation, and creativity which generate the manufacture of a better product and services. Hence, entrepreneurship needs some strategic skills for advantageous functioning. Entrepreneurship Development Institute of India, Ahmadabad, found some issues and factors that are needed by an entrepreneur to offer the success to the business and the economic growth of the country. Such factors are initiative, look and perform on chances, determination, knowing, and monitoring. They distress for a high quality of work, efficiency orientation, loyalty to work agreement, problem-solving, assertiveness, persuasion, systematic planning, self-confidence, use of effective strategies, and apprehension of employee welfare (Kaur and Bains, 2013). The competency of the entrepreneurs hence becomes crucial for an SME to become economical in the globalized world. Entrepreneurs play a significant role in its success and business endurance. For the success and survival of the business, all the entrepreneurs needed certain skills, knowledge about the business and abilities to meet the problems.

Economies across the world depend on upon the business enterprises. To run the business effectively and efficiently, competencies of entrepreneur play a vital role. Companies are reliant on entrepreneurs who greatly do multitasks, therefore, they are a significant relation

to the economy, and their effective and efficient functioning is the leading parameter to effective and efficient output increasing for the economy in general.

Entrepreneurs' role in enhancing the economic growth and development of the countries has been largely identified. Thus, small business is one of the critical parts of economic growth and development apart from large and medium enterprises. Indeed, there are nearly 28 million small-scale businesses in the US and in that 22 million are self-employed with no supplementary employees or payroll. Evenly important, this section provides an income for small business entrepreneurs coming from underprivileged groups and the small income. Furthermore, UNCTAD (2010) established that having a large number of small-scale enterprises has thrived in developing income contribution. Recognizing the significance of different roles of the small business performance to an economy, several support programs of financial (like credit and loans) and nonfinancial support like fiscal incentives, optional services, grants, marketing, and training, has been offered by the governments all over the world. Regrettably, even though small business acquires substantial support from governments, admittance to finance is still an important barrier met by the sector. As identified by several previous researchers, a need for resources is a major problem and issue for entrepreneurs. Hence, admittance to finance is a critical resource required by SMEs particularly, and small businesses (Mohamad and Sidek, 2013). Finance is essential to assist them to maintain and increase their operations, enhance new products, and endow in new staff or production capabilities and facilities. Several small-scale businesses begin as a concept from single or two persons those who put their money and possibly go to friends and families to get financial assistance in return for an allocation in the business enterprise.

The improvement of the nation is still met with the many challenges of the emerging economic situations both inside and outside the nation, for instance: the evolution of the innermost managed financial system to a market-based economy, economic relationships with the global and regional economy. Hence, the government requires to reorganize its economy and involve in social-economic development and enhancement and other associated issues and problems to raise the country out of poverty in 2020. The sustainable growth of the country should be in a sustainable manner. The cultural and social enhancement should be undertaken in combination with environmental and economic

protection improvement, which is said to be the fundamental factor for the structure of the nation to become a contemporary industrialized country (Sirivanh, et al., 2013). The factors affecting the growth and development of the small, medium, and large enterprises incorporated aggressive benefit, entrepreneurs' characteristics, competencies of the entrepreneurs, and business association.

The personal competencies seem to have a larger impact on growth and development. The customer relations and technical topics were the competencies in which the entrepreneurs recognized as most significant for small scale businesses (Song Ng and Kee, 2013). The skills in both technical and nontechnical between entrepreneurs, incorporating administration, marketing competencies, planning, developing and budgeting, are required for business expansion and development. Hence, risks must be intensified to attain and control these entrepreneurial competencies.

To succeed in entrepreneurial operations, and actions; the entrepreneurs are supposed to create their characteristics and competencies. Recently, little studies have been made to find the relation between the entrepreneurial or managerial performance and the competencies of the firm. Therefore, additional statistical corroboration is obviously the way ahead. Moreover, the management will always have a certain influence on strategy, and it has been described Ultimately, managers could produce and keep on the competitive benefit by upgrading the capital and keeping the stable innovation. Till now, it is uncommon empirical researches which investigate the relation between the manager/owner competencies and the entrepreneurial orientation (Wickramaratne, et al., 2014). This research finds to fill by investigating how the entrepreneurial competencies and characteristics impact on entrepreneurial orientation and its measurements of risk taking, proactiveness, and innovation in improving in the context economically. Moreover, certain models were proposed to elucidate the relationship between the entrepreneurial competencies and the corporate performance. The CEOs significance in acquiring and improving skills, knowledge, and capabilities central to the company's success. The researchers and scholars have empirically found the significant link between the entrepreneurial competencies and the company's business performance. The organization's characteristics and its self-assessed entrepreneurial competencies have a positive connection with company's business expansion and development. According to

the study, it is found that growth and development of an enterprise were correlated directly to the entrepreneurial characteristics and competencies. Moreover, it is revealed that the industrial skill and the technical skill which called as the CEOs exact competencies have an important direct influence on the growth and development of corporate, while the organizational skill and the chance recognition skill called as the CEOs' general competencies have an essential indirect impact on corporate performance and its growth.

Ability to recognize the opportunities and to perform on innovative ways of utilizing opportunities is a right step in performing like an entrepreneur. Experience in a particular field will go a long way in offering the confidence that one can launch and run a business enterprise successfully. McClelland has found several motivators for carrying the thrust into entrepreneurship. The Need for Achievement also plays a very important role in entrepreneurial motivation (Sethi and Saxena, 2012). It includes defining a problem or issue, organizing the means of finding a solution for it, setting up the goals, finding challenges and factors and taking reasonable risks.

Proactive and innovative firms which control risk in a reasonable way will be more flourishing by capturing the chances which increase in changing the situation and improve new capacity to acquire better performance (Ali, 2013). Entrepreneur orientation makes the characteristics.

The entrepreneurship for maintainable improvement is considered to end up in more than financial success. The sustainable entrepreneur's control to the "triple bottom line," they balance social equity, environmental liability and the economic health through their entrepreneurial conduct. The maintainable entrepreneurship is linked to the capacity bedrock of more longstanding traditional concepts of entrepreneurship, but in addition to that, it has the extra potential for both society and the general environment (Kuckertz and Wagner, 2010). Against this contextual, the recent increase of writing in this particular field is not quite surprising. The essence of entrepreneurship for sustainable development topic comes from the sustainability concerns, innovation, and entrepreneurship; where it has emerged, and became an intensively debated topic by shifting its focus from the environmental and management journals to the mainstream business and entrepreneurship journals. But the phenomenon itself is not a new one; history gives us numerous examples

of entrepreneurs who were pursuing sustainable business models as early as the 19th century.

In the last two decades, the world has witnessed enormous downsizing and restructuring a large number of enterprises in the eyes of the global economy resulting in a massive increase of microenterprise internationally. For that economic swing, the small enterprises have witnessed a substantial increase both in size and the number worldwide. The increment leads to the portrayal of small business as an engine for growth or course for economic development. The focus on small enterprises has been influenced by the transformation of microeconomic and macroeconomic policies (Oroko, 2010). Due to these changes in policies the world economy has made a turnaround with a paradigm shift which puts the focus on the growth of micro-enterprises.

For a successful small business performance, microfinance offers financial services to support small-scale businesses, low-income group, and poor people; and microfinance becomes a device for eliminating poverty, the major findings indicate that certain numbers of small businesses and poor people are in need of microfinance service. Hence, the openness of microfinance for small businesses has not got enough research attention in Mogadishu, Somalia. Hence, this study effort to satisfy by examining the conditions of the people exists in Mogadishu. The researchers revealed that small businesses in Mogadishu are meeting challenges to borrow money from MFIs, and this results in several small businesses to end soon or may not be started because of the lack of capability to face the challenges. The findings indicated that how small businesses in Mogadishu meet certain needs to have access to borrowing money from microfinance institutions (McArthur, 2013). The findings also revealed that the needs thwart the opportunity of borrowing money from microfinance institutions so as to begin, run or expand small businesses. It is because small business owners could not face the needs set by the Microfinance Institutions.

1.2 Problem Statement

In Somalia, on the researcher's best attentiveness; there is no sign of concern to the literature which is studying the relating problems and issues faced in small business.

Hence this study investigates the relating problems and issues faced in small business (Abdi, 2015). The managers of the small businesses must be organized in a well-timed manner being obtainable soon enough to help the organizations in making decisions which are correct, systematic, and opportunistic ones. Nevertheless, to make those decisions, organizations should be well-informed as to what the declarations are depicting. It is essential to keep in mind that frequently management does not have the knowledge and skills to execute the declarations. It's crucial that a small business arranges and stick to an ample business plan consisting of managerial, financial and components of marketing. Smaller businesses frequently do not have the money to keep up the staying power and strength during the unfavorable business situations and a serious fall of economic condition could take place in a very short time. Unfortunately, several managers and owners are not eager or do not have the period and knowledge to make such a device, even if the guidance in preparing arranging equipment is normally obtainable at little or no cost. Small business appears that they have developed extensively over the last couple of decades, in most instances, the entrepreneurial perks of the person in charge of the business become more crucial in the success of the business and the sustainability of its operations. Skills/vocational training form part of most groups' programs for female business owners.

Current vocational training concentrates normally on long-established skills or professional of women in Somalia (Kurt, 2011). There is a common acknowledgment that various approaches and transfer in focus to more profitable skills and knowledge are required, as present programs are satisfying an already drenched market. Women further face difficulty attending guidance for long-lasting periods because of their household errands, ensuing in high dropout rates.

1.3 Aim and Objectives

The primary purpose of this study is to investigate the impact of entrepreneurial competencies on the corporate performance amongst the initial stage entrepreneurs in detail and to explore the effect of entrepreneurial competencies and characteristics on the small and medium enterprises. The key drive of this research is to examine the effect of

the entrepreneur's individual characteristics and his/her demographic characteristics on the company's overall performance with the mediating role of entrepreneur orientation. Finally, study efforts to identify the role of Somali women entrepreneurs and factors influencing/challenges encountered by Somali women in small-scale businesses in Mogadishu, Somalia.

1.4 Research Questions

1. What are the entrepreneurial characteristics and competencies which affect the performance of small-scale and medium enterprises?
2. What is the effect of entrepreneurial competencies on business performance among early-stage entrepreneurs?
3. What are the impact of entrepreneur's individual characteristics and his/her demographic characteristics on firm's performance under the mediating role of entrepreneur orientation?
4. What is the role of Somali women entrepreneurs in the small-scale businesses in Somalia?
5. What are the challenges encountered by women in small-scale businesses in Somalia?

1.5 Significance of the Study

Small businesses have been playing an important role in the growth story and economic development. Entrepreneurial characteristics and competencies can influence the performance of the small business. This paper presents the concept of entrepreneurial characteristics and competencies as the determinants of business performance particularly with specific reference to small enterprises in Mogadishu, Somalia. Existing studies fail to recognize the factors that determine the performance of the small business. This research will help the future researchers and business people to know about the entrepreneurial characteristics and competencies as the determinants of corporate performance. Nowadays, small business is the one that enhances the employment opportunities in most developing economies, and so it is very important to know about the performance drivers of the small business. This study presents the investigation of the

entrepreneurial characteristics and competencies and how they influence the performance of the small business.

1.6 Limitations of the Study

- The study is limited to Mogadishu, Somalian city only.
- This study is limited to entrepreneurs only.
- This study assesses the entrepreneurial characteristics and competencies as determinants of business performance: a study on small enterprises in Mogadishu, Somalia.

1.7 Chapterization Plan

The following is an overview/outline of the contents of the chapter that presented in this research

- The introduction section which provides a general and contextual overview of this research; the concept of entrepreneurial characteristics and competencies as determinants of business performance with respect to small-scale business in Mogadishu-Somalia.” It includes the research background, its problem statement, the main aim and objectives, research questions, significance, limitations, and finally the outline of chapter contents.
- Chapter one is the literature review chapter that explores the relevant previous literature and works related to the concept of “Entrepreneurial Characteristics and Competencies as Determinants of Business Performance; Study on Small Enterprises in Mogadishu, Somalia.” besides these, this study describes in much detail way about the effect of entrepreneurial competencies on corporate performance among early stage entrepreneurs. Apart from these, this research describes the relationship between the entrepreneurial competencies and the performance of small and medium enterprises. This chapter also reviews about the effect of the entrepreneur's individual characteristics and his/her demographic characteristics on the company's overall performance with the mediating role of entrepreneur orientation. At last, this literature review chapter discusses the role

of Somali women entrepreneurs and factors influencing women in small scale businesses.

- Chapter two is the section of research methodology chapter which provides a portrayal of research design, its strategy, research sampling plan, research sampling design, and the population of the study. It also includes the research data types, its data collection methods, the design of the questionnaire, and the data analysis and interpretation techniques that the research has employed. Besides these, this chapter also discusses in detail about the morals of the research and its limitations.
- Chapter three is the section of analysis and results, where it discusses the findings and makes an in-depth analysis of results of proposed framework for ‘Entrepreneurial Characteristics and Competency as Determinants of Business Performance; Study on Small Enterprises in Mogadishu, Somalia.’
- Chapter four chapter of conclusion which describes the summary of results and findings obtained through the finalized analysis and results section. It also draws a closing conclusion of the conducted research followed by some proposed recommendations and suggestions for future research.
- References: This section is the bibliography unit, which lists all sources of the reference materials in the study.

2. LITERATURE REVIEW

2.1 Introduction

This chapter provides an overview of the entrepreneurial characteristics and competencies as determinants of business performance regarding small scale business. This chapter in discusses in detail about the effect of entrepreneurial competencies on business performance among early stage entrepreneurs. It also focuses the entrepreneurial competencies and the performances of the impact of entrepreneur's personal characteristics and demographic characteristics on firm's performance under the mediating role of entrepreneur orientation. In addition to these, this literature chapter also discusses in detail about the role of Somali women entrepreneurs in small scale businesses. This literature chapter also determines some factors which are influencing the women in small scale business. At last, this literature chapter also proposes the conceptual framework for entrepreneurial characteristics and competencies as determinants of business performance on small enterprises in Somalia.

2.2 The Concept of Small Business

According to Nair et al. (2012), small businesses are an efficient process in alleviating poverty. It enhances the employment opportunities in most developing economies. Many researchers have found that most of the small-scale businesses have created the job opportunities and the self-employment opportunities. Small enterprises are acts as the important contributor to enhancing economic growth, rural economic activity, poverty alleviation and social justice.

Small and medium enterprises are those enterprises which have a minimum number of employees and work on small scale. Many of the researchers have found that the small business has increased the gross domestic product (GDP) rate of the country. Small

businesses hold an important place to enhance the growth of the country. It also provides the employment opportunities for those who are unemployed in the rising economy (Jasra et al.,2011).

Clark (2003) defined the small business as a small organization and small governmental authority or jurisdiction. A small-scale business is an independently owned concern, and the independent person operates it. Small business is not dominant in the operation field. Moreover, it satisfies many additional criteria which have established by the small business administration (SBA).

2.3 The Effect of Entrepreneurial Competencies on Business Performance Among Early-Stage Entrepreneurs

According to Barazandeh et al. (2015), export rates of entrepreneurs are varied among the early stage entrepreneurs. Entrepreneurial competencies are created the positive impact in the business performance. The personalities of entrepreneurs are far more different from the early stage entrepreneurs. Nowadays most of the entrepreneurs are very effective in management skills and knowledge, and this has enhanced their business in high level. In addition to this, the entrepreneurs have undergone various training programs to develop their skills and knowledge, but in past days the early stage entrepreneurs had not involved in the training programs to develop their business.

Wickramaratne, Kiminami, and Yagi (2014) studied the entrepreneurial orientations and entrepreneurial competencies of tea manufacturing firms. Many researchers have found that there is a positive relationship between the entrepreneurial competencies and the firm performance. The nature of entrepreneurial competencies is improving the entrepreneurship. Opportunity, strategic competency, organizing, relationship competency, commitment competency and the conceptual competencies are some of the competencies which are effectively handled by the entrepreneurs among the early stage entrepreneurs. Work experience has created the positive impact in the business performance. Moreover, the skills and abilities of an entrepreneur could be improved through work experience. Authors have pointed that the self- assessed competencies of the entrepreneur have a positive relationship with the growth of the firm.

Networking acts as the major factor for the entrepreneurs, and it has enhanced the performance of the business growth. Networking activities aimed to provide the assistance to entrepreneur. These networking activities are in the form of shared experiences and role models, information, support, and motivation. Development of inter-organizational network has influenced the performance of the entrepreneurs which in turn produces the effective growth of small business. Entrepreneurial competencies have enhanced the performances of business by using the networking process (Hoyos-Ruperto et al., 2013).

Zulkifli and Rosli (2013) studied the entrepreneurial orientation and the business success of Malay entrepreneurs. The religious belief of early stage entrepreneurs affected the business performance in past days. The performance and the entrepreneurial competencies of early stage entrepreneurs are more different than entrepreneurs in today's field. The environmental hostility acted as the significant moderator between the entrepreneurial orientation and the profitability firm.

Competency of entrepreneur acts as the effective tool for predicting the performance of the firms. The entrepreneur can use attitudes and skills in which it leads to attaining the successful performances of the small business. The technical competency of entrepreneur has varied from day to day of which it also leads to produces the effective performance among the early stage entrepreneurs. Communication competencies have played an important role in the entrepreneurship. Many practices and activity programs are used to enhance the entrepreneurial activity which can also help the effective program to foster the entrepreneurship. Authors have pointed that the entrepreneurial competency has provided the policy makers and the stakeholder of which it contains the important predictors of venture success (Izquierdo, Deschoolmeester, and Salazar, 2005).

2.4 The Entrepreneurial Competencies and The Performance of Small and Medium Enterprises

According to Bendary and Minyaw (2015), psychological contracting acts as the mediator of the relationship between the performance of small-scale and medium enterprises and the entrepreneurial competencies. Authors have used the six areas of competencies which are positively related to the performance of the business. Some of them are relationship competency, opportunity competency, conceptual competency, organizing competency,

strategic and commitment competency. In addition to these, the entrepreneurial competencies are engaged in three important roles such as the entrepreneurial role, the technical role, and the managerial role. These factors have enhanced the growth of the small-scale and medium businesses. Strong networking has used to establish the sustainable competitive advantage in the small and medium business. Authors have pointed that the delivery competency, transformation competence, and relationship competency are some of the capabilities which are critical for outsourcing provider's success of the business process.

Lazar and Paul (2015) studied the entrepreneurial competencies in a business enterprise. Entrepreneurial competencies have associated with some of the factors such as attitudes, beliefs, personality, mindset and the behavioral tendencies. These entrepreneurial competencies are positively associated with the performances of the firm and the competitiveness. Opportunity competency, organizing competency, conceptual competency, technical competency, and behavioral competency are the five entrepreneurial competencies which the entrepreneurs needed to be well competent in the business environment to enhance the sustainable competitive advantage. Moreover, the organizing competencies are like the managerial competencies. In this way, the coordinating, monitoring and organizing the internal and external resources are some of the significant factors which are closely associated with the organizing competencies which in turn produces the effective performance of small and medium enterprises. Apart from this sector, technical competency involves possessing knowledge of tools or instruments, mastery of tasks and the work content are created the effective performance to successful business growth.

Competencies of entrepreneurs have led a business more successful, and it provides the sustainable competitive advantage. Valuable skill, knowledge, and the ability to take the risk, birth and survival are some of the factors which are closely associated with the entrepreneurial competencies which also have produced the successful performance of the small and medium business. Personal qualities, self-confidence, and innovativeness, are some of the terms which are positively associated with the entrepreneurial competencies. Some of the competencies which have both the direct and the indirect influence on the

performance of small and medium enterprises are an opportunity, learning, commitment, operational and personal competencies. Apart from these factors, the entrepreneurial competency refers to ethical, conceptual, and strategic competencies which are produced the business success in small and medium enterprises. Many researchers have found that the entrepreneurial competencies are related to the performance of venture (Tehseen and Ramayah, 2015).

According to Mohamad and Sidek (2013), entrepreneurial competencies mediate the relationship between the growth of microfinance and the small businesses. Some of the entrepreneurial competencies are lifestyle improvement, expansion of the business facility, adoption of better technology and the problem-solving capability. These are used to improve the successful performance outcomes of small and medium enterprises. Moreover, the training and the development program has helped to attain the growth of business. Authors have pointed out some of the basic characteristics such as generic, motivation, problem solving and decision-making skill and knowledge. These characteristics are positively associated with the survival of the small and medium business. A wide range of training has used to improve money management skills, attitudes, management of risk, quality life, and communication skills. Entrepreneurial competencies have played an effective role in the growth of the micro and medium business.

Sarwoko et al. (2013) studied about the entrepreneurial characteristics and competencies as determinants of business performance in small and medium enterprises. Education, value of personal, experience in work, a support network of professional, psychological factors and attribute are some of the factors associated with the entrepreneurial characteristics which are used to enhance the business growth. Some of the entrepreneurial competencies are strategy competency, commitment competency, opportunity competency, conceptual competency, relationship competency, and the organizing competency. Strategy competency has used to develop the vision and strategy. Commitment demonstrates a strong motivation to make drive and dedication to business growth. Conceptual competency has used to improve the ability to weigh risk, and it also induces the capacity to take the risk. Opportunity competency can capture and identify the need of the customer. Communication and interpersonal skills are depending upon the

relationship competency. Finally, the organizing competency can direct, planning, developing and preparing the budget. These factors of entrepreneurial competencies have produced the successful performance outcomes in small and medium enterprises.

Laguna, Wlechetek and Talk (2012) studied the competencies of managers and their business success. Managerial competencies are considered as the significant predictors of business success. In this way, these managerial competencies are acted as the mediator between the general competencies and the success of small and medium enterprises. Managerial competencies have helped to characterize the person who manages the team of workers. Knowledge, skills, and behavioral patterns are some of the characteristics associated with the managerial competencies which have contributed the successful fulfillment of the managerial performances. Apart from these, the general competencies refer to the wider characteristics of personality, skills and values and behavioral patterns. It has used the creative approach to solving the problems. In addition to this, the social skills are used in many critical situations to reduce the difficulties in order to improve the performances of small and medium enterprises.

Entrepreneurial competencies have played a significant role in the organizational competence and the competitive scope of small-scale and medium enterprises. It has a direct effect on the performance of the firm (Sanchez (2012). Entrepreneurial competencies are nothing but the characteristics of people which is used to enhance the work effectiveness and performances. A managerial competency has possessed the greater attention among other competencies. This competency has demonstrated the persons' actions and behavior. Further, it is related to the dynamic characteristics of competitiveness. The author finally has concluded that the entrepreneurial competencies are positively related to the performance of the firm.

2.5 The Impact of Entrepreneur's Demographic and Personal Characteristics on Firm's Performance Under the Mediating Role of Entrepreneurs

According to Abdulwahab and Al-Daman (2015), entrepreneurs' characteristics have created the positive impact in the firm performances. Some of the entrepreneurial characteristics are personal traits and skills which are the personal characteristics. These factors have constituted the competency of entrepreneurs to venture a success. Need for

achievement has possessed the strong relation with the entrepreneurship. It is considered as the important characteristics of entrepreneurs. Need for achievement is defined as the people who want to attain the strong desire for success. Many of the researchers have found that the need for achievement is included in the psychological trait which drives the entrepreneurs to attain high standards. Further, this strategy leads the entrepreneurs towards success. Apart from this category, self-confidence is another important personal characteristic of the entrepreneurs which are positively influenced the performances of the small and medium business. High level of believing about them so called as the self-confidence which has led the entrepreneurs towards success. Pro-activeness or imitativeness is nothing but the forward-looking perspectives which are focusing on introducing new products to change the business environment. It is also involved in the characteristics of entrepreneurship. At last, independence, responsibility, risk taking prosperity and experience are some of the personal characteristics which are of the entrepreneur's characteristics. These characteristics are enhanced the business growth in the higher level.

Aliyu, Rogo, and Mahmood (2015) studied the entrepreneurial orientation, knowledge management and business performance in the role of organizational culture. Entrepreneurial orientation (EO) has played a significant role in the growth of an organization in the competitive environment. Entrepreneurial orientation is the administrative and the decision-making activities which would lead to some new developments in the small business. Moreover, the entrepreneurial orientation has created the positive impact in the organizational performance of small and medium enterprises. Knowledge, skills, adapting to an organizational environment, flexibility and the learning competency are some of the factors associated with the personal characteristics which are also played the role of entrepreneur. These are improved the sustainable competitive advantage in the small-scale business. There is a significant association between the entrepreneurial orientation and the performance of the enterprises.

Gender, age, education, and marital status are some of the demographic characteristics of entrepreneurs which are positively associated with the performance of the small business. There is a significant relationship between the people's demographic and the compliance behavior of the tax. In addition to these, the demographic variables such as employment

status, occupation, ethnicity, tax return filing experience, and course. Older taxpayers are more compliant than the younger tax payers. Age plays a crucial role in compliance. Gender is considered as one of the vibrant factors that affect the attitude of tax compliance and tax payer's attitudes (Antwi, Inusah, and Hamza, 2015).

Isaga (2015) studied the owners- the demographic characteristics of the manager and the growth of small and medium enterprises. The factors like age, family background, education, and the working experience are some of the demographic factors which are positively associated with the entrepreneurial characteristics. These factors have contributed to the success of entrepreneurs. Education is the major factor of human capital. This element is deemed as the foundation and the source of skills, self-confidence, and overall knowledge. Several studies have shown that there is a positive relationship between the education of the entrepreneurs and the growth of the small and medium enterprises. Many researchers have learned that the education is not a relevant factor in determining the small business growth. Apart from these terms, management experience, the entrepreneurial experience, and the industrial related experience are some of the important experience associated with the successful performance of the business growth. Experienced entrepreneurs have the tendency to direct the firms in a more effective way because of their prior experience from handling enterprises has provided a set of training in many aspects for acquiring many entrepreneurial opportunities in a successful manner. In addition to this, age is considered as the important demographic characteristics which have influenced the advancement of small-scale and medium enterprises. Inverted U-shaped association is maintained in the age of entrepreneurs and the growth of the small and medium enterprises. Knowledge necessary to soundly run a business can be gained through observation to another one, or it can be acquired or motivated from the family background. The entrepreneur comes from the entrepreneurial family has achieved greater success in business when compared to others.

Miao (2015) studied the individual traits and entrepreneurial intentions regarding the mediating role of entrepreneurial self-efficacy and the need for cognition. The individual trait has played an effective role in the entrepreneurship. Conscientiousness, Openness to experience, emotional stability, and the extraversion are the four factors big five

personality traits. These are the significant predictors of entrepreneurial intention. These personality characteristics are created the positive impact in the performance of the business growth. These personality characteristics are significantly associated with the entrepreneurial characteristics. Many researchers have found that the biological factors are affected the activity of entrepreneurs which in turn reduces the successful performance of an organization. Self-efficacy of the entrepreneurs mediates the relationship between the individual behavior and the intention of entrepreneurs. Moreover, the individual traits are associated with the emotional intelligence, cognitive ability, risk propensity, proactive personality, and rebelliousness. These individual traits are related to the entrepreneurial intentions and the entrepreneurial self-efficacy. The entrepreneurial self-efficacy is created the positive impact in the entrepreneurial intentions. Cognitive psychology has provided the strong implications for the intention of entrepreneurs. Personal characteristics of entrepreneurs have predicted the probability new venture success and failure.

Bakar, Mahmood, and Ismail (2014) studied the combined effect of knowledge management and entrepreneurial orientation on the performance of small and medium enterprises. Entrepreneurial orientation is the valid concept, and it has played an effective role to improve the organizations by decision making across multiple organizational contexts. The personal characteristics such as leadership style, creative or innovative knowledge, and skill are closely associated with the entrepreneurial characteristics. This has created the positive impact in the performance of the small business. Many researchers have found that the knowledge management scale has helped in the small business to enhance sustainable competitive advantage. Authors have found that there is a mediating effect of entrepreneurial orientation on the relationship between the knowledge management and the business performance. Hence the entrepreneurial orientation acts as the mediator between the knowledge management and the firm performances. Gender, education, status, experience, the number of employees and the types of operation are some of the characteristics associated with the entrepreneurial characteristics. They also have helped to attain the successful performances outcomes of an organization.

Chuluunbaatar et al. (2011) studied the entrepreneurial orientation start-up process on the role of social capital and the social, economic condition. Some of the personal characteristics are controlled locus, the ability of risk-taking, the motivation of achievement, the style of problem-solving, creativity, behavior, and working value. These characteristics are related to the entrepreneurs, and these factors have created the positive impact in the performances of the small business. Entrepreneurial attitudes, intention, and the behavior are closely related to each other, and it can be traced using the models of intention. Several researchers have found that the intention acts as the mediator between the effects of attitudes and the behavior. These are related or dependent on personality and the environment. In addition to this, the personality of entrepreneurs strongly depends on upon the family, social environment, and the culture. Moreover, the entrepreneurs have reflected the personality of an individual, insight and understanding, and justification of their ability. These behavioral tendencies lead the effective leadership acquisition, interpersonal competencies, and the persuasive competencies. Five major factors are used to measure a one's personality characteristics. The personality characteristics, for instance, act as the predictors of the entrepreneurial intentions. The neuroticism, extraversion, agreeableness, openness to experience, and the conscientiousness are the five broad traits of personality characteristics.

Many demographic approaches have used to analyze the personality characteristics of an individual. This has determined the spirit of the entrepreneurs and it helps to distinguish the entrepreneurs from others. Demographic characteristics have focused some of the variables such as the background of the family, previous experience of work in a start-up, the status of a socio-economic factor, age, level of education and birth order. These factors have helped to achieve the successful performance outcomes of the small business. Ownership type, marital status, and income are some of the demographic variables which are created the positive impact in the entrepreneurial attitudes. Perseverance, hard work, ability to take the risk, dynamism, creativity, innovative, self-confidence and the excellent time perception are some of the personal characteristics of entrepreneurs. These characteristics have enhanced to achieve the successful performance in their business. Authors have pointed that the level of entrepreneurial attitudes increases as the increase in age, income, ownership type and marital status (Tamizharasi and Panchanatham, 2010).

2.6 The Role of Somali Women Entrepreneurs in Small -Scale Businesses

According to Hundera (2014), women involvement in the micro and small-scale enterprises have increased the economic development of the country. Somali women entrepreneurs have played an important role in reducing the poverty of Somalia. They are like an active participant in the many development processes. Several strategies have adopted by the women in Somalia to enhance the entrepreneurial start-ups. They have created the good social network to enhance their business activity. Some of the Somali women have attained the specific business skills and experience in the small-scale businesses. Moreover, they have the knowledge to promote their business into international level. Somali women have earned their living by involving in the small business.

Iyitola and Azuh (2014) studied about the women entrepreneurs as small, medium enterprise (SME) operators and their roles in socio- economic development. Somali Women have engaged in the financial and economic sector. They have acted as the owners of their small-scale business. Moreover, they also have engaged in the productivity sector, and they succeed in high level. Women involvement in small-scale business has enhanced the economic development of the country. Many of the Somali women have generated the employment for those who are unemployed. Authors have pointed that the women have played a traditional role in the typical family setting which also has allowed women to undertake more functional roles within the society. Somali women entrepreneurs have created an impact on the small-scale businesses.

Somali women possess higher involvement in the clothing sector than other nationality. Many of the Somalis have interested to make their traditional clothes, and they have become wholesalers of the small-scale businesses. The operating modes of Somali women are far different from other women entrepreneurs. In this way, the Somali women are committed not only with the clothing sector but also in the grocery sector. Many of the restaurants have successfully run by the Somali women entrepreneurs (Kalitanyi and Visser, 2014).

Ali (2013) studied the challenges and constraints faced by the Somali women entrepreneurs in Benadir region. Somali women have played a vibrant role in the economic development of Somalia. Many of the Somali women have started the small-scale businesses in both the formal and informal sector. Small enterprises are acted as the key component for Somali women to develop their economic conditions. Somali women are playing the major role in their family. They have succeeded to start their own business and hence they were facing many problems in their business sector. Some of the Somali women were good in financial management of small scale businesses. In this way, many women are committed as the active partners with their spouses to run their small-scale business.

2.7 Factors Influencing Women in Small-Scale Businesses

According to Chitra et al. (2014), personal factors have influenced the performances of the women in the small-scale businesses. In this way, the social support, networking clarity, personal motives, and technology are created the positive impact in the successful performance of the women entrepreneurs. Some of the personal qualities such as the creativity or innovation, perseverance, balancing of life and work, family members support, self-efficacy, optimism, pursuing the new opportunities, techniques related to marketing, taking risk and capability of handling stress. These qualities are positively associated with the women entrepreneurs to enhance the performance of the small-scale enterprises.

Ongachi and Bwisa (2013) studied the factors influencing the growth of women-owned micro and small enterprises. Lack of finance and skill, the inability of performing the multiple roles and lack of experience are some of the factors which are distressing the growth of women entrepreneurs negatively in the small-scale business. Moreover, the women entrepreneurs have more financial demand on social which compete with the business capital. Further, this leads to capital diversion away from the needs of business. Initial capital accessibility has created the negative impact in the growth of women entrepreneurs in small scale business.

A strong family support system has positively influenced the women in the small-scale businesses. Some of the factors which have influenced the women in small business are business planning, social network, and professional development. These factors have influenced the ability of women. Entrepreneurial innovation has played a vital role in business survival. Lack of financial resources, external information weakness, and a shortfall in management expertise are the factors which limit the competitiveness of women in small scale business. Raw materials acquisition, development of new product, production process and the marketing stand out are some of the significant factors which are influencing the survival of women businesses. Moreover, women entrepreneurs are facing a lot of obstacles such as the high of the tax system, changing legislations, lack of accessing the high-interest rate, administrative controls, and the lack of financing. At last, fulfilling the requirements of the bank is considered as the major challenge for the women entrepreneurs in small scale businesses (Chea, 2008)

Yen, Teoh, Choy, and Chong (2007) studied the factors influencing the performance of women entrepreneurs in Malaysia. The performance of women entrepreneurs is influenced by their ability, motivation, and the opportunity. The gender differences in performances of the business have created the complexity for the women entrepreneurs. Business skill, personal goals of the women, different strategy, and experience are some of the factors which are positively influenced the performance of the women entrepreneurs in small business. In addition to this, the social learning theory, level of education, organization membership and environmental aspects are the factors which have influenced the performance of the women in small business.

The belief of cultural and religion, preference, and capabilities of entrepreneurship, environment, and technology, are some factors which have influenced the effectiveness and the performance of the women entrepreneurs in small scale industry. In addition to this, the gender differences are considered as the major factors which are created the negative impact to the women entrepreneurs in small business (Olabisi, Yusuff, Olagbemi and Atere, n.d). Authors have pointed out some of the factors which are influenced the performances of women in small businesses are business age, operating location, structure of business, financing amount, and employees.

2.8 Conceptual Framework

The following figure illustrates the conceptual framework for the entrepreneurial characteristics and the entrepreneurial competencies as determinants of business performance particularly with respect to small enterprises in Mogadishu, Somalia.

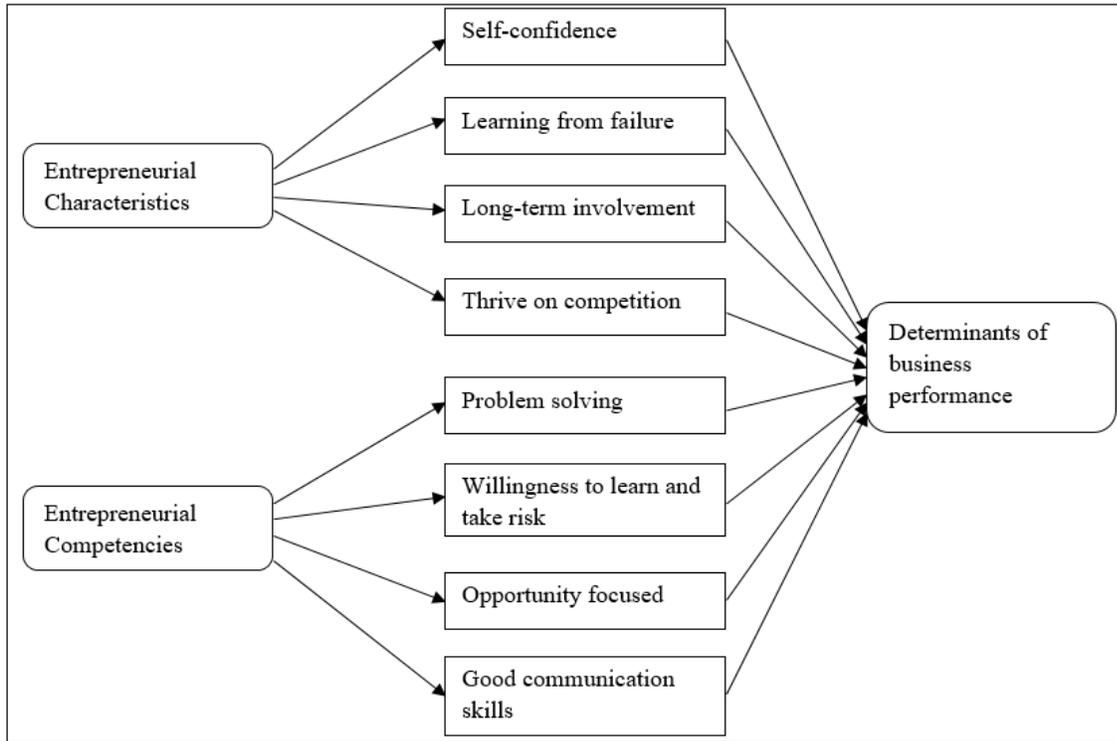


Figure 2.1: The conceptual framework for the entrepreneurial characteristics and the entrepreneurial competencies as determinants of business performance particularly with respect to small enterprises in Mogadishu, Somalia.

According to Agbim, Oriarewo and Zever (2014), self-confidence is considered as the important factor in individual characteristics of an entrepreneur. The self-confidence of the entrepreneur has achieved the sustainable competitive advantages in small business. Self-efficacy, goal setting, motivation, knowledge, skills, and locus control are closely associated with the individual characteristics of an entrepreneur. These factors have positively influenced the performance of the entrepreneur towards the successful business growth. Self-confidence is one of the personal traits of which it leads the successful performance outcomes of the small business. The entrepreneurial characteristics are also called as the personal and psychological factors. These factors are positively influenced the performance of the small business. A competency of entrepreneurs mediates the

relationship between the characteristics of an entrepreneur and the performances of the business. Authors have pointed that the self-confidence has created the strong impact entrepreneurial performance of the small business.

Oyeku (2014) studied the entrepreneurial success of small and medium enterprises. Learning and growth perspectives are considered as the part of the entrepreneurial characteristics. These factors have played a substantial role in the performance of business growth. Learning process helps to drive the financial performances of the entrepreneur which in turn produces the effective performance in the business. Many entrepreneurs are learning from their failure, and it enhances to focus the correct path to achieving the business goal. The vision of an entrepreneur has changed by their learning process from the failure. They have confidentially focused the business on taking a risk and hence they have achieved the greater success in the performances of small business. Entrepreneurs have successfully adopted the failure management process to develop their small business. Conscious learning has developed the entrepreneurship. Numer of training also has helped to reduce the failure of the business, and it makes the success of an enterprise.

Long-term involvement of entrepreneurial characteristics have produced the sustainable competitive advantage in the small-scale business. Moreover, the long-term involvement and the day to day decision making have influenced the performances of small and medium enterprises. Long term involvement is related to the demographic characteristics of business. The long-term decision-making process is the important factor, and it has helped to achieve the higher performance in small business. Many researchers have found out that the long-term strategic planning and decision-making process are positively influenced the performances of the small business (Becherer, Finch, and Helms, 2006). Demographic characteristics of the business have positively influenced the long-term involvement process. Long-term decision-making strategy is relatively high and difficult to process, but it has produced the effective performance in the business growth. Authors have pointed out that the long-term involvement in entrepreneurial characteristics has created the strong influence in business performance.

Sebikari (2014) studied the entrepreneurial performance and small business enterprises in Uganda. Competitive characteristics are considered as one of the common factors for the entrepreneurs. Increasing the competitive advantages of the business has possessed the great attention among all the entrepreneurs towards the small business. Capacity factors, entrepreneurial skill, knowledge, and entrepreneurial activity, are some of the factors which have enhanced the performances of the small business. Human capital, the structure of business, processes, competencies of the core are the factors which have determined the competitive business environment. Consumer buying power has created the positive impact in the performances of small business. This also has produced the sustainable competitive advantage in the business environment. Sufficient level of entrepreneurial characteristics has enhanced the performance of the small business, and it also produces the competitive advantage. Profitability, sales growth, market share and the return on investment are some of the competitive factors which are positively related to the performances and characteristics of entrepreneurs.

Small and medium enterprises have attached the importance to planning competencies, cultural competencies, decision-making competencies, and problem-solving competencies. The problem-solving skill of an entrepreneur has enhanced the performances of an organization. Problems of external adaptation and the internal integration are solved by the problem-solving skill of an entrepreneur. These are created the positive influence in the performance of the small business. Core competencies have covered problem-solving skills which help to achieve the successful performance outcomes of an organization. Indigenous abilities and manufacturing more value-added products are involved in the problem-solving characteristics which are used to overcome the problems of rising the domestic wages and growing competitive threats of the small business. Entrepreneurial competency acts as the strong predictors of small and medium enterprise success. Effective management of problems in small-scale business has reduced many problems. Further, it has enhanced the competitive advantage. Authors have pointed that the problem-solving competency, decision making, and planning skill are the important factors which lead to more importance to stakeholder management and leadership (Ng and Kee, 2013).

Olien (2013) studied the entrepreneurial competency and the success of small business. An entrepreneur with a strong willingness to learn allows them to acquire new skills. These entrepreneurs have developed the personal career development in a successful manner. This skill has enhanced the performance of the small business. The entrepreneurs learning ability have employed the others feedback which could help them to make the strong career decision. These entrepreneurial competencies have used to enhance the business performance. Successful entrepreneurs are willing to take several risks. They have the capability to identify and calculating the assessment of risk. These entrepreneurs are typically skilled in developing the alternative plans for worst case scenarios. Moreover, these entrepreneurs are learned from the past mistakes which could help them to attain the successful performance of their small businesses. These personal effectiveness competencies have created the positive impact in the business performance.

Opportunity competencies have focused many terms which are created the direct or indirect effect on the performances of small and medium enterprises. An entrepreneur is always engaged in seeking the opportunities to exploit it in the small businesses. New opportunities have changed the entrepreneurs to the extreme level. Opportunity recognition has played a significant role in the successful performance of the entrepreneurs. Further, this has produced the high-performance outcomes of small business. Many competent entrepreneurs have chosen to exploit the better opportunities in terms of fit and quality. Entrepreneurs have involved in the opportunity orientation which is used to evaluate the trend changes. Authors have pointed that the seeking out opportunity has helped to improve the services and production rate of the small business. In addition to this new opportunity has explored the high-performance outcomes of small business. This competency of an entrepreneur has created the positive impact of the determinants of business performance (Krithika and Venkatachalam, 2014).

Gerli, Gubitta, and Tognazzo (2011) studied the entrepreneurial competencies and firm performance. Good communication skill is related to the technical competency of an entrepreneur. This has created the positive impact in the performances of the small business. Oral communication of the entrepreneurs has enhanced their opportunity of business. They have successfully solved the problems using good communicative skills.

Managerial communication has delivered the effective role in increasing the determinants of business performances. These competencies have created the capability to understand others. Further, this is positively related to the relationship management and self-management. Communication has helped to manage the effective relationship with others, and this attains the successful performance outcomes of the small business. Relationship competency has provided the effective interpersonal skill and communication skill of which it is positively related to the successful performance. Authors have pointed that the good communication skills of entrepreneurs have influenced others to attain the competitive advantage of their business.

2.9 Operational Definitions of The Terms

- Entrepreneurial characteristics: Hisrich et al. (2008) stated that entrepreneurial characteristics could be referred as the characteristics of entrepreneur including age, education, work experience, personal values, and professional support network that determines the success of the business.
- Entrepreneurial competencies: Sarwoko et al. (2013) stated that entrepreneurial competencies are known as the characteristics of individual including behavior and attitude that allows the entrepreneur to achieve success in the business. Westcott (2003), competency can be identified by the demonstration of an integration of skills, knowledge, personal attributes, and values orientation.
- Problem Solving: Ruhe et al. (2006) stated that problem solving is one of the frequent activities of individual that exists when the target or plan cannot be accomplished directly, so that plan was devised that eventually allows individual to attain the target.
- Self-confidence: Self-confidence is defined as how an individual feel about his/her own ability and it is a most important skill for the success of any person (CEFE, n.d).
- Good Communication Skills: Communication Skill is defined as the set of skills that makes an individual to convey the information so that it is understood or received (ASLECT, n.d).

- **Opportunity Focused:** Opportunity focused is defined as the characteristics of the individual who has the ability to identify the opportunities in all new situations, even in problems and work on it to achieve the desired goals (CEFE, n.d).
- **Learning from failure:** Slegers et al. (2012) stated that, learning from failure is a process where an individual determines what needs to be done effectively and differently from previous mistakes, and it is most important reactions needed for human to be succeeded.
- **Willingness to learn:** De Meuseet al (2010) stated that willingness to learn is an ability to learn new things or from experience, and then apply their skills to perform new situations successfully.
- **Thrive on competition:** Thrive on competition can be defined as the characteristics of entrepreneurs who have a willingness to compete actively with others, and also, they compete against themselves by improving the performance constantly (CEFE, n.d).

2.10 Research Hypothesis

The following research hypotheses are to be proposed and tested based on the above conceptual framework to know about the entrepreneurial characteristics and the entrepreneurial competencies as determinants of business performance particularly with respect to small enterprises in Mogadishu, Somalia.

- **H₀:** Long-term involvement of entrepreneurs does not help to determine the business performance
H₁: Long-term involvement of entrepreneurs helps to determine the business performance
- **H₀:** Self-confidence of entrepreneurs does not help to determine business performance **H₁:** Self-confidence of entrepreneurs helps to determine business performance
- **H₀:** Learning from failure of entrepreneurs does not help to determine business performance

- H₁**: Learning from failure of entrepreneurs helps to determine business performance
- **H₀**: Thrive on competition of entrepreneurs does not help to determine business performance
H₁: Thrive on competition of entrepreneurs helps to determine business performance
 - **H₀**: Problem solving of entrepreneurs does not help to determine business performance **H₁**: Problem solving of entrepreneurs helps to determine business performance
 - **H₀**: Opportunity focused on entrepreneurs does not help to determine business performance
H₁: Opportunity focused on entrepreneurs helps to determine business performance
 - **H₀**: Willingness to learn and take the risk of entrepreneurs does not help to determine business performance
H₁: Willingness to learn and take the risk of entrepreneurs helps to determine business performance
 - **H₀**: Good communication skills of entrepreneurs do not help to determine business performance
H₁: Good communication skills of entrepreneurs help to determine business performance
 - **H₀**: Somali Women entrepreneurs do not play a crucial role in the small-scale businesses in Somalia
H₁: Somali Women entrepreneurs play a crucial role in the small-scale businesses in Somalia

As the conceptual framework focuses on the entrepreneurial characteristics and entrepreneurial competencies as the independent variables and self-confidence, learning from failure, long-term involvement, thrive on competition, problem-solving, willingness to learn and take the risk, opportunity focused, and good communication skills are the dependent variables. Finally, all these are the determinants of business performance.

2.11 Research Gap

This study examines the entrepreneurial characteristics and the competencies of the small business. The research gap which is predicted in this study is that there is a sole little study on demographic and personal characteristics of the role of entrepreneurs. But this study determines the factors and the performance of demographic and personal characteristics of entrepreneurs. Many researchers have focused the entrepreneurial characteristics of large organizations, but this study focuses the entrepreneurial characteristics and competencies of small business. This work will be very valuable for the researchers to know more about the small business and the performance. The small-scale and medium enterprises are an important factor for both the individual and the nation, and hence it has raised the economic growth of the country (Kamunge, Njeru, and Tiriumba, 2014). This study also focuses the various characteristics and competencies of entrepreneur which will be useful to improve the performances of the small business. Most of the studies have separately focused the characteristics and competencies of entrepreneurs and their performance. Most of the studies have examined the relationship between the entrepreneurial competencies and the performances of the firm (Li, 2009). But this study determines the performance outcomes of entrepreneurial competencies and characteristics of the small-scale business.

2.12 Summary

Entrepreneurial characteristic and competencies of business have attained a much attention worldwide, and numerous studies were conducted in this study to know its effect on the performance of the small business. Entrepreneurial characteristics have played a vital role in producing the successful performance outcomes of the small business. Entrepreneurial characteristics and the competencies are positively related to each other, and it has enhanced the performance of the small business. Proper training and development of entrepreneurs towards the small-scale business have used to enhance their performance level. This study has been made to learn the role and factors of women entrepreneurs in small scale businesses and several challenges faced by Somali women entrepreneurs as well.



3. METHODOLOGY

3.1 Introduction

The following section will elaborate on the research technique that is utilized as a part of the study. The research paradigm, research design, sampling plan, analysis techniques and the entire research process will be explained and justified. The ethical constraints involved in the study will likewise be elaborated.

3.2 Research Paradigm

Pervez and Gronhaug (2011) characterize that research paradigm is only the principle and the essential examination outline that is encircled as the initial phase of the exploration procedure. The exploration paradigm is the one that will give the essential thought of the examination paradigm and on how the examination must be gone before. The research model is a precise quest for qualities, dialect, presence, learning, reason, and mind. The research rationality is separated into two sorts as major, as they are positivism and Interpretivist. The positivism suggests precise, and the positivist methods are presumably and worthwhile to study social activities in ways that are like those used by regular researchers for the study undertake in the typical world. Interpretivism is the elucidation routines and the comprehension or making of significance. Interpretivism is worried at the thought that individuals concentrate better through drawing in with their general surroundings and study from encountering the real world. Interpretivism is otherwise called subjective examination

3.2.1 Paradigm adapted

This study takes after the positivism research logic. Positivism is a general theory, and it will dependably produce some positive and expected results. These estimations are done

on a measurable and efficient way. In this manner, the significant center is of legitimacy, reliability, and speculation of its expectations, estimation the positivist rationality is utilized as a part of the regular science, and it will dependably be objective and will be an essential strategy. Positivism alludes to quantitative examination approach. It is finished with the assistance of survey methods. This will be in a measuring one, and it will incite numbers, statistical data points. It is said that the positivism is the support system of untried and survey research methods, yet, in making it clear, along these lines, there is a kind of conflation flanked by collective ways to deal with specialized methodologies and the point by positivism point position (Gupta & Gupta 2011).

The business achievement will be impacted by the aptitude and the capacity (skill) of the proprietor/director. Understanding the part of business person gives a superior knowledge about what abilities required by business people to guarantee the survival of the business and also a business achievement. The part of manager or superior is concentrating on the advancement of entrepreneurial skills (Ahmad et al. 2010). Elemo (2011) conceptualizes entrepreneurial capabilities as the aggregate whole of business people traits, for example, dispositions, convictions, information, aptitudes, capacities, identity, skill, and behavioral inclinations required for achievement and managing the enterprise. A top to bottom examination of entrepreneurial skills observed capabilities of business visionaries as having double beginnings: initially, segments that are profoundly established in the business person's experience (i.e. attributes, identity, mentalities, mental self-portrait, and social parts) and second, segments that could be procured at work or through hypothetical or viable learning (i.e. abilities, information, and experience). Entrepreneurial abilities impact fundamentally business achievement (Man 2001); Ahmad et al. (2010) contended that entrepreneurial skills as an indicator of business achievement SMEs in Malaysia, even its impact all the more firmly for stable natural conditions and progressively. The abilities and qualities of the identity of the individuals who oversee organizations viewed as a standout amongst the most intense elements have a positive or negative effect on execution (Yusoff & Dhaarfri 2013). Capacity to show the fitness of the proprietor/director of a small business, in where the ability of that will be influenced by entrepreneurial attributes of the individual proprietors/administrators.

Gonzalez (2014) led a study on the effect of development accomplishment as go between variable on the relationship among entrepreneurial introduction, human capital, social capital, and firm execution utilizing information gathered from irregular chose respondents from medium and small firm units in Johor Bahru, Malaysia, and Palembang, Indonesia. Through utilized advancement accomplishment as go between variable, the examination showed a positive relationship between entrepreneurial introduction and firm execution while negative connections were seen between human capital and firm execution and social capital and firm execution.

Likewise, Matin et al. (2013) prescribed parts for measuring the entrepreneurial abilities, to be specific, duty, procedure, relationship, opportunity, learning, and personal competency. While Ahmad, Ramayah, and Kummerow (2010) had employed the estimation of entrepreneurial skills including key, open door, theoretical, learning, relationship, moral, individual, and familyism. Ogundeji (2014) accentuated twelve competency zones which are necessary for micro/small business success, including starting a business, assembling, planning, managing, and showcasing the offerings. Also, in publicizing, deals improvement, marketing, financing, bookkeeping, workforce relationships, buying, generation, offices and gear, and controlling threat and the risk.

Keh, Nguyen and Ping Ng (2007) inspected on how the entrepreneurial introduction (with centers measurement of risk taking, acting proactively and inventiveness) influences data obtaining and usage and the execution of SMEs. The study verified that entrepreneurial introduction was a huge indicator of data obtaining and data usage while data securing was a solid indicator of data use. Data obtaining was then again, not an arbiter of the relationship between entrepreneurial introduction and firm execution while data usage was a fractional middle person in the relationship between entrepreneurial introduction and firm execution. Data utilization showed a critical and constructive outcome on firm execution.

Sarwoko et al. (2013) explained that entrepreneurial capabilities intercede the relationship between the entrepreneurial attributes and the business execution and those entrepreneurial skills affect business execution. Inyang and Enuoh (2009) distinguished eight territories of entrepreneurial abilities to deflect business disappointment in Nigeria.

And they called for more research consideration in entrepreneurial capabilities to move business through from idea to a worth making and beneficial firm, having a verified expanding rate of business disappointment particularly in the SMEs segment that has been perceived and recognized as the motor of monetary development.

By analyzing the witnesses, the researcher uses the positivism method in the present study. The study aims to find the relationship between the entrepreneurial characteristics and entrepreneurial competencies like self-confidence, learning from failure, long-term involvement, thrive on competition, problem-solving, willingness to learn and take the risk, opportunity focused and good communication skills. To recognize these terms in an arithmetical manner, the study is conducted in a quantitative manner and the primary data is collected by using the survey questionnaires and arithmetical tools are used for evaluating the primary data.

3.3 Research Approach

A research approach explains to the standard technique for the collection of primary data. Research approach dependably explains to the system for the exploration that is completed amid the examination process. The two sorts of exploration methodologies are broadly utilized. They are qualitative exploration and quantitative examination.

The subjective examination is a multi-strategy in focus including a naturalistic and interpretive way to deal with its topic. This implies the subjective investigator's study belonging in their ordinary settings endeavoring to make rationale of or comprehend wonders in the states of the implications open convey to them (Festinger 2010). Quantitative exploration has its source in its common sciences. The quantitative examination is elucidating in nature and is utilized by the researchers to comprehend the portrayed example of the scientist in different exercises (Thomas 2010).

3.3.1 The research approach adopted

The study utilizes quantitative examination approach. The study will be circulating under the numbers and reviews. It will utilize close-ended surveys in understanding to the study. The researcher adjusts this methodology since the study utilizes positivism as the

examination rationality. It will utilize the information that is gathered through the study in a measuring way. In fundamental quantitative methodology, utilizes factual terms like numbers and figures. The quantitative examination will dependably depict, comprehend, and anticipate the exploration issue. It is taken after with a formal and unbending design. This methodology is further grouped into the inferential methodology, exploratory methodology, and recreation approach. The inferential methodology is to explore as a database. More noteworthy variables control the test methodology. It is controlled and saw by variables to discover the impact of the variables (Johnson & Christensen 2010).

3.4 Research Design

A research design is an arrangement of the development of choices that makes up the end-all strategy demonstrating the strategies and the techniques for gathering and then breaking down the required data. A research outline is an intelligent structure which gives a consistent form that aids the examiner to address the relevant research issues and to answer the research questions. It is a standout amongst essential segments of examination philosophy. The research design is not just subtle elements and the sort of examination configuration to be executed yet incorporates the way to deal with measuring the variables and gathering information from members, contriving a system to test members to be considered and arranging on how the information will be investigated. These methodological choices are found and guided by the sort of exploration configuration chosen (Clark & Creswell 2011).

Research outline is characterized into two noteworthy sorts. They are exploratory examination method and conclusive research design. The conclusive exploration outline is further characterized by a descriptive examination plan and a causal examination design.

3.4.1 Research design adapted in this study

Descriptive examination arrangement is thought that has been characterized differently as a study unit or a method or a thing. From the method perspective, the descriptive research design is a definite solicitation that takes an observation at a contemporary issue and

within its genuine setting especially when the cutoff points amidst association and circumstance are not clear totally. If it is not speculative or one of a kind declination to some of these potential results the condition is not adequately constrained to be respected a case (Weiten 2010). The present study is descriptive in nature because this examination makes a quantitative examination. The descriptive examination can be used when the object of the investigation is outstandingly furious and complex. The descriptive study tries to depict a condition, issue, situation, advantage or a program systematically transmits information regarding the existing conditions of a gathering or draws characters towards an issue.

3.5 Sampling Design

The sampling arrangement is only the selection of the respondents from the focused-on sampling outline. Among the substantial population, choosing the little measure of target respondents is called as the sampling plan. At the end of the day, sampling arranges, or outline is the strategy used to pick important members from the effortlessly came to occupants. A decent examining plan must address exact issues, for example, economy, quantifiable, common sense, and objective introduction. The sampling strategies are two noteworthy sorts, for example, probability examining and non-probability sampling strategy.

Probability sampling or simple random sampling is the one in which every individual from a particular population has a comparable chance of being chosen. Probability sampling calculates sampling error or mistake (Mujis 2010).

Thomas (2010) portrayed that non-probability examining is the place the examples are not picked haphazardly. Here one picks the respondents in light of the judgment of the researcher, accommodation or other nonrandom procedure. Since subjectivity is included during the time spent examining each participant's probability is not chose which is being incorporated into the target respondent. As a result, the sampling mistake or error can't be measured, and there is a high hazard that factual derivation concerned on a non-probability test will be one-sided

3.5.1 The sampling design involved in this study

This study makes the use of simple random sampling approach. The survey system will, by and large, utilize this sort of sampling, and it will give a chance for every one of the respondents in the projected population. Every conceivable example combines an equivalent possibility of being picked. Simple random sampling is portioned into the lottery technique and by utilizing random numbers.

3.5.2 The sampling unit

The sampling unit will be the small-scale entrepreneurial units of Mogadishu, Somalia.

3.5.3 The target population

In this study, target population will be the small-scale entrepreneurs and managers/owners in Mogadishu, Somalia.

3.5.4 The sample size

The sample size will be 187 entrepreneurs and managers/owners of the small business firms. It is calculated as follows: the projected population is 212, the chosen confidence level is 95%, the margin of error is 2.5%, and the corresponding confidence level score is 1.96

- Sample size calculations: $\text{sample size} = (\text{distribution of } 50\%) / ((\text{margin of error}\% / \text{confidence level score})^2) = (0.5 * (1 - 0.5)) / ((0.025 / 1.96)^2) = 1536.64$
- Finite population correction: $\text{true sample size} = (\text{sample size} * \text{population}) / (\text{sample size} + \text{population} - 1) = (1536.64 * 212) / (1536.64 + 212 - 1) = 187 \text{ approx.}$

3.6 Data Collection Methods

The examination information is a critical hotspot for the investigator to think about the exploration status and to finish up the examination with a specific end goal to get the arrangements. The information gathered utilizing different strategies must be investigated well, and the last result must be acquired legitimately. The information gathering is

separated into two sorts to be specific primary information accumulation and the secondary information accumulation (Clark & Adler 2010).

3.6.1 The primary data collection method involved in this research

Primary information is the one that is gathered by the researcher for the examination reason. The researcher will make a few definitions independent from anyone else on the essential information accumulation. The information will be gathered by the sole exertion of the investigator. It will be completely new and won't have any second-hand data. The researcher will invest more energy in the primary information accumulation. The researcher can and will control the precision/mistake by simply diminishing or expanding the assets employed for data gathering. The exactness of the information is by and large controlled by the nature and profundity of the study, and the surveyor read and made clear the questions to the respondents. Primary information gathering utilized in this study is taken from examination diaries, articles, books, databases, and magazines among others. The utilization of primary information will help the study to create solid foundation learning (Sharon 2010). In this study, the primary data will be collected by the use of surveys that consists of the dependent and independent variables. The entrepreneurs of small business firms are surveyed. The entrepreneurs of Mogadishu, Somalia are the target respondents in the study.

3.6.2 The secondary data collection method involved in this research

As Hunter & Dantzker (2011) elucidates that secondary information is the data that is followed already and is collected by some other investigators for their study and it is not directly relevant to the current investigation. The secondary information can lessen the expenses and time, and it requires cautious representation to improve that the information that the researcher finds, are comparable and valuable. The secondary information additionally figures the issues of making a choice furthermore assess and translates the information. At last, the secondary information set up patterns in investigations of greater exploration.

3.7 Analysis and interpretation of the data

The information accumulation will serve as the gathering device, and the investigation part will make the exploration arrangements and the motivation behind the examination. Dominick and Wimmer (2010) portrayed that the effort and the time needed for information examination, where the understanding is depending on the system in which the study has employed and the reason utilized by the study.

Examination and elucidation of information will be entirely in every one of the terms, and it will make utilization of the gathered information that is primary and the secondary information. The information examination and information translation incorporate various firmly related operations that are completed with the goal of outlining the assembled information and sorting out these in a manner that they will give reactions to such research inquiries or suggest questions or theory if no such questions or speculation had begun the study (Denzin & Lincoln 2010).

3.7.1 The statistical tools involved in the study

The statistical tools utilized by study for analysis of the collected data are:

- I. The simple percentage analysis
- II. Chi-square test

i. The simple percentage method

The analysis of the simple percentage is employed as a part of looking at associating more than both accumulations of information. In this system, the rates are utilized to symbolize affiliation rates can likewise be utilized to differentiate practically identical terms.

Percentage=Number of responses \times 100÷Total number of responses

ii. Chi- square test

The test will ensure the relationship between the independent and the dependent variables. It is denoted as $X^2 = \frac{\sum(O-E)^2}{E}$ where X^2 is the Chi-Square Statistic, \sum is the summation symbol, O is the observed number, and E is the expected number.

The arithmetical tools are used in the study by using the SPSS method and software.

3.8 Strategies for validity findings

3.8.1 Reliability

Reliability is a noteworthy concern as in the time of psychological test is utilized to measure some trait or conduct (Gravetter&Wallnau 2010). In measuring the rightness of the implementation utilized as a part of the information, accumulation is utilized as a part of reliability. The information is accumulated by circulating the surveys to primary respondents fitting in with target small-scale entrepreneurs in Mogadishu, Somalia. In the review to assure and guarantee that there is no predisposition in the assembled material, the researcher has guaranteed that each respondent has reacted whole inquiries.

3.8.2 Validity

Validity is worried about the significance of examination parts. At the point when the investigators measure practices, they are concerned with whether they measure what they expected to calculate. There are four sorts of validity that the investigators must consider: factual conclusion validity, construct validity, external validity, and internal validity. Validity is a system that guarantees that all necessities of the examination are taken consideration by the outcomes that are derived (Sharon 2010). Validity is kept up by assemblage content like security elements touching the structure destinations in this study. Validity has been overseen in this study by making and surrounding the survey in such a strategy, to the point that it accentuation the genuine ideas that are identified with examination points, goals, and literature.

3.9 The Ethical Considerations of The Study

The study is entirely holding to the moral standards. The researcher utilizes the information gathered just for the examination reason, and it won't influence anybody at any expense. The exploration process must be figured with moral contemplation, and it must be imperative an element in the examination part. Researchers need to anticipate the moral issues that might emerge amid the studies and explore. The moral issues must be followed in the whole research process.

3.10 Summary

The chapter elaborated that the research model used is positivism, and the research design is descriptive. The sampling design involved is the simple random sampling. The target respondents of the study are the small business firms of Mogadishu, Somalia. The business people are surveyed using the close-ended questionnaires which consist of the entrepreneurial competencies and characteristics. The researcher finds the answers by using the quantitative method. The study uses both primary as well as secondary data collection. The analysis method used in the study is percentage analysis, chi-square tests, and graphical method. SPSS is used in the study to evaluate the collected data. Apart from all the research methodologies, the study follows the strategies for validating findings and ethical considerations.



4. ANALYSIS AND RESULTS

4.1 Introduction

The following chapter presents the results and analysis of the collected data; descriptive and inferential statistical results, followed by an in-depth analysis and discussions about the outcomes.

4.2 Descriptive Statistics

This section will present the produced descriptive statistics(results) in the form of tables and graphical representations followed by short comments to highlight the key numbers in presented data.

4.2.1 Demographic profile

This section covers the demographic profile of the respondents such as age, gender, education, working experience, the number of employees in the firm and the stage of development.

To begin with the age, from the table 4.1, we can observe that about 17.1% of the respondents were above 50 years.

Table 4.1: Age (in years)

| | Frequency | Percent | Cumulative Percent |
|--------------|-----------|---------|--------------------|
| 20 - 25 | 27 | 14.4 | 14.4 |
| 25 - 30 | 23 | 12.3 | 26.7 |
| 30 - 35 | 30 | 16.0 | 42.8 |
| 35 - 40 | 24 | 12.8 | 55.6 |
| 40 - 45 | 27 | 14.4 | 70.1 |
| 45 - 50 | 24 | 12.8 | 82.9 |
| More than 50 | 32 | 17.1 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.2, we can observe that about 61.5% of the respondents were male.

Table 4.2: Gender

| | Frequency | Percent | Cumulative Percent |
|--------|-----------|---------|--------------------|
| Male | 115 | 61.5 | 61.5 |
| Female | 72 | 38.5 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.3 depicts, we can observe that about 44.9% of the respondents had the experience of three years or less of working experience.

Table 4.3: Working experience

| | Frequency | Percent | Cumulative Percent |
|--------------------|-----------|---------|--------------------|
| 0 - 3 years | 84 | 44.9 | 44.9 |
| 3 - 6 years | 47 | 25.1 | 70.1 |
| 6 - 9 years | 44 | 23.5 | 93.6 |
| 9 - 12 years | 10 | 5.3 | 98.9 |
| More than 12 years | 2 | 1.1 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.4, we can observe that about 67.4% of the respondents completed schooling.

Table 4.4: Education levels

| | Frequency | Percent | Cumulative Percent |
|--------------------|-----------|---------|--------------------|
| Complete schooling | 126 | 67.4 | 67.4 |
| Graduate | 42 | 22.5 | 89.8 |
| Post graduate | 15 | 8.0 | 97.9 |
| Technical courses | 4 | 2.1 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.5 illustrates, we can see that about 40.1% of the respondents had 1 – 20 employees in the firm.

Table 4.5: Number of employees present in the firm

| | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| 1 - 20 | 75 | 40.1 | 40.1 |
| 20 - 40 | 50 | 26.7 | 66.8 |
| 40 - 60 | 32 | 17.1 | 84.0 |
| 60 - 80 | 25 | 13.4 | 97.3 |
| 80 - 100 | 5 | 2.7 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.6, we can observe that about 42.2% of the respondents were in the initial stage of development.

Table 4.6: Stage of development

| | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Initial | 79 | 42.2 | 42.2 |
| Growth | 66 | 35.3 | 77.5 |
| Maturity | 42 | 22.5 | 100.0 |
| Total | 187 | 100.0 | |

4.2.2 The impact of entrepreneurial characteristics on business performance

As Table 4.7 displays, we can see that about 56.1% of the respondents agreed that an entrepreneurs' characteristics impact the overall performance of the business.

Table 4.7: The impact of entrepreneur's characteristics on business performance

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 2 | 1.1 | 1.1 |
| Disagree | 7 | 3.7 | 4.8 |
| Neither agree nor disagree | 34 | 18.2 | 23.0 |
| Agree | 105 | 56.1 | 79.1 |
| Strongly agree | 39 | 20.9 | 100.0 |
| Total | 187 | 100.0 | |

4.2.2.1 Self-Confidence

From Table 4.8, we can observe that about 53.5% of the respondents agreed for motivating oneself to function at the optimum level of performance.

Table 4.8: S.C. Motivate oneself to function at optimum level of performance

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 8 | 4.3 | 4.3 |
| Disagree | 7 | 3.7 | 8.0 |
| Neither agree nor disagree | 36 | 19.3 | 27.3 |
| Agree | 100 | 53.5 | 80.7 |
| Strongly agree | 36 | 19.3 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.9, we can observe that about 54.0% of the respondents agreed that effectively presenting ideas with conviction.

Table 4.9: S.C. Effectively presenting ideas with conviction

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 6 | 3.2 | 3.2 |
| Disagree | 5 | 2.7 | 5.9 |
| Neither agree nor disagree | 13 | 7.0 | 12.8 |
| Agree | 101 | 54.0 | 66.8 |
| Strongly agree | 62 | 33.2 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.10 presents, we can observe that about 52.4% of the respondents agreed that ability to respond to constructive criticism confidently.

Table 4.10: S.C. Ability to confidently respond to constructive criticism

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 52 | 27.8 | 27.8 |
| Agree | 98 | 52.4 | 80.2 |
| Strongly agree | 37 | 19.8 | 100.0 |
| Total | 187 | 100.0 | |

4.2.2.2 Learning from failure

From Table 4.11, we can observe that about 55.1% of the respondents agreed that identifying own weaknesses/shortcomings and match them with opportunities and threats.

Table 4.11: L.F.F. Identifying own weaknesses/shortcomings and match them with opportunities and threats

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 20 | 10.7 | 10.7 |
| Agree | 103 | 55.1 | 65.8 |
| Strongly agree | 64 | 34.2 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.12 displays, we can see that about 45.5% of the respondents agreed that effectively prioritize work in alignment with business goals.

Table 4.12: L.F.F. Effectively prioritize work in alignment with business goals

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 8 | 4.3 | 4.3 |
| Disagree | 14 | 7.5 | 11.8 |
| Neither agree nor disagree | 52 | 27.8 | 39.6 |
| Agree | 85 | 45.5 | 85.0 |
| Strongly agree | 28 | 15.0 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.13, we can observe that about 48.7% of the respondents agreed that look at old problems in new ways.

Table 4.13: L.F.F. Look at old problems in new ways

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 6 | 3.2 | 3.2 |
| Neither agree nor disagree | 33 | 17.6 | 20.9 |
| Agree | 91 | 48.7 | 69.5 |
| Strongly agree | 57 | 30.5 | 100.0 |
| Total | 187 | 100.0 | |

4.2.2.3 Long-term involvement

As Table 4.14 displays, we can see that about 49.2% of the respondents agreed that assess and link short-term, day-to-day tasks in the context of long-term direction.

Table 4.14: L.T.I. Assess and link short-term, day-to-day tasks in the context of long-term direction

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 3 | 1.6 | 1.6 |
| Disagree | 12 | 6.4 | 8.0 |
| Neither agree nor disagree | 40 | 21.4 | 29.4 |
| Agree | 92 | 49.2 | 78.6 |
| Strongly agree | 40 | 21.4 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.15 depicts, we can observe that about 58.8% of the respondents agreed that determine long-term issues, problems, or opportunities.

Table 4.15: L.T.I. Determine long-term issues, problems, or opportunities

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 4 | 2.1 | 2.1 |
| Disagree | 2 | 1.1 | 3.2 |
| Neither agree nor disagree | 12 | 6.4 | 9.6 |
| Agree | 110 | 58.8 | 68.4 |
| Strongly agree | 59 | 31.6 | 100.0 |
| Total | 187 | 100.0 | |

4.2.2.4 Thrive on competition

From Table 4.16, we can see that about 51.9% of the respondents agreed that evaluating, monitoring, and aligning current actions with strategic competitive goals.

Table 4.16: T.O.C. Evaluating, monitoring, and aligning current actions with strategic competitive goals

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 14 | 7.5 | 7.5 |
| Disagree | 6 | 3.2 | 10.7 |
| Neither agree nor disagree | 34 | 18.2 | 28.9 |
| Agree | 97 | 51.9 | 80.7 |
| Strongly agree | 36 | 19.3 | 100.0 |
| Total | 187 | 100.0 | |

By observing Table 4.17, we can see that about 55.1% of the respondents agreed that ability to foresee difficulties arising due to competitors and come up with alternative solutions.

Table 4.17: T.O.C. Ability to foresee difficulties arising due to competitors and come up with alternative solutions

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 7 | 3.7 | 3.7 |
| Disagree | 6 | 3.2 | 7.0 |
| Neither agree nor disagree | 12 | 6.4 | 13.4 |
| Agree | 103 | 55.1 | 68.4 |
| Strongly agree | 59 | 31.6 | 100.0 |
| Total | 187 | 100.0 | |

4.2.3 The impact of entrepreneurial competencies on business performance

As Table 4.18 illustrates, we can observe that about 56.7% of the respondents agreed that an entrepreneurs' competencies impact the overall performance of the business.

Table 4.18: The impact of entrepreneur's competencies on business performance

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 4 | 2.1 | 2.1 |
| Disagree | 4 | 2.1 | 4.3 |
| Neither agree nor disagree | 15 | 8.0 | 12.3 |
| Agree | 106 | 56.7 | 69.0 |
| Strongly agree | 58 | 31.0 | 100.0 |
| Total | 187 | 100.0 | |

4.2.3.1 Problem-Solving

From Table 4.19, we can observe that about 51.3% of the respondents agreed that maintaining efforts under stressful situations.

Table 4.19: P.S. Maintaining efforts under stressful situations

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 59 | 31.6 | 31.6 |
| Agree | 96 | 51.3 | 82.9 |
| Strongly agree | 32 | 17.1 | 100.0 |
| Total | 187 | 100.0 | |

By observing Table 4.20, we can see that about 56.7% of the respondents agreed that treating new problems as possible opportunities.

Table 4.20: P.S. Treating new problems as possible opportunities

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 18 | 9.6 | 9.6 |
| Agree | 106 | 56.7 | 66.3 |
| Strongly agree | 63 | 33.7 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.21, we can observe that about 41.7% of the respondents agreed that managing resources, people, and problems in an acceptable manner.

Table 4.21: P.S. Managing resources, people, and problems in an acceptable manner

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 11 | 5.9 | 5.9 |
| Disagree | 14 | 7.5 | 13.4 |
| Neither agree nor disagree | 59 | 31.6 | 44.9 |
| Agree | 78 | 41.7 | 86.6 |
| Strongly agree | 25 | 13.4 | 100.0 |
| Total | 187 | 100.0 | |

4.2.3.2 Willingness to learn and take risks

By observing Table 4.22, we can see that about 47.1% of the respondents agreed that absorb and assimilate ideas and information

Table 4.22: W.L.T.R. Absorb and assimilate ideas and information

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 6 | 3.2 | 3.2 |
| Neither agree nor disagree | 36 | 19.3 | 22.5 |
| Agree | 88 | 47.1 | 69.5 |
| Strongly agree | 57 | 30.5 | 100.0 |
| Total | 187 | 100.0 | |

As the Table 4.23 illustrates, we can see that about 55.1% of the respondents agreed that continual interest in new developments and in firm keeping up to date.

Table 4.23: W.L.T.R. Continual interest in new developments and in firm keeping up to date

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Disagree | 1 | .5 | .5 |
| Neither agree nor disagree | 29 | 15.5 | 16.0 |
| Agree | 103 | 55.1 | 71.1 |
| Strongly agree | 54 | 28.9 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.24, we can observe that about 62.0% of the respondents agreed that take up reasonable job-related risks.

Table 4.24: W.L.T.R. Take up reasonable job-related risks

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 1 | .5 | .5 |
| Neither agree nor disagree | 11 | 5.9 | 6.4 |
| Agree | 116 | 62.0 | 68.4 |
| Strongly agree | 59 | 31.6 | 100.0 |
| Total | 187 | 100.0 | |

4.2.3.3 Opportunity focused

As Table 4.25 depicts, we can observe that about 56.7% of the respondents agreed that attitude to adapt to change and respond with flexibility.

Table 4.25: O.F. Attitude to adapt to change, and respond with flexibility

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 12 | 6.4 | 6.4 |
| Disagree | 10 | 5.3 | 11.8 |
| Neither agree nor disagree | 29 | 15.5 | 27.3 |
| Agree | 106 | 56.7 | 84.0 |
| Strongly agree | 30 | 16.0 | 100.0 |
| Total | 187 | 100.0 | |

By observing Table 4.26, we can see that about 54.0% of the respondents agreed that identifying, evaluating, and seizing high-quality business opportunities.

Table 4.26: O.F. Identifying, evaluating, and seizing high-quality business opportunities

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 7 | 3.7 | 3.7 |
| Disagree | 4 | 2.1 | 5.9 |
| Neither agree nor disagree | 19 | 10.2 | 16.0 |
| Agree | 101 | 54.0 | 70.1 |
| Strongly agree | 56 | 29.9 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.27, we can observe that about 53.5% of the respondents agreed that apply learned skills and knowledge to actual practices.

Table 4.27: O.F. Apply learned skills and knowledge into actual practices

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 55 | 29.4 | 29.4 |
| Agree | 100 | 53.5 | 82.9 |
| Strongly agree | 32 | 17.1 | 100.0 |
| Total | 187 | 100.0 | |

4.2.3.4 Good communication skills

As Table 4.28 illustrates, we can observe that about 56.1% of the respondents agreed that effective interpersonal skills to develop long-term trusting relationships.

Table 4.28: G.C.S. Effective interpersonal skills to develop long-term trusting relationships

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 18 | 9.6 | 9.6 |
| Agree | 105 | 56.1 | 65.8 |
| Strongly agree | 64 | 34.2 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.29 displays, we can see that about 42.8% of the respondents agreed that understanding what others mean by their words and actions.

Table 4.29: G.C.S. Understanding what others mean by their words and actions

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 10 | 5.3 | 5.3 |
| Disagree | 17 | 9.1 | 14.4 |
| Neither agree nor disagree | 55 | 29.4 | 43.9 |
| Agree | 80 | 42.8 | 86.6 |
| Strongly agree | 25 | 13.4 | 100.0 |
| Total | 187 | 100.0 | |

4.2.4 The role of Somali women entrepreneurs

By observing Table 4.30, we can see that about 55.6% of the respondents agreed that Somali women entrepreneurs play a crucial role in the small-scale businesses in Somalia.

Table 4.30: The role of Somali women entrepreneurs

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 9 | 4.8 | 4.8 |
| Disagree | 11 | 5.9 | 10.7 |
| Neither agree nor disagree | 18 | 9.6 | 20.3 |
| Agree | 104 | 55.6 | 75.9 |
| Strongly agree | 45 | 24.1 | 100.0 |
| Total | 187 | 100.0 | |

4.2.5 Key challenges faced by Somali women entrepreneurs

From Table 4.31, we can observe that about 47.1% of the respondents agreed that Somali women entrepreneurs face family responsibilities while running small scale business.

Table 4.31: K.Cs. Family responsibilities

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 5 | 2.7 | 2.7 |
| Neither agree nor disagree | 39 | 20.9 | 23.5 |
| Agree | 88 | 47.1 | 70.6 |
| Strongly agree | 55 | 29.4 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.32, we can see that about 46.5% of the respondents agreed that Somali women entrepreneurs face some financial constraints while running small scale business.

Table 4.32: K.Cs. Financial constraints

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 4 | 2.1 | 2.1 |
| Disagree | 16 | 8.6 | 10.7 |
| Neither agree nor disagree | 35 | 18.7 | 29.4 |
| Agree | 87 | 46.5 | 75.9 |
| Strongly agree | 45 | 24.1 | 100.0 |
| Total | 187 | 100.0 | |

By observing Table 4.33, we can observe that about 59.9% of the respondents agreed that Somali women entrepreneurs face a limited time due to active involvement in spouse's business while running small scale business.

Table 4.33: K.Cs. Limited time due to active involvement in spouse's business

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 4 | 2.1 | 2.1 |
| Neither agree nor disagree | 14 | 7.5 | 9.6 |
| Agree | 112 | 59.9 | 69.5 |
| Strongly agree | 57 | 30.5 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.34 displays, we can see that about 52.9% of the respondents agreed that Somali women entrepreneurs face a restriction of entry into varied lines of business.

Table 4.34: K.Cs. Restriction of entry into varied lines of business

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 13 | 7.0 | 7.0 |
| Disagree | 6 | 3.2 | 10.2 |
| Neither agree nor disagree | 32 | 17.1 | 27.3 |
| Agree | 99 | 52.9 | 80.2 |
| Strongly agree | 37 | 19.8 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.35, we can observe that about 55.1% of the respondents agreed that Somali women entrepreneurs face a lack of social support while running small scale business.

Table 4.35: K.Cs. Lack of social support

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 4 | 2.1 | 2.1 |
| Disagree | 9 | 4.8 | 7.0 |
| Neither agree nor disagree | 9 | 4.8 | 11.8 |
| Agree | 103 | 55.1 | 66.8 |
| Strongly agree | 62 | 33.2 | 100.0 |
| Total | 187 | 100.0 | |

By observing Table 4.36, we can witness that about 51.9% of the respondents agreed that Somali women entrepreneurs face a lack of knowledge of business technicalities while running small scale business.

Table 4.36: K.Cs. Lack of knowledge of business technicalities

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 60 | 32.1 | 32.1 |
| Agree | 97 | 51.9 | 84.0 |
| Strongly agree | 30 | 16.0 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.37, we can observe that about 54.0% of the respondents agreed that Somali women entrepreneurs face a lack of family support while running small scale business.

Table 4.37: K.Cs. Lack of family support

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Neither agree nor disagree | 21 | 11.2 | 11.2 |
| Agree | 101 | 54.0 | 65.2 |
| Strongly agree | 65 | 34.8 | 100.0 |
| Total | 187 | 100.0 | |

As Table 4.38 represents, we can see that about 42.8% of the respondents agreed that Somali women entrepreneurs face some legal constraints while running small scale business.

Table 4.38: K.Cs. Legal constraints

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 9 | 4.8 | 4.8 |
| Disagree | 12 | 6.4 | 11.2 |
| Neither agree nor disagree | 60 | 32.1 | 43.3 |
| Agree | 80 | 42.8 | 86.1 |
| Strongly agree | 26 | 13.9 | 100.0 |
| Total | 187 | 100.0 | |

From Table 4.39, we can observe that about 48.7% of the respondents agreed that Somali women entrepreneurs face a gender bias while running small scale business.

Table 4.39: K.Cs. Gender bias

| | Frequency | Percent | Cumulative Percent |
|----------------------------|-----------|---------|--------------------|
| Strongly disagree | 4 | 2.1 | 2.1 |
| Neither agree nor disagree | 39 | 20.9 | 23.0 |
| Agree | 91 | 48.7 | 71.7 |
| Strongly agree | 53 | 28.3 | 100.0 |
| Total | 187 | 100.0 | |

4.3 Inferential Statistics (Testing the hypothesis)

To test the involved hypotheses in the study, a chi-square test of independence is used to examine for a statistically significant relationship between the categorical variables. The null hypothesis is that no relationship exists on these categorical variables in the population; they are independent. Degree of freedom (DF) = (number of rows-1) (number of columns-1).

4.3.1 Hypothesis one

H₀: Long-term involvement of entrepreneurs does not help to determine the business performance

H₁: Long-term involvement of entrepreneurs helps to determine the business performance

To test hypothesis 1, a chi-square test for equal proportions was applied by using SPSS. Here we have five categories so the expected number is ($N = 187/5 = 37.4$).

Table 4.40: Testing hypothesis one (long-term involvement)

| Determine long-term issues, problems, or opportunities | | | |
|---|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Strongly disagree | 4 | 37.4 | -33.4 |
| Disagree | 2 | 37.4 | -35.4 |
| Neither agree nor disagree | 12 | 37.4 | -25.4 |
| Agree | 110 | 37.4 | 72.6 |
| Strongly agree | 59 | 37.4 | 21.6 |
| Total | 187 | | |

| | Determine long-term issues, problems, or opportunities |
|-------------|---|
| Chi-Square | 233.989 ^a |
| DF | 4 |
| Asymp. Sig. | .000 |

The chi-square value is 233.989, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that long-term involvement of entrepreneurs helps to determine the business performance. Hence the alternate hypothesis can be accepted.

4.3.2 Hypothesis two

H₀: Self-confidence of entrepreneurs does not help to determine business performance

H₁: Self-confidence of entrepreneurs helps to determine business performance

To test the hypothesis 2, a chi-square test for equal proportions was applied by using SPSS. Since we have five categories, then the expected number is $(N = 187/5 = 37.4)$.

Table 4.41: Testing hypothesis two (self-confidence)

| Motivate oneself to function at optimum level of performance | | | |
|---|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Strongly disagree | 8 | 37.4 | -29.4 |
| Disagree | 7 | 37.4 | -30.4 |
| Neither agree nor disagree | 36 | 37.4 | -1.4 |
| Agree | 100 | 37.4 | 62.6 |
| Strongly agree | 36 | 37.4 | -1.4 |
| Total | 187 | | |

| | Motivate oneself to function at optimum level of performance |
|-------------|---|
| Chi-Square | 152.706 ^a |
| DF | 4 |
| Asymp. Sig. | .000 |

The chi-square value is 152.706, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that self-confidence of entrepreneurs helps to determine business performance. Hence the alternate hypothesis can be accepted.

4.3.3 Hypothesis three

H₀: Learning from failure of entrepreneurs does not help to determine business performance

H₁: Learning from failure of entrepreneurs helps to determine business performance

To test the hypothesis 3, a chi-square test for equal proportions was applied by using SPSS. With this hypothesis, we only have three categories so the expected number is ($N= 187/3 = 62.3$).

Table 4.42: Testing hypothesis three (learning from failure)

| Identifying own weaknesses/shortcomings and match them with opportunities and threats | | | |
|--|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Neither agree nor disagree | 20 | 62.3 | -42.3 |
| Agree | 103 | 62.3 | 40.7 |
| Strongly agree | 64 | 62.3 | 1.7 |
| Total | 187 | | |

| | Identifying own weaknesses/shortcomings and match them with opportunities and threats |
|-------------|--|
| Chi-Square | 55.326 ^b |
| DF | 2 |
| Asymp. Sig. | .000 |

The chi-square value is 55.326, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that learning from the failure of entrepreneurs helps to determine business performance. Hence the alternate hypothesis can be accepted.

4.3.4 Hypothesis four

H₀: Thrive on competition of entrepreneurs does not help to determine business performance

H₁: Thrive on competition of entrepreneurs helps to determine business performance

To test the hypothesis 4, a chi-square test for equal proportions was applied by using SPSS. As we have five categories, then the expected number is ($N = 187/5 = 37.4$).

Table 4.43: Testing hypothesis four (thrive on competition)

| Evaluating, monitoring, and aligning current actions with strategic competitive goals | | | |
|--|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Strongly disagree | 14 | 37.4 | -23.4 |
| Disagree | 6 | 37.4 | -31.4 |
| Neither agree nor disagree | 34 | 37.4 | -3.4 |
| Agree | 97 | 37.4 | 59.6 |
| Strongly agree | 36 | 37.4 | -1.4 |
| Total | 187 | | |

| | Evaluating, monitoring, and aligning current actions with strategic competitive goals |
|-------------|--|
| Chi-Square | 136.342 ^a |
| DF | 4 |
| Asymp. Sig. | .000 |

The chi-square value is 136.342, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that thrive on competition of entrepreneurs helps to determine business performance. Hence the alternate hypothesis can be accepted.

4.3.5 Hypothesis five

H₀: Problem solving of entrepreneurs does not help to determine business performance

H₁: Problem solving of entrepreneurs helps to determine business performance

To test the hypothesis 5, a chi-square test for equal proportions was applied by using SPSS. Again, we have only three categories here, so the expected number is ($N = 187/3 = 62.3$).

Table 4.44: Testing hypothesis five (problem-solving)

| Maintaining efforts under stressful situations | | | |
|---|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Neither agree nor disagree | 59 | 62.3 | -3.3 |
| Agree | 96 | 62.3 | 33.7 |
| Strongly agree | 32 | 62.3 | -30.3 |
| Total | 187 | | |

| | Maintaining efforts under stressful situations |
|-------------|---|
| Chi-Square | 33.123 ^b |
| DF | 2 |
| Asymp. Sig. | .000 |

The chi-square value is 33.123, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that problem-solving of entrepreneurs helps to determine business performance. Hence the alternate hypothesis can be accepted.

4.3.6 Hypothesis six

H₀: Opportunity focused on entrepreneurs does not help to determine business performance

H₁: Opportunity focused on entrepreneurs helps to determine business performance

To test the hypothesis 6, a chi-square test for equal proportions was applied by using SPSS. In this section, we also have five categories which give us ($N = 187/5 = 37.4$).

Table 4.45: Testing hypothesis six (opportunity focused)

| Attitude to adapt to change, and respond with flexibility | | | |
|--|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Strongly disagree | 12 | 37.4 | -25.4 |
| Disagree | 10 | 37.4 | -27.4 |
| Neither agree nor disagree | 29 | 37.4 | -8.4 |
| Agree | 106 | 37.4 | 68.6 |
| Strongly agree | 30 | 37.4 | -7.4 |
| Total | 187 | | |

| | Attitude to adapt to change, and respond with flexibility |
|-------------|--|
| Chi-Square | 166.503 ^a |
| DF | 4 |
| Asymp. Sig. | .000 |

The chi-square value is 166.503, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that opportunity focused of entrepreneurs helps to determine business performance. Hence the alternate hypothesis can be accepted.

4.3.7 Hypothesis seven

H₀: Willingness to learn and take the risk of entrepreneurs does not help to determine business performance

H₁: Willingness to learn and take the risk of entrepreneurs helps to determine business performance

To test the hypothesis 7, a chi-square test for equal proportions was applied by using SPSS. With this hypothesis, we have four categories so the expected number is ($N = 187/4 = 46.8$).

Table 4.46: Testing hypothesis seven (willingness to learn and take risks)

| Absorb and assimilate ideas and information | | | |
|--|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Strongly disagree | 6 | 46.8 | -40.8 |
| Neither agree nor disagree | 36 | 46.8 | -10.8 |
| Agree | 88 | 46.8 | 41.3 |
| Strongly agree | 57 | 46.8 | 10.3 |
| Total | 187 | | |

| | Absorb and assimilate ideas and information |
|-------------|--|
| Chi-Square | 76.636 ^a |
| DF | 3 |
| Asymp. Sig. | .000 |

The chi-square value is 76.636, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that willingness to learn and take the risk of entrepreneurs helps to determine business performance. Hence the alternate hypothesis can be accepted.

4.3.8 Hypothesis eight

H₀: Good communication skills of entrepreneurs do not help to determine business performance

H₁: Good communication skills of entrepreneurs help to determine business performance

To test the hypothesis 8, a chi-square test for equal proportions was applied by using SPSS. In this section, we have again three categories which make the expected number ($N = 187/3 = 62.3$).

Table 4.47: Testing hypothesis eight (good communication skills)

| Effective interpersonal skills, to develop long-term trusting relationships | | | |
|--|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Neither agree nor disagree | 18 | 62.3 | -44.3 |
| Agree | 105 | 62.3 | 42.7 |
| Strongly agree | 64 | 62.3 | 1.7 |
| Total | 187 | | |

| | Effective interpersonal skills, to develop long-term trusting relationships |
|-------------|--|
| Chi-Square | 60.781 ^b |
| DF | 2 |
| Asymp. Sig. | .000 |

The chi-square value is 60.781, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that good communication skills of

entrepreneurs help to determine business performance. Hence the alternate hypothesis can be accepted.

4.3.9 Hypothesis nine

H₀: Somali women entrepreneurs do not play a crucial role in the small-scale businesses in Somalia.

H₁: Somali women entrepreneurs play a crucial role in the small-scale businesses in Somalia.

To test the hypothesis 9, a chi-square test for equal proportions was applied by using SPSS. Finally, with this part, we have five categories which mean the expected number is ($N=187/5 = 37.4$).

Table 4.48: Testing hypothesis nine (the role of Somali women entrepreneurs)

| Do Somali women entrepreneurs play a crucial role in the small-scale businesses in Somalia? | | | |
|--|------------|------------|----------|
| | Observed N | Expected N | Residual |
| Strongly disagree | 9 | 37.4 | -28.4 |
| Disagree | 11 | 37.4 | -26.4 |
| Neither agree nor disagree | 18 | 37.4 | -19.4 |
| Agree | 104 | 37.4 | 66.6 |
| Strongly agree | 45 | 37.4 | 7.6 |
| Total | 187 | | |

| Test Statistics | |
|------------------------|--|
| | Do Somali women entrepreneurs play a crucial role in the small-scale businesses in Somalia? |
| Chi-Square | 170.406 ^a |
| DF | 4 |
| Asymp. Sig. | .000 |

The chi-square value is 170.406, and its corresponding p-value is $0.000 < 0.05$. Since the p-value is smaller than 0.05, we can conclude that Somali women entrepreneurs play a

crucial role in the small-scale businesses in Somalia. Hence the alternate hypothesis can be accepted.

4.4 Discussions

For the purpose of this study, the opinion of 187 entrepreneurs of the small business firms in Mogadishu, Somalia was taken. It is imperative to highlight that the researcher has chosen the sample size to be 187 due to time, and the underlying financial constraints, and to make sure that the taken sample is sufficient. For instance, if the researcher chose a smaller sample size, then it would certainly become hard to generalize the inferences made; at the same time, if the time and financial constraints limited the study, picking a greater sample for the current research would not have been feasible. The data collection was made through the application of surveys conducted with the sampled entrepreneurs. The data was collected about the entrepreneurial competencies, characteristics, business performance, as well as challenges faced by the Somali women entrepreneurs.

The statistical analysis used for the data collected indicated that most the respondents (17.1%) belonged to the age group category of more than 50 years. Further, 16% of the respondents belonged to 30-35 years of age group; also 14% of the respondents belonged to 20-25 years and 40-45 years of age group respectively, while 12.8% of the respondents belonged to 35-40 years and 45-50 years of age group. Finally, only 12.3% of the respondents belonged to 25-30 years of age group. Thereby, indicating that the respondents were evenly divided (roughly) among all the seven categories of age group. The statistical analysis also proved that majority (61.5%) of the respondents was males while females (38.5%) formed a minority in the present study sample. As per the statistical analysis, 44.9% of the respondents had an experience between 0 – 3 years of working experience, with 25.1% having an experience of 3-6 years. Further, 23.5% of the respondents had an experience of 6-9 years, while only 5.3% were experienced for 9-12 years, with a meager 1.1% with more than 12 years of experience. Thus, the analysis shows that most of the entrepreneurs were only new entrants into working in small enterprises, with almost 71% being experienced between 0-6 years. According to the literature review, the study conducted by Wickramaratne, Kiminami and Yagi (2014) showed a positive association between work experience and business performance.

Further, it is also stated that work experience leads to an enhancement of skills and abilities of the entrepreneurs.

The educational qualifications of the respondents displayed that a significant majority (67.4%) had only completed their schooling, with 22.5% having graduated, while 8% had postgraduate degrees. The analysis revealed that a meager 2.1% of the respondents had technical courses. This is an important indication for the present study, since it has been strongly claimed in studies such as Antwi, Inusah, and Hamza (2015), Isaga (2015), etc. that there is a positive link between the education of the entrepreneurs and their entrepreneurial characteristics, and ultimately the performance of their business.

It was also interesting to note that a majority, i.e., 41% (approx.) had a total of 1-20 employees in their enterprise, with 27% (approx.) having 20-40 employees, while 17% (approx.) had 40-60 employees. Further, 13% (approx.) had 60-80 employees, with only 2.7% of the respondents reported that their enterprise had 80-100 employees. This indicates further, as shown by the statistics that 42.2% of the respondents were in their initial stage of development, 35.3% were in the growth stage of development, with 22.5% having attained maturity. This is an important point to be noted, which has also been brought to the notice by Zulkifli and Rosli (2013) who claimed that the performance and entrepreneurial competencies of early stage entrepreneurs are more different than entrepreneurs in today's field.

Several studies which been conducted in the field of entrepreneurial competencies and characteristics have shown a close association with the business performance. Studies such as Abdulwahab and Al-Daman (2015), Miao (2015), Tamizharasi and Panchanatham (2010), etc., have strongly asserted that the entrepreneur's demographic characteristics such as age, education, socio-economic condition, gender, entrepreneurial intentions, etc. are good predictors of the performance of the business. The statistics on the opinions of entrepreneurs on the importance of entrepreneurial characteristics for business performance also showed that a clear majority of 56.1% agreed on the positive association. In fact, 77% of the respondents were in favor (Agreed or strongly agreed) that an entrepreneurs' characteristics impact the overall performance of the business. Wickramaratne, Kiminami and Yagi (2014) claimed that there is a positive relationship

between the entrepreneurial competencies and the firm's performance. Izquierdo, Deschoolmeester, and Salazar (2005), also asserted that the entrepreneur's competencies, and particularly, the ability of the entrepreneur to use attitudes and skills acts as an effective tool for predicting the performance of the firms. The statistics were too in line with such claims and showed that 57% (approx.) of the respondents agreed that an entrepreneur's competencies impact the overall performance of the business.

According to the literature review, self-confidence has been regarded as an important characteristic of the entrepreneur which enhances his contribution to the overall business, thereby leading to a good performance. Self-confidence has also been recognized by the Entrepreneurship Development Institute of India, by its ability to offer the success to the business and the economic growth of the country. Tehseen and Ramayah (2015) have stated that terms such as personal qualities, self-confidence and innovativeness are positively associated with the entrepreneurial competencies. For the small and medium enterprises, motivation acts as a significant characteristic of the entrepreneur that impacts their survival and growth (Mohamad and Sidek, 2013), and is often associated with the individual characteristics of the entrepreneur (Agbim, Oriarewo, and Zever, 2014). The statistics revealed that 53.5% of the respondents believed that motivating oneself to function at the optimum level of performance, is an essential entrepreneurial characteristic which impacts the business performance. Furthermore, certain other entrepreneurial skills and capabilities have been studied by researchers and have been claimed to have a positive impact on the business performance. Elemo (2011) in his study recommended the recognition of capabilities such as convictions, attitudes, information, skill, capacities, identity, dispositions, and behavioral inclinations maximizing the positive impact of the entrepreneurial skills in the business. Other related aspects such as persuasion and assertiveness were also defined by Kaur and Bains (2013) to have a significant impact. The statistics also support this claim and display that 54% of the entrepreneurs agreed that effectively presenting ideas with conviction led to a positive impact on their performance through improving the entrepreneurial characteristics. Another particular entrepreneurial characteristic which is seen associated with self-confidence is the acceptance of mistakes and criticisms, and learning from them. The analysis indicates that about 52.4% of the respondents agreed that the entrepreneur's ability to confidently respond to constructive

criticism is positively associated with the business performance. Hence, the self-confidence of entrepreneurs was seen as a significant determinant of business performance.

Olien (2013) in his study found a positive association between his entrepreneurs having an attitude towards learning from their past mistakes and increasing their personal effectiveness, having positive results for the firm. As defined by Slegers et al. (2012), learning from failure is a process where an individual determines what needs to be done effectively and differently from previous mistakes, and it is most important reactions needed for human to be succeeded. The statistics revealed that 48.7% of the respondents agreed that the entrepreneur's ability to look at his past problems in new ways, can significantly help in the improvement of the business performance. The statistics show that 45.5% of the respondents agreed that the entrepreneur's ability to effectively prioritize work in alignment with the business goals, is an important determiner of business performance. This finding is line with the study results of Sethi and Saxena (2012). Also, studies such as Wickramaratne, et al. (2014) and Wickramaratne, Kiminami and Yagi (2014) have claimed that organization's self-assessed entrepreneurial competencies and characteristics have a positive connection with firm's business growth and development. The present study statistics also show that 55.1% of the respondents agreed that identifying own weaknesses/shortcomings and match them with opportunities and threats, serves as an important determinant of business performance. Thus, the statistics imply that the entrepreneurs assign a great value to learn from failures, for contributing efficiently to the business performance.

Studies conducted on the topic of entrepreneurial characteristics give a special emphasis to the need for aligning the day-to-day tasks with the long-term goals of the organization. This has been claimed to have a significantly positive relationship with the performance of the firm. According to Becherer, Finch and Helms (2006), long-term involvement of the entrepreneur, by way of long-term decision making, strategic planning, have been difficult to process but have a strong influence on the business performance. The statistics were found to be in line with the previous researchers claim, and 49.2% of the respondents agreed that assessing and linking the short-term, day-to-day tasks in the context of long-

term direction is effective for determining the business performance. Further, 58.8% of the respondents also agreed that the entrepreneur's ability to determine the long-term issues, problems, or opportunities, is an important aspect for determining the business performance. Thus, the present study findings have revealed that long-term involvement of entrepreneurs helps to determine the business performance.

According to the literature reviewed, the entrepreneurs thrive for coordinating, monitoring and organizing the actions of the entire enterprise so as to achieve to goals, produces effective performance in small and medium enterprises. This involves aiming at improving the performance constantly, with a willingness to actively compete with others (CEFE, n.d). According to Sethi and Saxena (2012), defining a problem or issue, organizing the means of finding a solution for it, setting up the goals, finding challenges and factors and taking rational risks, are critical actions undertaken by the entrepreneur which would effectively add value and contribute to the firm's overall performance. This ensures the alignment of the actions with the strategic goals of the enterprise. The statistics revealed that most the respondents (51.9%) agreed that the entrepreneurial characteristic of being able to evaluate, monitor, and align the current actions with strategic competitive goals, is a significant determiner of the business performance. And, another 55.1% stated that ability to foresee difficulties arising due to competitors and coming up with alternative solutions also has a determining effect on the business performance. The study thus supports the claim that thrives on competition of entrepreneurs helps to determine business performance.

In addition to the studies on entrepreneurial characteristics, numerous studies have focused on the relationship between entrepreneurial competencies and business performance (Li, 2009). In the words of Westcott (2003), competency can be acknowledged by the demonstration of an integration of skills, knowledge, personal attributes, and values orientation. One of the important characteristics of an entrepreneur is claimed to be his/her ability to solve problems at the enterprise, which eventually allows individual to attain the target (Ruhe et al., 2006). According to the literature review, problem-solving competencies occupy a crucial position for the enhancement of their performance outcomes (Ng and Kee, 2013). Chitra et al. (2014), in their study, claimed

that the ability to handle stress, balancing of life and work, optimism, were crucial entrepreneurial characteristics to enhance the performance of the small businesses. The statistics also supported this claim with 51.3% of the respondents agreeing that maintaining efforts under stressful situations were a determinant of their business performance. Further, it was also listed out by Chuluunbaatar et al. (2011) that personal characteristics of the entrepreneur such as his style of problem-solving, control locus, achievement motivation, behavior and working value also have created the positive impact in the performances of the small business. The statistics obtained for the present study also calculates a similar result, with 41.7% of the respondents agreeing that managing resources, people, and problems in an acceptable manner was essential for the business performance. Also, 56.7% of the respondents also agreed that the entrepreneur's ability to treat new problems as possible opportunities was an important determiner of business performance. Therefore, problem-solving of entrepreneurs helps to determine business performance.

According to the literature review, the ability to have access to information, and effectively assimilating it is essential. Information has been recognized as an important entrepreneurial competency by Elemo (2011), required for achievement and managing the enterprise. Hoyos-Ruperto et al. (2013), Chea (2008), also mentioned the importance of the ability to utilize information (internal and external), the lack of which limits the competitiveness of the enterprise. 47.1% of the respondents for the present study also agreed that absorbing and assimilating ideas and the information are a significant determinant of the business performance. According to the literature review, the willingness of the entrepreneur plays an active role in shaping the business performance. According to Abdulwahab and Al-Daman (2015), the entrepreneur's possession of the necessity for achievement is related with a solid desire for attainment and success. Moreover, this is considered an important need psychological trait which drives the entrepreneurs to attain high standards. The statistics also showed that the entrepreneur's continual interest in new developments and keeping the firm up to date was regarded as a determinant of the business performance, by a significant 55.1% of the respondents risk-taking on receiving information has also been attributed to an important entrepreneurial skill. Sethi and Saxena (2012) claim that taking reasonable risks is also essential for the

growth and development of the business performance. Ali (2013) also asserted that controlling and managing risk in a reasonable way leads to flourishing of the business through capturing chances. In the analysis, the statistics indicated that a substantial majority, 62% of the respondents agreed that the entrepreneur's ability to take up reasonable job-related risks, significantly impacts the business performance. This was also claimed by Olien (2013), who stated that successful entrepreneurs are often the ones who are willing to take several risks, which enhance the overall business performance. Thus, the study has supported the claim that willingness to learn and take the risk of entrepreneurs helps to determine business performance.

Opportunity competencies have attracted special attention of researchers, to have a direct as well as indirect impact on the business performance. According to Krithika and Venkatachalam (2014), an attitude of the entrepreneur towards opportunity recognition and seeking out opportunity has helped to improve the services and production rate of the small business. The statistics show that 54.0% of the entrepreneurs agreed that identifying, evaluating, and seizing high-quality business opportunities is crucial for the business performance. Chitra et al. (2014), have also recognized the significance of pursuing new opportunities, and positively related such qualities of the women entrepreneurs to enhance the performance of the small businesses. A 56.7% of the respondents for the present study also agreed that entrepreneur's attitude to adapt to coming changes and respond with flexibility a significant determiner of business performance. Further, application of the identified skills and opportunities to the business is also an essential task to be taken up by the entrepreneur. According to Wickramaratne, et al., (2014), acquiring knowledge, skills, and abilities by the CEO, is essential to a company's success. The statistics showed that up to 53.5% of the sampled entrepreneurs agreed that applying the learned skills and knowledge into actual practices. Thus, the statistics reveal that the sampled entrepreneurs are majorly opportunity-focused and assign a high value to such a characteristic for the business performance.

According to the literature review, communication competencies have played a crucial role in entrepreneurship and the success of firms. Several researches have shown the adoption of activities and programs aimed at enhancing the entrepreneurial

communication (Izquierdo, Deschoolmeester, and Salazar, 2005). According to Gerli, Gubitta and Tognazzo (2011), the presence of relationship competency among the entrepreneurs provides effective communication skills and interpersonal skills, which are positively associated with the effective and successful performance of the enterprises. The statistics showed that 56.1% of the respondents agreed that the entrepreneur's strong interpersonal skills, to develop a long-term trusting relationships, was a significant determinant of the business performance. Further, it is also important for the entrepreneur to indulge in a wide range of training aimed at improving attitudes, quality life, and communication skills (Mohamad and Sidek, 2013). The statistics showed that 42.8% of the respondents agreed that the ability of the entrepreneur to understand what others mean by their words and actions, is a crucial determinant of the business performance. In fact, Gerli, Gubitta and Tognazzo (2011) also claimed that good communication skills of entrepreneurs had influenced others to attain the competitive advantage of their business. Good communication skills of entrepreneurs, therefore, help to determine business performance.

According to the literature review, the Somali women's involvement in the field of entrepreneurship has significantly contributed to the region's economic and socio-economic growth (Hundera, 2014; Iyitola and Azuh, 2014). The statistics showed that a clear majority, i.e., 80% (approx.) of the respondents agreed that Somali women entrepreneurs play a crucial role in the small-scale businesses in Somalia. Further, only 4.8% of the respondents strongly disagreed for the same. The study thus, claims that the Somali women entrepreneurs play a crucial role in the small-scale businesses in Somalia.

However, it has also been brought to the forefront by a majority of the reviewed literature on women entrepreneurs in Somalia, that they are faced with numerous challenges. The traditional roles played by women in the typical family setting has allowed them to undertake more functional roles within the society. However, a strong family support system is extremely important for the women success in entrepreneurship (Chea, 2008). According to Kurt (2011), women face difficulty actively attending entrepreneurial training guidance for long-lasting periods because of their household errands, ensuing in high dropout rates. The statistics also were in line, with 47.1% of the respondents agreeing

that family responsibilities pose a challenge to the Somali women entrepreneurs while running their small-scale business. Among the several challenges, the financial constraints are the gravest. Chea (2008) asserted that obstacles such as the tax system, lack of accessing the high-interest rate, fulfilling the requirements of the bank and the lack of financing threaten the success of women entrepreneurs in small scale businesses. The statistics revealed the same and 46.5% of the respondents agreed that financial constraints are a major challenge for the Somali women entrepreneurs. Moreover, an interesting finding by Ali (2013) among the Somali women entrepreneurs in the Benadir region, claimed that the women due to their good skills in financial management were actively involved in their spouse's business as active partners. The statistics also showed that this was recognized as a challenge for the Somali women entrepreneurs for running their own small business, as was reported by a majority 60% (approx.) of the respondents.

In the field of entrepreneurship, a particular feature about the women entrepreneurs is that their contribution has been traditionally limited to only a few business areas. Researchers such as Kalitanyi and Visser (2014), have focused their studies on the issue of concentration of women entrepreneurs in a certain business sector. 52.9% of the respondents agreed that restriction of entry into varied lines of business is a major challenge for the Somali women entrepreneurs. 56.7% of the respondents also agreed that Somali women entrepreneurs face legal constraints while running small scale business.

Several other factors, such as lack of skill, the inability of performing the multiple roles and lack of experience were listed by Ongachi and Bwisa (2013) as influencing the growth of women-owned micro and small enterprises. The statistics also revealed that 51.9% of the respondents agreed that lack of knowledge of business technicalities is faced by Somali women entrepreneurs while running small scale business.

Further, gender issues have also shown their effect on the performance of women-led entrepreneurship. The gender differences, according to Olabisi, Yusuff, Olagbemi and Atere (n.d), and Yen, Teoh, Choy and Chong (2007) are considered as the major factors which are created the negative impact to the women entrepreneurs in small business. The statistics also identified gender bias as the major challenge for Somali women

entrepreneurs in running their small-scale business, with 48.7% of the respondents agreeing for the same.

According to the literature review, the lack of social as well as family support for women entrepreneurs is an essential factor which negatively influences their business performance. Chitra et al., (2014) claimed that balancing of life and work, family members support, are significant influencers. The statistics also showed that 55.1% and 54.0%, respectively of the respondents agreed that Somali women entrepreneurs face a lack of social support and family support while running small scale business.



5. CONCLUSION

5.1 Summary

The present study aimed at investigating the effect of entrepreneurial competencies and characteristics on business performance among early stage small entrepreneurs. It also thoroughly examined the impact of entrepreneur's demographic characteristics and personal characteristics on the firm's overall performance. Moreover, the study puts its focus on assessing the role of Somali women entrepreneurs and factors influencing or challenges encountered by Somali women in small-scale businesses in Mogadishu, Somalia. The study has thus, filled the research gap witnessed in this sphere, of a serious lack of literature on the relating problems and issues faced by small business in Somalia. The sections below present the conclusion of the entire research, thereby presenting recommendations as well as suggestions for future research.

5.2 Conclusion

The study claims that the entrepreneurial competencies and characteristics are crucial for the business performance of the small-scale businesses. The entrepreneurial characteristics considered for the present study included age, education, work experience, self-confidence, learning from failure, long-term involvement, and thrive on competition, that determine the success of the business. Further, the study also involved certain characteristics of individual including behavior and attitude which had a significant impact on the business performance. Thus, problem-solving, willingness to learn and take the risk, opportunity focused, and good communication skills, were taken as the crucial entrepreneurial competencies. The study sample was majorly found to be favoring the claim that the entrepreneurial competencies and characteristics are significant determinants of the business performance of the small-scale businesses.

Self-confidence has been recognized as an influential characteristic of the entrepreneur, which has positive implications for the business performance. Self-motivation to contribute efficiently towards the optimum level of performance occupies a significant relevance. Moreover, being confident enough to present one's ideas with conviction, and similarly respond to constructive criticism are positively associated with the business performance.

Learning from past mistakes has been deemed to be the single most influencing factor for the business performance. It does not only include the entrepreneur's ability effectively to prioritize work in alignment with the business goals but also identifying own weaknesses/shortcomings and match them with opportunities and threats as well as looking at one's past problems in new ways. Coupled by the entrepreneurial characteristic of the ability to thrive on competition, which effectively contributes towards the enhancement of business performance, the study has made strong claims about the importance of these entrepreneurial characteristics. The ability to evaluate and monitor the current actions with strategic competitive goals is found to be of utmost importance. A crucial characteristic of the entrepreneur is the ability to foresee difficulties arising due to competitors and coming up with alternative solutions.

Apart from these, the study has claimed the importance of a long-term involvement on the part of the entrepreneur, to have a higher impact on the performance of the business. The attitude of the entrepreneur to link his daily activities in a long-term direction, and carefully determining the long-term issues, problems, or opportunities, helps in enhancing the overall performance of the business.

The research also highlights the importance of the entrepreneurial competencies as crucial determiners of business performance. In small enterprises, a crucial aspect of the entrepreneur's personality for managing the daily activities and maintaining harmony is the problem-solving ability of the entrepreneur, which essentially involves looking new problems as possible opportunities. The study proclaims that the entrepreneur's ability to manage resources, people, and problems in an acceptable manner, even under stressful conditions, is a determinant factor of the business performance. The entrepreneurs who are willing to learn and take risks in their business are treated as assets for their business.

Absorbing new ideas, information, and a continuous thrust on new developments to keep the firm up-to-date contributes significantly to the business performance.

The study has aptly highlighted the crucial contributions of entrepreneurial competencies focused at strong devotion towards the business, to have a positive effect on the performance of the business. The application of an opportunity-focused attitude by the entrepreneur, characterized by identifying the high-quality business opportunities, adapting to change by flexibility in response, and effectively applying the learned skills and knowledge into actual practices, is of immense importance for the business performance.

Lastly, the study also strongly claims the need for good communication competencies for influencing the performance of the business. Entrepreneur's effective interpersonal skills, to develop long-term trusting relationships play a significant role in determining the ultimate success of the business. Further, the ability of the entrepreneur to understand what others mean by their words and actions is of utmost importance, for determining the business performance.

Another major part of the study focused on the challenges faced by the Somali women entrepreneurs, who occupy a significant position in the small-scale enterprises in Somalia. The study has strongly supported the claim that the Somali women entrepreneurs play a crucial role in small scale businesses in Somalia. The women entrepreneurs can play a transforming role in the region's economic as well as socio-economic development. However, several challenges have been identified by the research which hampers the growth of the Somali women entrepreneurs. Strong claims have been made for the clash between the family responsibilities and business, and managing one's own business and helping in the spouse's business. Lack of family support and social support have also been found to influence the Somali women entrepreneurship negatively. This is also seen in the way of the contribution of women being to a few field of business.

A major challenge which the study highlights is the lack of financial help for the women entrepreneurs. The study identified that lack of knowledge of business technicalities among the Somali women entrepreneurs is also a major challenge. The study, therefore, suggests that the governments must pay attention to the financial need of small businesses,

by providing substantial support to the entrepreneurs. Further, it must also ensure the provision of appropriate training and guidance programs for the women entrepreneurs to be able to upgrade their skills, technical knowledge, and business management skills. Further, since the study claims that the legal constraints are also a challenge for the Somali women entrepreneurs, the governments and concerned authorities must ensure that such laws are passed which empower the women and facilitate their involvement in entrepreneurship.

5.3 Recommendations

- A distinct feature of the region noticed is the gender bias, which has resulted in making the entrepreneurial experience of Somali women extremely challenging. NGOs, government, social activists, and other active civil members must bear the significant contribution which the Somali women can make to the overall development of the region, and particularly the small-scale enterprises, and struggle to transform the gender-related social issues and limitations.
- The present thus highlights the indispensable importance of the entrepreneurial competencies and characteristics as crucial determinants of the business performance.
- The tremendous role played by the Somali women entrepreneurs in small scale enterprises can also not be declined.
- The ironical situation of these significant players in the business, having to encounter several challenges in their entrepreneurial experience, must be catered to as an urgency.
- The firms, whether large, medium, or small, in Somalia, and even other parts of the world, must recognize the benefits of identifying these essential and influential entrepreneurial competencies and characteristics, for fulfilling their objectives effectively, and for making a sound business decisions.
- The study highlights the importance of the internal communication, relations, and team efforts, through its findings. And, the entrepreneurs and managers must realize that for the long-term success of their firms, maintaining cordial relations among all the members of the firm is necessary.

5.4 Future research suggestions

- An extensive study in future, involving a larger sample of entrepreneurs will be useful and further support the claims made by the present research.
- Also, an inter-comparison for the small, medium, and large-scale enterprises will be an interesting study.
- As concluded from the present research, the Somali women play an important role in the entrepreneurial field in Somalia. However, they are faced with numerous challenges. An in-depth study focused only on the Somali women and the challenges they encounter will significantly serve to help these women in bringing out their grievances, which need to be catered to at the earliest for the maximization of the development of the area.



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APPENDIX

Questionnaire(Survey)

My name is **ABDULLAHI ISSE MAHADALLE**, and I am pursuing my Master of Business Administration (MBA) Degree at Istanbul Aydin University. The present questionnaire has been developed as a data collection tool for my project 'The Entrepreneurial Characteristics and Competencies as Determinants of Business Performance; Study on Small Enterprises in Mogadishu, Somalia.' The aim is to collect your responses for the sole academic purpose, with the guarantee that your identity will remain confidential, as well as the data collected will be used only for solving the purpose of the present study.

(A). Demographic Profile:

1. Age (in years):

- 20-25
- 25-30
- 30-35
- 35-40
- 40-45
- 45-50
- More than 50

2. Gender:

- Male
- Female

3. Working Experience (in years):

- 0-3

- 3-6
- 6-9
- 9-12
- More than 12

4. Highest Educational Qualification:

- No Schooling Completed
- High school or Equivalent
- Vocational/Technical Training School
- Some College
- Bachelor Degree
- Master Degree
- Professional Degree
- Doctorate /PhD
- Any Other (Please Specify)

5. Number of Employees in Present Firm:

- 1-20
- 20-40
- 40-60
- 60-80
- 80-100
- More than 100 (Please Specify)

6. Stage of Development:

- Initial
- Growth
- Maturity

(B) Entrepreneurial Characteristics and Competencies on Business Performance

7. Do you think that an entrepreneur's characteristics impact the overall performance of the business?

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

8. Do you think that an entrepreneur’s competencies impact the overall performance of the business?

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

☛ For questions 10-12, Please assign a rank (out of 1, 2, 3, 4, 5) to each of the following components to show the degree of your Agreement/Disagreement, where:

- 1- Strongly Disagree
- 2- Disagree
- 3- Neutral
- 4- Agree
- 5- Strongly Agree

9. Do you think the following entrepreneurial characteristics are important determiners of the overall business performance of your enterprise?

1. Self-Confidence

| Entrepreneurial Characteristics | 1 | 2 | 3 | 4 | 5 |
|--|----------|----------|----------|----------|----------|
| Motivate oneself to function at optimum level of performance | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| Effectively presenting ideas with conviction | | | | | |
| Ability to confidently respond to constructive criticism | | | | | |

2. Learning from Failure

| Entrepreneurial Characteristics | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| Identifying own weaknesses/shortcomings and match them with opportunities and threats | | | | | |
| Effectively Prioritize work in alignment with business goals | | | | | |
| Look at old problems in new ways | | | | | |

3. Long-term Involvement

| Entrepreneurial Characteristics | 1 | 2 | 3 | 4 | 5 |
|--|----------|----------|----------|----------|----------|
| Assess and link short-term, day-to-day tasks in the context of long-term direction | | | | | |
| Determine long-term issues, problems, or opportunities | | | | | |

4. Thrive on Competition

| Entrepreneurial Characteristics | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| Evaluating, monitoring, and Aligning current actions with strategic competitive goals | | | | | |
| Ability to foresee difficulties arising due to competitors and come up with alternative solutions | | | | | |

10. Do you think the following entrepreneurial competencies are important determiners of the overall business performance of your enterprise?

1. Problem-Solving

| Entrepreneurial Competencies | 1 | 2 | 3 | 4 | 5 |
|--|----------|----------|----------|----------|----------|
| Maintaining efforts under stressful situations | | | | | |
| Treating new problems as possible opportunities | | | | | |
| Managing resources, people, problems in an acceptable manner | | | | | |

2. Willingness to Learn and Take Risk

| Entrepreneurial Competencies | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| Absorb and assimilate ideas and information | | | | | |
| Continual interest in new developments and in firm keeping up to date | | | | | |
| Take up reasonable job-related risks. | | | | | |

3. Opportunity Focused

| Entrepreneurial Competencies | 1 | 2 | 3 | 4 | 5 |
|--|----------|----------|----------|----------|----------|
| Attitude to adapt to change, and respond with flexibility | | | | | |
| Identifying, evaluating and seizing high-quality business opportunities. | | | | | |
| Apply learned skills and knowledge into actual practices | | | | | |

4. Good Communication Skills

| Entrepreneurial Competencies | 1 | 2 | 3 | 4 | 5 |
|-------------------------------------|----------|----------|----------|----------|----------|
|-------------------------------------|----------|----------|----------|----------|----------|

| | | | | | |
|---|--|--|--|--|--|
| Effective interpersonal skills, to develop long-term trusting relationships | | | | | |
| Understanding what others mean by their words and actions. | | | | | |

11. Women Entrepreneurs

| Role | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| Do Somali women entrepreneurs play a crucial role in the small-scale businesses in Somalia? | | | | | |

12. Which of the following challenges are faced by Somali women entrepreneurs while running their small-scale businesses?

| Challenge encountered | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| Family Responsibilities | | | | | |
| Financial Constraints | | | | | |
| Limited time due to active involvement in spouse's business | | | | | |
| Restriction of entry into varied lines of business | | | | | |
| Lack of Social Support | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| Lack of knowledge of Business Technicalities | | | | | |
| Lack of family support | | | | | |
| Legal Constraints | | | | | |
| Gender Bias | | | | | |

-----END-----

Thank you for taking the time to fill out this survey

Evrak Tarih ve Sayısı: 12/01/2017-296



T.C.
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Sosyal Bilimler Enstitüsü Müdürlüğü

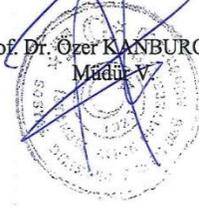
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Onayı Hk.

12/01/2017

Sayın Abdullahi İsse MAHADELLE

Enstitümüz Y1412.130032 numaralı İşletme İngilizce Ana Bilim Dalı İşletme Yönetimi İngilizce Tezli Yüksek Lisans programı öğrencilerinden Abdullahi İsse MAHADELLE'nin "ENTREPRENEURIAL CHARACTERISTICS AND COMPETENCIES AS DETERMINANTS OF BUSINESS PERFORMANCE: A STUDY ON SMALL ENTERPRISES IN MOGADISHU, SOMALIA" adlı tez çalışması gereği "ENTREPRENEURIAL CHARACTERISTICS AND COMPETENCIES EFFECT ON PERFRMANCE SURVEY" ile ilgili anketinin 09.01.2017 tarih ve 2017/02 İstanbul Aydın Üniversitesi Etik Komisyon Kararı ile etik olarak uygun olduğuna karar verilmiştir. Bilgilerinize rica ederim

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Müdür



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RESUME

CURRICULUM VITAE

PERSONAL INFORMATION



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Nationality Somali

Profile Summary

With a gifted talent, enthusiastic, and skilled business management candidate with extensive knowledge of business management fields across the all its knowledge areas. With in-depth knowledge of business administration, multi-tasking with business analytical skills, end-oriented working capacity, and with the ability to establish and maintain good working relations with people of different nationalities and cultural backgrounds. A goal oriented, but also, a moderate adventurous person who is ready to take initiatives to get ahead in this competitive and ever-changing environment. Currently, I'm an independent consultant based in Istanbul, Turkey, but I'm also seeking an entry position of relevant vacancies to upgrade my skills and knowledge in reputed organizations both public & private sectors.

WORK EXPERIENCE

Dates (from – to)

APRIL,2014-AUGUST,2014

Organization: Tayo Construction and General Engineering Company
Co. (TAYO).

Position: Office Administrative Support

**FORMAL
EDUCATION**

JUNE 2013 – AUGUST 2013

Organization: Hormuud Telecom Somalia Inc. (HORTEL)

Position: Marketing Intern

JULY 2012 – SEPTEMBER 2012

Organization: Petek Bebe Textile (BEBICCINO)

Position: Operations

March 2010- April 2011

Organization: Baraka Business Centre (BBC)

Position: Marketing and Sales Director

2014-2016

MBA candidate at Social Science Institute in Istanbul Aydin University, in Istanbul/Turkey.

Master of Business Administration (MBA).

GPA (3.94 out of 4.00)

2011-2014

Okan University Faculty of Economics, and Administrative Science, in the Department of Business Administration, in Istanbul/Turkey.

Bachelor Degree in Business Administration (BBA) in 2014.

GPA (3.82 out of 4.00)

2009-2011

Mogadishu University Faculty of Economics and Management Science in the Department of Business Administration, Mogadishu, Somalia.

Diploma Degree in Business Administration in 2 years

GPA (96.45 out of 100)

2006-2009

Ahmed Gurei Secondary School (FPENS Secondary Certificate) one of the leading general high schools in Somalia, in Mogadishu/Somalia.

GPA (98.14 out of 100)

2000-2006

Omer Binu-khadab Primary School (FPENS Primary Certificate), in Galhareeri district, Galgaduud-Somalia.

PERSONAL SKILLS

**AND
COMPETENCIES**

Mother Tongue

Somali

Other Languages

- English
- Arabic
- Turkish

**SOCIAL SKILLS
AND
COMPETENCIES**

The following are some of my social skills and competencies

- Extremely organized person
- Good abilities for synthetic and global views over concrete situations
- End-oriented work capacity
- Problem-solving attitude
- Responsibility, Self-respect, and self-reliance
- Strong referential values of fairness, equity, and dignity
- Ability to establish and maintain good working relations with people of different national and cultural backgrounds
- Ability to live and work/serve in hardship locations

**ORGANIZATIONAL
SKILLS
AND
COMPETENCIES**

My involvement of these activities mentioned above, educational background and extra-professional activities have their roots in my dedication towards social change. Here are some of my organizational skills and competencies: -

- Detail oriented personality
- Understands organizational culture and Multi-tasking skills
- Analytical skills
- Communications skills
- Problem-solving skills
- Decision-making skills
- People skills
- Team skills

REFERENCES

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