



The Problems Face by Small Businesses in Bardoli Region

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ABSTRACT

A study was shown to measure the problems faced by small business owners of the Bardoli region and to measure the effects on their business sales and ropes related to their common problems. The foremost objective of the research is to study common problems faced by small businesses in the Bardoli region. The data are collected through a structured questionnaire from around 100 randomly selected individual business owners from the selected area of the Bardoli region. The researcher has been using a structured questionnaire on multiple-choice questions, multi-response, and a five-point Likert scale. In this study, the scholar has analyzed the data through various statistical tools such as frequency, Mann-Whitney and Kruskal-Wallis tests. The collected data are analyzed using statistical software such as SPSS. The study suggested that the internal and external factors are the reason for affecting the business.

Keywords: Small businesses, Problem-solving, Digital market, Internal and External factors, Entrepreneurs

Introduction

Essentially small businesses have usually encompassed those businesses that have less capital investment, smaller employees and fewer machines to operate. These enterprises must fall under the guidelines, set by the Government of India. Small businesses are the lifeline of the economy, especially in a country such as India. These small businesses are self-employed individuals which play a decisive role in the economy. Nowadays in our country, there is a start-up culture where people are starting their businesses than doing their jobs because of government schemes and support. So, every big business starts from a small business and learning the factors which affect the growth of the small business is very important. Small businesses are the main part of the growth and development of the country from both financial and social points of view, as they help with per capita income and resource utilisation in the economy. This study focuses on problems faced by small businesses in the Bardoli region under which several business owners face problems such as (1) Verdict customers and marketing (2) Succession planning, (3) Appointment talented people, (4) Owner exhaustion, (5) Health care, (6) Uncertainty about future, (7) Government policy & regulations, (8) Technological adaptation, (9) Funding for growth, and (10) Delinquent solving. Finding customers is one of the biggest challenges for small businesses because of the increase of competition in the traditional and digital markets as well as in the actual market. Searching for funds for growth is also a big problem for small business owners. Entrepreneurs are required to plagiarize money from money lenders at a very high-interest rate which distressed all their calculations.

Literature Review

Susan Turner and Al Endres (2017), studied strategies for enhancing small business owners' success rates. The study was undertaken in the USA for the problem faced by small businesses that cannot survive for the first 5 years and showed a common strategy for improving the business success, knowledge and skills. The author used both primary and secondary data and reviewed it. The data are from interviewing participants, information from websites and social media and local newspapers and magazines. The strategies include personal leadership styles, networking, marketing plans and operational planning.

Mel Scott and Richard Bruce (1987), studied five stages of growth in small businesses. The objective of this article is to develop a model of small business growth to isolate the main factors which will be important in each stage of growth and the type of crises to be faced in moving from one to the next so that managers can more successfully plan the future of their businesses, i.e., to assist in formulating feasible strategies. The author had shown the 5 main steps that every small business go through. The steps are Inception, Survival, Growth, Expansion and Maturity. Initially, the business grows through the creativity of a leader after that it grows by direction. In the third phase, the business grows through delegation, in the fourth stage, it grows

by coordination and lastly, the business grows through collaboration.

Haydn du Plessis and Annize Marnewick (2017), studied a roadmap for Smart City services to address challenges faced by small businesses in South Africa. The objective of the research was this research focuses on identifying the relative impact of challenges on the small business and the relative value of each of the smart city services to determine which services would have the largest impact in addressing the challenges. Through the subsequent analysis of the results, it was found that small businesses face many challenges because of a lack of government and entrepreneurial support, as well as widespread corruption. Similarly, the small-business owners identified that educational material, small-business support portals and eGovernment systems would be the most valuable services that a smart city could offer them.

Sascha Kraus, Raj Mahto and Steven Walsh (2021) studied the importance of literature reviews in small business and entrepreneurship research the objective of this study was a discipline generally represents the advancement of knowledge and a richer understanding of associated phenomena, factors, and context. The author had done an in-depth study on small businesses and found identifying the opportunity to diversify theoretical approaches, deepen the study of entrepreneurial strategies, expand the study of innovation and technology, and finally, the need to shed more light on the relationship between seriality and sustainability in entrepreneurship.

Jialin Hardwick, Doug Cruickshank and Alistair R. Anderson (2012) studied Innovation in small businesses: by comparing face-to-face with virtual networking the objective of the research was to provide an understanding of networking in the small business. Furthermore, the author interviewed 17 participants with in-depth talks. The literature gives the value that while the usefulness of networking by small businesses is well recognized, little is known about the process of networking and in particular the potential role of virtual communication and what can and cannot be achieved. The paper sheds light on these issues and develops an explanatory framework.

Objective of Research

- To study the difficulties faced by small businesses in the Bardoli region.
- To identify the major factors, that affect the small businesses of the Bardoli region.

Research Methodology

To accomplish the objective of the study, the survey was done in a selected area of the Bardoli region by 100 individual business owners. The data comprise two parts, first demographic information and second part difficulties in business-related questions. The researcher has collected data through the structured questionnaire where multiple-choice, multiple responses and Likert scale is administered. The data was collected based on convenience sampling. As per the requirement of the objectives, the researcher has opted to use the frequency analysis, Mann-Whitney and Kruskal-Wallis using SPSS software.

Hypotheses development

H0: There is no impact of gender on problems faced by small businesses.

H1: There is an impact of gender on problems faced by small businesses.

H0: There is no impact of an area of the town on problems faced by small businesses.

H1: There is the impact of an area of the town on problems faced by small businesses.

Data Analysis and Interpretation

Indicate to what extent you agree with the following statements using the 5-point scale given below;1-Strongly disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree: -

Test Statistics					
	Mann-Whitney U	Wilcoxon W	Z	Asymp. Sig. (2-tailed)	H0
Finding customers & contacts	487.000	553.000	-0.089	0.929	Accept
Inappropriate competitions	458.500	524.500	-0.423	0.672	Accept
Hiring talented people/staff	406.500	4501.500	-1.093	0.275	Accept
Poor stock management	483.000	549.000	-0.135	0.893	Accept
Lack of funding for growth	391.000	457.000	-1.181	0.238	Accept
Social media/ Internet support	312.500	378.500	-2.330	0.020	Reject
High rate of taxes	381.000	447.000	-1.278	0.201	Accept
Inappropriate market structure	434.000	500.000	-0.707	0.480	Accept
Uncertainty about future	352.000	418.000	-1.865	0.062	Accept
Delayed payment	386.500	452.500	-1.221	0.222	Accept
Poor relations with suppliers/ customers	377.000	443.000	-1.337	0.181	Accept
Infrastructure Issues	447.500	513.500	-0.542	0.588	Accept
Customer preferences	472.000	538.000	-0.276	0.783	Accept
Owner fatigue	433.500	4528.500	-0.708	0.479	Accept
Problems to adopt new technology	488.000	554.000	-0.080	0.936	Accept
Lack of succession planning	426.000	492.000	-0.849	0.396	Accept
Government interference	403.000	469.000	-1.051	0.293	Accept
Economic condition	403.000	469.000	-1.042	0.298	Accept
Lack of Govt. Support	373.000	439.000	-1.414	0.157	Accept
Lack of Marketing	267.500	333.500	-2.676	0.007	Reject
a. Grouping variable: Gender					

H0: There is no impact of gender on problems faced by small businesses.

H1: There is an impact of gender on problems faced by small businesses.

Interpretation: -The directly above table displays that there is no impact of gender on problems faced by small businesses such as (Finding customers/contacts, Inappropriate competition, Hiring talented people/staff, Poor stock management, Lack of funding for growth, High rate of taxes, Inappropriate market structure, Uncertainty about future, Delayed Payment, Poor relations with suppliers/customers, Infrastructure issues, customers preferences, Owner fatigue, Problems to adopt new technology, Lack of succession planning, Government interference, Economic condition, Lack of Govt. support) as the significance test value is greater than 0.05 (Null Hypothesis is Accepted). However, there is an impact of gender on problems faced by small businesses such as (social media/Internet support and Lack of marketing) as the significance test value is less than 0.05 (Null Hypothesis is Rejected).

- Indicate to what extent you agree with the following statements using the 5-point scale given below; 1-Strongly disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree: -

Test statistics				
	Kruskal-Wallis H	df	Asymp. Sig.	H0
Finding customers & contacts	5.651	3	0.130	Accept
Inappropriate competitions	2.373	3	0.499	Accept
Hiring talented people/staff	3.870	3	0.276	Accept
Poor stock management	2.869	3	0.412	Accept
Lack of funding for growth	13.099	3	0.004	Reject
Social media/ Internet support	1.118	3	0.773	Accept
High rate of taxes	1.439	3	0.696	Accept
Inappropriate market structure	7.368	3	0.061	Accept
Uncertainty about future	3.354	3	0.340	Accept
Delayed payment	3.813	3	0.282	Accept
Poor relations with suppliers/ customers	6.039	3	0.110	Accept
Infrastructure Issues	0.827	3	0.843	Accept
Customer preferences	4.148	3	0.246	Accept
Owner fatigue	4.536	3	0.209	Accept
Problems to adopt new technology	2.033	3	0.566	Accept
Lack of succession planning	2.714	3	0.438	Accept
Government interference	1.141	3	0.767	Accept
Economic condition	9.960	3	0.019	Reject
Lack of Govt. Support	1.062	3	0.786	Accept
Lack of Marketing	5.310	3	0.150	Accept
a. Kruskal Wallis Test				
b. Grouping Variable: Area of town:				

H0: There is no impact of an area of the town on problems faced by small businesses.

H1: There is the impact of an area of the town on problems faced by small businesses.

Interpretation: - The directly above table displays that there is no impact on the area of the town on problems faced by small businesses such as (Finding customers/contacts, Inappropriate competition, Hiring talented people/staff, Poor stock management, Social media /Internet support, High rate of taxes, Inappropriate market structure, Uncertainty about future, Delayed Payment, Poor relations with suppliers/customers, Infrastructure issues, customers preferences, Owner fatigue, Problems to adopt new technology, Lack of succession planning, Lack of marketing, Government interference, Lack of Govt. support) as the significance test value is greater than 0.05 (Null Hypothesis is Accepted). However, there is an impact of gender on

Problems faced by small businesses such as (Lack of funding for growth and Economic condition) as the significance test value is less than 0.05 (Null Hypothesis is Rejected).

Research Gap

The investigation of the innumerable problems and Difficulties face by small businesses indicates that there is no sole perfect plan for the solution to that consequences. Since small businesses play a crucial role in the economic and social development of the country, often act as a foundation for the development of entrepreneurship. The overall objective of this research is to identify ways and means, that distress small business differently.

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