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**Investigating the association of Effective managerial skills and Modern marketing tools
with Entrepreneurship Business.**

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Abstract

For the developing countries, entrepreneurship is the bearer of economic growth, the harbinger of financial well-being and offers propensity for development. It not only broadens the vocational horizons-enabling people to make profitable earnings but it also opens the gateway to grandiose job opportunities. Undoubtedly, it tautens the monetary fabric of the society by offering a remedy to the malady of poverty, which in turn bridges the gap between those belonging to various echelons of social classes. Entrepreneurship exists as a zone often muddled in an ill-defined state of not being able to conform to the standards pertinent to it, especially in the developing countries and under-developed countries. In Pakistan, most of the businesses are being run by untrained persons, and the use of primitive and manual methods of manufacturing the products and simple marketing techniques have rendered them unable to meet the international standards. The study aims at introducing workable entrepreneurial practices, scrutinizing the problems associated with them, inspecting and discerning the causes of unsuccessful businesses, proposing possible measures that can counter the problems identified, as well as making suggestions that can improve entrepreneurship activities and business management practices in the study area. Collection of data with the help of a closed-ended questionnaire. The sample size is going to consist of 257 proprietors/managers of restaurant centers. The collected data is to be quantified by applying the suitable statistical tests and the data from interviews to be analyzed by applying content analysis approach. The data is to be presented in tables. Moreover, the statistical tests are going to help to accept or reject the hypotheses. The study may find the problems associated with entrepreneurship and based on the findings, recommendations will be given on entrepreneur issues among which is that the government should empower business looking for a workforce to open up endeavors in recognized planned business adventures by accelerating the training programs and by facilitating the procedural requirements in this field.

Keywords: Entrepreneurship, Entrepreneur, Enterprise, SMEs, Restaurant, management skills, marketing tool

Introduction

As recorded in the 2017 Census of Pakistan, with a staggering population of 207.77 million, Pakistan helms the position of being the world's sixth most populated country (Ismail, 2018). Abdul Naeem (2013) indicated that if present demographic trends are taken into consideration, Pakistan is anticipated to emerge as the fourth densely populated nation by 2050. Not only has Pakistan headed in the direction of improving its economic outcomes in recent years, but it has also curbed its macroeconomic vulnerability. This has inevitably catalyzed the growth of the country's economy, with different sectors progressing at different rates, fortifying the government's commitment to expediting socioeconomic advancement and leash inflation. In each of the last 2 years, GDP has continued to soar above 5 percent; and if accurate figures are to be mentioned, in the outgoing fiscal year FY2018, it reached a promising 5.79 percent- which was highest in 13 years. Even in each of the three preceding years, the growth in GDP was no less than 4 percent. Such an accomplishment by the nation, despite the presence of global headwinds, is an incredible milestone as supported by the Pakistan Economic Survey 2018 (Ismail, 2018).

The poverty level in Pakistan is quite alarming. It has been formally estimated that of the entire population, nearly 50 million live on less than one U.S dollar a day. The poorest fractions of the population are constituted by landless labor, debtstricken peasants, small-scale farmers cultivating paltry areas of land and those engaged in a myriad of informal activities to earn a livelihood. More than 70 percent of the aforementioned groups reside in rural areas. As an insult to the injury of poverty, the country battles with crises of economic proportions and is also socially deprived. Health facilities are below par, illiteracy gnaws at the roots of the society, unemployment is omnipresent, and gender and social discrimination is widespread. The Pakistan National Human Development Report 2017, published for the United Nations Development Program (UNDP)

(Najam & Bari, 2017). Najam & Bari (2017) confides that out of every ten people in the country: three are plagued with inadequate health facilities, five are unentitled to education and, at least four have abysmal standards of living.

According to Abdul Naeem (2013), poverty has increased although the government of Pakistan is working on it for decades. An unbridled increase in poverty exacerbates economic stagnation, deters private and public investment, and causes an upshot in fiscal and current account deficits, thus concomitantly leading to accumulation of debt. All of these consequences are heralds of structural flaws that have seeped into the economy, and demand immediate mediation.

After carefully sifting through the aforementioned facts it becomes evident that the paramount development challenges which have been hassling the government of Pakistan include successful acquisition of such a broad-based economic growth, specifically in rural zones, that can be labeled as high and sustained; appeasement of poverty; readily accessible basic services of both social and economic nature as well as infrastructure to the underprivileged; proliferation in employment opportunities, and enhanced scheme of governance. The last few years have been significant in a way that promising economic power has been achieved. However, eradication of poverty still confronts the nation as a huge challenge that needs to be resolved as soon as possible as indicated in Pakistan Economic Survey 2018 by Ismail, (2018).

Sagacious strategies and dedicated frameworks need to be developed to address the major ailments irking Pakistan, especially its rural areas, such as unemployment and poverty. It is more crucial now than it was ever, that the government applauds every effort which can help to tackle the malady of poverty and facilitate the creation of new ventures that can proffer employment. Over the last three and a half years, noticeable progress has been achieved in the domain of economic development but the reduction of poverty is still a major impediment.

Tackling economic hardships can be made possible with the government paying undivided attention to the development of agriculture, as well as, industrial sector particularly the small and medium enterprises (SMEs). In Pakistan, the SMEs Sector suffers from mediocrity as compared to its neighboring sovereign nations (Abdul Naeem, 2013). Veritably, the small and medium enterprises' sector opens a great number of doors to any country's economic development. Multiple benefits are reaped by the virtue of enrichment of SMEs sector, which include, but are not limited to, a greater probability of the expanded rural and urban workforce getting newer jobs; and the ground being laid for the exercise of ingenious and lucrative ideas that supplement the growth of the entire economy. A wave of diversification is also brought about in economic activities with the SMEs, which thereby decreases destitution. The SME sector deserves full utilization by the government of Pakistan, as the former still is stagnant in terms of development and is in dire need of support and attention from the government. For the past few years, all government policies about the economy, as well as objectives to plan budgets and efforts to regulate such policies have had accentuated on deliberate efforts that focus on large scale industries' development and aggrandizement. Such an emphasis, owing to its inherent bias and lopsided skewness, has consequently begotten miserable consequences including the structural discrepancies in Pakistan's business atmosphere. This has also led to an adverse impact on the exaltation of large scale industries.

The role of entrepreneurship businesses in generating employment opportunities and creating such income which not only enhances economic growth but is also sustainable has long been recognized by donors and policymakers (Kebede, 2015). With the restructuring of the monumental support institutions such as SMEDA and SME Bank, the SME sector has been developed in the country.

Despite this, the issues concerning small scale businesses differ from those relevant to medium size businesses. One of the paramount challenges for the birth, survival, and progress of SMEs in Pakistan is the access to financial capital (Qureshi & Herani, 2011).

SMEs have mushroomed throughout Faisalabad, ensconcing in leading industrial estates, industrial parks, Export Process Zones (EPZs), trade plazas, malls, as well as cottage industries and small business units sprawled across the city and its outskirts. Over the years, many SMEs have nestled in Faisalabad and elsewhere in Pakistan due to many welcoming factors. These factors include keen entrepreneurial spirit and relevant skills, virtuous managerial and labor skills, ample finance, technological availability, persuasive marketing, ingenious production, timely and hospitable customer services, and the impetus and proclivity to meet the expectations and opportunities of the customers better than the competitors (Qureshi & Herani, 2011). Nevertheless, not all of the SMEs and micro-enterprises in the country can enjoy access to finance- especially the expected level of finance- and not all of them have been endowed with such managerial and technical skills which can exhibit their thrive and flourish in the market place. Ever since the country has gained independence in 1947, there has existed a burgeoning growth of a multitude of micro, small, and medium enterprises across the nation (Kebede, 2015). Based on the population, Pakistan ranks sixth in the world. It enjoys a wide array of bounties such as abundant natural resources, diverse and apt climatic conditions, and a surplus of human capital in the form of skilled, semi-skilled and unskilled labor force. Still, the country has not succeeded to join the legion of developed countries owing to underwhelming utilization of its resources. Application of the Western approach has been one of the most prominent obstacles as yet because this approach only benefits capital intensive industrialization (Rajput, 2011). This has revealed disastrous effects for the economy as scented in the condition of national poverty, high unemployment rate united with

heavy budget and deficits in the current account which has incurred heavy debts on the economy. Extremes at a distance, if a low- cost domestic approach is followed overgrowth and promotion of SMEs, the income distribution in the country is favorably affected. This is because the latter approach is labor-intensive, and prefers to uses local raw materials and technology (Rajput, 2011). Rajput (2011) further clarified that although 85% of the entrepreneurial sector in Pakistan is pervaded by SMEs, they contribute to only 7% of the GDP. In any case, not many Pakistani organizations have risen effectively. Subsequently, the fruitful encounters of such SMEs give a chance to explore causal variables connected to the achievement of such endeavors and issues which are looked by SMEs. Since there is an urgent need for it, this study makes a deliberate endeavor in the direction of constructing an innovative model for SMEs in Pakistan, and the said endeavor incorporates a top-to-bottom study of SME organizations situated in Faisalabad.

According to Rahnama & Beiki (2013) modern marketing represents the needs and values of costumers and society. The modern marketing concept encourages entrepreneurship businesses for replacing the traditional way of marketing. Hossain & Rahman (2017) explained that online marketing is an easy and effective way of modern marketing. Adeniyi (2011) studied in Nigeria and disclosed that the 1950s were an emergency for marketing contemplations as the regular discourse progressed toward becoming saturated with science. Vladimirovna (2017) had studied in Russia, emphasized on ‘4Ps’ model (Price, Product, Promotion, and Place) is a viable idea even today. Promoting is regularly characterized as every one of the exercises associated with the exchange of merchandise from the maker to the buyer, including publicizing, transporting, putting away, and offering. For another business, be that as it may, promoting implies offering.

Rugaiyah (2015) studied in Indonesia and highlighted that the effective managerial skills consist of organizational skill, technical skill, conceptual skill, human skill, decision-making skill,

administrative skill, leadership skill, behavioral skill, and diagnostic or analytical skill. Managerial capacities impact the exhibition of SMEs. Managerial experience, training, learning and start-up experience are used to measure managerial skill (Robinson, 2017).

According to Butler (2018), the government is committed to promoting small and medium-sized enterprises. Provision of bank credit through credit guarantee schemes, especially in agriculture and for export-oriented SMEs (and those that supply larger exporters), will be facilitated. Larger private sector businesses and State-Owned Enterprises will be incentivized to incorporate more SMEs into their value chains. Regulatory constraints that limit the growth of private equity investment will be removed.

According to the latest census, the population of Pakistan is 207.774 million people with a literacy rate of 60%, but SME businesses are run by a small segment of the population. Only a few business families are running these businesses in Pakistan who are operating old-fashioned businesses in customary markets. About 85% of the entire entrepreneurial sector in Pakistan constitutes of SMEs, and unfortunately, this sector adds only 7% to the GDP of Pakistan (Dar et al., 2017). It is a very small addition through SMEs. The factors responsible for such a poor performance include traditional operations, shortage of business expertise and lack of market knowledge and the use of ineffective business models. A thorough study of the concept of entrepreneurship, its problems, and prospects, and the review of the literature of entrepreneurship business internationally, nationally as well as the study of Faisalabad based SMEs revealed that there is a grey area that catches the attention of the author for addressing the problems properly so that Pakistani SMEs may enhance their contribution towards the GDP growth of the country. The author pointed out that there are significant problems that need to be addressed for the success of the entrepreneurship business in Pakistan. These issues include lack of effective managerial skills, lack of the modern

marketing techniques, making sure for having the sufficient funds for the business, practice, and implementation of proper accounting system in the business, provision of adequate basic infrastructure for the business, and inculcation of modern technology at the business place, all of which are the basic skills for making a business successful.

A large number of restaurants SMEs such as Pizza Hut, KFC, McDonald's, Subways, Dominos, etc. are operating in Pakistan and in the result, most of the local restaurants entrepreneurs are dropping market share day by day due to the lack of effective managerial skills, lack of innovative capability, and market aptitude. Based on the above facts, this study bridges the gulf between current condition of SMEs in Pakistan and their ideally envisioned form.

Research Hypotheses

1. Effective managerial skills showed no association with the Entrepreneurship Business.
2. Modern marketing tools showed no association with the Entrepreneurship Business.

Methodology

The study was conducted in Faisalabad city. The survey research design was adopted. All restaurant entrepreneurship businesses in Faisalabad are taken as the universe population of the study. Convenience sampling technique is used to collect primary data with the help of a closed-ended questionnaire. The sample size for this study consists of 257 entrepreneurs of restaurant centers. The questionnaires have been administered to check for the reliability by Cronbach's alpha. The result of Cronbach's Alpha was 0.858. The hypotheses formulated were tested mainly using

the Chi-Square test of independence with the aid of SPSS statistical package version 21.0.

Result and Discussion

Hypothesis 1

Effective managerial skills showed no association with the entrepreneurial businesses.

Table 1: Entrepreneurship * Effective Managerial Skills Cross Tabulation Count

	Effective Managerial Skill				Total
	Disagree	Neutral	Agree	Strongly Agree	
Entrepreneurship Strongly Disagree	1	1	1	1	4
Disagree	0	0	3	1	4
Neutral Agree	0	3	3	5	11
	6	6	78	25	115
Strongly Agree	0	4	67	52	123
Total	7	14	152	84	257

Table 1 (a): Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	40.553 ^a	12	.000
Likelihood Ratio	34.296	12	.001
Linear-by-Linear Association	13.186	1	.000
McNemar-Bowker Test	.	.	^b
N of Valid Cases	257		

a. 13 cells (65.0%) have expected count less than 5. The minimum expected count is .11.

- b. Computed only for a PxP table, where P must be greater than 1.

Table 1 (b): Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Interval by Pearson's R	.227	.073	3.721	.000 ^c
Ordinal by Spearman	.222	.063	3.630	.000 ^c
Ordinal Correlation				
N of Valid Case s	257			

a. Not assuming the null hypothesis.

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

c. Based on normal approximation.

Based on this hypothesis, the Pearson Chi-Square value of Independent Variable Effective Managerial Skills (MES) is ($X^2 = 40.5$, $p = 0.000$). The standard chi-squared test of independence gives evidence of an association between Entrepreneurship Business (EB) and Effective Managerial Skills (MES). Hence, the null hypothesis will be rejected and the alternate hypothesis will be accepted. That is why the hypothesis No.1 is correct.

The standard chi-squared test of independence gives evidence of an association between Entrepreneurship Business (EB) and Effective Managerial Skills (MES) ($X^2 = 40.5$, $p = 0.000$); use of the continuity corrected version or the likelihood ratio test does not change this conclusion.

Hypothesis 2

Modern marketing tools showed no association with the entrepreneurial businesses.

Table 2 :Entrepreneurship * Modern Marketing Tools Cross Tabulation Count

		Modern Marketing Techniques				
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Entrepreneurship	Strongly Disagree	1	0	1	2	0
	Disagree	0	0	0	2	2
	Neutral	0	1	1	6	3
	Agree	0	5	9	73	28
	Strongly Agree	0	3	9	55	56
Total		1	9	20	138	89

Table 2 (a): Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	80.515 ^a	16	.000
Likelihood Ratio	26.734	16	.045
Linear-by-Linear Association	11.674	1	.001
McNemar-Bowker Test	17.869	8	.022
N of Valid Cases	257		

a. 18 cells (72.0%) have expected count less than 5. The minimum expected count is .02.

Table 2 (b): Symmetric Measures

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Interval by Interval Pearson's R	.214	.079	3.491	.001 ^c
Ordinal by Ordinal Spearman Correlation	.203	.062	3.318	.001 ^c
N of Valid Cases	257			

a. Not assuming the null hypothesis.

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

c. Based on normal approximation.

The standard chi-squared test of independence gives evidence of an association between Entrepreneurship Business and Modern Marketing Tools ($X^2 = 80.5$, $p = 0.000$); use of the continuity corrected version or the likelihood ratio test does not change this conclusion.

Based on this hypothesis, the Pearson Chi-Square value of Independent Variable Modern Marketing Tools (MMT) is ($X^2 = 80.5$, $p = 0.000$). The standard chi-squared test of independence gives evidence of an association between Entrepreneurship Business (EB) and Modern Marketing Tools (MMT). Hence, the null hypothesis will be rejected and the alternate hypothesis will be accepted. That is why the hypothesis No.2 is correct. The standard chi-squared test of independence gives evidence of an association between Entrepreneurship Business and Modern Marketing Techniques ($X^2 = 80.5$, $p = 0.000$); use of the continuity corrected version or the likelihood ratio test does not change this conclusion.

Conclusion and Recommendation

The entrepreneurship businesses (small and medium enterprises) provide the main base for economic development all over the world. But, in Pakistan, the contribution of the small and medium enterprises in the economic development is not up to the mark and specifically, the restaurant SMEs are adding very little share in the growth of the country. Because Pakistani SMEs are facing a lot of business problems that is why they have lost the market share to foreign restaurant franchises. We can only realize the potential of these SMEs when they are focused and facilitated in the right direction. This study is providing the guiding principles for the betterment of these enterprises. It was therefore concluded that effective management skill and marketing tool are associated with Entrepreneurship Business

For the better solutions of the proposed problems by the researcher, the following recommendations or suggestions are given for improvement in business, particularly for the restaurant business in Faisalabad and generally for the entrepreneurship business sector in Pakistan:

For the treatment of the problem of lack of effective managerial skills of entrepreneurs, it is therefore suggested that entrepreneurs should manage their time as per business requirements and every work must be managed accordingly.

To deal with the business problems the entrepreneurs have not sufficient time to deal with their matters. It is advised that they must prepare other family members such as their sons, daughters and wife, husband to look after the business with them so that the business will not suffer in case of their absence from the business due to any emergency.

For making speed up their business and easy task the entrepreneurs must use information technology in their businesses so that their every step in business must be recorded and saved for any sudden need.

The general public needs to stretch out its collaboration to the business entrepreneurs since they are the people who do their business not just for to acquire their meat and potatoes yet additionally they give employment to society individuals from which they get their jobs.

The government ought to make a stage by the interest of offices, for example, SMEDA and so on to lead and arrange 'experience sharing courses' the place built up effective entrepreneurs become resource persons for learning and experience sharing to prepare the entrepreneurs deprived to handle issues in talk.

New entrepreneurs face issues of skilled employees' high weakening rate after having taken in the business abilities and issues of non-availability of skilled employees. To bring a solution for it

government should focus upon quickening the quantity of professional training, particularly for new business entrepreneurs to resolve their problems.

The government should empower business looking for a workforce to open up endeavors in recognized planned business adventures by accelerating the training programs and by facilitating the procedural requirements in this field.

Last but not the least is that the already established small and medium entrepreneurship businesses who have proved them in the particular fields are the role model for others and they can motivate the new entries in the field by sharing their experiences with them but this can only be possible if the government takes its interest in resolving the real issues of entrepreneurs belonging to various sectors in the country.

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