Supply Chain Niche Market Responsive New Complementary Firm Creation and Its Impact on Early Stage Growth of New Firms. (Case Study Ethiopia: Benshangul-Gumuze Reginnal State Capital Town-Assosa)

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Abstract: Ensuring local economic growth through new firm creation and innovation is the widely accepted trend that countries at different stages of development has adopted for creating jobs, increasing personal income and expansion of retail sale business firms. Here it is to mean that this study design has tried to explore the role of context specific general entrepreneurial framework conditions for new firm creation, innovation and local economic growth.

To make it more apprehensible; this study has investigated the role of entrepreneurial expectation on new firm creation and its impact on early stage growth of new firms at the study area. Besides, it has also tried to explore the role of entrepreneurial motive for innovation and its impact on early stage growth of new firms at the study area. Likewise; it has also tried to describe the critical general problems behind entrepreneurial employee activity of small business firms. To do so, this study design has developed structured questionnaire for data collection of which owner/manager, entrepreneurial employees and regional experts are the main respondents of the survey program.

Likewise, this study design has used the stratified sampling technique for identifying the type of respondents and so does the systematic random sampling for section of the respondents’ micro small and business firms. Thus; this study design has used the panel data principle so that 12 from new micro enterprise and 12 from new small established business firms, of which 24 micro and small business firms have been incorporated as the target group during data collection program. Likewise; the GEM conceptual model which this study design has rely on has given a figure so that 36 regional exerts have been selected. In similar fashion; the researcher has used systematic random sampling technique for selection the type of respondents in sector organization.

This study design has used Harvey Einstein’s development concept as the grounding theory and the possible hypothetical relationship among variables have been done and it has been design as the waypath by which the concept of this study design begins and finishes. Likewise; ajzen theory of planned behavior, push pull theory of motivational theory and early stage growth theory of Joseph Schumpeter has been used as the complementary theories for the basic conceptual elements of this study design. To put it on earth, this study design has used the GEM conceptual model as the truth so that the opinion of the data collection group have been measured and analyzed. Likewise, this study design has used the empirical data for examining the empirical role of entrepreneurship for local economic growth.

This study design has used man Whitney test for two groups and so does kruskwal test for three groups so that analysis and discussion has been made possible. Finally, the researcher has used the summary of finding so as to infer a conclusion in sense that the context based factors for success/failure and problems has been taped. However, the findings, conclusion and the respective recommendation made will be used for this study area. But, others can use the document as quick reference provided that similar entrepreneurial conditions would likely happen.

I. Introduction

Job creation, increment of income and expansion of the retail sale business is likely to be ensured through new firm creation and innovation which in turn helps to ensure the regional and local economic growth. This study design study design has given emphasis for entrepreneurial value responsive economic development endeavor of countries which the individuals are the main actors behind new firm creation. As a result, individual antecedent entrepreneurship development process model has been widely accepted theoretical ground by which the new firms begins and finishes the new firm growth lifecycle.

To clarify it more; this study has been undertaken so as to explore the role of the behavioral expectation of local entrepreneurs up on new firm creation and early stage growth of new enterprises at the study area (B/G/R/S capital town Assosa).To this end, nascent entrepreneurs and owner managers are the main actors and focus for this objective to be investigated and so does the opinion survey program cab executed

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at the place where this study a design has been done. Besides; the new micro enterprise which has 3.5 years stay at the market are the target units at which these respondents has been identified and selected. on the other hand; this study design has an objective which focuses on to describe the role of entrepreneurial motives up on innovation and its impact on early stage growth of the small established firms at the study area.

To do so; the entrepreneurial employee are the critical targets for the required data to be collected. hence; the small established business which has at most 5 years stay at the market were the target firm within which this type of respondents has been identified and selected. Likewise; this study design has an objective which tried to identify the critical problems behind entrepreneurial employee activity of the small established business firm. To this end, the researcher has developed around 12 standardized variables and enormous dimensions and do elements so that the actual status quo of the local area where this study design has been done was implemented. Here it is to mean that this study design has used structured questionnaire in order to collect non parametric data from owner/manages, Entrepreneurial employees and regional experts. In other way round; this study design has employed two types of survey of which the women and youth population survey is one and owner/managers and so does entrepreneurial employees are among them. Likewise; the regional expert survey was another method of the experts of the sector organization had been the target unit behind this survey method.

On the other hand; this study design has used the stratified random sampling so as to create strata by which the target groups from entrepreneurs and experts side have been identified and selected. Here it is to mean that the panel data principle had been used and it denotes that 9-12 firms are adequate for the opinion survey to undertake and derivate institute analysis. Thus; the researcher has identified 12 micro enterprise and 12 small business firms and which 24 in total target units have been identified and selected. Also, this study design has used the experience and other related subjective criteria for identifying the type of respondents from micro and small business firms. Besides, the researcher has systematic random sampling technique so that the required type and size of respondents have been determined and selected with a lesser degree of bias and error. Here it should be noted that the researcher have been used the name list and have selected one out of two employees which ought to be included to the opinion survey program.

This study design has used the frequency distribution for measuring the reliability of the data and so does the significance of the items under each variable. Here it is to mean that the researcher has eliminated the less significant items during the pilot survey period. Likewise; this study design has used the mean scale ranking so that the degrees of variations in response from the target groups have been made possible. Moreover; the man whiney test of significance has been used as a statistical tool for making relative comparison among two groups. In other way round; it has been used for the women and youth population survey only. Furthermore; this study design has also used the kruskuwalwalis test of significance among the three strata of the opinion survey group. That is for both women and youth and so does regional expert survey.

Finally, this study design has been undertaken at one of the marginalized regions of Ethiopia where it is located at 600km far away from the capital city, Addis Ababa. Thus; the role of general entrepreneurial framework conditions for new firm creation, innovation and local economic growth responsive enquires have been explored, described and cross sectional examination so as to identify the general factors affecting the success /failure behind new firm start up, survival and early stage growth.

II. Literature Review

2.2. Basic theories for Individual antecedent entrepreneurship development process for new firm creation, innovation and Early-stage Growth

2.2.1 Harvey Einstein's theory of entrepreneurship and development

The social, cultural and institutional aspects of the given local area has a paramount role for developing the general framework conditions so that the new firms can be created, survived and ensure early-stage growth. Here it is to mean that the social and cultural norms which is likely pertinent to the area where the new firms to be nurtured are among one of the basic factors to be noted whenever to explore the behavioural expectation of the locality for new firm creation and local economic growth. In relation to this, the GEM conceptual model which this study design rely on has give recognition and labelled it as one of the basic variables for general framework conditions to design and implement. Besides, the political aspect of a given local area helps to explore the role of institutional factors behind new firm creation, innovation and local economic growth. In other way round, the institutional factors have a critical impact for bringing the opportunities, capabilities (skill, motive) and aspiration (Intention) for new firm establishment and early stage growth. As a result, government policies, programs and regulation, financial activity of new firms, infrastructure, new market entry, research and development, organizational tendency for innovation have been considered as among the critical variables to determine the behavioural expectation of the locality behind new firm creation, innovation and local economic growth. In similar fashion, the conceptual model, GEM
model, which this study design depends on, has also recognized and labelled as basic components for developing the general framework conditions for entrepreneurship and economic development.

Putting this in mind, this study design has used the Harvey Einstein’s (1922-1994) theory as the way so that the role of entrepreneurial value responsive economic development framework condition could likely be explored, described and examined as per the target local realities. As per his theory, entrepreneurs are gap fillers and they are expected to produce or offer products in demand. To put it in other way round, they are responsible to come up with differential value which the given market in demand not in supply side. This theory has given emphasis for both new and routine type firm to be created, survived and grows at the early stage. Therefore, this study design has a plan to explore the role of normative and attitudinal and motivational behavior for new firm creation, innovation and local economic growth. In short, this theory is basic and inclusive to uncover the whole.

As a result, this theory is used as a basic ground to test the local contextual factors which is likely happening whenever to intend behind new firm creation and local economic growth. Therefore; this theory is fundamental way and it has the beginning and so does the end. Here it is to mean that the basic concepts, dimensions and elements of the parameters for general framework conditions to develop helps us to measure the early stage entrepreneurial activity of the locality and the GEM model has been used as the truth so that the future hope can be tested based on the opinion of actors for new firm creation and regional experts at the local area.

2.2.2 Aizen’s theory of planned behaviour

Individual entrepreneurship development process for new firm creation is likely to be guided by the potential of actors in such a way that the required belief and ability of them plays a critical role for determining the intentions for new firm firms to be nurtured and launched. Here it is to mean that the entrepreneurial behaviour of individual will be guided by the subjective probabilities and of which belief occupies the greater space for making it to happen (e.g. Fishbein/Ajzen, 1975).

As a result; the entrepreneurial belief of individual determine the expected behaviour of the actors for new firm creation and so does the degree to which the newly created firms are likely grow early. Here it is to mean that the norm of the locality helps to know the normative expectation of actors for new firm creation and innovation. In other words, the belief and abilities of individuals constitute the main ingredient of the nascent entrepreneurs’ potential and this let them to get instruction so that they in certain way (Triandis 1980, p. 203).This notion scholarly called behavioural intention of the actors for new firm creation and early stage growth of the firm. To make more apprehensible, the nascent entrepreneurs are likely to be motivated consciously behind exerting effort for starting new business firm. Hence; this theory is called as theory of planned behaviour and it has theoretical link with the concept of Harvey Einstein theory behind entrepreneurial value responsive economic development process for new firm creation, innovation and local economic growth. Besides; individual antecedent entrepreneurship development process is conditional and it begins with potential of the nascent entrepreneurs so that the demanded process would be put on earth. To do so, the GEM conceptual model has given recognition on the role of entrepreneurial intention behind starting new firm and so does it has been labeled as the social and cultural norms on the given locality with in which the general framework conditions could be undertaken.

2.2.3 Schumpeter’s Early-Stage Growth Theory

As it was stated earlier Harvey Einstein has explore and concluded on the unique and significant role of entrepreneurship for the development process (1968, p.72). Here is to mean that entrepreneurship is among one of the distinct and critical variable behind business value responsive economic development process of a given local area. As a result; the theory has given recognition for the role of entrepreneurial behaviour expectation behind early stage growth of new firm. To put it in other way, the social and cultural norms of the case oriented local areas are the most likely condition to be fulfilled so that the characteristics and the relevant normative behaviour could be taped and used behind triggering entrepreneurial expectation and again it has its own impact on the level of entrepreneurial activities which is expected from the newly designed firm. To make more apprehensible, as per this theory, it is possible to know the impact of conditional factors early in such a way that the new firms to entertain success early whenever to though behind start up, survival and growth. In relation to this, the author of this theory has classified the type of entrepreneurship the respective operational definition given for each of them. Thus, new type entrepreneurship is one and routine type entrepreneurship is seconded.

‘New type entrepreneurship’ is type of entrepreneurship that the input and the process to be run for either to produce the demanded product or provide service is assumed to be new .In short, the
entreprenurial opportunities and the respective intentions or expectation for new firm creation is ought to be emanated from the newly designed system so that the new jobs, income, technical innovation and retail sale business oriented output of the system can be attained. Here it is to mean that the role of entrepreneurial intention for seizing the new opportunities and its likely impact for growth can be can be explored early before the execution of the operational plan in full scale (Acs and Armington, 2006& Harvey Einstein(1968, p79). Likewise; the famous and the classic author for the early stage growth theory, Joseph Schumpeter, has also distinguished the second type of entrepreneurship and in line with the characteristics to be noted boldly whenever to flourish the need for new firm creation and innovation. Hence, it is called as “routine type of entrepreneurship”. As per this concept; the entrepreneurial opportunities, skills, and motive required for new firm creation is likely obtained from the existing system. Here it to mean that the input and the process which are demanded for the new firm to be nurtured is likely to be obtained from the already established large firm. As per this concept, it is likely possible to explore the role of the conditions behind early stage growth (Harvey Eisteen, 1968, p.73).

Hence, this condition and instance helps entrepreneurial employees to innovate and come up with the small established firm to be created. In other way round, the actors for new firm creation here is employees which are experience for running new micro enterprise and currently are existing at the stage where the new enterprise to be transferred to the next level which literally called small established business. In similar fashion, based on the type of motive that entrepreneurial employees possess, it is possible to explore the opinion of the actors to the specific area where the new firm planned to be established and so does the impact of the investigated inputs on the process and output of new firm early.

2.2.2GEM- the individual antecedent entrepreneurship development theoretical process model

2.4.1 Model back
As the above picture denotes, the individual entrepreneurship development process model begins with the nascent entrepreneurs’ potential which in turn helps to determine their entrepreneurial intention for new firm creation so that new jobs will be created, real personal income show change and the retail sale business will be nurtured. This theoretical model has been used as the road map for the whole research project can be undertaken and no modification has been made.

2.4.2 Concept of entrepreneurs’ potential
It is the basic input which directs the general enterprise tendency of nascent entrepreneurs so as to recognize the opportunities for new firm creation and innovation. Here it is to mean that belief and abilities of individuals are the main component of individuals’ potential by which it is possible to investigate the intention for early start up. Besides, the nascent entrepreneurs’ potential has a critical role for determining the degree to which the new firm either to continue or discontinue the survival and the growth stage. So, it is the foundation
which should rooted deeply so that actors for new firm creation will not coming back to failure while had affirm decision to start the operation of the business firm.

2.4.3 Concept of entrepreneurial Intentions

It is the first hand antecedent of the behavior which motivates the nascent entrepreneurs’ to exert their conscious plan so that lunching, surviving and growing of the newly established firm will be ensured and maintained. To clarify it more; belief and abilities of the given person or entrepreneur is likely to be the main ingredient for entrepreneurial intention to be developed and reflection of the behaviour on the pragmatic way of doing is made possible. That means, nascent entrepreneurs’ thought is guided by their intention so that it is possible to explore its impact on early stage performance of new entrepreneurial firms or enterprise.

2.4.4 Concept of nascent entrepreneurs

This are the type of entrepreneurs’ which organized and financially sponsored but they are likely start their business after three moths time. The category at which this type entrepreneurs’ to fall and sorted are the new enterprise section f the individual antecedent entrepreneurship development mode. hence, the intention of nascent entrepreneurs are subjected to the scope which is limited to entrepreneurial intentions for early stage star up. Here also nascent entrepreneurs are liable to either continuity or discontinuity to the next higher level that is management, operation and survival of the small business development.

2.4.5 Concept of new enterprise

The integrated role of the entrepreneurial opportunities and the potential (belief and abilities) helps to establish the new entrepreneurial firms and they have 3.5 years stay in either new or existing market and at this stage this enterprise has a responsibility for managing and running the operation of the business. the role and the contribution of the institutional factors on the early stage growth of the new enterprise are likely revelled at this stage here it is to men that the role of social values and the cultural norms of the locality relatively for important for the nascent entrepreneurs. In other way round; the determinant actors of managing and operating activity of new enterprise are owner/managers and they are called as new entrepreneurs as the communal name.

2.4.6 Concept of small established business

Small established firms are the type of new firms which has at most 5 years stay at the new or the existing market. The integrated role of entrepreneurial opportunities and the capacity (skill, motive and the enterprise aspiration (intention) helps to create a small established firm which in turn adds value to play a role of completing to the large established firms. This type of firms can be created through innovation and the entrepreneurial employees are the main actors so that this type of firms to be created. Besides, this type of enterprise reach at the stage at which the system thinking and environmental value oriented competitive analysis is requiring doing so. This is so because of the fact that the small established firm’s reaching the level at which transformation for the next higher level is the next driving enterprise aspiration (intention) for the new firm to grow and expand its scope.

2.4.7 Concept of continuity / discontinuity of new firm

Primarily, three could be a tendency to face appoint where the nascent entrepreneurs would face a challenge either to continue or discontinue the early start up stage behind new firm creation. This phase is driven by the conditional factors and the potential of the actors for this stage plays a critical role so that success for early start up could be ensured and confirmed or failure for the newly formed firm to continue will appear to exist if the opposite holds true. Besides; the survival of the new enterprise at the managing and operation stage is among the stage to be rated as seconded. At this stage, the skill, motive and enterprise aspiration of the owner/manager expected to play a greater role for the new enterprise to survive and this makes the new enterprise success rate to be relatively high. on the other hand, the small established firms are expected to transform to the next higher level of new firm growth stage and this drive will be supported by the capacity of entrepreneurial employees where as the opposite holds true provided that the potential for innovation and expansion is failed to work as per the competitive environment of the area where the new firm has been located for operation. In other way round, discontinuity of the new firm will be revelled at this stage also and the possible causes for the favourable or the adverse circumstance to happen solely rely of the individuals’ potential. Thus, this rational justification and conditional suggestions made this theoretical ground to be called as individual antecedent entrepreneurship development process model for new firm creation, innovation and local economic growth.

2.4.8 Concept of early -stage entrepreneurial activities of new enterprise

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As it was cited earlier, this type of enterprise has around 3.5 years stay in the existing or new market for operation of its primary business goals. Hence, it is expected to contribute jobs, income and opportunity for retail sale business firm to be created and expanded. This is all that the GEM model creates a relation between new firm creation and local economic growth. In other way round, the aspiration for the local economic activity to be ensured through early stage entrepreneurial activity of new firm. The productivity of this process or performance lays foundation for local economic growth and it can be stated as the contribution to be made a single firm which the group of firm joined together for the sector and industrial efforts will be strengthen.

2.4.9 Concept of early stage entrepreneurial activity of small established business

As it is stated earlier, this type of firms has at 5 stay at the new or existing market so that the early stage entrepreneurial activity of small established firms can be achieved. The technical innovation, social capital and linkages are the most likely output expected from the management and operation of this type new firm. hence, all of these out- put helps to give hand for local economic growth since industrial productivity is the subset of the local economic growth at the domain specific areas where this study design intended to be implemented at the full scale.

Finally, individual belief and abilities responsive entrepreneurship development process model had similar factor for beginning and finishing the whole process for the early stage entrepreneurial activity of new firms to be done in such a way that relative impact and a contribution of the firms would be observed. To make more apprehensible, individual potential is likely to be believed as the main and determinant input or factor for to continue or discontinue at any stage which has been noted as the critical for start up, surviving and grow to the next higher level of the new firm development life cycle.

on the slightly modified standardized questionnaire and the entrepreneurial practices observed at the study area has allowed the researcher to implement the full conceptual package. To clarify it more; there was no need to either modify or change the general framework of the model. Therefore; the contextual factors such as social, cultural and political context of the local area has been incorporated to the model as the back ground. As a result; the standardized GEM model has derivate around 9 conceptual variables and each of them has their own dimensions and elements to measure the process behind new firm creation, innovation and early stage growth of new firms at the local area.

III. Research Methodology: Data And Material

3.1. Conceptual frame work Design

The researcher has adopted the standardized GEM model to achieve the prioritized objectives of the study design. Here it is to mean that the pilot survey made based.

This general framework conditions helps to bring opportunities, capabilities and motives for new firm creation and innovation at the given local area. Here have been the basic variables of the study design: government policies and programs, financial activity of new firms, new market entry, infrastructure (legal, commercial and physical), education and training, research and development, intellectual property right, Innovation, social and cultural norms. Besides; the researcher has added some complementary variables to diagnose the prospect and challenges of growth for new micro and small business firms at the study area. Here were among them; the special support program for high growth firms, organizational entrepreneurship and female entrepreneurship.

Finally, these newly created microenterprise and small established firms has the critical impact on local economic growth of the given area. Therefore; these firms have contribution to create employment (Jobs) opportunities for the local citizens, real personnel income and retail sale business to be nurtured, flourished and growth at the given local area.

3.2. Data collection methods

This research design has used the structured questionnaire of which the owner/manager, entrepreneurial employees and regional experts were among the main respondents for opinion survey program. Likewise; this study design has used the women and youth population survey and owner/managers and so does entrepreneurial employees were the participants during data collection period. Moreover; the regional experts were for the regional experts’ survey program. 3.4 sampling method

3.3 sampling method

Cluster sampling method has been used for creating segmentation among the micro and small business firms of which stay at the local market is one. here it is to mean that the researcher has selected micro enterprise from 0-3.5 years stay at the local market and also at most 5 year’s stay for the small business firms.
Thus; as per panel data principle (9-12), this study design has employed the figure rated at the highest and this makes 24.

Furthermore; stratified random sampling technique has been used for creating 3 strata and proportionate random sampling technique has been used for determination of the type and size of respondents which could possibly incorporated during data collection. so, the size of the owner/managers and entrepreneurial employees is likely to be default and this makes it to be 24. Also; 36 respondents (GEM manual) has been participated under opinion survey program. Finally, this institute survey has been done on 60 firms and it has been adequate infer conclusion so far.

3.4 methods of analysis and design

This study design has used frequency distribution for demographic characteristics of variable under consideration. Besides; man- Whitney test has been used for two groups and so does Kirkwall -wails test of significance for three groups. This is so because the data is not normally distributed.

IV. Results And Discussion

4.1 Fleeting Review on GEM- Social Entrepreneurship Development Process Model

This conceptual model of the GEM initiate has given the following basic variables by which the context specific general entrepreneurial frame work conditions for new firm creation, innovation and local economic growth. Thus; here are the following:

- It explores and investigates the likely role and effect entrepreneurial value responsive policies and programs and regulations on the expected level of entrepreneurial activity of new firms at the study area.
- It explores and investigates the likely role and effect entrepreneurial value responsive regulation on the expected level of entrepreneurial activity of new firms at the study area.
- It explores and investigates the likely role of commercial and legal infrastructure on the expected level of entrepreneurial activity of new firms at the study area.
- It explores and investigates the likely role of physical infrastructure on the expected level of entrepreneurial activity of new firms at the study area.
- It explores and investigates the likely role of new market entry on the expected level of entrepreneurial activity of new firms at the study area.
- It explores and investigates the likely role of social values and norms on the expected level of entrepreneurial activity of new firms at the study area.

4.2.3 ANOVA table for GPP(government policies, programs and regulations)
This study design has explored the impact of the regional and local government’s substantive this difference. In addition, he mean rank decrease from EE to OM and so does from RE to EE which could imply that most of the RE’S agree that the local government of the study area has designed several programs and each of them are adequate to provide support for new and growing firms where as the opposite holds true for the OM’s opinion policies, programs and regulations behind new firm creation, innovation and local economic growth. To do so, the researcher has developed the hypothetical relationship the level of entrepreneurial activities.

Majority of the respondents have believed that taxes and other related government regulations are applied to the new and growing firms in predictable and consistent way at the regional and local government state of the study area (B/G/R/S capital town: Assosa). This again supported by the grand mean score (3.94) which is more than the ideal mean. Likewise; the result of kruskwal wallis test (df=2, p=.168) and it implies that there is no statistically significant difference between the scores of the three groups on this item.

The adequacy of the government programs has taken as one of the item that this study design had used for measuring the existing status which is pertinent to the study area. Hence; the grand mean score(370) of this item let us say that the majority of the respondents for opinion survey has a belief for the adequacy of the government programs so that the new and growing firms will be supported so as to achieve their intentions for survival and growth. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. What’s more; the variation between the mean ranks of RE (M=11.26), EE (9.81), OM (M=1.002)

The degree to which the local government policies favor towards new firm creation determines the extent to which it ensures early stage growth. Hence, this study design has developed a distinct item which in turn helps to measure the reality and its impact for entrepreneurial effort has been thoroughly investigated and explored. Thus; the grand mean score value (grand mean: 3.58) for this item is far greater that the ideal mean. Hence, it is accepted and showed the existing belief on the favorism of the government policies towards new and growing firms at the area where this study design has been undertaken. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=97.90), EE (8.26), OM (M=13.99) substantiate this difference. Likewise; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the local government policies and programs supports new firm creation endeavor of potential entrepreneurs whereas the opposite holds true for EE’S opinion the item.

Note – strongly agree =5, agree=4, undecided =3, disagree=2, and strongly disagree =1, ideal mean =3 and M=mean score
This study design has tried to explore the extent to which the amount of tax which is lived on new and growing firm is a burden and so does it affects the start up, survival and growth stage of new firm development activities of the study area (B/G/R/S/capital town Assosa), this is supported by the grand mean score (grand mean score:3.54) value which is far grater than the ideal mean and this reveals that majority of the participants for opinion survey has showed belief in a sense that the amount of taxes is not a burden for new and growing firms at the area where this study design has been executed. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=42.02), EE (3.63), 0M (M=4.27) substantiate this difference. Moreover; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the local government regulation the amount of taxes is not a burden for new and growing firms where as the opposite holds true for EE’s opinion.

It is good to explore the degree to which the accessibility of the government program for all and this condition has been investigated by this study design which in turn depicts the grand mean score value (3.54) more than the ideal mean. This again showed that the participants during data collection with the larger size has shown the belief on the fact that new and growing firm can get the access for all what they needed from the regional and local government. Likewise; this notion of the respondents has been backed by kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=6.38), EE (6.08), 0M (M=2.94) substantiate this difference. Likewise; the mean rank decrease from EE to OM and so does from RE to EE which could imply that most of the RE’S agree that the local government programs helps all who need help so that the new and growing firms can run well and good whereas the opposite holds true for OM’s opinion.

This study design has explored the degree to which the science parks and incubators has given the support in such a way that the new and growing firms can be supported the start up, survival and growth stage of new firm development at the study area (B/G/R/S/capital town Assosa), this opinion of the participants have been backed by the grand mean score value (3.51) which is grater than the ideal mean. As a result, the pool of the opinion survey program has shown belief in a sense that the science parks and incubators tried to to give support for strengthening of the efforts made by the new and growing firms at the study area. Likewise; the result of kruskwal wallis test (df=2, p=.101) implies that there is no statistically significant difference between the scores of the three groups on this item.

Empirically; the efficiency and proper provision of the require permits and licensing requirements plays a critical role for delay in entrance of new firms to join the either the new or the existing market. Besides; it has adverse effect for increment of the cost to be incurred by the new and growing firms which in turn creates adverse effect the profitability and productivity of firms. Thus; this study design has tried to relate this regulation of the local government with the level of entrepreneurial activity of new firms which could possibly be high or low in expectation and over all entrepreneurial activity of new firms. Therefore; this item has a grand mean score value which is more than the ideal mean and this shows that majority of the respondents believe that new firm can scan get the require permits and licenses in about the week at the study area.

Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Moreover; the variation between the mean ranks of RE (M=14.23), EE (2.46), 0M (M=13.38) substantiate this difference. Also; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the local government regulation encourages the efficiency of the permit provision and endorsement within a shorter time period where as the opposite holds true for EE’s opinion.

Though the entrepreneurial intention of actors is sound behind starting new firm, capacity is required so that the skill, motive and aspiration is demanded for the newly established firm to entertain success starting from early launch and so does the survival and growth stage of new firm creation and innovation. Thus; employees of the firm are among the critical resources in such a way that the required capacity can be emanated. Therefore; this study has tried to explore the capacity of employees at the agency due to the fact that they are capable and competent to provide the needed service for new and growing firms. Hence; this item has recorded the grand mean score value which is more than the ideal mean value and this reveals a belief in a sense that majority of the respondents has agreed for the competency and skillful of employees whenever to provide service for the needy. Likewise; the result of kruskwal walisis test (df=2, p=.168) implies that there is no statistically significant difference between the scores of the three groups on this item.

This study design has tried to explore the role of the bureaucratic chain of the local government structure and its impact of the performance of the newly founded firms. As a result, the majority of the respondents has agreed and showed a belief in sense that the grand mean score value (3.25) for this item is
more than the ideal mean. Therefore; the local government policies and regulations is not facing tight and tape bureaucracy while to endorse the require services for new and growing firms at the study area(B/G/R/S capital town Assosa). Likewise; the result of kurskwal wallis test (df=2, p=.168) implies that there is no statistically significant difference between the scores of the three groups on this item.

This study design has also tried to investigate the degree to which the local government has been effective while to offer the required support so they can be successful at the start up, survival and growth stage of new firm development. As a result; this item has the grand mean score value more than the ideal mean value and this showed that majority of the participants for data collection are deemed to reveal belief for the effectiveness of the program. Here it should be noted that this research work has tried review the five year growth and transformation plan of the regional state and this notion is likely supported by the performance of the micro and small business firms. Besides; this result has been supported with kurskwal Wallis test (df=2, p=.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=13.04), EE (5.41), 0M (M=7.07) substantiate this difference. More over; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the local government programs which intended to support new and growing firms are effective whereas the opposite holds true for the EE’s opinion.

This study design has tried to explore the extent to which the single agency has given wide scoped service and support for new and growing firms at the area where this study project has been undertaken. Consequently, the grand mean score of this item is above the ideal mean (3.00) and this reveals that most of the group members on each strata has believe in a sense that a wide range of government assistance for new and growing firms can be obtained through contact with a single agency. Besides, this result has been supported with kurskwal Wallis test (df=2, p=.01) which implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=20.30), EE (2.73), 0M (M=3.85) validate this disparity. Likewise; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the local government of the single agency service provision system has the set up for wide ranged assist for new and growing firms where as the opposite holds true for EE’s opinion.

4.2.5. ANOVA table for Infrastructure (legal, commercial and physical)

<table>
<thead>
<tr>
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</tr>
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<td>10</td>
<td>3.33</td>
<td>4.23</td>
<td>5.62</td>
<td>3.00</td>
</tr>
</tbody>
</table>

Note: strongly agree =5, agree=4, undecided =3, disagree=2 and strongly disagree =1, ideal mean =3 and M=mean score

The legal and commercial infrastructure is among one of the critical externally rated factor by which the general entrepreneurial framework conditions to be developed so that the new firm start up and survival
stage could be possibly run in healthy position. To clarify it more; the legal as per related infrastructure is quite important at the early establishment period so that the asset, liabilities and the capital related issues will be addressed in an accountable manner. This in turn helps for new firms to either to start early or the with stand the factors behind discontinuity due to confusion and setbacks on misunderstanding on obligations and rights of the actors for new firm establishment process. on the other hand, the new firms which are the marging operational stage are expected to make work division so that greater weight on the core process will be given and investment of the resource will be made a accordingly. In other way round, this firms requires business service from eternal institutes which in turn helps to get the staffing function without the diversion of focus and attention for the basic and core tasks of the newly established enterprise.tis in turn helps to enhance the energy of new firm either to the new or existing market will be relatively high and so does helps the not be in state of stack due to the fact that the business service is delayed or inefficient.

Thus; this study design has tried to investigate the role and the impact of the extent as well as the quality of the business service for new firm creation and development process at the given local area. Hence; the researcher has developed a two way relation among the service and the entrepreneurial activity of new firms.

**Hypothesis 4.1a:** The greater the extent and quality of business and commercial services that serve entrepreneurial activity in a regional state, the higher the level of entrepreneurial activity, ceteris paribus.

**Hypothesis 4.1b:** The greater the extent and quality of business and commercial services that serve high potential entrepreneurial activity in a regional state, the higher the level of high-expectation entrepreneurial activity, ceteris paribus.

**Hypothesis 4.1c:** The greater the extent and quality of business and commercial services that serve high potential entrepreneurial activity in a regional state, the higher the proportion of high-expectation entrepreneurial activity in overall entrepreneurial activity, ceteris paribus.

Therefore, the study design has developed around 10 items so the respective dimensions to be measured and analyzed.

The legal and commercial infrastructure concept has the maximum and minimum grand mean score which has been observed during opinion survey analysis scheme. consequently, the currently available roads, utilities and the communication service providing installations of the local area oriented item has recorded the maximum grand mean score(3.72) and majority of the member of the data collection scheme has showed belief in a sense that it supports the new firm creation and innovation development endeavor of the study area(B/G/R/S capital town: Assosa). similarly, this notion is getting support with kruskwal walls test (df=2, p=.019) and it implies that there is no statistically significant difference between the scores of the three groups on this item. Currently, the regional and local government has developed the public housing and road constructions programs in such away that new firms are nurtured both either to complement the large established ones or new entrepreneurial firms which can stand by themselves.

On the contrary, the availability of the subcontractors, supplier and consultants item based analysis of this study has shown that it has recorded the minimum grand mean score (2.54) and it can be told as that these entrepreneurial opportunity creating agents are likely low in size. In other way round, not sufficient. this notion of the survey attendants’ opinion is likely to be supported with the grand mean score of this item which is below the ideal mean (3.00) and this reveals that most of the group members on each strata has no believe that Subcontractor, supplier and consultants are enough for creating opportunities so that new firm creation and development intentions can be flourished at the study area (B/G/R/S capital town Assosa). Likewise, the result of kruskwal walls test (df=2, p=.168) implies that there is no statistically significant difference between the scores of the three groups on this item.

On the other hand this study design has explored and investigated the access and so does the affordability of the service. Here it to mean that though the service is easy to be accessed, it could be costly that is not affordable. This in turn may have adverse effect on the enterprise aspiration (Intention) for either to grow and expand to the next higher level of new firm development program.

It has been investigated that the variability of subcontractors, supplier and consultants are likely to be low in size and amount. But, it doesn’t necessarily say that the space for their availability is nil. So, this study has examined the belief the data group on the affordability of the cost for getting this business service. As a result, the item has shown the grand mean score (2.64)which is below the ideal mean (3.00) and it carries implications for existence of disparity on the level of common based agreement on the subject matter.

Similarly; this opinion has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=.17.15), EE (1.04), OM (M=.96) substantiate this difference. Moreover; the mean rank decrease from EE to OM and from RE to RE which could imply that most of the
RE’S disagree that the physical infrastructure of the local area particularly the cost to afford for getting sub contractors, suppliers and consultants are so demanding to pay whereas the opposite holds true for the OM’s opinion.

On the other hand, the researcher has tried the easiness to get business service access sub contractors, supplier and consultants due to the fact that it has a considerable impact behind entry survival and growth of new firms. Thus; the grand mean score of this item (3.3) is above the ideal mean (3.00) and this reveals the degree of agreement made on the notion of this item. Here it is to mean that it is easy to get business service from this agent. Also; it supportive opinion has been obtained through kruskal wallis test (df=2, p=.044) and it implies that there is no statistically significant difference between the scores of the three groups on this item.

The role and the respective impact of a good banking access on the early stage growth new firms has been thoroughly investigated the literature part of this study design. As a result, the grand mean score (2.86) value for this item is below the ideal mean (3.00) and majority of the opinion survey group has no believe for the existence of the good banking service at the study area. Here it is to mean that the type and the scope of banking system at the local area is believed to be limited in size and experience with diversified banking service foreign exchange transactions, letter of credit and the like for new and growing firms is not as such easy behind new firm creation and innovation endeavor of the locality. Besides, this result has been supported with kruskal wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Likewise; the variation between the mean ranks of RE (M=11.57), EE (10.57), 0M (M=5.46) substantiate this difference. Furthermore; the mean rank decrease from EE to OM and from RE to EE which could imply that most of the RE’S agree that the commercial infrastructure of the study area would likely not give opportunities for easiness of getting services for new and growing firms whereas the opposite holds true for OM’s opinion on the raised item.

Furthermore, the communication service of the local is isn’t likely to expensive since the grand mean score value (3.5) for this item is beyond the ideal mean (3.00) and majority of the group has shown believe for its being less expensive. This result is also supported with kruskal wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Likewise; the variation between the mean ranks of RE (M=.15.94), EE (45.63), 0M (M=46.12) substantiate this difference. Moreover; the mean rank decrease from EE to RE and from OM to EE which could imply that most of the OM’S agree that Communication service is not expensive while the opposite holds true for the RE.

Likewise; it is possible to get the communication service within a week at the local area where this study design has been executed. This is so because of the fact that the grand mean score value of this item is beyond the ideal mean and so does. The result of kruskal wallis test (df=2, p<.01) reveals support and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=9.28), EE (25.51), 0M (M=12.83) substantiate this difference. Likewise; the mean rank decrease from OM to RE and from EE to OM which could imply that most of the EE’S agree that anew or growing firms can get a good access to communications (telephone, internet) in about a week while the opposite holds true for the RE.

Besides; the cost of the basic utilities (gas, water and electric city) is believed to be affordable and it has been supported with kruskal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=10.03), EE (2.41), 0M (M=4.01) substantiate this difference. Likewise; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the local Cost of basic utilities are affordable whereas the opposite holds true for EE’s opinion.

4.2.6. ANOVA table for new market entry
Note – strongly agree =5, agree=4, undecided
=3, disagree=2and strongly disagree =1, ideal mean =3and M=mean score

The occurrence of change in market and the technology are among the possible external factors that in turn adds value to trigger entrepreneurial opportunities to flourish so that the new firm creation and innovation development oriented intentions and respective capacities will consciously set and built. This study design has developed the dimension and elements so as to measure the concept of internal market openness. To do so, this study design has considered two critical sub-sections of the concept i.e. rapidity of change in the market is one of them and so does the easiness to market entry is seconded; thus, the researcher has developed a two-way relationship with the internal market openness and entrepreneurial activity of new firms.

**Hypothesis 5.1a**: The more dramatic the shifts in market opportunities in a regional state, the greater the level of entrepreneurial activity, ceteris paribus.

**Hypothesis 5.1b**: The more dramatic the shifts in market opportunities in a regional state, the greater the level of high expectation entrepreneurial activity, ceteris paribus.

**Hypothesis 5.1c**: The more dramatic the shifts in market opportunities in a country, the greater the proportion of high-expectation entrepreneurial a regional state in overall entrepreneurial activity, ceteris paribus.

**Hypothesis 5.1d**: The easier it is to enter a market in a regional state, the greater the level of entrepreneurial activity, ceteris paribus.

**Hypothesis 5.1e**: The easier it is to enter a market in a regional state, the greater the level of high-expectation entrepreneurial activity, ceteris paribus.

**Hypothesis 5.1f**: The easier it is to enter a market in a regional state, the greater the proportion of high-expectation entrepreneurial activity in overall entrepreneurial activity, ceteris paribus.

Here it should be noted that the grand mean score value of each item is beyond the ideal mean (3.00). At local market; the consumer market shows change year to year and it has maximum relative grand mean (3.91) and it reveals that majority of the group under the three strata has shown agreement on the existence of rapidity in change up on the market. It can easily infer that there is a possibility to seize entrepreneurial opportunities for new firm creation and innovation. Besides the grand mean score (M=4.08) on this item has revealed that all the three groups of the survey showed believe that the local Consumer market shows change from year to year at the study area (B/G/R/S capital town Assosa). Likewise; the result of kurskwal wallis test (df=2, p=.064) implies that there is no statistically significant difference between the scores of the three groups on this item. On the other hand; the minimum grand score under this main variable has 3.27 values. But, it is beyond the ideal mean score (3.00) and this reveals that most of the group members on each strata has believe in a
sense that large established firms not block the entrance of new firms at the study area (B/G/R/S/S capital town). Besides, the result of kruskal wallis test (df=2, p=.01) implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=12.53), EE (9.30), OM (M=3.31) bear out this disparity.

Likewise; the mean rank decrease from EE to OM and from RE to EE which could imply that most of the RE’S agree that established firms not block the entrance of new firms while the opposite holds true for the OM. In relation to this; the grand mean score 3.41 is beyond the ideal mean and opinion of the group lays on agreement for the fact that the local market is easy to be penetrated so that launching new firm is so not as such tied with stiff competition. Besides it is supported with the result of kruskal wallis test (df=2, p=.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=9.37), EE (5.49), OM (M=10.50) substantiate this difference. Likewise; the mean rank decrease from RE to EE and from OM to RE which could imply that most of the OM’S agree that New firms can enter new market easily while the opposite holds true for the EE.

The cost of market entry is among the possible factor behind deterrence of entry or a barrier for entry. Here it is to mean that this issue related item has recorded the grand mean score beyond the ideal mean and this in turn has showed that the majority of the group has agreed on this issue. Besides; here comes support from the result of kruskal wallis test (df=2, p=.023) implies that there is no statistically significant difference between the scores of the three groups on this item.

Likewise; the market regulations and requirements are among the possible factor behind new firm creation and innovation. Hence, the grand mean score which is beyond the ideal mean reveals that majority of the groups under the opinion survey program has shown agreement for proper execution of the market regulations and requirements. Similarly; the result of kruskal wallis test (df=2, p=.753) implies that there is no statistically significant difference between the scores of the three groups on this item.

Also, the existence of plenty of new entrepreneurial opportunities for new firm creation and innovation related item has 3.4 grand mean score and it is beyond the ideal mean. In similar fashion; this opinion has been supported with kruskal Wallis test (df=2, p=.087) implies that there is no statistically significant difference between the scores of the three groups on this item. Moreover; the entrepreneurial opportunities during the past five years has shown change and it has supported with the grand mean score value 3.7 and it is beyond the ideal mean score at the study area (B/G/R/SS capital town Assoa). Likewise, this result is supported with kruskal wallis test (df=2, p=.014) implies that there is no statistically significant difference between the scores of the three groups on this item.

Also, individuals who are the locality of the study area can easily pursue the entrepreneurial opportunities whenever to intend behind new firm creation and innovation. This notion of the respondents has been supported by the grand mean score (3.41) beyond the ideal mean (3.00), besides; the result of kruskal wallis test (df=2, p=.168) is also gives back up for the opinion and it implies that there is no statistically significant difference between the scores of the three groups on this item. Likewise; the entrepreneurial opportunities is supposed to be created as the result of the effort exerted by the high growth firms and this was analyzed through taking into account the grand mean score (3.50) of the item and it is also beyond the ideal mean score (3.00)

4.2.10. ANOVA table for Innovation

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<td>OM N12</td>
<td>EE N12</td>
<td>RE N57</td>
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<tr>
<td>1 Large firms like to experiment with new technologies</td>
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<td>75.65</td>
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<td>3 Established firms are open to outsourcing</td>
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<td>30.11</td>
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<tr>
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<td>-</td>
<td>7.15</td>
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<tr>
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<td>3.90</td>
<td>-</td>
<td>21.45</td>
<td>28.72</td>
</tr>
<tr>
<td>6 Consumers are open to buy goods from entrepreneurial companies</td>
<td>3.90</td>
<td>14.07</td>
<td>5.59</td>
<td>38.94</td>
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Note: strongly agree =5, agree=4, undecided

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This study design has thoroughly investigated the opinion which depicts the interest of large established firms for innovation. This condition helps to explore entrepreneurial opportunities so that the new small established firms can be created. Here it is to mean that this type of firms helps to complement the demanded of this large established firms. Hence, the researcher has identified and proposed around six critical dimensions for measuring their role behind organizational interest in innovation.

However, the researcher has not yet developed the two way hypothetical relationship that reveal link between innovation and entrepreneurial activity off new firms. Therefore, the researcher has used the mean rank scaling and kruskwal Wallis test of significance for data analysis scheme of this variable.

Primarily, majority of the respondents has a belief that the localities or consumers have a culture to test new products or services and it has supported with the highest possible grand mean scale (4.09) and also it is beyond the ideal mean score value. Likewise, the result of kruskwal wallis test (df=2, p=.015) and it implies that there is no statistically significant difference between the scores of the three groups on this item.

In similar fashion; consumers have a willingness to buy goods and services from entrepreneurial firms and this belief has been supported by the grand mean score value (3.90) which is beyond the ideal mean at the study area. Similarly, this notion of the respondents has been supported by the result of the kruskwal wallis test (df=2, p=.030) and it implies that there is no statistically significant difference between the scores of the three groups on this item.

Moreover; the consumers which are existing at the local market where this study design has been undertaken are likely value innovation highly and this belief of them has been supported by the grand mean score (3.90) which is greater than the ideal mean value. Correspondingly, this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=28.72), EE (21.45), OM (M=18.61) substantiate this difference. Moreover; the mean rank on this item has showed decrement i.e. decrease from OM to EE and so does from RE to OM. Besides; this implies that most of the RE’s has agreed on the above item where as the opposite holds true for the OM’s opinion on the above case.

Also; majority of the attendants has agreed on the notion that the local companies have a trend and experience for new technologies and experiment and this belief has been supported by the grand mean score value of the item (3.63) which is far greater than the ideal mean.

Similarly; this result has been supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=37.87), EE (23.81), OM (M=75.65) substantiate this difference. Moreover; the mean rank on this item has showed decrement i.e. decrease from RE to EE and so does from OM to RE. Besides; this implies that most of the OM’s has agreed on the above item where as the opposite holds true for the EE’s opinion on the above case.

Finally; majority of the respondents at the regional and government states has shown belief that innovation is likely valued by the large firms and it is supported by the grand mean score value (3.58) which is relatively greater than the ideal mean ones. Similarly; this result has been supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=29.05), EE (10.42), OM (M=19.44) substantiate this difference. Besides; the mean rank showed decrement i.e. decrease from OM to EE and so does from RE to OM. Also, this implies that most of the RE’s has agreed on the item where as the opposite holds true for the EE’s opinion on the above case.

4.2.2 ANOVA table for SCN (social and cultural norms of the locality)
The social values and cultural norms of the given locality have a significant role behind creating entrepreneurial intention for start up, survival and growth of new firm. Here it should be noted that this study has given critical emphasis for the role of behavioral expectation of the locality up on the early stage growth of new firms.

Thus; the degree to which the favorability of cultural values which are persistent to the study area has a determinant role up on the level, the expectation and the proportion of the entrepreneurial activity. Thus; it has a two way relationship with the extreme values of the grand mean score recorded at each items across the basic variable of the general entrepreneurial framework conditions for new firm creation, innovation and local economic growth.

**Hypothesis H0: 1.1a** if the cultural norm of the locality is favorable for new firm creation, the level of entrepreneurial activity will be higher at the regional state capital town (other things remaining constant)

**Hypothesis H0: 1.1b** if the cultural norm of the locality is favorable for new firm creation, the level of high expectation entrepreneurial activity will be achieved at the regional state capita town (other things remaining constant)

**Hypothesis H0: 1.1c** if the cultural norm of the locality is favorable for new firm creation, the higher the proportion of high-expectation entrepreneurial activity in overall entrepreneurial activity (other things remaining constant)

The researcher has used the max (4.48) and min (3.75) values of the grand mean score for the whole items under each principal variable to be measured and degree of significance for the opinion of the actors to be analyzed so that the level of entrepreneurial activity to be expected at the local state, where this study design has undertaken, description and cross sectional examination. As per the principle of the cluster mean scale analysis, the expected grand mean for items which has been categorized under the basic variable is greater or equal to 3.00. Fortunately; the max and min values is above 3.00 and the preposition is accepted which in turn shows the level of agreement made by owner/manager, entrepreneurial employees and regional experts of the regional state.

As a result; the regional state capital town localities has favorable cultural norms due to the fact that they have showed a strong belief (grand mean score 4.48) on personal initiative and achievement item in a sense that the cultural norms have positive impact up on achievements made by personal efforts and initiatives. Likewise; the min grand mean score value which has been recorded on the items under this variable is above the 3.00 and the preposition has been accepted (grand mean score3.75). hence; this value has revealed that the local cultural norms of the locality encourages the entrepreneurial risk taking ability potential entrepreneurs’ during new firm creation process.

This result is also supported by the kurskawal Wallis test of significance. Here it is to mean that the value system of the study area gives confidence for those who creates jobs by themselves than those who are longing to take from the ruling government or other private institute which get involved in business value responsive economic activities. Besides, this result has been hold up with kurskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item.
Furthermore; the variation between the mean ranks of RE (M=69.21), EE (.33), OM (M=9.82) validate this disparity. To clarify it more; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the normative behavior of the locality persuades personal achievements whereas as the opposite holds true for EE’s opinion.

In similar fashion; the minimum grand mean score recorded is 3.75 which has a chance t be accepted since it has a value beyond the ideal mean (3.00) and this reveals that most of the group members on each strata has believe that local cultural norms promotes entrepreneurial risk taking at the study area (BGRS-Assosa town). Besides, this result has been supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Likewise; the variation between the mean ranks of RE (M=26.38), EE (20.18), OM (M=8.35) confirm this discrepancy. Also; the mean rank decrease from EE to OM and so does from RE to EE which could imply that most of the RE’S agree that the normative behavior of the local area encourages entrepreneurial risk taking whereas as the opposite holds true for OM’s opinion.

To sum up; the individual belief and abilities for taking entrepreneurial risk is believed to be among the determinant component of the entrepreneurs’ potential behind new firm creation. This in turn determines intention or behavioral expectation to be high or low. This factor again has a decisive role for letting the actors either to continue or discontinue behind start up or to grow to the next higher level. Therefore; the cultural norms of the locality where this study design has been undertaken/G/R/S capital town, is favorable behind the level of entrepreneurial activity to be higher. Also; the high expectation entrepreneurial activity is the possibility to be flourishing whenever to come up up with intentions for new firm creation at the study area. Moreover; the high proportion of entrepreneurial activity due to the fact that one can possibly achieve is also likely to be entertained at the study area. Here it should be noted that this hypothetical relationship is assumed to be true provided that other possible factors are kept constant.

Both theoretically and empirically; the role of giving respect and acknowledgement for successful entrepreneurs is thoroughly examined and its two relationships with the level of entrepreneurial activity are deemed to be proven and concluded. Thus, this study design has developed the following hypothetical relationship among respect for entrepreneurs and the level of entrepreneurial activities at the local area where this study design has undertaken. Here it should be noted that the role of the selected subsection of the variable works only if other things remaining constant.

Hypothesis 1.1d: if the social values of the locality show respect and acknowledgement for successful entrepreneurs, the level of entrepreneurial activity will be higher (keeping other things constant)

Hypothesis 1.1e: if the social values of the locality show respect and acknowledgement for successful entrepreneurs, the level of high-expectation entrepreneurial activity will be higher (keeping other things constant)

Hypothesis 1.1f: if the social values of the locality show respect and acknowledgement for successful entrepreneurs, proportion of high-expectation entrepreneurial activity in overall entrepreneurial activity (keeping other things constant) Here the researcher has used two critical items under this major subsection of the leading variable of which each of them has a grand mean more than the ideal mean (3.00). Specifically;

Most of the member of the data collection process at each strata has shown that there is a belief at the locality values and norms in such a way that a higher level of status and respect is likely to be given for successful entrepreneurs. This result of the opinion survey program has been supported with this figure (M=3.91). Likewise; the result of kruskwal wallis test (df=2, p=.085) implies that there is no statistically significant difference between the scores of the three groups on this item.

The role of public media coverage on the testimony of the successful entrepreneurs has a significant role for triggering intention up on others and the self so that the entrepreneur will run for the next higher level of achievement. In relation to this; the grand mean score of this item is above the ideal mean (3.00) and this reveals that most of the group members on each strata has believe that local cultural norms encourages public media coverage for successful entrepreneurs at the study area(BGRS-capital town- Assosa). Besides, this result has been supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Moreover; the variation between the mean ranks of RE (M=43.57), EE (6.03), OM (M=13.86) substantiate this difference. Furthermore; the mean rank decrease from OM to EE and so does from RE to OM which could imply that most of the RE’S agree that the public media of the locality and the nationals has given a considerable weight to promote and recognize the effort which exert behind new firm creation and innovation development process where as the opposite holds true for the opinion of entrepreneurial employees (EE) at the study area.

4.2.12. ANOVA table for Organizational Entrepreneurship
This study design has developed around eight items so that the conditions for organizational entrepreneurship and development could be possibly be explored and examined at the study area. Here it should be noted that the research has not yet put the hypothetical relationship among the organizational entrepreneurship and the level of entrepreneurial activity. This is so because of the fact that this variable has been considered to be studied so as to get further details for entrepreneurship and development and so does to extract the prepositions which could be used to undertake further research work. As a result, it has been done accordingly. But, all of the grad mean score value is confined in one sided and all of them are beyond the ideal mean value score.

Primarily; most of the respondents have shown the belief because of the fact that the top decision making strategies dominate bottom up at the small and medium organizations and it is supported with the grand mean score value (4.00) which is beyond the ideal mean. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Moreover; the variation between the mean ranks of RE (M=6.078), EE (6.182), 0M (M=27.08) substantiate this difference. Furthermore; the mean rank ha showed decrement i.e. decrease from EE to RE and so does from OM to EE which could imply that most of the OM’S has agreed on the item whereas the opposite holds true for RE’s opinion at the above case.

Also, majority of the respondents have a belief that top down decision making strategies dominate bottom up on large organization which are located at the area where this study has done. Thus, this opinion has been supported with the grand mean score (3.91) which is far greater than the ideal mean. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=1.70), EE (10.15), 0M (M=11.39) substantiate this difference. Moreover; the mean rank has showed decrement i.e. decrease from EE to RE and so does from OM to EE which could imply that most of the OM’S has agreed on the item where as the opposite holds true for the opinion of RE’s on the above case.

This study design has also tried to explore the degree to which entrepreneurial employees at the current job are free to use the resource, knowledge and contacts behind new firm creation. As a result, this item has got relatively the highest grand mean score which is higher than the ideal mean value which in turn reveals the existence of belief. Similarly, this result has been supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the
variation between the mean ranks of RE (M=6.078), EE (6.182), OM (M=27.08) substantiate this difference. Moreover, the mean rank has showed decrement i.e. decrease from EE to RE and so does from OM to EE which could imply that most of the OM’S has agreed on the item whereas the opposite holds true for RE’s opinion at the above case.

Peer to peer idea sharing and support has a significant role for the innovation development endeavors to flourish and sustain at the given large organization. Hence, majority of the respondents has given hand for their agreement upon the existence of belief behind peer to peer support and encouragement during idea generation. Thus, this notion of the participants has been supported with the grand mean score value (3.83) which is beyond the ideal mean score. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=10.74), EE (24.21), OM (M=39.37) substantiate this difference. Moreover; the mean rank has showed decrement i.e. decrease from EE to RE and so does from OM to EE which could imply that most of the OM’S has agreed on the item where as the opposite holds true for RE’s opinion on the above case.

Also, this study design has also explored the degree to which either the federal or the regional government employment protection law have deterring effect behind employees intention whenever to start new enterprise at the study area. As a result, majority of the respondents have forwarded their option that the level of employment protection has deterring impact for starting their own business. This again supported with the grand mean score (3.72) which is higher than the ideal mean score. Likewise; the result of kruskwal walis test (df=2, p=.573) implies that there is no statistically significant difference between the scores of the three groups on this item.

As it is known that skill is one of the fundamental components of attitude so that the demanded behavior will flourish. Thus, this study design has tried to explore the extent to which the general educational system has a critical role for triggering the innovative and proactive behavior of individuals. As a result, the grand mean score or this distinct item is relatively higher than the idea mean. Thus it may show their belief for the existence of innovative and reactive value responsive educational system at the regional and local government administration system. Here it should be noted that this analysis is made on the general terms and should be encoded in such a way that its meaning should not be distorted. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=15.85), EE (9.84), OM (M=1.65) substantiate this difference. Besides; the mean rank has showed decrement i.e. decrease from EE to OM and so does from RE to EE which could imply that most of the RE’S has agreed on the item where as the opposite holds true for the OM’s opinion on the above case.

Employers at the large organization has the role which help employees to be stimulated so that proactive behavior for the innovation seeking thoughts and acts to be developed and put on earth. Thus, this study design has developed distinct item so as to measure the current status and its impact for triggering the desire for innovation and small business development at the study area. Hence, this notion of the participants have been supported with the grand mean score (3.24) which is greater than the ideal mean value. Here it is to mean that there exists belief that employers stimulate the innovative and proactive behavior of employees at the firm.

This again supported with kruskwal Wallis test (df=2, p<.01) implies that there is statistically significant difference between the scores of the three groups on this item. Furthermore; the variation between the mean ranks of RE (M=23.07), EE (1.75), OM (M=0.562) substantiate this difference. Besides; the mean rank has showed decrement i.e. decrease from EE to OM and so does from RE to EE which could imply that most of the RE’S has agreed on the item whereas the opposite holds true for the opinion of OM’S on the above case.

Finally; employer are not the only responsible bodies for new ideas to flourish and innovation to be earned. Here it is to mean that the either the senior experienced or the peer one are expected to encourage whenever to come up with new ideas which in turn help to create new enterprise. Therefore; the grand mean score (3.21) result of this item shows increment from the ideal mean and it is accepted for the existence of the belief for the above subject matter concerned. Likewise; this result has been supported with kruskwal Wallis test (df=2, p<.01) and it implies that there is statistically significant difference between the scores of the three groups on this item. The variation between the mean ranks of RE (M=47.18), EE (70.66), OM (M=15.75) substantiate this difference. Furthermore; the mean rank has showed decrement i.e. decrease from RE to OM and so does from EE to RE which could imply that most of the EE’S has agreed on the item where as the opposite holds true for the OM’s opinion on the above case.

V. Conclusion And Preposition

5.1 Conclusion
5.1 rapidity of change in market and its easiness for new entry, infrastructure, particularly in construction and public housing, adoption of new technology to the regional state and existence of interest in domestic or foreign large industries to the region have been the possible source of entrepreneurial opportunities for new firm establishment which the GEM entrepreneurial value economic development conceptual model has measured so that this conclusion has been inferred. Also, this helps to ensure early stage growth of new firms at the regional and local state.

5.2 the social and the cultural norms of the local where this study design has conducted has revealed that the belief of individuals and so does their cognitive abilities has shown the degree to which these component of potential can be converted into entrepreneurial intention for starting new firm. here it is to mean that entrepreneurship is rated as the desirable carrier choice at the regional state, the achievements through personnel efforts haven weighted relatively higher and they are calculated enough to take risk whenever to decide behind starting new firm. However; the rate for discontinuity is higher (from literature) may be, entrepreneurial belief, may be the driving factor for pulling them to refrain and quit. but, the legal and commercial infrastructure condition of the local state helps to ensure early -stage growth of new firms

5.3 GEM Individual antecedent entrepreneurship development process model helps the researcher to investigate the belief and cognitive abilities which in turn assists to investigate the role of individual potential up on entrepreneurial intentions behind new firm creation and early stage growth. The individuals potential, entrepreneurial intentions (expectations) and early stage growth of new micro enterprise has been the main content of this theoretical model. As a result, the researcher has tested and this model can be applied without considering any slight modification of the content of the theoretical model. In short, the empirical data and with its dimensions, and so does its elements reveals fit to the theoretical model.

This is the theoretical model that this study design has used for analyzing the role of entrepreneurial intentions for new firm creation and early stage growth of new firms. As a result, the researcher has tested this model and the potential related factors have included while to prepare the structured questionnaire and all of the relevant dimensions and elements have tested. Here it is to mean that the belief and the cognitive abilities of the individual constitute the potential of the entrepreneur which in turn helps for new firms to be created. Thus; if the belief and cognitive abilities of the individual determined the entrepreneurial potential of the individual, the potential has the effect to determine the entrepreneurial intention for new firm creation and so does ensure early stage growth of this firms at the study area. As it was foretold; the grand purpose of this study is the fact that it intends to test theoretically and so does the conceptual dimension and elements of the general entrepreneurial framework conditions for new firm creation and innovation. Here comes the empirical support and justification for the above conclusion made.

This study design has tried to investigate the sources of entrepreneurial opportunities and the respective potential (belief and abilities) so that the entrepreneurial intentions to be recognized and triggered so as to move forward for new firm creation and early stage growth. As a result, the rapidity of change in the market and the relative degree of easiness of the market has the possibility for the entrepreneurial opportunities to be created. Likewise; the social and cultural norms encouragements for achievements through personal efforts and initiatives reveals the belief of the locality so that one the basic component of the potential to be nurture for early stage start up. Also, the entrepreneurial risk taking is the encouraged normative behavior of the locality and this has shown the degree to which the cognitive ability of the new entrepreneurs during new firm creation. Furthermore; entrepreneurship has been rated as one socially desirable field of job engagement at the study area and this was supported with both the grand mean score value and kruskal test of significance.

Finally, the level of entrepreneurial activity is high and so does the high expectation entrepreneurial activity is also legitimated to be high. This all makes the overall proportion of the entrepreneurial activity if higher. Therefore; it is possible to concluded that the new the behavioral expectation of the actors behind new firm creation let them ensure early stage growth of micro enterprise.

5.2 prepositions for further research work
5.2.1 One can relate the role of intellectual property right protection and comprehensiveness for new firm creation and its impact on early stage growth
5.2.2 One can relate the role of special initiative support program for high growth from and impact on early stage growth
5.2.3 One can relate the role of gender value responsive general enterprise tendencies for new firm creation and its impact on early stage growth

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Bibliography/Reference


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