

Entrepreneurship Development by Small Technical Entrepreneurs: A Study on the Tailoring Shops in Sylhet City

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Abstract

Entrepreneurship brings economic development that leads to higher standard of living of the population of a country. As Bangladesh is facing the problem of slow development due to lack of requisite proportion of people in that field, the entrepreneurial development is the crying need of the country. The main objective of the study is to find out how entrepreneurial development can be accelerated through easy accessed tailoring business in Sylhet city. This is a descriptive as well as an analytical research based on survey method. The primary data for the research was collected by a questionnaire and secondary data was collected from different reading materials. It is inferred that accessibility and profitability of this sector that leads to satisfaction in performance among physically and financially less able population of Bangladesh. As the source of entrepreneurs in this section is not limited, it lights up the hope of expected development more in the shortest time.

Keywords: Entrepreneurship, development, tailoring shop.

Introduction

Bangladesh is an industrially backward country. The most important factor to expedite the economic development of the country by industrial development is sufficient number of entrepreneurs. But unfortunately there is a great shortage in the requisite number of entrepreneurs who could accelerate the industrial development. But there is no shortage of entrepreneurial spirit in the population of the country. More than five lac small and cottage industrial units have been established in the country by the efforts and financial resources of the people. It is unimaginable that with only one-eighth loan facilities and by facing huge obstacles, the people of Bangladesh have established such a huge number of small industrial units (Chowdhury, Ahmed and Rahman, 2005).

Tailoring is one of the many different industries that enjoy a high growth rate because of the highest density of population that derives domestic demand of dresses along with increasing

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demand from different countries. The high demand leads to demand of increasing number of tailoring shops. The need of comparatively smaller amount of financial resources and achievable technical know-how facilitates the entrepreneurial development in the industry. By considering the involvement of financial and human resources, the tailoring shops are categorized as small industrial units.

Tailoring shops make, repair and alter the dresses for men, women and children according to the customized order of customers with specific design. The dresses refer to the suit, coats, trousers, shirts, and similar garments, usually of cotton, [wool](#), [linen](#), or [silk](#). Sewing and other machines are required to make the cloths. The skilled tailor take the measure of the clients, cut the cloth according to the measurement and preferred design and sew the cloths, fit the buttons and other necessary parts in the specific place and iron the cloth to get their customers in better look by the new cloth. The cloths are generally supplied by the customers and the tailoring shops supply other additional required items to make the dress. Some shops have additional cloth unit to help the customers in collecting their cloth in exchange of value for the dress tailored according to their choice. Small shop is operated by the owner himself where the work volume increases the requirement of manpower in the shop. To ensure the economy of scale, different tailoring shops have taken the advantages of common factory for all where the cloths are sewed according to the cut done by the key master tailor himself. The factory provides the service of common sewing to the tailoring shop in exchange of money where some finishing work is done before delivering the dress to the customers. The factory service minimizes the cost of making a dress by ensuring the optimum use of manpower and other resources. This practice may contribute in the profit margin of the entrepreneurs and or minimizing the cost of operation to increase the volume of work. The customers have to wait for three to ten days for getting their dress delivered. For their sacrifice of happiness from new dress for some days, the customers get more customized dress to look more smart and more beautiful. Tailoring is one of the world's oldest entrepreneurial professions. Tailoring shop plays a crucial role in economic growth and simultaneously creates numerous employment opportunities. Besides the employment opportunities, the entrepreneurship development is done by the tailoring shops regularly. The employee who become confident in managing a new shop after significant time spent in getting the training of doing the tailoring works and managing the shops, do so rapidly if he has the sufficient monetary and financial ability. The risk of business is comparatively minimum; so people take easy alternative in opening a tailoring shop. Such initiatives encourage employment opportunity, economic development of the community and praiseworthy most important work of entrepreneurial development.

Entrepreneurial development is accelerated in the country through Tailoring Shops. It is to find out the factors of rapid entrepreneurial development through tailoring shops in the area under survey in the country.

Literature Review

The forces of changes that are created by entrepreneurship, leads to the accelerated pace of economic development (Acs 1996). It refers to fighting against uncertainties by Knight in 1921, an innovation by Schumpeter in 1934, way of high achievement by McClelland in 1961 and the ways of filling market gaps by Liebenstein in 1968 (Khan A. R. 2000). Entrepreneurship ensures the proper utilization of resources including the human resources by institutional training and by new technologies, removing the narrow social outlook and attitude of people and above all change the standard of living (Islam and Mamun 2000). Employment generation is strongly needed by developing economy of Bangladesh (Islam and Muqtada, 1986). Self employment or entrepreneurial development has been regarded as more effective for industrial development (Hye 1993). All tailors lead to the way of economic development.

Development indicates any positive change in an object. It encompasses both quantitative and qualitative change (Johannisson 1991). Qualitative change means the ability to adjust with the environment where qualitative change means positive change in sales, production, investment, profit and other measurable variables (Hasan 2012). Generation of new entrepreneurship can be mentioned as entrepreneurial development as new entrepreneurs increase the prospects of more production, employment and sales. Due to need for achievement, innovativeness and autonomy etc., new enterprises are created and success in such efforts are related with income generating entrepreneurial behavior (Rauch A. and Frese M. 2007). All entrepreneurial initiations, managerial and innovate functions are included in entrepreneurial behavior (Bakth 1984). Entrepreneurial functions in tailoring business include all these functions. All these entrepreneurial behaviors are directed to get satisfactions from self-reliance. That different surveys find satisfaction in entrepreneurial efforts is due to the self-reliance of entrepreneurs (Hasan 2012).

Actually the accessibility and profitability of any sector are the main attractions of entrepreneurship generation despite of its contradiction to new concept social entrepreneurship. The development of entrepreneurship is sped up if the door of entrepreneurship is open to average people. The age, living place, starting capital, technical knowledge, and the profit earning capacity of any sector attract more number of persons to this sector.

Research Objectives

The main objective of this study is to find out the factors of entrepreneurship development in an industry in respect of accessibility and profitability. The specific objectives are:

- a. To find out the role of demographic factors as age, living place and motivating person in entrepreneurship development in tailoring business
- b. To find out the part of some ability factor such as need of starting capital, experience and training etc. in entrepreneurship development ion that business.

- c. To assess the role of market feature, innovativeness and expansion plan of existing entrepreneurs in entrepreneurial development of that sector and
- d. To identify the factors of satisfaction due to smooth performance irrespective of gender, education, starting capital and intention level in entrepreneurial development in this sector.

Research Methodology

Research Design: This is a descriptive as well as an analytical research which incorporates survey techniques for quantitative analysis and qualitative analysis to study the way of growing entrepreneurship from small entrepreneurs.

Sampling Design: A sample design is a definite plan for a given population. Our population is all the whole tailor shops of Sylhet city. The sample size consists of 300 respondents amongst 1200 city corporation's trade license holder in tailor shops who were selected on the basis of random sampling from probabilistic sampling design method in Sylhet city.

Data Collection: The primary data for the research was collected by a questionnaire. A well structured 20 questions were formulated for a single questionnaire to collect the data for analysis. The secondary data were collected from different research journals, Sylhet City Corporation Authority, books, newspapers and magazines.

Period of the study: The survey for collection of primary data was conducted during the month of June 2014 to August 2014 from 5pm-10pm in a day.

Data analysis and interpretation: The data which were collected from the respondents were processed through Microsoft Excel 2007 and SPSS 19 by frequency distribution, cross-tabulation and Chi-square analysis to get the outputs. These outputs in different tables were analyzed by the researchers quantitatively and qualitatively.

Findings

As tailoring is a job of people with good eye-sight and better outlook in current design, choice of people of different ages but strong enough to move the hand and the leg continuously in right direction, the 20-40 years age group leads the tailoring business up to 67% of the total. Only 10% people who do this business is above 50. It is also assumed that the entrepreneurs must have the skill to do the work with other workers to minimize the cost of operation to maximize the profit for their survival and meet other objectives. (Table 1)

Entrepreneurial mobility is needed to cater the excess demand of other locations, to avail the opportunities of other location, and for personal necessity to stay in any place. As tailoring businesses are targeting to meet the need of local people and there are no more opportunities in other location, the major proportion of people opt to do business in their locality. It is found that,

48.5% people of Sylhet district and 86% of that division are doing business in City Corporation area of Sylhet. Only 14% people from the other divisions are doing that business in that area. This is also considered as an influencing factor of entrepreneurship development; because generally people like to live with their family for enjoying more happiness in life. Tailoring business paves the opportunity to do so.

Self motivation is the most influential factor for a person in his initiative and continuation. It is found that in tailoring business, the most significant factor is self-motivation. As some part of the tailoring job is very monotonous, so self-motivation holds the entrepreneurs in carrying out the job. The next important factor is family elements (Table 2). These elements compel any person to do any job as they feel the obligation in discharging the family responsibilities. So it is also found that professional mobility is very rare in tailoring business. The motivational factor works as an important influencing factor in entrepreneurial development.

With a very small investment, a tailoring business can be initiated. Acquiring a sewing machine by hire purchase anybody can start that business from his/her home. But establishing a tailoring shop needs a significant investment of Tk. 100,000 to Tk. 500,000 and above. Small investment attracts the entrepreneurs due to the minimum endeavor to collect the money and minimum tension of risk of loss in the business. It is found that investment in tailoring shop is below TK. 200,000 in 61% of the cases, though investment of above three lac is found in 22% of the businesses studied (Table 3). Thus requirement of small amount of initial capital attracts more investors in the field of entrepreneurship in tailoring business.

Tailoring businesses need sufficient technical knowledge of tailoring the cloths. Without that skill, nobody dares to start a business and run that business effectively and efficiently. Around 88% of the entrepreneurs have work experiences in the trade and become confident to run the business. Only 12% have started that business without experience.

Though it is found that on the job training through work experience is the foundation of entrepreneurship yet off the training by different professional courses was not as similarly active in that campaign. A significant number (37%) of the entrepreneurs have started their business without having any tailoring courses. But majority of the 48.5% entrepreneurs have less than or equal to one year of training experience. These experiences both in work and training inspire the person to be an entrepreneur.

Specialization is needed to deliver something new and special to the customers. So the tailoring shops want to make the cloths for specific segment of customers like the ladies, gents or the children. Though 56.5% of the shops are making the dress for two of more segments to increase the span of customer segments and ensure the utilization of the capacity. Demands of cloths for specific segment and skill in making the cloths of that segment determine the number of shops of specific segment. The entrepreneurs are motivated to start the shops of that segment.

The mean family members of the entrepreneurs are 6.66. The entrepreneurs of tailoring shops have to bear the expenditure of their families from the income of those businesses. It implies that the profit of that business is at least sufficient to bear the expenses of family of such size (Table 5).

Average male workers in tailoring business are 4.18, whereas the women are 2.17 (Table 5). There is a great gap in participation of male and female in the productive activities in our society. Women are laying far behind than men in different sectors. But the tailoring businesses are reducing the gap between men and women as females are more than 50% of male workers in this business. There is also the possibility of generation of entrepreneurship from the women workers.

Satisfaction in the performance of enterprise encourages the owner to expand the business and the workers and other concerned persons to be the new entrepreneurs. To seek the satisfaction level of the entrepreneurs it is found that only 7% of the respondents express their dissatisfaction over the performance of their enterprises but the rest 93% expresses their satisfaction from average level to highly satisfied level. This positive feeling encourages prospects in entrepreneurship. The dissatisfaction works less in women as it is only 2.2% against 9.2% of their counterparts (Table 6). It indicates higher probability of development of more women entrepreneurs in tailoring business.

The chi-square test verifies no significant difference in satisfaction level of men and women in tailoring business. So men and women are advancing in the way of entrepreneurship

The satisfaction level on the basis of entrepreneur's education level (Table 7) indicates that there are significantly no differences in the satisfaction level of the entrepreneurs with varied education level. It encourages the entrepreneurs with lower education level to come forward in tailoring business,

Generally large amount of starting capital in any business is supposed to bring more satisfaction to the entrepreneurs. Because more investment may bring higher profit prospects in the mind of the entrepreneurs. At the same time it may discourage them due to more risk and uncertainty in the paying back of their larger investment. But in tailoring business it is found that the variation in invested capital makes no significant difference in the performance of those businesses. So, there is no significant differences in satisfaction level of the entrepreneur (Table 8). It is considered as an important factor of entrepreneurial development in tailoring business with small amount of starting capital.

It is also established that entrepreneurs with strong intention are very satisfied at the performance of their units than the entrepreneurs with average and poor intention in tailoring business. The difference in the satisfaction level with varied intentions is proved as significant by Chi-Square Test (Table 9).

Overall interpretation

Entrepreneurship development in a specific sector depends on the attractiveness of that sector. This attractiveness may be attributed by the accessibility and profitability of that sector. The factor of accessibility is suitable age level, low requirements of migration, motivating element, manageable starting capital, affordable time in gathering experience and training courses etc. The indicators of profitability are prospects from target customers, ways to show creativity, the huge expansion plans of existing entrepreneurs, the sufficiency of returns of business to bear the family expenses, advancement of women as entrepreneurs, satisfaction levels of entrepreneurs irrespective of education, opening capital and gender etc. Moreover, the intensity of intention link with the satisfaction level encourages the persons with strong intention in the business when the other factors of accessibility allow them to perform. The satisfaction level that might be resulted from the fluent operation of the business drive the aspirant persons in the road of entrepreneurship. In the age level of 20-40, aspirant persons can exert their skill and talent in any fruitful endeavor as well as seems to be more aggravated to face any challenge to build their career as entrepreneurs (Table 1). These sectors do not bound the entrepreneurs to location mobility, so entrepreneurs get inspiration in this sector and exploit the increasing local demand of basic need of population. Another long lasting motivational factor in tailoring business is the self motivation along with the obligation of family (Table 2). The requirement of manageable amount of starting capital in the most important factor in entrepreneurial development (Table 3) and the satisfactory performance with the small capital also accelerate this development (Table 8). Opportunities of gaining work experience with additional easily available tailoring course increase the confidence of the aspirants in entrepreneurship. As the demand from any one sector allows the survival of business, so the scope of specialization with the guidance to creativity by using newer designs from available catalogues (Table 4) flourish the activities of entrepreneurs in the tailoring sector. Expansion plan of most of the existing entrepreneurs is a strong indicator of better performance of the existing business units. Maintenance of family expenditure from such small investment and advancement of women - the most promising back bencher in the productive sector who are in similar proportion in the population in this sector (Table 5), announces the arrival of entrepreneurs in expected number to uplift the economy. Moreover, though it is proved that in other sectors women are staying behind because of their physical ability, yet in this sector the satisfaction level with no significant difference between men and women infer that there is no difference in their performance and it is staying at the expectation level (Table 6). It also paves the way for educated, semi-educated and uneducated population in entrepreneurship as their satisfaction that they derive from performance bears no significance difference (Table 7). The factor which brings different result is the intention level. The greater the intention, the better the result. The laborious and iron-hearted people can perform better that would lead them to different satisfaction level (Table 9). Thus the accessibility and contributing features of tailoring business results in the entrepreneurial development especially in the backward section of population in the country.

Conclusions and Recommendations

The aspirant entrepreneurs seek the sector of easy accessibility and satisfactory profitability to get involved in entrepreneurial activities. The easy access to the road of entrepreneurship and satisfactory performance of the existing entrepreneurs, increases the intention of more expansion and encourages the huge entrepreneurs specially the untapped women sector in productive works. The supportive role of the supervising and facilitating elements may accelerate the entrepreneurship development in this country that leading to industrial development.

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Appendix:

Table 1: Age of the Entrepreneurs:

Age	Frequency	Percent	Cumulative Percent
20-30	100	33.4	33.4
30-40	100	33.4	66.9
40-50	69	23.1	90.0
Above 40	29	9.7	99.7
Total	299	100.0	

Source: Field Survey conducted on June-Aug. 2014

Table 2: Person Motivated the Tailor

Motivating person	Frequency	Percent	Cumulative Percent
Family	117	39.1	39.1
Friend	21	7.0	46.2
Relatives	20	6.7	52.8
Own	136	45.5	98.3
Other	5	1.7	100.0
Total	299	100.0	

Source: Field Survey conducted on June-Aug. 2014

Table 3: Starting Capital of Tailoring Business

Starting Capital	Frequency	Percent	Cumulative Percent
below 2 Lac	183	61.2	61.2
2 Lac to 3 Lac	49	16.4	77.6
Above 3 Lac	67	22.4	100.0
Total	299	100.0	

Source: Field Survey conducted on June-Aug. 2014

Table 4: Design Sources used by Entrepreneurs:

Sources	Frequency	Percent	Cumulative Percent
Online	6	2.0	2.0
Magazine & Newspaper	3	1.0	3.0
Catalogue	10	3.3	6.4
Customer	96	32.1	38.5
Catalogue & Customer	184	61.5	100.0
Total	299	100.0	

Source: Field Survey conducted on June-Aug. 2014

Table 5: Descriptive Statistics

variables	Minimum	Maximum	Mean	Std. Deviation
Family Members	1	25	6.66	3.201
Male Workers	0	35	4.18	4.048
Female Workers	0	23	2.17	2.654

Source: Field Survey conducted on June-Aug. 2014

Table 6: Satisfaction level of Entrepreneurs of both gender:

Gender	Satisfaction					Total
	Very Dissatisfied	Dissatisfied	Average	Satisfied	very satisfied	
Male	1.0%	8.2%	26.9%	49.0%	14.9%	100.0%
Female	2.2%	.0%	28.6%	56.0%	13.2%	100.0%
Total	1.3%	5.7%	27.4%	51.2%	14.4%	100.0%

Source: Field Survey conducted on June-Aug. 2014

Table 7: Satisfaction level of entrepreneurs of deferent education level:

Qualification	Satisfaction					Total
	Very Dissatisfied	Dissatisfied	Average	Satisfied	very satisfied	
Masters	.0%	.0%	.0%	100.0%	.0%	100.0%
Degree	.0%	5.6%	27.8%	61.1%	5.6%	100.0%
HSC	2.2%	8.7%	28.3%	52.2%	8.7%	100.0%
SSC	1.4%	5.6%	27.8%	51.4%	13.9%	100.0%
Class eight	1.9%	4.7%	29.0%	47.7%	16.8%	100.0%
Class fve	.0%	5.7%	24.5%	50.9%	18.9%	100.0%
Total	1.3%	5.7%	27.4%	51.2%	14.4%	100.0%

Source: Field Survey conducted on June-Aug. 2014

Table 8: Satsfacion level of entrepreneurs who started businesses wth dfferent amount of starting capital

Startng capital	Satisfaction					Total
	Very Dissatisfied	Dissatisfied	Average	Satisfied	very satisfied	
Below 2 lac	.5%	3.8%	29.0%	49.7%	16.9%	100.0%
2 lac to 3 lac	4.1%	6.1%	30.6%	51.0%	8.2%	100.0%
Above 3 lac	1.5%	10.4%	20.9%	55.2%	11.9%	100.0%
Total	1.3%	5.7%	27.4%	51.2%	14.4%	100.0%

Source: Field Survey conducted on June-Aug. 2014

Table 9: Effect of Intention on satisfaction level:

Intention	Satisfaction					Total
	Very Dissatisfied	Dissatisfied	Average	Satisfied	very satisfied	
Strong	1.7%	5.0%	17.7%	54.7%	21.0%	100.0%
Avarage	.0%	6.5%	42.6%	46.3%	4.6%	100.0%
Poor	.0%	12.5%	50.0%	37.5%	.0%	100.0%
Total	1.3%	5.7%	27.4%	51.2%	14.4%	100.0%

Source: Field Survey conducted on June-Aug. 2014