

The Myanmar JOURNAL

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Letter from the Editor-in-Chief

The Korea Myanmar Research Institute (KOMYRA) has supported the ongoing projects on the mutual development of Myanmar and Korea in the entire field of society, economy, culture, education, science, and related industry. As a part of our efforts to provide convenient access to understand Myanmar and Korea worldwide, KOMYRA has co-published the Myanmar Journal with Yangon University of Economics (YUE) since August 2014, and now we release the Myanmar Journal Vol. 6, No. 1.

This issue features various topics that may be of international interest, such as academic and industrial researches mainly concerning economic and social changes, FDI, education, welfare, culture, renewable energy, mobile finance, etc.

We hope this journal continues to promote understanding about the present status and the potential capacities of Myanmar and Korea, and facilitate in-depth international exchange and cooperation.

I would like to express my deep gratitude to the Editorial Board and the Staff of KOMYRA who have contributed their valuable supports towards the publication of this issue of the Myanmar Journal.

February 28, 2019

Youngjun Choi *yj choi*

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INFORMATION ABOUT The Myanmar Journal

The Myanmar Journal (ISSN 2383-6563) is the official international journal co-published by Yangon University of Economics (YUE) and Korea Myanmar Research Institute (KOMYRA).

This journal aims to promote the mutual cooperation and development of Myanmar and Korea through intensive researches in the entire field of society, economy, culture, and industry.

It will cover all general academic and industrial issues, and share ideas, problems and solution for development of Myanmar.

Articles for publication will be on-line released twice a year at the end of February and August every year on the Myanmar Journal webpage.

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ENTREPRENEURSHIP IN MYANMAR: CREATION AND DEVELOPMENT OF NEW FIRMS

Nu Nu Lwin · Thant Pyie Sone Aung***
Yangon University of Economics

ABSTRACT: This study aims to identify and compare the factors affecting each stage of entrepreneurial process in creating manufacturing and service firms in Myanmar and to identify the barriers of doing business in Myanmar. The survey is conducted based on 105 firms in Yangon Region. The data are gathered by face to face interview with structured questionnaire. This study uses chi-squared method to test the significant statistical difference between the two data sets. It is found out that economic factors are the main motivators for starting a business, work experience is most important source for assessing resources and there is weak interaction between education and real world experience of entrepreneurs. Moreover, the study finds out that there are barriers like financial and technology assessment in Myanmar Economy. For encouraging entrepreneurship in Myanmar for the aim of economic development, government sectors should provide good infrastructure for the startup and for their survival and add skills training like presentation skill and selling methods in the school education. In addition, the entrepreneurs should take more competitiveness and creativities to their products or services.

Key words : Entrepreneurship, Business Creation Process, Barriers, Work Experience, Myanmar

I. Introduction

The impact of entrepreneurship on economic growth is related to the entry of different types of firms into the economy those that bring innovation to the marketplace and broaden the scope of business; those that channel resources toward exploiting these innovative ideas; and those that perform the same activities with greater efficiency. (Binks and Vale, 1991) These findings have led to the implementation of different types of initiatives and policies designed to encourage entrepreneurship, including the introduction of educational and training programs, the promotion of consulting support for entrepreneurs, and the facilitation of access to financing.

Therefore, for the economic development of Myanmar, the creation of new firms is necessary and so does their success. Thus, this study emphasizes on entrepreneurship which refers to the creation of a new firm.

Although Myanmar is now changing in political, social and economic, Myanmar's economic situation is still facing a lot of challenges. Most of the SMEs in Myanmar believe that the development of AEC is also a big challenge and they won't compete with the foreign SMEs even though most researchers said that SMEs are the major source of economic growth and employment and the private sector of Myanmar has received many attentions during Myanmar's opening and ongoing transition period.

In this study, entrepreneurship is defined as the capacity to create and develop new firm. Generally, a new firm develops through five stages; inception, start-up, early development, expansion and maturity. Like the proverb "Make a good start to ensure the happy ending", having a good start is important for the long term success of the business. Thus, this study focuses on three early stages of the business creation process: from the initial motivation to become an entrepreneur to the network and contacts to solve the problems they faced, to do the business success and survival.

The goal of this research project is, therefore, to identify areas of innovative action for the promotion of small and medium-sized enterprises in Myanmar and hence to contribute the economic development of Myanmar. This paper presents the factors affecting entrepreneurship and behavior of dynamic enterprises at each stage of the entrepreneurial process as well as barriers of doing business in Myanmar.

II. MATERIALS AND METHODS

This research examines and analyzes the factors affecting the entrepreneurial activities in Myanmar. Thus, a survey is conducted among Myanmar SMEs. The secondary data source for the study is based on 2015 Myanmar Business Survey Report. Thus, sample firms are selected based on the survey frame from 2015 Myanmar Business Survey Report by Central Statistical Organization Myanmar (CSO). This study use stratified random sampling method. For randomization, the districts are firstly randomized. From each district list, the townships are randomly selected and then from each township, four firms are randomly selected. After 33 times of randomization, 130 firms are selected for survey.

For getting the reliable data and getting things done efficiently, the university students were trained as interviewers for survey. Field survey was conducted during the period from September 24th 2018 to 7th November, 2018. One hundred and five firms have responded that represents 65 percent response rate. Among these 105 firms, there

are 54 manufacturing firms and 51 service firms. (Table 2).

In this study, Chi Square analysis is applied to check the significant differences regarding entrepreneurial factors between service firms and manufacturing firms. The greater the chi-square value, the more correlation there is between the two groups and the lesser the probability of getting the similar value by chance.

Table 1. Sample Characteristics

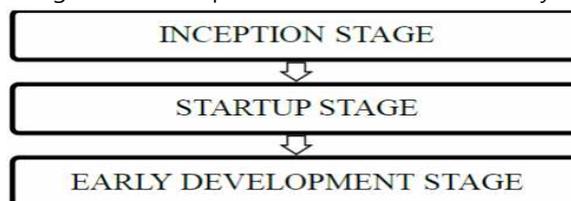
Number of firms contacted	160
Number of firms that responded	105
Sample firms by sector - Service firms	51(49%)
Manufacturing Firms	54(51%)

Source: Own Complication

1. Conceptual Framework

This study focuses on factors affecting firm creation process as well as the achievement and experiences of entrepreneur. Figure 1 represents the conceptual framework of the study. As shown in the figure, this study analyzes the factors affecting at Inception, Start-up, and Early development stages of creating manufacturing and service firms. Thus, the result of this comparison is expected to identify the potential factors and barriers on business creation process in Myanmar Economy so that the potential entrepreneur could create a firm by taking the experience of the former entrepreneurs and hence, contribute to economic development

Figure 1. Conceptual Framework of the Study.



Source: Own Complication

2. Objectives of the Study

This study mainly aims to identify the factors affecting each stage of entrepreneurial process in creating manufacturing and service firms in Myanmar and to compare and contrast these influencing factors between those two sectors. Based on this aim, the objectives of the study are specified as follows:

- √ To analyze and compare the factors affecting entrepreneurial activities at each

stage of the business creation process in manufacturing and service firms in Myanmar.

√ To examine the barriers of doing business in Myanmar.

III. RESULTS AND FINDINGS

There will be two parts in this section. The first one is factors effecting entrepreneurial process and the other is barriers of doing business in Myanmar.

1. Factors affecting entrepreneurial activities

Among five stages of doing business in Myanmar, the first three factors are the foundation of the success of the firms' development because these are the foundation for the long term success of the firms. Thus, in this study, only the factors affecting at the first three stages of entrepreneurial process are examined.

1) Inception Stage

This is the stage at which the entrepreneur starts thinking about starting a new venture. Three factors identified in inception stage are 1) motivators to start thinking to create a firm 2) Opportunity awareness and acceptance and 3) factors effecting final startup decision.

(1) Motivation to be an Entrepreneur

Motivation is the primary force for start thinking of being entrepreneur. Table 3.1 presents the main motivation to become entrepreneur. Thus, the study shows that in non-economic motivators, self-realization and being own boss as well as to improve income and to become wealthy are the most important for entrepreneur with highest percentage. Thus, youths get intention to be ntrepreneurs by making them willingness to get self-realization.

Table 2. Motivation to become Entrepreneur

Motivation Factors	Manufacturing	Service	χ^2 Sig.
Non-Economic Motivation			
For self-realization	64.81	66.67	0.905
To be own Boss	61.11	62.75	0.809
To obtain Social Status	48.15	45.10	0.949
To contribute to society	35.19	25.49	0.766
To follow the family tradition in business	24.07	21.57	0.900
Because they were unemployed	16.67	19.61	0.878
Because they could not go further in education	11.11	5.88	0.800
Economic Motivation			
To improve income	61.11	70.58	0.903
To become wealthy	51.85	56.86	0.876

Source: Survey Data (2018) Note: Percent of "Very Important" and "Important" in each group

The two data sets are statically significant at 0.01 levels with Pearson Chi-square value nearly 1 and greater than 0.5. Thus, it can be generally concluded that there is no difference between the two data sets. Therefore, non-economic motivators like being own boss, and self-realization as well as economic motivators like to improve income and to become wealthy are the important motivators for the start of the new venture whether it is manufacturing or service firms in Myanmar.

The presence of entrepreneurial skills also motivates the potential entrepreneurs to start their own venture. Three main sources of twelve entrepreneurial skills are identified in this study. The entrepreneurs surprisingly state that work experience is the main source of getting these skills because above fifty percent of the entrepreneurs think that work experience is most important and education as well as family context is not important source of entrepreneurial skill for Myanmar Entrepreneurs. Thus, work experience they have also motivators for Myanmar Entrepreneurs. Table 4 shows the sources of entrepreneurial skills.

Table 3 Sources of Entrepreneurial Skills

	Education		Work Experience		Family Context	
	Numbers of Firms	Percent	Numbers of Firms	Percent	Numbers of Firms	Percent
a) Problem solving	32	30.48	57	54.29	26	24.76
b) Business motivation	29	27.62	52	49.52	29	27.62
c) Risk/uncertainty taking	31	29.52	67	63.81	11	10.48
d) Negotiating skills	32	30.48	57	54.29	19	18.09
e) Teamwork	31	29.52	56	53.33	23	21.90
f) Creativity	40	38.09	54	51.43	15	14.28
g) Technical knowledge	46	43.80	55	52.38	7	6.67
h) Marketing	26	24.76	64	60.95	21	20.00
i) Administration	23	21.90	63	60.00	19	18.09
j) Planning skills	32	30.48	58	55.24	18	17.14
k) Communication skills	38	36.19	63	60.00	9	8.57
l) Motivating others	33	31.43	62	59.05	14	13.33

Source: Survey Data (2018)

The reaction of Myanmar's entrepreneurs' family to startup decision also motivates entrepreneurs because almost all of the people around the entrepreneurs encourage them to start their own business. Moreover, no strong negative reactions to this decision are occurred. Strongest positive encouragement was occurred from the nuclear family members and which value is statistically significant at 0.01 levels with Pearson's correlation value of 0.667. Thus, family and friends of Myanmar entrepreneurs are the motivators for starting a business. Table 4 states the reaction for startup decision.

Table 4 Reactions to Start Up Decision

Response from	Agree		Disagree		χ^2 Sig
	Manufacturing	Service	Manufacturing	Service	
Nuclear Family	75.93	74.51	11.11	11.76	0.667
Colleagues	66.67	64.71	29.63	31.37	0.380
Friends	62.96	60.78	5.56	5.88	1.000
Teachers	62.96	58.82	1.85	1.96	0.317
Other family members	51.85	50.98	18.52	19.61	0.409
Previous Boss	44.44	41.17	1.85	1.96	0.449

Source: Survey data (2018)

(2) Business Opportunity

Motivation without opportunity is not an outcome. Therefore, sources of business

opportunity and identification of business opportunity are stated in this section. In Myanmar case, individual customers are the main source of business opportunity although there may be greater benefits in cooperating with large firms. Only a small numbers of firm provide products or services which are new to Myanmar Market. Thus, uniqueness of products or services is required in Myanmar and new opportunities for the potential entrepreneurs. Figure 5 shows the sources of business opportunity and innovativeness of products or services.

Table 5 Business Opportunity

Unit: Percent

Sources of Business Opportunity	Manufacturing	Service
Individual Customer	81.48	72.55
Corporations which had produced the same products/service	11.11	23.53
Corporations which didn't produce same products/service	7.41	3.92
Innovativeness of Products/ Service		
Existing products/services	88.89	68.63
New products/services	11.11	31.37

Source: Survey Data (2018)

However, Myanmar entrepreneurs do research on the market demand of their products or services before starting their new ventures and mostly they discover that increasing in demand. Thus, awareness of market situation is important for getting opportunity. Table 3.5 presents the market situation of the entrepreneurs' products or services before startup.

Table 6. Market Demand of Entrepreneurs' Products/Service

Unit – Percent

	Manufacturing	Service	χ^2 Sig
Increasing demand	59.26	62.75	0.817
Stable Demand	24.07	27.45	
Declining Demand	14.81	9.80	

Source: Survey data (2018)

Most of the entrepreneurs identify the opportunity from interacting/ discussing with other people, from their previous work experience or newspaper articles. Table 3.6 states the sources of business opportunity in Myanmar. The Pearson's Chi-squared value of all sources of information for both manufacturing and service firms approach to 1 with all are greater than 0.5. Thus, there is no statistical significant difference between

the two variables. Therefore, their network, their experience and newspaper articles are the most important source of the business opportunity for entrepreneurs. Thus, creating network, past experiences are the most important sources of business opportunity.

Table 7. Information Sources of Business Opportunity

Unit – Percent

	Manufacturing	Service	x² Sig
a) Interacting/discussing with other people	83.33	84.31	0.611
b) Experience in a previous job/task	79.63	80.39	0.937
c) Reading a newspaper article	57.41	56.86	0.878
d) Reading a magazine article	42.59	39.22	0.669
e) Internet	27.78	29.41	0.811
f) Visiting a trade fair	25.93	23.53	0.948
g) Television, radio	25.93	23.53	0.736
h) Reading academic papers	25.93	21.57	0.897

Source: Survey Data (2018)

(3) Factors Affecting the Final Startup Decision

There are two main factors affecting the final startup decision of entrepreneurs. They are economic factors, and non-economic factors. In Myanmar case, most of the entrepreneurs believe that economic factors are more important than non-economic factors. Among economic factors, having better income, improving family income and making fortune are most important factors. Table 3.7 shows factors affecting final startup decision of entrepreneurs. Moreover, entrepreneurs decide to start new ventures through many non-economic factors. In non-economic motivators, being own boss, self-realization, willingness to face challenges, to be like the entrepreneurs they admire and having influence in community are the most important motivators for startup decision.

Since the Pearson value of all the variables except self-realization and social reputation is more than 0.6, there is no statistically significant difference between the two data sets. Thus, these factors have strong correlation between the two data sets while the other two factors have moderate correlation between the two data sets.

Table 8. Factors Affecting Final Startup Decision

Unit – Percent

	Manufacturing	Service	χ^2 Sig
Economic Factors			
a) To have a better income	94.44	90.20	0.961
b) Family income/assets	88.89	84.32	0.890
c) To make a fortune	81.48	78.43	0.967
d) Expected growth of the national economy	50.00	41.18	0.965
e) Availability of finance	42.59	25.49	0.705
f) Size and growth of the market	37.04	31.37	1.000
g) Availability of public support (e.g., training)	33.33	33.33	0.874
h) Number and size of competitors	31.48	21.57	0.933
i) Compliance cost	16.67	11.76	0.820
j) Risk of bankruptcy	1.85	3.92	0.972
Non-economic Factors			
a) To be own boss	70.37	64.71	0.772
b) For self-realization	64.81	68.62	0.416
c) To be confronted by continuous challenges	61.11	64.7	1.000
d) To be like a person admire (father, friend, somebody in town)	59.26	58.82	0.542
e) To have influence in community	55.56	50.98	0.643
f) To gain social reputation/status	46.30	39.22	0.532
g) To contribute to society	46.30	39.21	0.665
h) Because unemployed	11.11	11.76	0.993

Source: Survey Data (2018),

Note: Percent of "Important" and "Very Important" in each group

2) Startup Stage

This is the stage at which the entrepreneur starts build their own venture. An entrepreneur's objective at this stage is to acquire the resources like fund, human capital and facilities and to combine and use in optimal way to get the better result according to the business plan and the tools he had prepared.

Table 3.8 states the major factors affecting the mobilization of resources. In case of assessment of resources, work experience becomes the most important factor in obtaining key technology and other sources. As the Pearson's values of both factors are 0.445 and 0.454, respectively, there is a moderate correlation between the two data sets and work experience is the most important factor for acquiring resources.

Table 9. Major Factors Affecting the Mobilization of Resources

Unit: Percent

	Key Technology			Other Resources		
	Mf	Service	χ^2 Sig	Mf	Service	χ^2 Sig
Work Experience	81.48	82.36	0.445	68.52	54.90	0.454
Undergraduate Education	24.07	56.86	0.770	11.11	31.37	0.730
Postgraduate Education	11.11	35.29	0.455*	22.22	29.41	0.875

source: Survey Data (2018)

Note: * significant at 0.05 level; others significant at 0.01 level, Mf = Manufacturing

Moreover, they use financial resources mostly from their own saving or saving from the founding partner. Table 3.9 shows the sources of finance that Myanmar entrepreneurs used. The external financial sources are not ranked as important because they need collateral or a lot of interest to get external financial help. The consequences of this will be explained in the barriers of doing business in Myanmar section.

Table 10. Financial Sources at Startup Stage

Unit: Percent

	Manufacturing	Service	Total
Personal Saving of founding Partner	79.63	84.31	81.90
Relatives/ Friends	33.33	47.06	40.00
Private Investors who are not relative	19.60	19.61	18.09
Venture Capital	11.11	17.65	14.29
Personal Credit Card	18.52	7.84	13.33
Public Institution (Loan/ Guarantee)	5.56	7.84	7.62
Banks: Loan	6.48	11.76	6.67
	N=54	N=51	N=105

Source: Survey data (2018)

Note: Percent of moderate and great source of fund

3) Factors Affecting the Early Development Stage

Early development stage is the third and one of the most important stages of the firms' success. Thus, the scope of entrepreneurs' activities expands market penetration and corporate managerial aspects in this stage. Thus, there are two major types of factors affecting early development stage. They are factors affecting ability of market penetration and solving problems that the entrepreneurs faced during their process of business creation.

In case of market penetration, as in the table 3.10, only entrepreneur of the service firms believe that they have competitiveness in service quality. Most of the

entrepreneurs think that they have less competitive in quality, research and design and finally, price competitiveness in compare to larger firms or other firms. Thus, competitiveness to the products or services are required in the product or services of Myanmar and can do spirit of entrepreneurs are required for the long term success of the firms.

Table 11. Company's Strength in Comparison with Main Competitors

Unit: Percent

	Manufacturing	Service
1) Service	37.04	72.55
2) Quality	29.63	41.18
3) R&D, design	18.52	31.37
4) Price competitiveness	12.96	11.76

Source: Survey data (2018)

Note: Percentage of firms that stated they have competitiveness

There are many problems that entrepreneurs face in their process of creating business which are also the barriers of doing business in Myanmar. Moreover, there are many sources that help entrepreneurs in solving the problems. According to Table 12, family and friends are the main support for solving the problem which states the Myanmar culture of family unity. Moreover, the college of entrepreneurs and suppliers or customers of entrepreneurs are also great support for problem solving.

Table 12. Support for Problem-solving at Early Development Stage

Unit: Percent

	Manufacturing	Service	Total
1. Family/friends	64.81	90.19	77.14
2 Colleagues	51.85	82.35	66.67
3 Suppliers/customers	50.00	80.00	64.76
4. Public institutions	11.11	7.84	9.52
5 Consulting firms	1.85	15.68	8.57
6. Trade associations	3.70	9.80	6.67
7. Universities/Research institutions	3.70	5.88	4.76

Source: Survey data (2018)

2. Barriers of Doing Business in Myanmar

Barriers are the blockage of firms' creation process and therefore, the awareness of

barriers provides greater opportunity and firms' success. For this purpose, this section explains the barriers of doing business in Myanmar that the future entrepreneurs aware these barriers. Four types of barriers are identified in this study. They are information assessment barriers, financial assessment barriers, technology assessment barriers and others. According to the survey done in Myanmar, around 20 percent of the respondent state that they have lack of access to the information they required and around 30 percent don't consider these information as necessary. This information is required for the firm success and the lack of these information make difficulty in business creation process. Table 13 states the percentage of respondents who have lack of access information they required.

Table 13. Percentage of Entrepreneurs with Lack of Information before Start Up
Unit: Percent

Type of Information	Manufacturing	Service	χ^2 Sig
a) Competitive size of plant	25.90	39.22	0.894
b) Number and characteristics of potential competitors	27.78	25.49	0.869
c) Competitive size of investment	24.07	25.49	0.808
d) Size of the market	24.07	23.53	0.786
e) Competitive Technical knowledge and its assessment	22.22	17.64	1.000
f) Characteristics of the market	18.52	13.73	0.830
g) Types and Assessment of Distribution channels	11.11	13.73	0.906

Source: Survey Data (2018)

Thus, there are one third of entrepreneurs in the respondents who don't have accessed on the information they had required. All the variables are significant at 0.01 level with Pearson's Chi-squared value of more than 0.78. Thus, there is a strong correlation between the data sets and therefore, both manufacturing and service firms' entrepreneurs had faced difficult information assessment barrier.

Table 14. Consequences of no access to External Financial Sources

Unit: Percent

	Manufacturing	Service
a) Started with Smaller Venture than desirable competitive venture	50.00	58.82
b) Started later than the estimated time	42.59	33.33
c) Required Partners	35.18	47.06
d) Started with a less-than-desirable level of technology.	25.93	7.84
e) Required large client or supplier support	27.78	5.88
f) Other	22.22	21.59
g) Don't have difficulty with limited access	20.37	21.57

Source: Survey data (2018)

Note: Percent of no access to financial sources

The second barrier is financial assessment barriers. As stated in the previous section in Table 3.9, most of the entrepreneur uses own savings or their partner's one. Thus, they face a lot of choices like to start their own venture smaller than they had expected. Thus, they have a lot of difficulties. The consequences of no external financial sources are shown in table 3.13. Moreover, most of the entrepreneurs stated that they don't have easy access to external financing like bank loan because of a lot of document requirements and collateral even though they have great business plan. Thus, they started the firms which are smaller than the size they firstly intended to build, taking more time to start their new ventures, required more partners, starting with outdated technology, or others. Therefore, providing investment loan effectively and efficiently is important for the development and success of the SMEs in Myanmar.

Today is the technology age. Thus, the assessment of technology is important for not only starting a new business but also important for ease of doing business and long term success of the business. However, there is technology barrier in Myanmar. Table 15 shows difficulty in assessment of key technology in Myanmar economy.

Table 15. Difficulty in Assessment of Key Technology

Unit: Percent

	Manufacturing	Service	Total
Personal network	64.81	59.31	61.9048
Commercial Network	78.89	68.63	73.3333
Institution and other	92.96	75.29	83.8095

Source: Survey Data (2018) Note: Percent of no assessment to key technology

According to the survey, 78.89 percent of the manufacturing entrepreneurs and 67.74 percent of the entrepreneurs identify that they don't assess to key technology

from all of personal network, commercial network, institutions and other sources. Percentage of each of the source is not less than 50 percent. Thus, generally, the result says that assessment of key technology is one of the barriers of doing business in Myanmar. There are other barriers that the entrepreneurs need to overcome.

Table 16. Problems Entrepreneurs Faced

Unit: Percent

	Manufacturing	Service	Total
a) To get clients	55.32	62.50	59.05
b) To manage/operate the venture	39.02	62.50	50.48
c) To hire managers	46.88	53.13	49.52
d) To adapt the product/services to the customer need	50.00	46.88	48.57
e) To finance and manage the cash flow	41.67	50.00	45.71
f) To certify quality standard	34.38	54.54	43.81
g) To hire skilled workers	40.00	43.75	41.9
h) To get suitable suppliers	39.47	43.75	40.95
i) To manage the relationship with large clients	37.50	40.62	39.05
j) To have suitable equipment	28.95	48.00	38.05
k) To get information about the market	41.03	34.38	37.14
l) To manage operations of a factory	34.38	21.74	27.62

Source: Survey data (2018)

The problems entrepreneurs need to handle are also the barriers of doing business in Myanmar for entrepreneurs. According to the survey in Myanmar, as in the Table 3.15, trying to get client, manage or operate the venture, to hire skilled workers and so on are the greatest problems that the entrepreneurs had encountered and thus, these are also the greatest barriers for them. Thus, for manufacturing firms, to get client, to adapt their products to the customers' need and to hire good manager are the greatest barriers they face while these previous factors, financial management, maintaining quality standard and trying to get suitable equipment are the greatest barriers for service business.

IV. DISCUSSIONS

This study analyzed the factors affecting on the business process of two major types of firms; manufacturing and service firms in Yangon region. The total numbers of firms in the survey is 105 firms. This study emphasizes on the study of business creation process and barriers of doing business in Myanmar.

The entrepreneurs in Myanmar believe that economic motivators are more important than non-economic motivators while their previous work experience is more important for the firm success than educations. This is the reason why their first venture starting age is around 30. Moreover, they also think that education or research in University is not very much important for their business even though there can be significant outcome from the cooperation with academic institutions.

Thus, Myanmar entrepreneurs need to aware that there can be great outcome from the collaboration between academic research and practical business environment. Moreover, government policy needs to address the weak linkage between the education and business world and to provide the opportunity for students to understand real business world. Therefore, in addition to business skill, creative mind, presentation skill, in hand experience through internship program are necessary in order to promote entrepreneurship in Myanmar.

Moreover, the entrepreneurs also state that there are barriers like information assessment, financial assessment, technology assessment and other barriers. These barriers make the business in Myanmar more difficult to run. In addition, all these resources are important not only for the future entrepreneurs who would like to start his own venture but also it's important for the business owner. Thus, the easy assessment of these resources makes the business process in Myanmar become easier. However, for information assessment, the transparency of the information and regulations are required and the new findings on Myanmar economy are also required. This is also the link between the education and business because the study on the Myanmar economy and business environment could provide a lot of contribution to the ease of doing business and economic development of Myanmar.

As for financing barriers, the ease of getting efficient and effective financial sources are required because some entrepreneurs who have great idea cannot expand their firms because they don't have enough amount of finance. Although the opening of Myanmar economy is good enough, it will not be a great choice if it cannot cover the running of existing SMEs. Thus, there are two points that need to be considered; from entrepreneur' side, they need to make more creative product or services with great quality and from government side, they need to provide great infrastructural support including financial and electricity. Moreover, ease of getting the high quality technology support is also important for the long term success of business.

V. CONCLUSIONS

This study only emphasizes on entrepreneurship in Myanmar based on the

comparative study of manufacturing and service firms in Yangon. This could only represent the factors that are influencing at each stage of the business creation process in manufacturing and service firms regardless of the influence of location factors like rural and urban or inside industrial zone or outside industrial zone as well as regardless of the importance of firm size. Thus, further research should be emphasized by adding these types of views in analysis which would provide greater explanation to the Myanmar Economy and business creation process in Myanmar.

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