

Entrepreneurial Culture in MSMEs : A step towards Good Governance

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ABSTRACT - According to Phillip Kotler, it is quite impossible for any organisation to completely satisfy the customer. But organisation must take steps to delight their customers. Enterprise can facilitate the customer only by the help of its employees. Obviously highly motivated employees can only be able to motivate the customer towards their product. By the practice of good governance any organisation can be able to motivate their employees. Generally entrepreneurial culture provides the platform to the Micro, Small & Medium Enterprises (MSMEs) to implement & practice good governance. Good governance stands for facilitating the following attributes among the employees: active participation in the decision making process, adherence to rules & policies of the organization, efficiency & effectiveness, accountability, transparency, equitability & inclusiveness, orientation towards consensus-building etc. Entrepreneurial culture is the one which is able to create Intrapreneurs within the enterprise. If the entrepreneurial characteristics are developed within employee, the employee is known as an Intrapreneur. The aim of this article is to study the different aspects of good governance. This paper also highlights different dimensions of Entrepreneurial culture. This paper intends to examine how the entrepreneurial culture helps the organisation to implement & practice good governance. This paper also analyses its overall impact on the society.

KEYWORDS: *entrepreneurial culture, good governance, impact on the society, Micro, Small & Medium Enterprises, motivated employees.*

I. INTRODUCTION

Governance word is not a new term. Its importance exists in India from the initial days of human civilisation. In simple words governance can be defined as the process by the help of which all the strategic decisions taken and executed in an organisation. All the stakeholders are played important character in the process of decision making and implementation of those decisions.

Good governance has 8 key features like: participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law.

Entrepreneurial culture is the culture which develops team of Intrapreneur in place of a single entrepreneur. If the entrepreneurial characteristics are developed within the employee then that employees is known as the *Intrapreneur*. Intrapreneur always remains ready to give his best effort in each and every field even beyond his job profile due to his high degree of familiarity, affiliation and belongingness towards the organisation. By the help of entrepreneurial competencies, they are able to inculcate such an entrepreneurial culture.

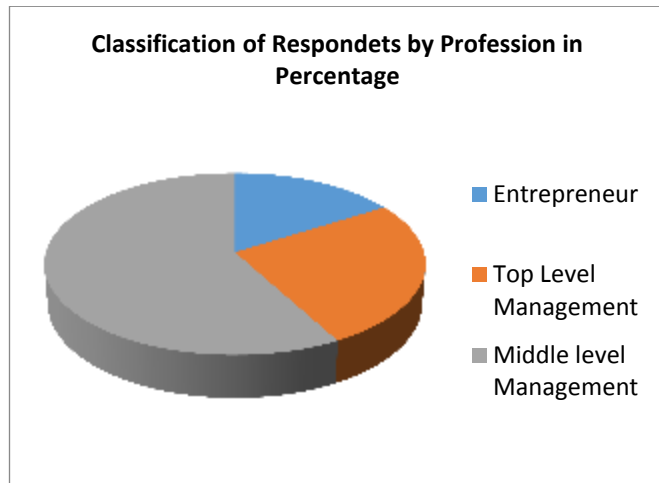
II. OBJECTIVES

- To study the different aspects of good governance in MSMEs.
- To analyse different dimensions of Entrepreneurial culture in MSMEs.
- To establish the relationship between the factors of entrepreneurial culture and good governance.
- This paper also analyses its overall impact of aforesaid factors on the society.

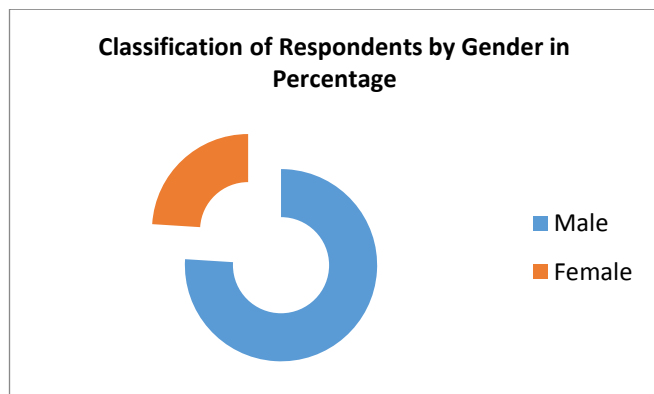
III. RESEARCH METHODOLOGY

Professionals (Entrepreneurs, Top and middle level management) attitude towards practice and implementation of good governance was calculated in terms of eight factors, i.e., participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. Professionals' attitude towards entrepreneurial culture was calculated in terms of four aspects- i.e., exploring the Culture, Maximum contribution to my organisation, Adoptability to new/change, Learning & Development. Data collected randomly from 50 individuals by the help of questionnaires on a seven-point Likert-type scale and their classification also made.

Among them 38 males were there & 12 females were there. More than half of the respondent (52%) was from young professionals i.e., 25 to 35 years.



Graph-I



Graph-II

IV. FINDINGS

Professionals Attitude towards Good Governance

Professionals (Entrepreneurs, Top and middle level management) attitude towards practice and implementation of good governance was calculated in terms of eight factors, i.e., participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. The outcome gained from the survey is mentioned in table- I

Aspects of Good Governance:

Participation by both men and women employees in decision making process is a key cornerstone of good governance. Participation could be either direct or through genuine intermediate institutions or representatives. Participation needs to be informed and organized systematically within the organisation.

All most all professionals (92%) give their opinion in favour of the participation with standard deviation 1.09.

Consensus oriented

There are several characters and as many opinions in an organisation. Good governance needs intervention of the

different benefit in organisation to reach a broad consensus in society on what is in the best interest of the whole community and how this can be attained. It also needs an extensive and long-term viewpoint on what is required for sustainable human growth and how to accomplish the goals of such growth.

88% respondents showed their willingness towards **Consensus oriented** with standard deviation 1.5

Accountability

Accountability is a major factor of good governance. Who is accountable to whom varies depending on whether decisions or actions taken are internal or external to MSMEs. In other words an enterprise is accountable to those who will be affected by its decisions or actions. Accountability cannot be imposed without transparency and the rule of law.

76% professionals are given their opinions for **Accountability** with standard deviation 2.3%

Transparency

Transparency means that steps taken and their enforcement are done in ways that follow rules and regulations. It also states that information is freely obtainable and directly available to those who will be affected by such decisions and their enforcement. It also states that sufficient information is provided and that it is provided in simple forms.

80% professionals prefer **Transparency** with standard deviation 2.12.

Responsiveness

Good governance needs that organisation and processes try to facilitate all stakeholders within a stipulated time period.

All most all professionals (96%) give their opinion in favour of the **Responsiveness** with standard deviation .982.

Effectiveness and efficiency

Good governance states that organisational procedures are design to meet the needs of society while making the best use of resources at their disposal. The ideas of efficiency in the context of good governance also cover the effective use of natural resources.

92% professionals are given their opinions for **Effectiveness and efficiency** with standard deviation 1.41%

Equity and inclusiveness

An organization's well being depends on ensuring that all its employees feel that they have a stake in it and do not feel excluded from the mainstream of organisation.

96% respondents showed their willingness towards **Equity and inclusiveness** with standard deviation .956

Rules of Law

Good governance needs impartial legal frameworks that are imposed fairly. It also needs complete protection of employees’ rights.

70% professionals follows the rule of law with standard deviation 2.32.

S l	Components of Good Governance	Favor (%) age)	Neutral (%) age)	Against (%) age)	Mean	Standard Deviation	Standard Error
1	participatory	92	5	3	6.63	1.09	.07
2	consensus oriented	88	5	7	6.4	1.5	.097
3	accountable	76	5	19	5.47	2.3	1.49
4	transparent,	80	6	14	5.7	2.12	.137
5	responsive	96	1	3	6.71	.982	.064
6	effective and efficient	92	0	5	6.42	1.41	.091
7	equitable and inclusive	96	2	2	6.71	.956	.062
8	follows the rule of law	70	9	21	5.28	2.32	.150

(Table-I: Professionals Attitude towards Good Governance)

Purchasing Decisions of Customers:

Professionals’ attitude towards entrepreneurial culture was calculated in terms of four aspects- i.e., exploring the Culture, Maximum contribution to my organisation, Adoptability to new/change, Learning & Development. The outcome gained from the survey is mentioned in table-II

- 74% consumers showed their willingness for Exploring the Culture with standard deviation 2.1
- 70% of the consumers give their opinion in favour of Maximum contribution to my organisation with standard deviation 2.45
- 88% consumers preferred to Adoptability to new/change with standard deviation 1.57
- 59% of the consumers give their opinion in favour of Learning & Development with standard deviation 2.55

S l	Factors	Favor (%) age)	Neutral (%) age)	Against (%) age)	Mean	Standard Deviation	Standard Error
1	Exploring the Culture	74	11	15	5.54	2.1	.136
2	Maximum contribution to my organisation	70	6	24	5.25	2.45	.158

	on						
3	Adoptability to new/change	88	6	6	6.29	1.57	.101
4	Learning & Development	59	9	32	4.76	2.55	.165

(Table-II: Professional attitude towards Entrepreneurial Culture)

S l	Components of Good Governance	Exploring the Culture	Maximum contribution to my organisation	Adoptability to new/change	Learning & Development
1	participatory	.114	.172	.107	.101
2	consensus oriented	.123	.306	.092	.153
3	accountable	.179	.007	.047	.087
4	transparent,	.118	.225	.222	.99
5	responsive	.015	.1	.026	.08
6	effective and efficient	.146	.229	.301	.177
7	equitable and inclusive	.165	.107	.247	.047
8	follows the rule of law	.086	.053	.204	.079

(Table-III: Correlation between Good Governance and Entrepreneurial Culture)

V. IMPACT OF GOOD GOVERNANCE ON ORGANISATION & SOCIETY

Strong customer focus – person strives to add value for his/her internal and external customers. The desire should be to provide exceptional customer service to build long-lasting mutually beneficial relationships through constant enhancement of the quality and added value of products and services from on-going and cost-effective innovation.

Relentless excellence – person strives for excellence at all levels, benchmarks teams and business regularly and applies best practices with discipline for continuous improvements.

Inspire and lead people – actively contributes to build an ambitious vision, communicate meaning, acts as a role model to build trust, collaboration and teamwork.

Develop people – coaches others to enable them to achieve their short and long term performance goals. There should be a genuine intent and desire to foster long-term learning and development to others and to encourage their individual learning.

Respect people – Treats people with fairness and respect, embraces cultural differences and diversity, rewards team

members equitably and encourages risk taking ability by giving second chance.

Achievement Drive – constantly drives to meet or exceed ambitious performance objectives and quality standards, deliver business results and continually find sustainable improvements to methods and processes.

Impact and Influence – desires and is able to influence other people, either directly or by using appropriate third parties, in order to get their commitment to ideas, projects and actions.

Open mindedness – has a drive to learn more about the environment, things and people, by asking probing questions, or doing ad hoc research to gain better understanding of the context.

VI. CONCLUSION

In 21st century practice and implementation of good governance not only a slogan. Its importance further increases in the context of MSMEs. In simple words it is compulsion not an option for entrepreneurs. By the help of entrepreneurial culture entrepreneurs are easily practice the same. In the statistical analysis it was also found that there is a high degree of correlation exist in between the different aspects of good governance and different factors of entrepreneurial culture.

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