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ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

**THE EFFECT OF EXPORT BARRIERS ON EXPORT
ENGAGEMENT OF SMALL AND MEDIUM TEXTILE AND
GARMENT ENTERPRISES:**

(THE CASE OF SELECTED SUB-CITIES, ADDIS ABABA)

BY: MEJDIA HABIB

ADVISOR: ANDINET WORKU (PHD)

**A Thesis Submitted to Addis Ababa University, School of
Commerce, Department of Marketing, For Partial Fulfillment
of the Requirements for the Award of Masters of Art in
Marketing Management**

JUNE, 2024

ADDIS ABABA, ETHIOPIA

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Declaration

This is to declare that this Master’s thesis entitled “Effect of Export Barriers on Small and Medium Textile and Garment Enterprises: The Case of Selected Sub Cities in Addis Ababa” is original work carried out by Mejdia Habib Sherif and has not been presented in any other university and College. All sources and materials used are duly acknowledged.

Mejdia Habib	_____	_____
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The thesis has been submitted for examination with my approval as an advisor.


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Name of Advisor	Signature	Date

Thesis Approval Form

The undersigned Certify that we have read this thesis titled “Effect of Export Barriers on Small and Medium Textile and Garment Enterprises: The Case of Selected Sub Cities in Addis Ababa” is recommended that the thesis be accepted as fulfilling the thesis requirement for the degree of Masters Marketing Management

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Statement of Certification

This is to certify that Mejdia Habib Sherif has carried out her research work on the topic entitled “Effect of Export Barriers on Small and Medium Textile and Garment Enterprises: The Case of Selected Sub Cities in Addis Ababa” is her original work and is suitable for submission for the award of Master’s Degree in Marketing Management.

Andinet Wotku (PhD)

Name of Advisor

Signature

Date

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List of Acronyms

ANOVA:	Analysis of Variance
EED:	Ethiopian Enterprise Development
FDRE:	Federal Democratic Republic of Ethiopia
MOI:	Ministry of Industry
NBE:	National Bank of Ethiopia
SME:	Small and Medium Enterprise
SMTGE:	Small and Medium Textile and Garment Enterprise
SPSS:	Software Package for Social Sciences

Abstract

This study investigates the effect of export barriers on small and medium textile and garment enterprises (SMTGEs) in selected sub-cities of Addis Ababa, Ethiopia. SMEs are crucial for economic growth and job creation in developing countries but face significant challenges in international markets. The research aims to identify and analyze informational, functional, marketing, procedural and governmental barriers hindering these enterprises' export activities. A descriptive and explanatory research design was employed, with a sample of 157 respondents selected from a total population of 257 SMTGEs using a proportionate stratified random sampling technique. Data was gathered through questionnaires and document analysis from SMTGEs in the Bole, Kirkos, Nifas-Silk Lafto, Lideta, and Arada sub-cities, using five-point Likert scales. The collected data was analyzed using descriptive and inferential statistics, and multiple regression analysis was performed using SPSS version 26. The findings reveal that informational and governmental barriers were identified as the most significant obstacles, followed by functional barriers. Procedural and marketing-related barriers were found to be insignificant. The study provides practical recommendations for overcoming these barriers, emphasizing the need for improved support systems, policy reforms, and strategic initiatives to enhance SME export performance, thereby contributing to Ethiopia's economic development.

Keywords: *Export barriers, Export business, SMTGEs, Addis Ababa.*

Chapter One

Introduction

The part of the thesis introduces about the effect of export barriers on small and medium textile and garment enterprises in selected sub cities of Addis Ababa. This introductory chapter contains sub topics including background of the study, statement of the problem, research questions, and objectives of the study, significance of the study, scope of the study, limitation of the study and definitions of key terms.

1.1. Background of the study

Small and Medium Enterprises (SMEs), are vital for most economies, especially those in developing countries. SMEs make up the majority of the industrial base and make a substantial contribution to the gross domestic product of the majority of emerging nations. SMEs make up the majority of enterprises globally and play a significant role in both the creation of jobs and the expansion of the international economy. They represent about 90% of businesses and more than 50% of employment worldwide (World Bank, 2023).

In the expansion of globalization and economic integration among countries, exporting became important as a business and national economy internationalization strategy (Salali, 2012). Exports have long been a contentious issue and are a significant phenomenon for global economic progress. In addition, they define export as a type of international trade in which goods produced in a particular country are shipped to some other country. Traditionally, SMEs well recognized in their local economies only, however, nowadays they have had significant success in global markets and contribute significantly to total exports. Due to their shifting role, they have made a major contribution in the development and expansion of economies across the world (Mitja, Robert & Bostjan, 2006). However, SMEs may not be directly involved in export activities due to internal or external barriers that prevent them from engaging in export business.

The export of the manufacturing industry has an important role to play in increasing the share of national foreign exchange earnings hanging over agriculture by taking advantage of its favorable geographical location and tax- and quota-free market opportunities, as well as ensuring continuous competitiveness and productivity. Recognizing this, the Ethiopian government followed the direction of export-oriented industrial development in the direction of the existing policy. To this end, an export expansion strategy and an export incentive system have been

developed. Large industrial parks have been built to help to expand the foreign market and increase foreign exchange (Manufacturer Industry Policy, 2023).

Ethiopia's economy is growing with a strong emphasis on manufacturing, services, and agriculture. The country is rich in natural resources, including flowers, coffee, oil seeds, and minerals like tantalum and gold. Ethiopia has a long history of textile production, dating back to 1939 when the country's first garment factory opened. Ethiopia's textile sector has a lot of potential to grow. This can be achieved with the support of the government and its vision. Ethiopia's textile and garment industry has been growth in recent years due to government incentives and foreign company investments. Because of its large and young labor force, the country is an attractive destination for textile and garment manufacturers looking to lower labor costs. International businesses was find Ethiopia's business environment more attractive with improved political and economic conditions, including advancements in customs and industrial upgrading (Alliance Experts, 2023). The intention of Ethiopia's government is to increase the country's exports from agricultural products to vital industries like textile and garments manufacturing. There tends to be an emphasis on export businesses in Ethiopia due to the limited size of local markets and the necessity to generate foreign exchanges (Altenburg, 2010). Overall, the growth of the textile and garment industry in Ethiopia is creating new opportunities for small and medium-sized businesses, while also contributing to the country's economic development and global competitiveness.

Though Ethiopia has many SMEs, their export market participation not up to the expectations and prevents the country's annual foreign exchange earnings. Even though the country is geographically at ideal location for different markets, the competitiveness of firms in global market is still problematic. According to a 2009 study by Okpara and Koumbiadis, SMEs that are interested in participating export markets face a number of challenges, such as a lack of finance, an absence of qualified personnel, fear over foreign competition, a lack of productive capacity, inadequate infrastructure, corruption, and a general lack of knowledge about exporting.

Ethiopia's, Addis Ababa, is experiencing a growth in the textile and garment industry. With an emphasis on exports, they are using government incentives, foreign investment, the country's large workforce and low labor costs. These enterprises specialized in manufacturing high-quality handmade garments using traditional Ethiopian fabrics and techniques. Through several initiatives targeted at supporting the garment manufacturing sector, Ethiopian government is actively encouraging the growth of these SMEs.

According to reports from Ethiopian Enterprise Development (EED), a government institution responsible with supporting small and medium-sized manufacturers, these enterprises encounter a variety of obstacles that prevent them from exporting their products internationally. Studies and reports revealed that small and medium-sized manufacturers encounter several obstacles when trying to export their products (EED, 2023).

Hence, this study was also having a practical or theoretical contribution to the literature, support organizations, SMEs, stakeholders, and policymakers by providing valuable information along with current findings regarding the barriers to engaging in export business.

Studies on the barriers that prevent SMTGEs from exporting seem to be lacking in Ethiopia and mainly deals with overall small and medium-sized enterprises. Therefore, the researcher's main efforts were to identify and explain how export barriers affect small and medium textile and garment enterprises and prevent them from exporting in Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada sub-cities, Addis Ababa, and in order to help in their export activities and to offer potential recommendations for the relevant bodies to consider.

1.2. Statement of the problem

One of the main macroeconomic goals of many developed and developing countries worldwide is export. It plays a crucial role in the economic growth of the country, reduces poverty in developing countries, and boosts the growth and profitability of export-oriented businesses. While countries struggle for a sustainable economy, the export sector is given precedence. Export-related activities improve trade balances, boost profitability, and assist in addressing the issues of unemployment and poverty (Esra Karadeniz and Göçer, 2007). Export is thought to be the preferred means to enter global market (Saravanavel, 2009).

According to a research study conducted by (Alrashidi, 2011) SMEs contributed 25–35 percent of worldwide manufacturing exports. SMEs are crucial to the growth of export earnings in developing countries, and this study's findings indicate that a significant percentage of SMEs are unable to reach international markets because they are unable to overcome over the entrance barriers (Gunaratne, 2009). Export barriers are constraints that hinder an enterprise's capacity to launch and expand its business operations in foreign markets (Morgan & Katsikeas, 1997). SMEs engage in local markets rather than directly exporting their goods overseas; instead of export undertaken by selected large industries; this could be as a result of challenges, either internal or external, that prevent them from engaging in export business. Leonidou (2004) states that problems or constraints that hinder an enterprise's ability to start up, expand, and continue

business operations in overseas markets are considered exporting barriers. A conceptual framework developed by Leonidou (2004) classifies export barriers into two categories: internal barriers (informational, functional, and marketing) and external barriers (procedural, governmental, task and environmental).

Several researchers have noted that SMEs face a variety of export obstacles both before and after they begin doing business internationally. For example, according to Leonidou's (2004) study, SMEs face internal barriers related to organizational resources and capabilities, the company's export business strategy, and external barriers originating from the home and host environments in which the firms operate. Furthermore, Okpara and Koumbiadis's 2009 research revealed that SMEs encounter a number of challenges when attempting to enter export markets. These barriers include a lack of funds, a shortage of skilled workers, apprehension about foreign competition, a lack of productive capacity, subpar infrastructure, corruption, and an overall ignorance about exporting.

Ethiopia's government supports export-oriented enterprises in an effort to diversify the country's economy and attract foreign investment in these businesses. The Ethiopian government encourages enterprises that participate in exporting by providing incentives such as tax holidays for exporters and allowing the tax-free import of machinery and support services to boost exports (Altenburg, 2010). However, a complete export expansion system that takes into account and focuses on the unique characteristics of the manufacturing industry, especially the lack of effective and accountable institutional coordination, and the failure to fully support the productivity, quality and competitiveness of export expansion and incentive systems. This has led to the low export performance of the manufacturing industry (Manufacturer Industry Policy, 2023). Ethiopia's low labor costs and large labor workforce have made the country an increasingly attractive destination for foreign investors. The textile and garment industry is playing an increasingly important role in Ethiopia's economy, providing employment opportunities and contributing to the country's export earnings.

Ethiopian exporters encounter different challenges when planning to join export market. Challenges with a clearly defined brand, product diversification, and the shortage of foreign exchange are still critical factors. Ethiopian manufacturers find it much more difficult to compete due to the presence of other strong competitors, deficiency for working capital and financing, as well as a lack of experience of foreign marketing increased Ethiopian SMEs' burden. The findings of Kassahun's (2020) study indicated that SMEs were significantly hindered from

engaging in export business by the five independent variables (financial, marketing, functional, procedural, and governmental barriers).

Studies on the barriers that prevent SMEs from exporting have been carried out in developed as well as developing countries. Research on this topic seems to be lacking in Ethiopia and mainly deals with overall small and medium-sized enterprises. In order to determine which barriers hinder small and medium textile and garment enterprises from exporting in selected sub-cities in Addis Ababa, this study has tried to assess these issues. Because the government actively encourages the growth of the garment and textile enterprises through a variety of investment initiatives, readily available raw materials, easily trainable labor, and appropriate incentive packages, the products manufactured by these industries are mostly sold on the home market. The sector is struggling to reach its export goals, although having a lot of potential for exporting its products. Therefore, this study conducted to investigate the effect of export barriers on small and medium textile and garment enterprise export market expansion in selected sub cities of Addis Ababa. Additionally, this study was also have a practical or theoretical contribution to the literature, support organizations, SMEs, stakeholders, and policymakers by providing valuable information along with current findings regarding the barriers to engaging in export business.

1.3. Research questions

1.3.1. General Research Question

To what extent the effect of export barriers hindered small and medium textile and garment enterprises from exporting in selected sub-cities of Addis Ababa?

1.3.2. Specific Research Questions

The study has tried to answer the following specific research questions:

1. What is the effect of informational barriers on export engagement of SMTGEs in selected sub-cities of Addis Ababa?
2. What is the effect of functional barriers on export engagement of SMTGEs in selected sub-cities of Addis Ababa?
3. What is the effect of marketing barriers on export engagement of SMTGEs in selected sub-cities of Addis Ababa?
4. What is the effect of procedural barriers on export engagement of SMTGEs in selected sub-cities of Addis Ababa?
5. What is the effect of governmental barriers on export engagement of SMTGEs in selected sub-cities of Addis Ababa?

1.4. Research Objectives

1.4.1. General objective of the study

The general objective of the study is to examine the effect of export barriers on small and medium textile and garment enterprises in selected sub-cities of Addis Ababa?

1.4.2. Specific objectives of the study

The specific objectives are:

1. To investigate the effect of informational barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa.
2. To assess the effect of functional barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa.
3. To identify the effect of marketing barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa.
4. To examine the effect of procedural barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa.
5. To evaluate the effect of governmental barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa.

1.5. Significance of the study

The study's findings was have practical or theoretical significance since it was provide valuable information and provide an update on the current trends of the barriers that was identify as hindering SMTGEs exporting in selected sub-cities of Addis Ababa. The findings of the study were relevant and provide insights to SMTGEs, policymakers, stakeholders and researchers interested in the study. As a result, the study was a useful resource for managers and/or owners of SMTGEs in making decisions, developing strategies for export marketing, and enhancing their level of competition in overseas markets by overcoming the barriers that was identify. Also, it was provide information for governments or policy makers' to make informed decisions and was assist in reviewing policies and regulations related to the study. Additionally, stakeholders engaged in the sector's development, such as donors and other development partners, was find the study's findings beneficial in guiding their involvement methods. Furthermore, the study's findings was a source of information for researchers interested in this field, allowing them to acquire theoretical understanding of the topic under discussion and providing the basis for further and related studies.

1.6. Scope of the Study

The scope of this research was limited to assess the barriers that hindering small and medium textile and garment enterprises to exporting. The study was geographically delimited to investigate small and medium textile and garment enterprises located in Addis Ababa's Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada sub-cities. Furthermore, the scope of this study was conceptually delineated to assess the informational barriers, functional barriers, marketing barriers, procedural barriers and governmental barriers, which affect SMTGEs exporting whether they are engaged in export or not. In order to acquire current information and make the study more feasible and accurate, it covered 2019/2020 up to 2023/2024 years. When considering the study's objectives and questions, only quantitative research methods are employed. This study used both descriptive and explanatory research designs. It is limited to proportionate stratified and simple random sampling techniques. The research uses primary data, which is collected through a self-administered questionnaire. The sample populations for the study consist of 157 owners or managers of small and medium textile and garment enterprises. Descriptive and inferential statistics were used to analyze the data.

1.7. Limitation of the Study

This study had certain limitations. The study focused on SMTGEs in Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada sub-cities of Addis Ababa because it is difficult to address the sub-cities as a whole. The outcomes could be varying if there would be all sub-cities. There was lack of adequate empirical literature in the area of the study. The quality and accuracy of the data sets since the data collection process has not be fully controlled by the researcher.

1.8. Definition of key terms

The followings are some definitions of key terms that have been used throughout the study.

Export: are goods and services that are produced in one country and sold to buyers in another (Troy Segal, Investopedia 2023)

Export barriers: could either be attitudinal, structural, operational, and other constraints that hinders a firm's ability to initiate, develop, or sustain export operations (Leonidou, 2004)

Internal barriers: are intrinsic to the firm and mostly associated with the firm's insufficient organizational resources and capabilities such as market information, international experience, capital, and competent personal, to name a few, required for export activities (Tesfom & Lutz, 2006)

External barriers: stem from the environment in which firms operate, and can emanate either from the domestic market or the host markets (Tesfom & Lutz, 2006).

Textile: refers to any filament, fiber, or yarn that can be made into fabric or cloth, and the resulting material itself (Abraham)

Garments: are any garments intended for use in the human body which is made of fabrics or other textile materials (bdfabric.com)

Manufacturing Enterprise: enterprise engaged in the manufacturing of products for better value by making changes to raw material in shape, quantity or content using machinery, equipment or human resource (Regulation No.526/2022).

Small Manufacturing enterprises: an enterprise with 11-50 permanent employees' and a total asset worth between Birr 600,001 and 10,000,000 (Regulation No.526/2022).

Medium Manufacturing enterprises: an enterprise with 51-100 permanent employees' and a total asset worth between Birr 10,000,001 and 90,000,000 (Regulation No.526/2022).

Chapter Two

Literature Review

2.1. Introduction

In this chapter, the literature review was presented. The first section was provide the theoretical framework, or review of theories. The second component was cover a review of an empirical study. The conceptual framework was presented in the last section.

2.2. Theoretical framework

2.2.1. The Concept of Exporting

Exporting is the process of reselling goods and services that the destination country has produced in excess of its needs. Steers and Nordon (2014) characterise exporting as one of the options for trade-related foreign market entry; the other options include hiring transfer-related strategies (such franchising and licencing) and foreign direct investment.

Export describes foreign marketing-related decisions and activities made by companies that operate internationally. It differs from other global endeavours in that export businesses must export directly or through intermediaries and are not in charge of their abroad operations (Shoham, 1998). According to Maria and Monteiro (2013), exporting is a low-risk and low-cost method of entering overseas markets, allowing for simultaneous entry into a greater number of countries enterprises benefit highly from exporting.

By expanding up markets and enhancing productivity, exporting plays a vital role in enabling businesses to reach economies of scale and function at maximum efficiency. Thus, the performance of a company's exports is correlated with its growth and sustainability (Katsikeas, 1994). Due to its high degree of flexibility and quick and affordable way of breaking into new international markets, exporting is still the most widely used strategy for internationalising businesses. It is a viable option for businesses to internationalise (Leonidou, 1995). Exporting is a less risky and less resource-intensive entry strategy into international markets than other approaches. Furthermore, exporting can improve a company's managerial capabilities, foster national industries, boost economic growth, improve productivity, create jobs, make better use of resources, and give a company more freedom to take on a variety of business risks (Pinho & Martins, 2010).

Macroeconomically speaking, increasing a nation's exports may contribute to the building of its foreign exchange reserves, increase employment, improve national productivity, and boost economic growth (Ural, 2009). A nation's economic strength is demonstrated by its capacity to regulate its external payment situation, maintain a positive trade balance, and compete successfully in international markets.

Research has indicated that exporting enables businesses to increase the rate at which their production capacity is utilised, develop superior managerial skills, nurture innovation in both product and process development, and ultimately strengthen their financial performance (Damijan and Kostevc, 2006). The increased participation of enterprises in exporting activities can be attributed to the global economy' growing liberalisation, integration, and competition (Ural, 2009). Exporting SMEs is the focus of multiple policy initiatives. Encouraging presently exporting companies to export more is one component and encouragement of non-exporters to start exporting is the second component.

2.2.2. Defining Exporting Barriers

Any restrictions or hurdles to initiating, continuing, or expanding any kind of foreign activity is referred to as barriers. The term "export barriers" refers to all operational, structural, behavioural, and other limitations that prevent a company from initiating, developing, or sustaining foreign operations Katsikeas & Morgan (1997). According to Leonidou (1995b), firms may encounter obstacles, challenges, or issues with exporting at any point during the internationalisation process, from the beginning to the more developed and advanced phases. Additionally, export barriers are described by Leonidou (2004) as the operational, structural, attitudinal, and environmental constraints that prevent or deter enterprises, especially SMEs, from starting, growing, or continuing their export activity.

The term "exporting barriers" is defined by Arteaga-Ortiz & Fernandez-Ortiz (2010) as any impediment that was prevent or discourage firms from expanding internationally. Occasionally, firms and their managers struggle to identify and characterise the kind of barriers that stand in the way of exports because they are unable to ascertain the nature of these obstacles. In these cases, an impediment is perceived as an actual export barrier, and Da Silva & Da Rocha (2001) have found that the degree of experience managers/directors has in foreign markets is correlated with the actual export barriers.

Having a greater understanding of export barriers is crucial because they waste company resources and risk the effectiveness and efficiency of a firm's operations. Many international

business academics have been interested in the negative effects that export obstacles can have on the internationalisation processes and activities of small and medium-size enterprises. According to (LE Brouters et al., 2009), SMEs face resource constraints and have been impeded mostly by export obstacles.

2.2.3. Types of Exporting Barriers

Different researchers in the field of international business conducted study to identify the variables that provide the greatest challenges to the internationalisation process of SMEs. Issues with internationalisation can arise at any point in the process; they might arise during the pre-export, early, or late stages of the internationalisation effort. However, according to Bilkey & Tesar (1977), the nature and tendency of the problems may change from stage to stage.

A compact framework developed by Morgan & Katsikeas (1997) separates a total of 17 barriers into four groups: informational, operational, process-based, and strategic. To the best of our knowledge, this study appears to be one of the first attempts to develop a framework for the analysis of exporting barriers, which helps governments by providing the information they need to support exporting enterprises looking to begin the export process, and by assisting firms in understanding where to look for problems within their exporting activity.

Leonidou (2004) also classified the export barriers based on internal and external factors. He distinguished between internal barriers, which come from the firm's internal environment and are under its control, such as those related to its resources, capabilities, and strategic approach to export business, and external barriers, which come from the domestic and foreign environments in which the firm operates but are outside its control, such as foreign laws, regulations, tariff barriers, and disparate consumer behaviours. The exterior hurdles were categorised into four subcategories: procedural, governmental, task, and environmental barriers. The internal barriers were further separated into three subcategories: informational, functional, and marketing barriers.

According to Arteaga-Ortiz & Fernandez-Ortiz (2010), barriers are everything that prevents a firm from engaging in internationalisation, whether due to internal or external reasons that could discourage the firm from doing so or limit its capacity for doing so. Export barriers come in a variety of shapes and sizes, and they are classified differently. Still, the majority of barriers fit into one of the following categories: Exogenous hurdles, procedural barriers, knowledge barriers (lack of information and knowledge), and resource barriers (lack of strategic resources to carry out export operations).

2.2.3.1. Informational barriers

According to Johanson and Wiedersheim-Paul (2017), SMEs with limited resources must possess the necessary information (knowledge) in order to successfully enter overseas markets. According to Liesch & Knight (1999), of all the resources needed by SMEs for a successful launch into foreign markets, knowledge and information about the target market that would give the SMEs an advantage over their competitors is the most crucial—and hardest—to come through. A company with the appropriate level of information is less uncertain than other companies with less information.

Information inefficiencies that cause difficulties in locating, evaluating, and reaching out to foreign markets are known as informational barriers (Moini, 1997). Unfamiliarity with significant aspects of export activities and export market settings is linked to export knowledge and informational obstacles. These four categories contain the barriers: insufficient knowledge to locate and analyse foreign markets; problematic international market data; inability to contact overseas customers; and identification of foreign business opportunities.

According to Leonidou (2004) information inefficiencies that cause difficulties in locating, reaching out to, and choosing foreign markets are known as informational barriers. Even when they are aware of the sources of information and have access to it, many small businesses are unfamiliar with national and international sources of information; they also have difficulties with data retrieval. Furthermore, they lack a comprehensive understanding of the precise details that are required, which mostly relate to the identification, evaluation, and entry into foreign markets. As a result, the company's expansion into exporting becomes excessively hazardous.

As indicated by Arteaga-Ortiz & Fernandez-Ortiz (2010), informational barriers, or a lack of knowledge about the exporting process, are often linked to knowledge obstacles. There exists a favourable correlation between an organization's commitment to exporting and its level of exporting knowledge. Accordingly, a company was get more knowledge from this process the more resources it devotes to exporting.

Lack of understanding of overseas markets, business procedures, and competition, as well as inadequate management to produce foreign sales, are the main causes of knowledge and information challenges. Businesses that use timely, accurate, and relevant information are better able to address export-related issues Lutz and Tesfom (2006). Information-related constraints have been identified by Nwachukwu et al., (2007) and Gunaratne (2009) as one of the main reasons why many small enterprises do not take advantage of export prospects. Furthermore,

they highlighted the following factors as information-related barriers: insufficient knowledge about where to obtain loans to finance exports, difficulty in obtaining market data, lack of contact details, and unreliable statistics on market potential.

2.2.3.2. Functional barriers

Functional barriers are caused by inefficiencies in the many corporate areas that are related to exporting, such as finance, production, and human resources (Vozikis & Mescon 1985). Regarding exporting, Leonidou (2004) links functional barriers to inefficiencies of the major firm activities, including finance, human resources, and manufacturing capacity. There are four obstacles in this category: inadequate/untrained export personnel; lack of excess production capacity for exports; lack of managerial time to handle exports; and lack of working capital to finance exports.

Functional barriers that affect SMEs' ability to export include a lack of working capital to finance exports, a lack of excess production capacity for exports, a lack of managerial time to handle exports, and untrained or inadequate personnel (Khattak, Arslan, and Umair, 2011). According to Gunaratne (2009), the operational dimension barriers are made up of four factors that are more in line with export capacity: limited production capacity, insufficient funding to support export operations, unfamiliarity with foreign business practices, a lack of staff with export experience, and an owner-manager's lack of time to deal with exports.

Grimsholm & Poblete (2010) noted that SMEs struggled to choose the appropriate technology, such as new machinery, for their business because of information access issues, financial constraints, and a lack of managerial skills. As per Arteaga-Ortiz & Fernandez-Ortiz (2010), resource barriers are difficulties resulting from a shortage of resources of any kind, including financial and productive resources. Failure to access overseas markets is typically attributed to a lack of resources or functional impediments.

2.2.3.3. Marketing barriers

The company's product, price, distribution, logistics, and overseas promotional activities are the main topics of marketing barriers (Moini 1997; Leonidou, 2004). The ability to locate and seize fresh market opportunities abroad is a critical success factor for new businesses looking to compete successfully in the global economy (Ren et al., 2014). Small and medium-sized enterprises in developing nations face a significant marketing knowledge barrier because they frequently lack the internal resources to obtain necessary information, whereas large businesses

typically have special departments dedicated to obtaining information and promoting their products abroad Tesfom and Lutz, (2006).

Several more marketing barriers that may impede exporting have been found by researchers. As an instance, Ahmed et al., (2008) found that two significant marketing barriers to export were exporters' failure to match the competitive prices of overseas suppliers and the high cost of shipment when selling to foreign markets. Similarly, Djebarniand and Al-Hyari (2009) study identified the following variables as marketing barriers: creating new products for international markets, satisfying export product quality or standards, challenging foreign distribution channels, difficulty matching competitors' prices, obtaining trustworthy foreign representation, unavailability of overseas warehousing facilities, excessive costs associated with transportation and insurance, and modifying export promotional activities.

According to Morgan & Katsikeas (1997), marketing barriers is impediments related to decisions made about product, distribution, price, and promotion in the marketing mix. The following are indications of marketing barriers: low product image in foreign markets; inability to develop new, high-quality products; unfamiliar overseas distribution channels; difficulty managing advertising and promotion; and inability to meet packaging standards (Gunaratne, 2009).

2.2.3.4. Procedural barriers

Procedural barriers are identified as another element that can restrict export operations. A company that wants to grow its export business or enter the export market was need to develop the expertise to handle administrative processes. Foreign paperwork and documentation can seem particularly overwhelming to inexperienced managers (Dymsza, 1983; Bodur, 1986). Some studies categorise export procedural barriers into two categories: controllable and uncontrollable. Since controlled obstacles are normal duties that can be conquered with managerial knowledge, they can be learned to control with time and practice. Conversely, non-controllable barriers are matters that need to be addressed on an individual basis (Ramaswami & Yang, 1990).

The majority of these barriers can be overcome by engaging the support of consulting services, who can offer the necessary assistance to get beyond operational obstacles. Three factors, including lack of expertise with procedures and techniques, poor communication, and delayed payment collection in international markets, are examples of procedural barriers that affect the operational elements of transactions with foreign clients (Moini 1997; Leonidou 2004). Several obstacles fall under this category, including unfamiliar exporting procedures and documentation, difficult communication with overseas clients, and sluggish payment collection from overseas.

In order to export, one must be aware of export protocols in order fulfil obligations to both domestic and international market laws. These formalities are not just imposed by governments. Additionally, independent businesses with their own processes include banks, transportation companies, and insurance providers (Lutz and Tesfom, 2006).

Procedural obstacles are related to the activity itself and may originate from bureaucracy, documentation requirements, or the firm's foreign or domestic markets. Regarding procedural barriers, Ahmed et al., (2008) found that the main issues hindering firms from starting to export were a lack of understanding of export payment procedures, a lack of knowledge about exporting procedures, and difficulty finding foreign markets.

2.2.3.5. Governmental barriers

Governmental barriers are defined as the home government's acts or inaction with regard to its local exporters, according to Leonidou (2004). Two areas of concern are highlighted here: (1) the government's lack of interest in supporting and offering incentives to exporters, both current and potential; and (2) the regulatory framework's restrictive effect on export management practices.

Various factors, such as exchange rate fluctuations, supply and demand for commodities, and actions by governments and other businesses, might hinder a firm's ability to export (Arteaga-Ortiz & Fernandez-Ortiz, 2010).

In study of Djebarni and Al-Hyari (2009) the primary barriers were a lack of support or incentives from the home government, unfavourable policies and regulations. Furthermore, the higher value of the target country's domestic currency or foreign exchange controls, complicated foreign import laws, and a lack of support from the government for export businesses all contribute to the creation of higher barriers and hinder the free flow of exports.

As stated by Grimsholm (2010), the importance of SMEs in an economy highlights the need for supportive policies from governments, including regulations that facilitate their operations and low administrative costs. However, there are still gaps in the legal system and access to government assistance.

2.2.4. Definition of Small and Medium Enterprises (SMEs)

Since the distinction between large- and small-scale enterprises is based on subjective and qualitative judgements, there is no universally recognised definition of what defines a small enterprise. The number of paid employees and annual turnover are used in the United States, the United Kingdom, and Canada to describe small enterprises. A small-scale enterprise in Britain is

one that employs fewer than 200 people and has a yearly turnover of no more than two million pounds. The definition of small-scale industry in Japan is based on the kind of industry, paid-up capital, and number of paid workers.

Thus, according to Ekpenyong and Nyong (1992), small and medium-sized enterprises are those that fall into one of three categories: manufacturing (100 million yen paid-up capital and 300 employees), wholesale trade (30 million yen paid-up capital and 100 employees), or retail and service (10 million yen paid-up capital and 50 employees). This suggests that different countries' industrial regulations treat and classify SMEs differently.

The Ethiopian government defines SMEs differently. manufacturing enterprise are defined as enterprise engaged in the manufacturing of products for better value by making changes to raw material in shape, quantity or content using machinery, equipment or human resource, as defined by FDRE Council of Ministers Regulation No. 526/2022.

Ethiopian SMEs are categorised according to the total assets and number of employees of the enterprise. Based on this, small manufacturing enterprises are defined as having between 11 (eleven) and 50 (fifty) permanent employees, as well as a total asset worth between Birr 600,001 (six hundred thousand one) and 10,000,000 (ten million) and medium manufacturing enterprises are defined as having 51 (fifty one) to 100 (one hundred) permanent employees, and between Birr 10,000,001 (ten million one) and 90,000,000 (ninety million). In the event of ambiguity between total assets and human resources, total assets was take prevail (Regulation No.526/2022).

Table 1 Ethiopian SMEs Definition

Size of Enterprise	Sector	Permanent Employee	Total Asset (ETB)
Small	Manufacturing	11-50	600,001-10,000,000
Medium	Manufacturing	51-100	10,000,001-90,000,000

Source: Federal Negarit Gazette No.5, 28th Nov.2022 Regulation No.526/2022

2.2.5. ABOUT Textile and Garments

The textile sector provides a number of benefits that strengthen a nation's economy. An essential source of foreign exchange profits is the export of textiles and garments. Countries want to secure their place in international trade by taking over the market.

The garment and textile industries play a significant role in the economy and society by creating jobs, generating foreign exchange earnings, and giving countries the chance to pursue long-term economic growth in those that have the institutions and policies in place to maximise the

industry's dynamic effects. For countries with low incomes that can take use of their advantages in labor costs, fill developing segments, and satisfy consumer wants, the garment and textile sectors offer potential customers for export diversification and increase of manufactured exports (Keane and Velde, 2008).

The labor-intensive textile and garment sector provides unskilled workers in both developed and developing countries with entry-level positions. Aiming to reduce manufacturing costs through sourcing, the majority of garment companies in rich countries work with textile and apparel manufacturers in developing countries in light of rising domestic labour and material expenses. Furthermore, at very low investment costs, relatively current technology can be employed in this industry even in developing countries.

According to the WTO Annual Report, the total value of textile and garment exports globally reached an astounding US 915 billion in 2022. China, the European Union, and India are the top three exporters of textiles worldwide. Bangladesh, the European Union, and China are the top three exporters of garments. China remains the top exporter of textile and garment (World Trade Organization Statistical Review, 2023).

Due to the continent's enormous growth potential among industrial nations, the garment and textile industry in Africa has experienced significant expansion in recent years. In addition, there is a growing market for African garments and textiles internationally, and African designs are starting to be recognised as genuinely iconic items. Kenya, Lesotho, Mauritius, and Ethiopia are the leading exporting countries in Africa.

African inspirations are showing up in the current collections of international fashion brands. One of the most important businesses on the continent, the textile manufacturing sector employs a huge number of people and makes a considerable economic contribution to the country. Despite having a plentiful supply of raw cotton, the textile sector is still underdeveloped in many African countries. Because of the increased income levels, broad interests, and fashion preferences of its people, this continent is expected to develop into a potential consumer market for textile, leather, and footwear products.

Early in the year 2000, the African Growth and Opportunity Act (AGOA) granted duty-free access to the U.S. market for most of manufactured products and agricultural exports from eligible African countries. Numerous foreign investment projects have been encouraged in several textile-producing countries in Sub-Saharan Africa by the AGOA programme. The Act aims to promote economic growth and development, regional integration, and the integration of

Sub-Saharan Africa into the global economy. It also seeks to strengthen and broaden trade and investment links with Sub-Saharan Africa. With AGOA, certain countries have been able to increase exports to the United States and generate employment, particularly in the textile industry. The program's largest success story has been the garment industry; other sectors have lagged behind (The white house Nov 2, 2021).

Many shortages of textile inputs and raw materials, high production costs compared to Asian suppliers, out-dated machinery, and underutilization of capacity continue to impede the expansion of the garment industry in the Sub-Saharan Africa (SSA) countries. The entry of cheap, illegal goods and second-hand clothing is another aspect in the many countries that competes with local production. Furthermore, excessive taxes, power bills, and input expenses have made it more difficult for African countries to compete on the international textile and apparel export market (Daniel Tewodros, 2016).

Ethiopia, a country with extensive history in the textile industry, uses hand looming to create traditional clothing in cottage enterprises to meet the demands of people everywhere. These traditional garments are fashioned from hand-woven cotton threads that are made from yarn or twisted cotton. Ethiopia's economy is mostly focused on agriculture, although the government is working to diversify exports, giving importance to important industries like light manufacturing and the production of garments and textiles. The sector has been prioritised by the Ethiopian government as a means of creating jobs in the future and achieving its goal of increasing foreign exchange earnings.

2.3. Empirical Review

The empirical literature search section of this study was cover the findings of studies on the topic as well as the work of different scholars looking at the concepts linked to factors effecting export performance. A number of academics divided the factors influencing export performance into distinct groups.

3.1.1. The effect of informational barriers on export business engagement

According to Leonidou (2004), information inadequacies that cause challenges in identifying, communicating and selecting foreign markets are known as informational barriers. Informational barriers include insufficient information about where to obtain loans to finance exports, difficulty obtaining market data, lack of contact information, and unreliable statistics on market potential (Gunaratne, 2009). In the study by Nwachukwu et al. (2007), non-exporting enterprises are

discouraged from engaging in export business due to a lack of knowledge about the advantages of exporting.

H1: Informational barrier have a significant effect on export business engagement.

3.1.2. The effect of functional barriers on export business engagement

According to Khattak, Arslan, and Umair (2011), functional barriers that affect SMEs' ability to export include a lack of working capital to finance exports, a lack of excess production capacity for exports, a lack of managerial time to handle exports, and untrained or inadequate personnel. Functional barriers such as a lack of managerial ability, a lack of funds to finance exports, a lack of working capital to finance exports, and a lack of managerial time to handle exports prohibit enterprises from engaging in international trade, claim Lakew and Chiloane-Tsoga (2015). Daniel (2016), defined there are several functional barriers that affect export engagement, including insufficient capital, a shortage of skilled labor, incompetent management, outdated technology, and insufficient raw materials. Grimsholm (2010) noted that SMEs had difficulty selecting the appropriate technology, such as new machinery, for their business because of information access issues, financial constraints, and a lack of managerial skills. According to research by Kassahun (2020), functional barriers made it difficult to engage in export business operations because exporting demands a large capital investment. This result is in line with Leonidou's (2004) conclusion that functional barriers contribute to the inefficiencies of different enterprise functions, including finance, human resources, and manufacturing capacity, when it comes to exporting. Similar to this, according to Gunaratne (2009), functional barriers are made up of four factors that are more in line with export capacity: limited production capacity, insufficient funding to support export operations, unfamiliarity with foreign business practices, a lack of staff with prior export experience, and an owner-manager's lack of time to manage exports.

H2: Functional barrier have a significant effect on export business engagement.

3.1.3. The effect of marketing barriers on export business engagement

Several more marketing barriers that may impede exporting have been found by researchers. According to Kassahun (2020), marketing barriers were identified as the primary barrier to engage in export business. A study by Ahmed et al., (2008), two significant marketing barriers to export are exporters' incapacity to compete with the competitive prices of foreign suppliers and the high cost of shipping goods to foreign markets. Accordingly, marketing barriers were noted by Tesfom and Lutz (2006) and Gunaratne (2009). These included the inability to create new,

high-quality products, the inability to comply with packaging standards, the unfamiliarity of international distribution channels, the challenge of managing advertising, and the unfavourable perception of products in foreign markets. Marketing barriers were identified in the study by Djebarni and Al-Hyari (2009) as developing new products for foreign markets, meeting export product quality or standards, difficulty in matching competitors' prices, complexity of foreign distribution channels, unavailability of overseas warehousing facilities, excessive transportation and insurance costs, and adjusting export promotional activities.

H3: Marketing barrier have a significant effect on export business engagement.

3.1.4. The effect of procedural barriers on export business engagement

Barriers relating to procedures have an effect on businesses that engage in exporting Kassahun (2020). Tesfom and Lutz (2006) found that one of the biggest barriers to exporting engagement was the export procedure. Procedural barriers have been identified as another element that limits export operations. According to Okpara and Koumbiadis' 2009 study, these formal criteria are not the only ones imposed by governments; domestic market constraints and the documentation needed to comply with international regulations also play a role. Furthermore, independent institutions like banks and insurance providers have their own procedures. The results of Ahmed et al. (2008) demonstrated that the primary barriers preventing businesses from initiating to export were a lack of understanding of export payment procedures, a lack of knowledge of exporting procedures, and challenges accessing international customers.

H4: Procedural barrier have a significant effect on export business engagement.

3.1.5. The effect of governmental barriers on export business engagement

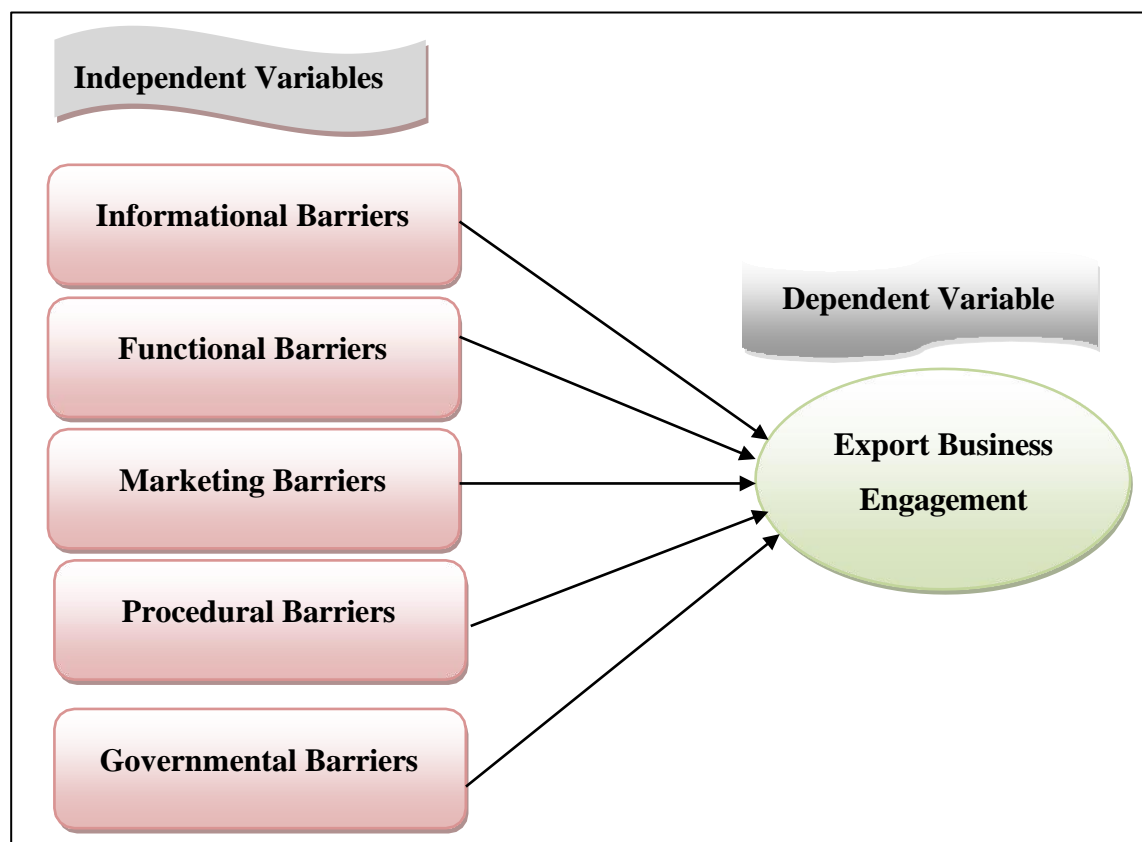
The total growth and prosperity of SMEs is adversely affected by government support. As per Kassahun (2020), government regulations have an effect on conducting business overseas. Accordingly, research by Grimsholm (2010) and Alrashidi (2011) has demonstrated that the government hinders the engagement of export businesses through a variety of means, including lacking of fair and transparent laws, prolonged administrative processes, a lack of support from government agencies, and inadequate financial support. Based on Djebarni and Al-Hyari's (2009) study, the primary barriers were unfavourable home rules and regulations, a lack of support or incentives, and the absence of the home government. Daniel (2016) claims that the absence of incentives and regulations from the government has an effect on export engagement.

H5: Governmental barrier have a significant effect on export business engagement.

2.4. The conceptual framework

In order to provide a clear understanding of the research objective, this section of the study shows the relationships between the variables that are connected to each other within the framework. The researcher developed the following conceptual framework, which describes the barriers hindering SMTGEs in selected sub-cities of Addis Ababa from exporting, based on the theoretical and empirical studies discussed in the literature. As a result, the study's independent variables are informational, functional, marketing, procedural and governmental barriers. Engagement in export business is the investigation's dependent variable.

Figure 1 Conceptual framework of the study



Source: - Researcher's own design based on Leonidou, (2004)

Chapter Three

Research Methodology

3.1. Introduction

The research design and methodology that have been employed to collect the data for the study was discussed in this chapter. The description of the study area, the research design, the research approach, the sampling design, the types and source of data, the methods of data collection, the procedures of data collection, the methods of data analysis, the validity and reliability, and ethical consideration is presented.

3.2. Description of the Study Area

The study has been conducted in Addis Ababa city administration which is the capital city of Ethiopia. The study's objective is to assess the barriers preventing Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada Sub-cities small and medium textile and garment enterprises from exporting. Addis Ababa city is divided into 11 sub-cities: Addis Ketema, Akaki Kaliti, Arada, Bole, Gullele, Kirkos, Kolfe Keranio, Lideta, Nifas Silk-Lafto, Yeka, and lemi kora sub-cities. As a result, the study was carried out in the five sub-cities of small and medium textile and garment enterprise.

3.3. Research Design

This study has utilized both a descriptive and explanatory research design. The descriptive analysis has served to describe and interpret findings, ensuring the acquisition of comprehensive insights into the subject matter. This is particularly conducive to addressing precisely formulated research questions. Explanatory research design employed to identify and explain the relationships between independent and dependent variables of the topic, further enhancing our understanding of the research problem.

3.4. Research Approach

The researcher employed a quantitative research approach in order to investigate a wide range of problems, to examine the relationship between dependent and independent variables, to conduct statistical analysis of the data and draw significant conclusions. This also allowed for a deeper understanding of the effect of export barriers on SMTGEs. The researcher has distributed a self-administered closed-ended questionnaire to owners or managers of SMTGEs located in the five sub-cities of Addis Ababa.

3.5. Sampling Design

The process by which a researcher selects a representative sample of a population from a larger population is known as a sampling design. The sample size that was used may also be specified. The sample design is selected prior to any data collection (Kothari, 2004). The target population for the study, the procedure for sampling, the sample size, and sampling technique are therefore covered in detail in this section.

3.5.1. Target Population

Kothari (2004) defined a population as a collection of people, things, or events that share some observable traits. According to the EED National SMEs data (2022/2023), Bole sub-city 46, Kirkos sub-city 56, Nifas Silk-Lafto sub city 76, Lideta sub-city 40 and Arada sub-city 39 together have a total of 257 small and medium textile and garment enterprises. Thus, the target population of the study was 257 small (75%) and medium (25%) textile and garment enterprises. Due to time and financial limitations, researcher is primarily concentrating on these five sub-cities.

3.5.2. Sampling Frame

Babbie (2014) addressed the point that for a sample to be considered representative of the population, it must contain all (or almost all) of the population's members. The study's sampling frame consists of small and medium textile and garment enterprises located in the five sub-cities of Addis Ababa.

3.5.3. Sample Size

According to Kumar (2011), a sample is a portion of the population that is the focus of your study that has been selected to be representative for the population you are studying. Because it is relevant to studies that employ a probability sampling method, to determine the sample size the researcher used Yamane (1967), simplified scientific formula. $n=N/(1+N(e)^2)$

Where: n = sample size, N = the population size (257), e = level of precision = 0.05%

Accordingly, the sample size of the study calculated as follows,

$$n=257/(1+257(0.05)^2); \quad n=257/1+257(0.0025); \quad n=257/1.6425; \quad n=\underline{156.47}$$

Approximately 157 SMTGEs from the sub-cities of Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada comprised the study's sample size. Thus, 157 questionnaires were distributed to managers or owners by the researcher.

3.5.4. Sampling Techniques

To ensure that all SMTGEs have equal opportunity, the researcher was adopted a probability-based method of sampling. Among the probability sampling techniques, stratified and simple random sampling techniques was employed by the researcher.

Stratified random sampling was employed by dividing the population of SMTGEs into five strata based on sub-city: Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada. Each stratum represents a distinct geographic area with its own characteristics. The desired sample sizes for each stratum determined based on the proportion of SMTGEs within each sub-city. The researcher was allocated a certain percentage of enterprises from each stratum to ensure representation by calculating the sample proportion by using the formula: $\text{Sample proportion} = n/N = 157/257 = 0.61 \times 100 = 61\%$. Following these, the researcher used a simple random sampling technique, which gives an equal chance of being included in a sample, to select a representative sample of enterprises from each sub-city stratum by using lottery method.

Table 2 Target population, Samples and Responses

No	Sub-cities Stratum	Target population of textile and garment enterprises			Samples of textile and garment enterprises				Responses of textile and garment enterprises			
		Small	Medium	Total	Small	Medium	Total	%	Small	Medium	Total	%
1	Bole sub-city	37	9	46	23	5	28	61	23	5	28	100
3	Kirkos sub-city	45	11	56	27	7	34	61	27	7	34	100
5	Nifas-Silk Lafto sub-city	55	21	76	34	13	47	61	31	12	43	91
7	Lideta sub-city	28	12	40	17	7	24	61	15	7	22	92
9	Arada sub-city	29	10	39	18	6	24	61	17	6	23	96
Total		194	63	257	119	38	157	61	113	37	150	96

Source: - Researcher's Own Survey, 2024

3.5.5. Sampling Procedure

To select a sample, first the lists of those SMTGEs in the selected sub cities that are currently registered and operating in Addis Ababa had been identified as sampling frame by a researcher. Samples was selected using stratified random sampling technique, where the 257 entire populations was divided in to strata based on location and enterprise size: Bole, Kirkos, Nifas-Silk Lafto, Lideta, and Arada for both small and medium textile and garment enterprises in order to select a 157 sample of respondents from the specified population. Then after, by using simple

random sampling, the researcher selected representatives of the selected sub-cities small and medium textile and garment enterprises.

3.6. Types and source of Data

This study employed both primary and secondary data to ensure that the necessary precise information is gathered for analysing the dependent and independent variables of the study. In order to gather trustworthy information from the intended population, a questionnaire was used to collect primary data from managers or owners of SMTGEs in the selected sub-cities of Addis Ababa.

3.7. Methods of Data Collection

3.7.1. Questionnaire

Barriers that inhibit SMTGEs from exporting were addressed via administering a questionnaire, which was created in accordance with the study's objectives. The questions which were have a closed-ended format and the answers are measured by a five-point Likert scale. In order to make the questions easier for respondents to answer simply and to gather quantitative data about the study objectives, the following categories are used: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = Strongly Agree.

3.8. Procedures of Data Collection

Simple language has been used to create a clear, concise question that is easy to understand and complete in order to administer the questionnaires. The questionnaire was prepared in English and translated into Amharic. This may be because the study's sample was designed to include managers or owners of small and medium textile and garment enterprises from different educational backgrounds in order to gather accurate data from the respondents. After being accepted by the adviser, the questionnaire was pilot tested with a sample of 15 SMTGEs owners and managers from the target area. Following this pilot test, the researcher received a variety of feedback and modified the questionnaires. This made it simple for the responders to grasp the questions. The researcher distributed the questionnaires to the respondents in order to administer them. Respondents had received a brief orientation explaining how to complete a self-administered questionnaire, the significance of the study, and its objective. Following the response collection, the data evaluated in order to yield findings, conclusions and recommendations.

3.9. Methods of Data Analysis

Both descriptive and inferential statistics is used in the analysis of the quantitative data from the respondents that had been gathered with the help of questionnaires in order to arrive at relevant information and conclusions. The factors hindering SMTGEs from engaging in export business is described via descriptive statistical analysis, including percentage, frequency, mean and standard deviation. To statistically evaluate the relationship between the independent and dependent variables, inferential analysis regression and correlation analysis is employed. The statistical package for the social sciences (SPSS) is applied for analysing the data.

3.10. Validity and Reliability

While measurement consistency is the focus of reliability, validity is the ability of an instrument to measure something precisely. The validity and reliability of the study are being examined. Validity is the focus of accuracy, whereas reliability is the focus of consistency.

3.10.1. Validity

The degree to which differences identified by a measuring tool accurately represent actual differences among the subjects being evaluated is known as validity (Kothari, 2004). Validity tests are essential because they guarantee the accuracy and completeness of the data gathered, which is necessary for drawing valid conclusions and offering sound recommendations based on the study's findings. Various measures were implemented to guarantee the validity of the research. The researcher intends to check the validity of the research by seeking advice from advisor and experts in the field to pinpoint any shortcomings or possible areas for improvement in the study. A majority of the questionnaires has been adopted considering a review of associated literature, theories, and findings in order to ensure the validity of the instruments. Before distributing out questionnaires to the intended respondents and proceeding forward with the entire study, the researcher conducted out a pilot test by randomly selecting fifty five SMTGEs owners or managers to validate whether the questionnaires was understandable and practical.

3.10.2. Reliability

The way in which findings hold up over time and provide a true picture of the entire group being studied is known as reliability. The reliability of the instrument can be determined by reproducing the results using a comparable methodology. Put differently, reliable measures produce consistent outcomes without exhibiting fluctuations (Ruane, 2005). The Internal

consistency was tested using Cronbach's measured by SPSS 26. The reliability coefficient of Cronbach's alpha typically ranges from 0 to 1, and the following recommendations must to be adhered to: 0.91–1 (Excellent), 0.81–0.9 (Good), 0.71–0.8 (Acceptable), 0.61–0.7 (Questionable), 0.51–0.6 (Poor), and 0–0.5 (Unacceptable).

Table 3 Reliability Test

Variables	Cronbach's Alpha	No. of Items
Informational Barriers	0.868	4
Functional Barriers	0.828	6
Marketing Barriers	0.817	6
Procedural Barriers	0.848	5
Governmental Barriers	0.808	5
Export Business Engagement	0.827	7
Overall Cronbach's Alpha	0.857	33

Source: - Researcher's Own Survey Result, 2024

The above Table 3 reliability test indicates informational barriers (0.868), functional (0.828), marketing barriers (0.817), procedural barriers (0.848), governmental barriers (0.808), export business engagement (0.827), and overall Cronbach's Alpha (0.857). The Cronbach's Alpha denotes that the research instruments had a good degree of internal consistency. As a result, information gathered using these scales is quite trustworthy for further analysis.

3.11. Ethical Consideration

All required precautions had been taken to ensure the study's ethical conduct during its conduct. The researcher was truthful in protecting any personal community information. Also shall protect the confidentiality and privacy of each respondent. The goal of the study is explained to respondents in advance, and they can only take part if they are wasing to. Additionally, they guaranteed that the information they provided during the interview and questionnaire would only be utilised for study. All of the data collected from the respondents was kept private. Additionally, the study has tried to avoid making any misleading or inaccurate statements.

3.12. Organization of the Study

This study is organized into five chapters. The first chapter covers with the introduction, which contains sub-topics including background of the study, statement of the problem, research questions, objectives of the study, significance of the study, scope of the study, limitation of the study and definitions of key terms. The second chapter summarizes review of the theoretical and empirical literature and portrays the conceptual framework of the study. Chapter three discussed

the research methodology which contains; description of the study area, the research approach, the research design, the sampling design, the types and source of data, the methods of data collection, the procedures of data collection, the methods of data analysis, the validity and reliability, and ethical consideration. The fourth chapter deals with data presentation, interpretation and analysis of findings/result of the study. Finally, the fifth chapter presents summary of the findings and draws the conclusions and recommendations that has been drawn from the findings/results of the study.

Chapter Four

Results and Discussion

4.1. Introduction

In order to achieve the objectives of the research, this chapter presents the findings and a discussion of the data that was gathered via questionnaires and document reviews. The study's goal was to assess the effect of export barriers on SMTGEs in selected sub-cities of Addis Ababa. The statistical package for social science (SPSS) version 26 was used to analyse the quantitative data collected through the questionnaire. The results of the data analysis are presented in this chapter different section. It mainly consists of the respondent demographic profile, response rates, interpretations and discussions.

4.2. Response Rate

The questionnaires were distributed to 157 owners or managers of Small and medium textile and garment enterprises. Among the distributed questionnaires a total response rate of 150 (95.5%) were returned.

4.3. Demographic characteristics of the respondents

Demographic characteristics of the respondents are the basis of survey responses and are crucial indicators of performance in any organization. The researcher adds some demographic data because they are believed to be relevant, even though they have a minimal effect on this study. Therefore, this section provides a table that demonstrates the frequency and percentage of the variables that represent the respondent's demographic characteristics of gender, age, educational status, experience in the enterprise, size of the enterprise, number of employees, total asset of the enterprise, legal form of the enterprise, engagement in export business, years of export involvement, methods of exporting, and export destination. This demographic information of the respondents is presented by analysing the respondents' demographic characteristics, researcher is able to draw findings from the data presented in the below table.

Table 4 Gender and Age of the Respondents

Variables	Categories	Frequency	Percent
Gender	Male	89	59.33
	Female	61	40.67
	Total	150	100.0
Age	18-29	27	18
	30-45	96	64
	46-60	13	8.67
	over 60	14	9.33
	Total	150	100.0

Source: - Researcher's Own Survey Result, 2024

As illustrated in Table 4 above, 89 (59.33%) of the respondents were male and 61 (40.67%) were female. This indicates a significant gender difference among the respondents; the majority of the respondents were males making up over two-thirds of the sample either owned or managed the majority of SMTGEs. Regarding the respondents' ages, 30–45 years 96 (64%), 18–29 years 27 (18%), 46–60 years 13 (8.67%) and the remaining respondents were over 60 years 14 (9.33%). This finding shows that over half of the respondents fall into the 30 to 45-year-old age range, which is the largest age group. This implies that middle-aged people own or manage SMTGEs, which may be a sign of stability and experience. The very small proportion of respondents who are over 60 ages indicates that there is a restricted representation of elderly people, which may indicate a trend toward retirement or lower engagement in this age group.

Table 5 Educational Status and Experience of the Respondents

Variables	Categories	Frequency	Percent
Educational Status	certificate/diploma	47	31.33
	Degree	79	52.67
	Masters	17	11.33
	Others	7	4.67
	Total	150	100.0
Experience	less than or equal to 1	11	7.33
	2-5	44	29.34
	6-10	84	56.0
	over 10	11	7.33
	Total	150	100.0

Source: - Researcher's Own Survey Result, 2024

As clearly shown in Table 5 above the educational qualification of the respondents, 79 (52.67%) respondents held a degree, 47 (31.33%) held a certificate/diploma, 17 (11.33%) held a master's and the rest 7 (4.67%) had some other type of education. The majority of respondents (52.67%) hold a degree; the sample is clearly indicating a well-educated. A significant proportion of

respondents hold a degree, indicating a higher level of educational achievement. This implies that higher education is valued by business and has a solid understanding of the topic and technicality of the task required. Further, of the respondents, 84 (56.0%) had experience between 6 to 10 years, 44 (29.34%) had worked between 2 to 5 years, 11 (7.33%) had over 10 years of work experience, and 11 (7.33%) were recently joined the enterprise for less than or equal to a year. The majority of respondent's have 6-10 years of experience, which indicates that most of the owner or manager of SMTGEs has good work experience that enables them to achieve the enterprise objective.

Table 6 Enterprise Size of the Respondents

Variables	Categories	Frequency	Percent
Enterprise Size	Small	113	75.33
	Medium	37	24.67
	Total	150	100.0

Source: - Researcher's Own Survey Result, 2024

Table 6 above shows, 113 respondents (75.33%) are small-scale enterprise, while the remaining 37 respondents (24.67%) are medium scale enterprise. The majority of enterprises are small-scale, which may indicate that they concentrate on specialized markets. Even if they are lesser in number, the existence of small scale enterprises indicates a degree of development and expansion within the sector.

Table 7 Export Business Involvement of the Respondents

Variables	Categories	Frequency	Percent
Export Business Engagement	Yes	11	7.33
	No	139	92.67
	Total	150	100.0

Source: - Researcher's Own Survey Result, 2024

Table 7 above indicates that 139 (92.67%) of the enterprises are not yet engaged in export business and only 11 (7.33%) a small fraction of respondents are involved in export activities. This low percentage of export participation may indicate barriers in engaging in foreign markets, the reliance on local markets or resource constraints for expanding business internationally.

4.4. Descriptive Statistical Analysis of the Variables

The researcher employed descriptive statistics to provide quantitative data descriptions that were easy to understand also to present an overview of the measurements and the sample. The researcher examined the independent variables in to informational barriers, functional barriers, marketing barriers, procedural barriers and governmental barriers to assess the effect of these barriers on SMTGEs in Addis Ababa's Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada sub-cities. Furthermore, the analysis of the dependent variable, export business engagement, has been conducted by analysing the respondents' level of agreement.

Five-point Likert scales, with 1 denoting “strongly disagree”, 2 denoting “disagree”, 3 denoting “neutral”, 4 denoting “agree” and 5 denoting “strongly agree,” was used to ask the respondents to rate their degree of agreement. To assess each of the variable statements, the Likert scales indicating the respondents' degree of agreement were summarized.

4.4.1. Informational Barriers

This study's first objective was to investigate the effect of informational barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa. The respondents are asked to rate the informational barriers to engage in export business using four statements. The statements have mainly evaluated the reliability of foreign market research and information, knowledge of overseas market opportunities, identifying and contacting with customers abroad, and guidance and awareness of the procedures and requirements which cause challenges for entering export markets.

Table 8 Descriptive Analysis of Informational Barriers

Statements	Percentage of the Scale					Mean	Std. Deviation
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree		
Limited access of reliable foreign market research and information cause difficulties to engage in overseas markets	3.33	8.67	6.67	46.0	35.33	4.01	1.04
Absence of knowledge about overseas market opportunities cause challenges for your exporting	3.33	12.67	2.0	42.0	40.0	4.03	1.11
Difficulty in identifying and contacting overseas customers was encounter barriers for your export business engagement	4.0	7.33	8.0	43.33	37.34	4.03	1.06
Lack of sufficient guidance and awareness about the procedures and requirements cause difficulties for entering in export markets	6.67	11.33	10.0	27.33	44.67	3.92	1.27

Source: - Researcher’s Own Survey Result, 2024

Table 8 above shows, a significant majority 81.33% of those respondents agreed or strongly agreed that limited access to reliable foreign market research and information poses a difficulty in engaging in overseas markets. 12.0% disagreed or strongly disagreed; while the remaining 6.67% were remain neutral. The mean and standard deviation scores of respondents were 4.01 and 1.04, respectively. This suggests that a lack of reliable and detailed market data is the main reason why most participants agreed it difficult to participate in foreign markets. Furthermore the majority of respondents, 82.0%, agreed or strongly agreed that lack of knowledge about overseas market opportunities creates challenges for exporting. While 16.0% disagreed or strongly disagreed and only 2.0% respondents remained neutral. The mean and standard deviation scores of respondents were 4.03 and 1.11, respectively. This demonstrates that the majority of respondents agreed the value of being aware of the market and the necessity of learning about possible opportunities abroad, as well as the challenges that arise when such information is not easily accessible.

Regarding the difficulties in identifying and contacting overseas customers' present barriers to export business engagement a resounding majority of respondents 80.67% agreed or strongly agreed, 11.33% were disagreed or strongly disagreed and the remaining 8.0% are neutral. The mean and standard deviation scores of respondents were 4.03 and 1.06, respectively. This response shows that finding and connecting with overseas customers is a major challenge, which is in line with the first statement. On the other hand, a substantial majority of 72.0% respondents agreed or strongly agreed that a lack of sufficient guidance and awareness about export procedures and requirements causes difficulties in entering export markets. While, 18.0% respondents were disagreed or strongly disagreed and neutral responses accounted for 10.0%. The mean and standard deviation scores of respondents were 3.92 and 1.27, respectively. This emphasizes how crucial it is to have easily understood information on export procedures.

The research shows across all four statements, that respondents generally agree about the significant obstacles caused by informational barriers in foreign markets. These results highlight how crucial it is to increase access to reliable market research, enhancing knowledge about overseas opportunities, facilitating customer identification and outreach, and providing clearer guidance on export procedures to support enterprises in expanding into global markets effectively. In general informational barriers have an effect on SMTGEs export business engagement, which is why this consensus highlights the critical need for improved access to information, market insights, and procedural guidance to promote effective exporting operations.

4.4.2. Functional Barriers

This study's second objective was to assess the effect of functional barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa. Six statements are provided to the respondents to rate the functional barriers to engage in export business. The statements have mostly assessed the managerial capacity, qualified and experienced personnel, working capital, production capability, modern technology and machinery, and adequate inputs/raw materials are challenging to export in foreign markets.

Table 9 Descriptive Analysis of Functional Barriers

Statements	Percentage of the Scale					Mean	Std. Deviation
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree		
Inadequate managerial capacity makes it challenging for your enterprise to deal with exports	7.33	23.33	20.0	28.0	21.34	3.33	1.25
Absence of qualified and experienced personnel in export marketing as a challenge for your overseas markets.	3.33	16.67	12.67	34.67	32.66	3.77	1.17
Lack of working capital to finance your export business affects your export activities.	8.67	5.33	11.33	29.33	45.34	3.97	1.25
Limitation of production capacity is challenging for meeting your export market demand.	14.67	17.33	16.0	29.33	22.67	3.28	1.38
Limited access to modern technology and machinery hinders your enterprise's ability to innovate and compete in overseas markets	2.67	19.33	6.67	25.33	46.0	3.93	1.24
Lack of adequate raw materials/inputs poses a challenge for your overseas markets.	2.67	10.0		16.67	70.66	4.43	1.08

Source: - Researcher's Own Survey Result, 2024

According to Table 9 shows 49.34% respondents agreed or strongly agreed that inadequate managerial capacity is a significant challenge for their enterprise when dealing with exports. Of the 30.66% respondents disagrees or strongly disagreed while a 20.0% remains neutral. The mean and standard deviation scores of respondents were 3.33 and 1.25, respectively. This shows that, in order to effectively support export activities, there may be need for growth in managerial skills and competences. Furthermore, a substantial majority of responders 67.33% agreed or

strongly agreed that the absence of qualified and experienced personnel in export marketing is a challenge for their overseas markets. A smaller group, 20.0% disagree or strongly disagree and just 12.67% are neutral. The mean and standard deviation scores of respondents were 3.77 and 1.17, respectively. This suggests that these enterprises may need to improve their recruitment, training, and development of export marketing professionals.

However, the vast majority of 74.67% respondents agreed or strongly agreed that lack of working capital is a significant barrier to their export activities. About 14.00% respondents disagree or strongly disagree, while 11.33% were neutral. The mean and standard deviation scores of respondents were 3.97 and 1.25, respectively. This suggests that the majority of enterprises face financial constraints as a major problem. It emphasizes how crucial it is to have enough working capital to sustain competitiveness, effective operations, and overall business viability in the global market. More than half of the respondents 52.0% agree that their limited production capacity makes it difficult for them to meet the demand of the export market; while about 32.00% disagree and 16.0% respondents were neutral. The mean and standard deviation scores of respondents were 3.28 and 1.38, respectively. This draws attention to a significant operational problem that more than half of enterprises deal with, highlighting the necessity of developing methods to improve production capacities.

On the other hand, a huge majority of 71.33% agreed or strongly agreed that limited access to modern technology and machinery hinders their ability to innovate and compete internationally. Smaller minorities of 22.0% disagree or strongly disagreed, while only 6.67% remain neutral. The mean and standard deviation scores of respondents were 3.93 and 1.24, respectively. This emphasizes how crucial technology development is to competitive exporting. Having access to modern technology and machinery is essential for keeping an edge over competitors and promoting company expansion in the global market. Furthermore, a resounding majority of respondents, 87.33% agreed or strongly agreed that a lack of adequate raw materials or inputs is a significant challenge for their international markets, with only 12.67% respondents disagreeing or strongly disagreed. The mean and standard deviation scores of respondents were 4.43 and 1.08, respectively. This brings attention to a crucial supply chain problem influencing export operations. Maintaining production efficiency, product quality, and competitiveness in the global market all depend on a consistent supply of raw materials.

The majority of respondents to all six statements agreed that in order enterprises to improve their export operations and successfully compete in global markets, they must address and overcome significant challenges related to capital, human resource limitations, production capacity,

technological accessibility, and raw material availability. This agreement emphasizes the vital need for enhanced managerial capacity, qualified personnel, working capital, production capacity, technology access, and raw material supply to promote effective exporting operations. Generally speaking, functional barriers have an effect on SMTGEs export business engagement.

4.4.3. Marketing Barriers

This study's third objective was to identify the effect of marketing barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa. Six statements are used to evaluate the respondents' opinions of the SMTGEs' marketing barriers to engage in export business. The statements have primarily assessed the difficulties associated with developing new products, meeting product quality standards, offering competitive prices for products, finding reliable agents or representatives, incurring high transportation costs, and adjusting export promotion activities for export markets.

Table 10 Descriptive Analysis of Marketing Barriers

Statements	Percentage of the Scale					Mean	Std. Deviation
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree		
Difficulties of developing new products was challenging for your foreign market engagement	6.0	12.67	22.67	34.0	24.67	3.59	1.17
Difficulty of meeting export product quality standards was challenging for your export markets engagement	9.33	22.67		36.67	31.33	3.58	1.38
Lack of products' competitive price in overseas markets was make your exporting difficult	3.33	10.67	34.67	27.33	24.0	3.58	1.07
Difficulty in obtaining reliable agents/representative abroad is a hindrance for your exporting business	9.33	10.67	34.0	28.0	18.0	3.35	1.17
A high transportation cost is a significant challenge for your exporting products to foreign markets	6.0	11.33	27.33	18.67	36.67	3.69	1.24
Adjusting export promotion activities is challenging for your export markets	8.0	14.0	19.33	31.33	27.34	3.56	1.25

Source: - Researcher's Own Survey Result, 2024

Table 10 demonstrates that most respondents 58.66% agreed or strongly agreed that developing new products was challenging for foreign market engagement. There were 22.67% neutral replies, and 18.67% disagreed or strongly disagreed with the minority of answers. The mean and standard deviation scores of respondents were 3.59 and 1.17, respectively. The high agreement rate highlights how difficult it is, to innovate or modify products to satisfy the wide range of demands and preferences of international customers. These challenges was addressed by strategic planning and market-focused product development activities to successfully enter and compete in overseas markets. Accordingly, a significant majority of 68.0% agreed or strongly agreed that meeting export product quality standards was challenging for their engagement in export markets. 32.0% responses are disagreed or strongly disagreed. The mean and standard deviation scores of respondents were 3.58 and 1.38, respectively. The high percentage of agreement emphasizes how important it is to concentrate on quality control and assurance operations, in order to achieve export product quality standards and keep competitiveness in export markets,

Additionally, a majority of 51.33% agrees or strongly disagrees that exporting was challenging due to the absence of competitive pricing in foreign markets. There are 34.67% neutral responds, and 14.0% disagreed or strongly disagreed. The mean and standard deviation scores of respondents were 3.58 and 1.07, respectively. More than half of the respondents agreed, which highlights how crucial it is to carefully handle pricing challenges in order to improve export competitiveness and market success abroad. It underlines how important it is for exporters to carefully consider pricing factors and develop pricing strategies that are suitable for each target market. Majority of respondents 46% agreed or strongly disagreed that difficulty in obtaining reliable agents or representatives abroad is a hindrance to exporting business. Of the responses, 34.0% were neutral and 20.0% disagreed or strongly disagreed. The mean and standard deviation scores of respondents were 3.35 and 1.17, respectively. The overwhelming consensus among the participants emphasizes how crucial it is to overcome the barriers associated with obtaining reputable agents or representatives overseas in order to enable successful export operations. Therefore, exporters must implement serious selection methods and set up efficient channels for communication and relationship-building with their foreign partners.

Although the majority of 53.34% agree or strongly agree that high transportation costs are a significant challenge for exporting products to foreign markets. The neutral responses 27.33% and the remaining 17.33% are disagreed or strongly disagreed. The mean and standard deviation scores of respondents were 3.69 and 1.24, respectively. The majority of respondents' agreement

emphasizes how transportation costs affect export competitiveness and the necessity of effective logistics solutions. It highlights the need for exporters to undertake precautions in order to optimize transportation processes, minimize costs, and guarantee swift and reliable delivery for products to customers. Nonetheless, 58.67% agree or strongly agree that adjusting export promotion activities is challenging for export markets. There were 22.0% respondents disagreed or strongly disagreed and the remaining 19.33% neutral responds. The mean and standard deviation scores of respondents were 3.56 and 1.25, respectively. The majority of respondents' agreement underlines how crucial it is to understand and deal with the difficulties encountered while adjusting export promotion activities. It emphasizes how important it is for exporters to invest on market research, localization operations, and flexible promotional strategies in order to successfully market their products abroad.

In all six statements, the study indicates that most participants agreed that exporters face a variety of marketing barriers in foreign markets, such as product development, quality standards, pricing, agent reliability, cost of transportation, and promotional activities. Marketing barriers generally have an effect on SMTGEs' export business engagement. To meet these difficulties and maintain competitiveness, sustainability, and market engagement abroad, strategic planning, adaptation, investment, and partnerships are needed.

4.4.4. Procedural Barriers

This study's forth objective was to examine the effect of informational barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa. Five statements are provided to the respondents to rate the procedural barriers of SMTGEs to engage in export business. The complexity of customs procedures, poor customer communications, delayed payment collection from foreign markets, bureaucratic barriers or strict requirements for obtaining an export license, and the difficulty of obtaining the necessary documentation and certifications for export are the main evaluations made in the statements.

Table 11 Descriptive Analysis of Procedural Barriers

Statements	Percentage of the Scale					Mean	Std. Deviation
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree		
The complexity of customs procedures for exporting is a challenge for foreign market		7.33	20.0	49.33	23.33	3.89	0.85
Poor communications with overseas customers hinder your export activities	1.33	26.0	20.67	33.33	18.67	3.42	1.11

Statements	Percentage of the Scale					Mean	Std. Deviation
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree		
Delayed payment collection from overseas market affects your export business operations		20.0	46.0	16.6	17.33	3.31	0.98
Bureaucratic hurdles or strict requirements for obtaining an export license hinder your export markets engagement		28.0	21.33	31.33	19.34	3.42	1.09
Getting the documentation and certification requirements for export is challenging for your overseas markets		20.33	18.67	39.33	20.67	3.59	1.04

Source: - Researcher's Own Survey Result, 2024

As shown in Table 11, most of the respondents 72.67% agree that one of the complexities of customs procedures is a significant challenge when exporting to foreign markets. About 20.0% are neutral and 7.33% of the samples disagree. The mean and standard deviation scores of respondents were 3.89 and 0.85, respectively. Implying that exporters frequently struggle with completing paperwork, negotiating customs procedures, and managing possible delays, all of which can impede effective market access and operations. Moreover, a majority of the respondents 52.0% agree that poor communication with overseas customers is a hindrance to their export activities. Notable groups 27.33% disagree, while 20.67% are neutral. The mean and standard deviation scores of respondents were 3.42 and 1.11, respectively. In foreign market, efficient communication is essential for negotiating contracts, expectation management, and customer support. This shows that problems like time zone variations, cultural differences, language barriers, and poor communication technologies can make it very difficult to keep up productive connection with customers who are located abroad.

On the other hand, 34.0% respondents agree that a major delayed payment collection is a significant challenge, affecting their financial stability and export operational efficiency. The majority of respondents 46.0% were neutral, while 20.0% disagreed. The mean and standard deviation scores of respondents were 3.31 and 0.98, respectively. According to the study, certain enterprises find it extremely difficult to deal with delayed payments, but others are able to handle the problem well. In the face of delayed payment collection, this emphasizes the significance of customized financial strategies and strong credit management systems for maintaining operational effectiveness and financial stability.

In addition, a half of the 50.67% respondents agree that bureaucratic hurdles or strict requirements for obtaining an export license are obstacles to engaging with export markets. There were 28.0% disagree responses, and 21.33% neutral responses. The mean and standard deviation scores of respondents were 3.42 and 1.09, respectively. This suggests that exporters have serious concerns about complicated regulations and restrictive licensing processes, which may limit their access to markets. Accordingly, a significant proportion of 60.0% agree that the requirements for certification and documentation are challenging in overseas market. 28% respondents disagreed, and 21.33% are remaining neutral. The mean and standard deviation scores of respondents were 3.59 and 1.04, respectively. This demonstrates how challenging it is to comply with numerous international standards and regulations, which hinders their capacity to effectively export to foreign markets.

All things considered, the responses to the five statements highlight a number of crucial areas where enterprises encountered procedural barriers in their export operations, such as documentation requirements, bureaucratic hurdles, delayed payments, communication with foreign customers, and customs procedures. Delays in payment collection responses are more varied. Procedural barriers generally have an effect on SMTGEs export business engagement. This emphasized the critical need for enhanced customs process knowledge, improved communication strategies, implemented effective credit management system, simplified licensing and documentation process, and better support for regulatory compliance in order to improve export efficiency and competitiveness in the foreign market.

4.4.5. Governmental Barriers

This study's fifth objective was to evaluate the effect of informational barriers on export business engagement of SMTGEs in selected sub-cities of Addis Ababa. The respondents are asked to rate the governmental barriers of SMTGEs to engage in export business using five statements. The statements have primarily evaluated how export business engagement is effected by inadequate government support or incentives, unfavourable government policies, rules, and regulations, too much of corruption in government administration, a shortage of foreign exchange, and political instability in the home country.

Table 12 Descriptive Analysis of Governmental Barriers

Statements	Percentage of the Scale					Mean	Std. Deviation
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree		
Inadequate government incentives or support programs as a challenge for overseas market	6.67	15.33		37.33	40.67	3.90	1.27
Unfavorable government policies, rules and regulations toward exporters affect your export business		14.00	15.33	42.00	28.67	3.85	0.99
Too much corruption in the government administration affects your foreign market operations	2.67	4.67	41.33	27.33	24.00	3.65	0.98
Shortage of foreign exchange affects your export operations		11.33	9.33	30.67	48.67	4.17	1.01
Political instability in home country affects your export business	2.67	3.33	12.0	27.33	54.67	4.28	0.98

Source: - Researcher's Own Survey Result, 2024

Table 12 shows that a vast majority of 78.0% respondents agreed or strongly agreed that inadequate government incentives or support programs pose a challenge for overseas market operations. Of the responses, lower percentages of 22.0% disagree or strongly disagreed. The mean and standard deviation scores of respondents were 3.9 and 1.27, respectively. The data indicate clearly the majority of exporters believe that additional support from government is necessary to help enterprises overcome challenges in the global market and increase their competitiveness overseas. Additionally, 70.67% of respondents agreed or strongly agreed that unfavorable government policies, rules, and regulations negatively affect their export business. A smaller proportion of 15.33% are remain neutral , while 14.0% respondents disagree or strongly disagreed, The mean and standard deviation scores of respondents were 3.85 and 0.99, respectively. The high degree of agreement highlights the fact that lots of exporters face bureaucratic hurdles or restrictive policies that make it difficult for them to conduct business successfully in overseas markets. this data points to the necessity for government intervention to modify and improve the policies, rules and regulations in order to better support exporters and to establish a regulatory environment that encourages rather than discourages export-related activity. Furthermore, about half 51.33% of the respondents agree or strongly agree that their overseas market operations are affected by corruption in government administration. 41.33%

respondents who are neutral and only 7.34% of the respondents disagreed or strongly disagreed. The mean and standard deviation scores of respondents were 3.65 and 0.98, respectively. According to these data, a sizable portion of exporters think that corruption poses a serious obstacle to their international business operations. Whereas anti-corruption initiatives are crucial, they tend to be a component of a broader strategy to enhance exporters' overall business environment.

On the other hand, a resounding majority of 79.34% respondents agree or strongly agree that their export operations are affected by a lack of foreign currency. 11.33% respondents are likely to disagree or strongly disagreed and 9.33% respondents are remaining neutral. The mean and standard deviation scores of respondents were 4.17 and 1.01, respectively. The overwhelming agreement emphasizes the necessity of sustainable and sufficient foreign exchange availability for export operations, which affects their ability to compete in overseas trade. To boost the export business, the government and financial institutions should deal with the foreign exchange challenges. Consequently, a sizable majority 82.0% participant agreed or strongly agreed that political instability in their home country affects their export business. 12.0% are neutral, while only 6.0% of the respondents disagreed or strongly disagreed. The mean and standard deviation scores of respondents were 4.28 and 0.98, respectively. Political stability is considered to be essential. The resounding consensus emphasizes how important a stable political environment is to the growth and development of export enterprises as well as the smooth functioning of export activities. To reduce these risks, business strategy and governmental policies are equally necessary.

Across all four statements, the majority of respondents agreed that governmental obstacles to conducting market research, understanding market opportunities, finding customers, and understanding procedures and requirements significantly inhibit their ability to engage in foreign markets. In general governmental barriers have an effect on SMTGEs export business engagement, which is why this consensus highlights the critical need for improved access to information, market insights, and procedural guidance to promote effective exporting operations.

4.4.6. Analysis on Export Business Engagement

Five statements are provided to the respondents to rate SMTGEs' engagement with the export business. The primary objectives of the statements' evaluation of export business engagement were to understand the advantages of conducting business overseas, to assess the business strategy for export involvement and expansion, for growth and profitability, to export products frequently across different countries, to improve competitiveness and learning possibilities.

Table 13 Descriptive Analysis of Export Business Engagement

Statements	Percentage of the Scale					Mean	Std. Deviation
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree		
Your enterprise lacks sufficient market intelligence to engage in export business		6.0	7.33	50.67	36.0	4.17	0.81
Your enterprise struggle to identify international market opportunities for its products		18.67	17.33	55.33	8.67	3.54	0.89
Complex export regulations and procedures discourage enterprise from engaging in export activities		18.0		20.0	62.0	4.26	1.13
Lack of government support affects enterprise's ability to engage in export business	6.67	15.3		37.33	40.67	3.90	1.27
Your marketing strategies are not tailored to international markets		14.0	15.33	42.0	28.67	3.85	0.99
Your enterprise faces difficulties in promoting its products to foreign customers			8.0	28.67	63.33	4.55	0.64
Your enterprise lacks the necessary skills and expertise to manage export processes effectively	3.33	16.67	12.67	34.67	32.66	3.77	1.17

Source: - Researcher's Own Survey Result, 2024

Table 13 reveals that a significant majority of 86.67% respondents agree or strongly disagree their enterprise lacks sufficient market intelligence to engage in export business. In contrast, 7.33% respondents neutral and 6.0% respondents remain disagree. The mean and standard deviation scores of respondents were 4.17 and 0.81, respectively. These results clearly show that the majority of respondents agree that their enterprises lack the knowledge necessary to engage in the export market. This emphasizes a crucial need for improved market research and intelligence to effectively understand foreign markets. In terms of identifying international market opportunities, most 64.0% respondents agreed or strongly agreed that it is challenging for

their enterprise. However, 18.67% of respondents disagree, while 17.33% remain neutral. The mean and standard deviation scores of respondents were 3.54 and 0.89, respectively. This notable portion emphasizes the obstacles enterprises encounter in identifying and capturing opportunities in overseas markets. It implies a significant obstacle that can be overcome with improved market research into the underlying reasons of the problem and implement appropriate solutions in order to improve the competitiveness of enterprises and international market presence.

The study also shows that, a majority of respondents 82.0% agree or strongly agree that complex export regulations and procedures are discouraging enterprises from engaging in export activities, while 18.0% respondents disagreed. The mean and standard deviation scores of respondents were 4.26 and 1.13, respectively. This demonstrates that plenty of respondents agree that the complexities surrounding export regulations and procedures present a major obstacle to exporting. By reducing these obstacles, it may be possible to encourage more enterprises to engage in exporting, which might benefit both enterprises and the economy as a whole. Additionally, most respondents 78.0% agree or strongly agree that lack of government support affects the enterprise's ability to engage in export business, while the remaining portion 22.0% disagrees or strongly disagrees. The mean and standard deviation scores of respondents were 3.9 and 1.27, respectively. This suggests that the respondents' broad consensus is that inadequate government support prevents enterprises from effectively engaged in export-related operations. This demonstrates the need for enhanced government support and regulations to facilitate and encourage enterprise exporting. By resolving this support gap, there may be more opportunities for enterprises to expand into foreign markets and contribute with economic growth.

However, a resounding majority of respondents 70.67% agree or strongly agree that marketing strategies are not tailored to international markets. There was a small minority 15.33% of respondents remaining neutral, while 14.0% were disagreed. The mean and standard deviation scores of respondents were 3.85 and 0.99, respectively. This suggests that a considerable number of respondents agreed that current marketing approaches are not adequately tailored for global markets. There is a clear need for adjustments or enhancements in marketing strategies to effectively reach and engage with international markets.

The overwhelming majority of respondents 92.0% agrees or strongly agrees that the enterprise faces difficulties in promoting their products to foreign customers. The remaining 8% respondent disagreed or strongly disagreed. The mean and standard deviation scores of respondents were 4.55 and 0.64, respectively. This suggests that most respondents have encountered of the

challenges in effectively reaching and engaging with international markets, underscoring a significant obstacle in expanding business operations abroad. By overcoming these hurdles, enterprises can improve their capacity to successfully promote products to foreign markets and enhance their level of international competitiveness.

On the other hand, a significant number of 67.33% respondents agree or strongly agree that the enterprise lacks the necessary skills and expertise for effective export process management. 20.0% respondents are likely to disagree or strongly disagree and 12.67% remain neutral. The mean and standard deviation scores of respondents were 3.77 and 1.17, respectively. This indicates an overwhelming understanding among respondents that their enterprises lack the knowledge and competencies necessary to manage export operations successfully. In order to address this, enterprises need to think about developing the skills and expertise within their personnel, which could improve their ability to handle export processes and lead to more successful international operations.

Respondents strongly agree on each of the seven statements regarding the strategic significance of export business engagement and activities for enterprises. In conclusion, the survey results reveal that enterprises encounter multiple challenges in international business, mainly due to insufficient market intelligence, complex regulations, inadequate government support, ineffective marketing strategies, promotional difficulties, and a lack of necessary skills and expertise. Addressing these issues through targeted investments in market research, regulatory simplification, enhanced government support, tailored marketing strategies, and skills development can significantly improve enterprises' ability to succeed in the global market. Overcoming these hurdles was enhancing their international competitiveness and contributes more effectively to economic growth.

4.5. Inferential Statistical Analysis

The purpose of inferential analysis is to use data from a sample to infer, predictions, or test hypothesis about the population. The correlation analysis is used in this section to recognize the association between the study's independent variables and dependent variable. Regression analysis is used to determine the degree to which an independent variable describes a dependent variable. Consequently, Pearson correlation and multiple linear regressions were employed in order to assess and predict the relationship between independent and dependent variables.

4.5.1. Correlation Analysis

Correlation is intended to study the degree of association between two variables under consideration. In order to analyze the existing association between independent variables (informational, functional, marketing, procedural, and governmental) and dependent variable (export business engagement), Pearson correlation was used.

Accordingly, the strength of the relationship between the study's variables can be determined using the Pearson correlation. Pearson correlation coefficient (r) can range from -1 to +1, with the sign of the indicating a negative or positive correlation between variables respectively. A positive correlation is when one variable increases and the other tends to increase, and negative correlation is when one variable increases and the other tends to decrease. A value of +1 and -1 indicate stronger positive or negative association, respectively. Whereas value of 0 indicates there is no association. If $0 < r = 0$, weak correlation, ($0 < r < 0.25$); moderate correlation and ($0.25 \leq r < 0.75$) strong correlation ($0.75 \leq r < 1$), and $r = 1 =$ Perfect correlation.

Table 14 below shows that governmental barriers (0.754) have a strong positive correlation with export business engagement. On the other hand functional barriers (0.636), marketing barriers (0.560), informational barriers (0.483) and procedural barriers (0.455) present a moderate positive correlation with export business engagement. Since all p-values are below 0.05, the correlations between all these barriers and the dependent variable are statistically significant.

Table 14 Correlation between independent variables and dependent variables

Correlations								
			Informational Barriers	Functional Barriers	Marketing Barriers	Procedural Barriers	Governmental Barriers	Dependent Variable
Pearson Correlation	Informational Barriers	Correlation Coefficient	1.000					
		Sig. (2-tailed)	.					
	Functional Barriers	Correlation Coefficient	.372**	1.000				
		Sig. (2-tailed)	.000	.				
	Marketing Barriers	Correlation Coefficient	.484**	.564**	1.000			
		Sig. (2-tailed)	.000	.000	.			
	Procedural Barriers	Correlation Coefficient	.285*	.425**	.536**	1.000		
		Sig. (2-tailed)	.000	.000	.000	.		
	Governmental Barriers	Correlation Coefficient	.353**	.661**	.671**	.565**	1.000	
		Sig. (2-tailed)	.000	.000	.000	.000	.	
	Export Business Engagement	Correlation Coefficient	.483**	.636**	.560**	.455**	.754**	1.000
		Sig. (2-tailed)	.000	.000	.000	.000	.000	.
		N	150	150	150	150	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

Source: - Researcher's Own Survey Result, 2024

4.5.2. Regression Analysis

A statistical method for examining and measuring the relationship between one or more independent variables and a dependent variable is regression analysis (Kothari, 2004). It is employed to figure out the extent or degree to which the independent variables contribute to the dependent variable. The most common type of regression analysis is linear regression, which describes the relationship between variables using a straight line (Field, 2009).

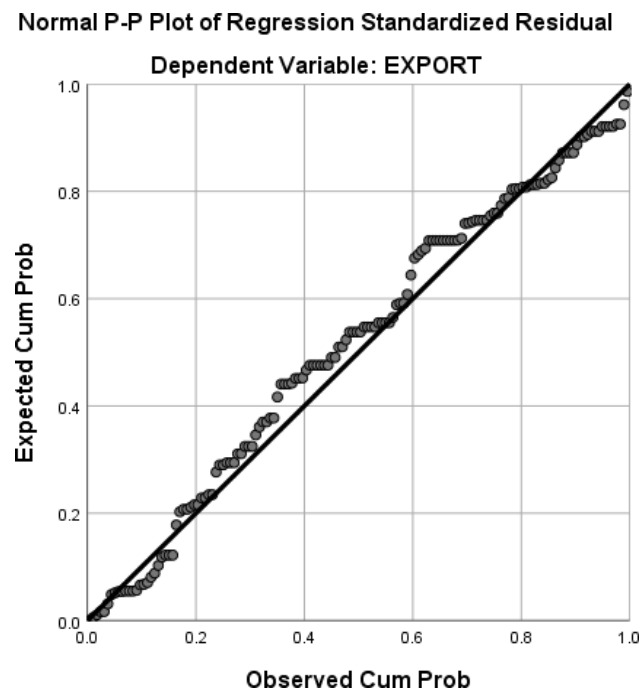
4.5.2.1. Assumption of Regression Analysis

Hair et al. (2010) state that in order to ensure that the data obtained accurately represent the sample and that the researcher obtained the best results, regression analysis assumptions must be met before conducting the analysis. Results that are biased or inaccurate can arise from breaking these assumptions. Thus, the following tests were carried out under the conditions of linearity, normality, multicollinearity, homoscedasticity, and autocorrelation.

A. Linearity Test

One assumption of multiple regressions is that the dependent variable is a linear function of the independent variables. Accordingly, the test for linearity is conducted based on this assumption of a linear relationship between the independent and dependent variables. The scatter plots graph below shows that this assumption had been met.

Figure 2 Linearity

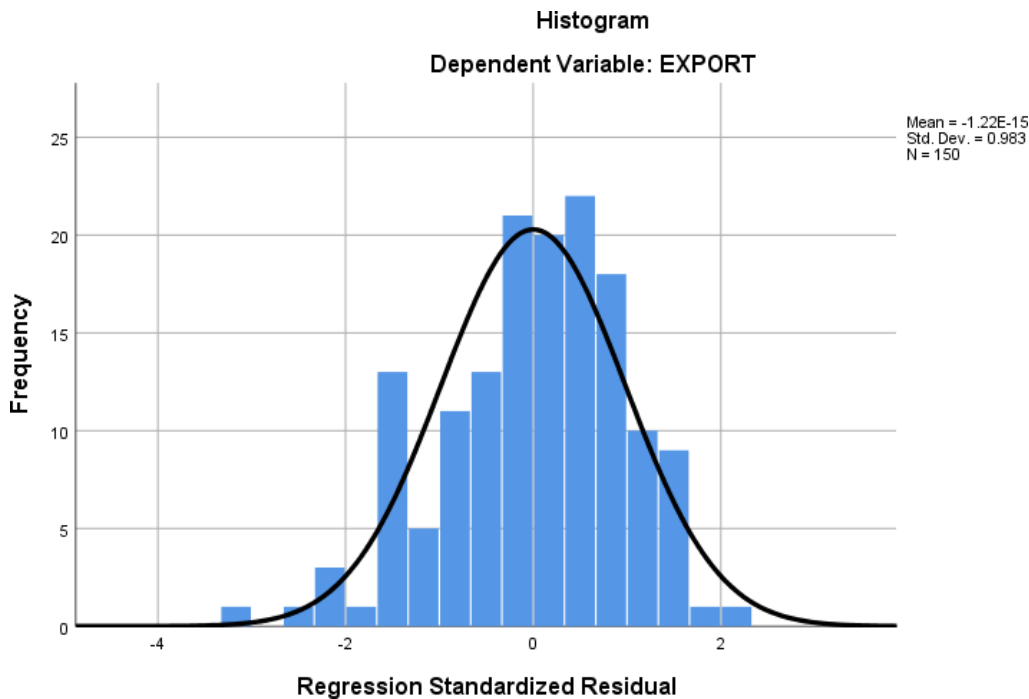


Source: - Researcher's Own Survey Result, 2024

B. Normality Test

As per Hair Jr et al. (2010), normality concerns the form of the data distribution for individual metric variables and the degree to which it conforms to the normal distribution, which serves as the standard for statistical techniques. The residual's normality was tested using a histogram, and the results are shown in figure 3 below, where the residual's distribution is virtually normally distributed as seen by the following histogram.

Figure 3 Normality test



Source: - Researcher's Own Survey Result, 2024

C. Multicollinearity Test

When two or more independent variables in a regression model have a strong correlation, this is known as multicollinearity. This correlation is problematic because independent variables should be independent. The Variance Inflation Factor (VIF) and the condition index are two statistical measures used in multicollinearity testing, which addresses the correlation between predictor variables. VIFs begin at 1 and have no upper limit. A moderate correlation is indicated by a VIF value between 1 and 5, which is not severe enough to be considered for corrective action. If VIF value is less than or equal to 10 no severe multicollinearity exist in the model (Douglas C. et al., 2012). Therefore, as indicated in Table 15 bellow, all the independent variables have tolerance values > 0.1 and VIF values < 10 it means that there is no multicollinearity problem among the independent variables.

Table 15 Collinearity statistics

Independent Variables	Collinearity Statistics	
	Tolerance	VIF
Informational Barriers	.751	1.332
Functional Barriers	.527	1.896
Marketing Barriers	.444	2.254
Procedural Barriers	.635	1.576
Governmental Barriers	.398	2.511

Source: - Researcher's Own Survey Result, 2024

D. Autocorrelation Test

The correlation between the errors (residuals) across time is called autocorrelation. The Durbin-Watson test, which tests the existence of autocorrelation in regression model residuals, is a common test for autocorrelation. The test statistic has a range of 0 to 4, where a value of nearly 2 implies no autocorrelation, while values significantly below or above 2 indicate positive or negative autocorrelation, respectively (Investopedia, 2024). Based on the table 16 below, the Durbin-Watson statistic where the calculated value of $d=1.709$ which is close to 2. One can understand that there is no first-order linear autocorrelation in the multiple linear regression data, and the autocorrelation test is satisfied.

Table 16 Durbin Watson (DW) Test

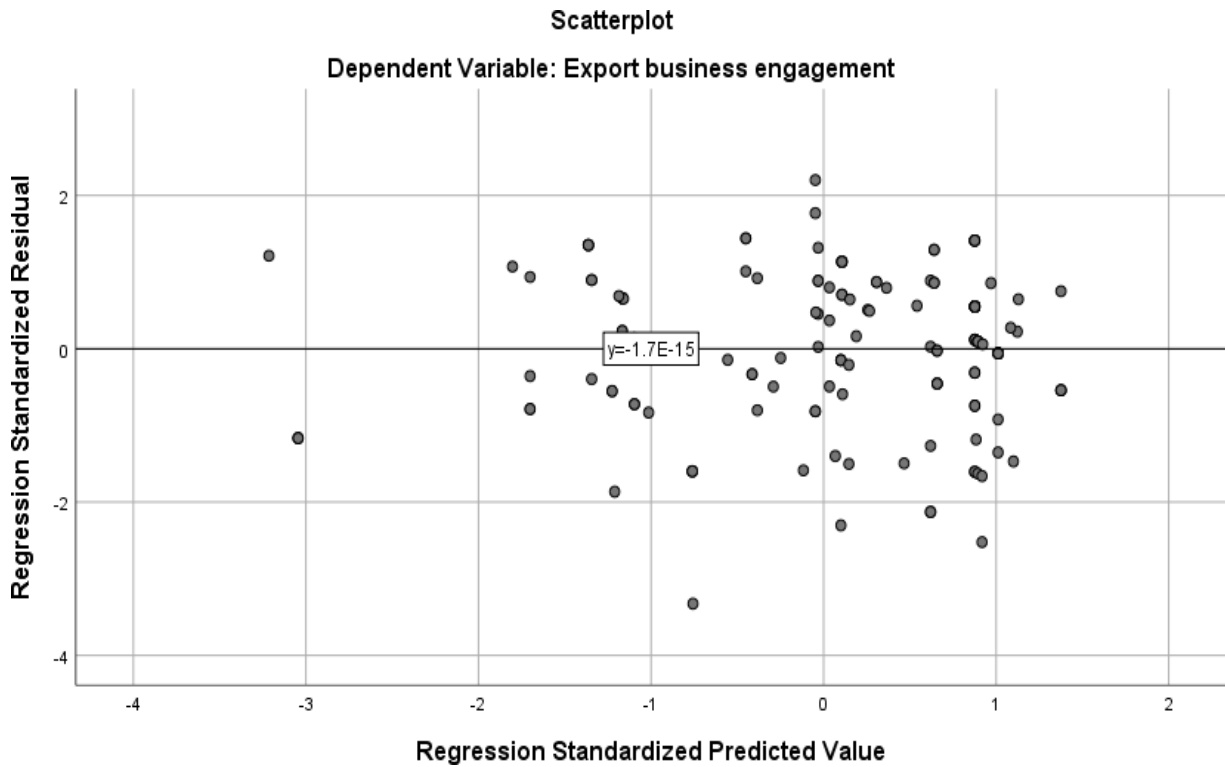
Model	Durbin-Watson
1	1.709
a. Predictors: (Constant), Governmental Barriers, Informational Barriers, Procedural Barriers, Functional Barriers, Marketing Barriers	
b. Dependent Variable: Export Business Engagement	

Source: - Researcher's Own Survey Result, 2024

E. Homoscedasticity

The assumption behind homoscedasticity is that the residual's fluctuation is consistent throughout the model. As shown the scatterplot in Figure 4 every point along the predictor variables, the residuals are distributed rather constantly. This implies that the assumption of homoscedasticity is satisfied.

Figure 4 Homoscedasticity test



Source: - Researcher's Own Survey Result, 2024

4.5.2.2. Multiple Linear Regression Analysis

The term multiple regressions refer to the fact that these analyses require two or more predictor variables. Multiple correlations are used to examine the association between two or more independent or dependent variables, and multiple regression equations are used to describe this relationship. Every independent variable's value is correlated with a corresponding dependent variable value. Before conducting the multiple regression analysis the researcher tested a number of assumptions, such as normality, linearity, multicollinearity, autocorrelation and homoscedastic. As a result, table 17 below presents the model summary of the regression analysis.

Table 17 Multiple Linear Regression Model Summary

Model Summary^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.802 ^a	.644	.631	.33155
a. Predictors: (Constant), Governmental Barriers, Informational Barriers, Procedural Barriers, Functional Barriers, Marketing Barriers				
b. Dependent Variable: Export Business Engagement				

Source: - Researcher's Own Survey Result, 2024

The above table 17 results suggest that the model is quite effective at capturing the underlying pattern in the data. The model summary ($R = 0.802$) shows a strong positive linear relationship between the predictors (informational barriers, functional barriers, marketing barriers, procedural barriers, and governmental barriers) and the dependent variable (Export Business Engagement).

According to the value of $R^2 = 0.644$, the regression model explains 64.4% of the variance in export business engagement explained by the informational, functional, marketing, procedural and governmental barriers. This demonstrates that the model is a useful tool for comprehending and forecasting export business engagement because the independent variables (informational barriers, functional barriers, marketing barriers, procedural barriers, and governmental barriers) together have a significant effect on export business engagement. After adjusting for the number of independent variables in the model, the adjusted $R^2 = 0.631$ shows that the predictors account for 63.1% of the variation in the independent variable. It's crucial to understand that the remaining 36.9% independent variables which are not included in the model also play a role in influencing the dependent variable.

4.5.2.3. ANOVA Analysis

Analysis of Variance /ANOVA/ is a statistical procedure used to test the degree to which two or more groups vary or differ in an experiment. Also used to compare the means of two or more groups. Taking into account the variability within each group, it is used to assess if there is a significant difference between the means of the groups under analysis.

Table 18 ANOVA Test

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	28.574	5	5.715	51.988	.000 ^b
	Residual	15.829	144	.110		
	Total	44.403	149			
a. Dependent Variable: Export Business Engagement						
b. Predictors: (Constant), Governmental Barriers, Informational Barriers, Procedural Barriers, Functional Barriers, Marketing Barriers						

Source: - Researcher's Own Survey Result, 2024

The table 18 above shows that the five independent variables in this model significantly predict the dependent variable; $F = 51.988$, $p = .000$, which is highly significant and less than 0.05 in the model have a linear relationship, which suggests that all of the variables in the model could account for changes in the dependent variable.

4.5.2.4. Coefficients for the Multiple Regressions

Test the regression's significance and individual coefficients; this was display the intercept and the degrees of significance. With all other independent variables remained constant, the regression coefficient—also referred to as the beta coefficient or slope—shows how the dependent variable changes for every unit change in the independent variable. Any regression model's +ve or -ve sign of beta (B) indicates how the independent variable's coefficients have affected the dependent variable, either positively or negatively. The results are presented in the table 20 below.

Table 19 Coefficient of the Regression Analysis

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.580	.167		9.444	.000		
	Informational Barriers	.144	.036	.230	4.008	.000	.751	1.332
	Functional Barriers	.134	.046	.199	2.910	.004	.527	1.896
	Marketing Barriers	-.036	.051	-.053	-.704	.483	.444	2.254
	Procedural Barriers	.007	.043	.011	.172	.863	.635	1.576
	Governmental Barriers	.363	.050	.570	7.233	.000	.398	2.511

a. Dependent Variable: Export Business Engagement

Source: - Researcher's Own Survey Result, 2024

The findings summarized in Table 19 indicate that, if the independent variable's level of significance (sig.) value is less than 5%, it may have a significant effect on the dependent variable's predicted value. According to above table 20, informational, functional, and governmental barriers significantly affect export business engagement at a significance level of 0.05. However, marketing and procedural barriers have insignificant effect on export business engagement because the variable's p value was more than 0.05.

Based on the standardized coefficient Beta values, the independent variables have varying levels of effect on the dependent variable. Governmental barriers (0.570) have the most significant effect on export business engagement, followed by informational barriers (0.230), functional barriers (0.199), marketing barriers (0.053), and procedural barriers (0.011), ranking first through fifth in their influence respectively.

4.5.2.5. Hypothesis Testing

The study's hypothesis is examined in the following ways based on the findings of the multiple linear regression analysis on the above table 20.

H1: Informational barrier have a significant effect on export business engagement

The analysis reveals that, the standardized coefficient (Beta = 0.230) demonstrate that a one standard deviation increase in informational barriers is associated with a 0.230 standard deviation increase in export business engagement. Informational barriers have statistically significant effect on export business engagement. The p-value (0.000) confirms statistical significance at the 5% level. Thus, reducing these barriers can significantly increase export engagement. As a result, the study accepted the above hypothesis. Gunaratne (2009) also came to similar conclusions, citing the lack of reliable market potential data as one of the primary information-related barriers. Nwachukwu et al. (2006/7) also found that the lack of knowledge about the benefits of conducting export business hinders non-exporting enterprises from exporting.

H2: Functional barrier have a significant effect on export business engagement

According to the analysis, the standardized coefficient (Beta = 0.199) indicates that a one standard deviation increase in functional barriers is associated with a 0.199 standard deviation increase in export business engagement. Functional barriers also have statistically significant effect on export business engagement. The p-value (0.004) suggests a positive statistical significance at the 5% level. Therefore, addressing these barriers is essential to improving export engagement. As a result of this, the study accepted the above hypothesis. Similar results were observed in an earlier investigation conducted by Khattaket al. (2011), which recognized functional obstacles as insufficient manufacturing capability, staff without the necessary training or experience for exporting, absence of surplus production capacity for exporting, and insufficient management time to handle exports. Furthermore, this result aligns with what Vozikis and Mescon (1985) identified as the inefficiencies of the main business functions—finance, production, and human resources—with regard to exporting.

H3: Marketing barrier have a significant effect on export business engagement

The finding of the study, the standardized coefficient (Beta = -0.053) indicates that a one standard deviation increase in marketing barriers is associated with a 0.053 standard deviation decrease in export business engagement. Marketing barriers have a statistically insignificant

effect on export business engagement. The p-value (0.483) suggests the effect is not statistically significant at the 5% level. Thus, there is no sufficient evidence to reject the hypothesis. This result disputes with the findings of Ahmed et al. (2004), Tesfom and Lutz (2006), and Gunaratne (2009), who identified barriers to marketing that included difficulty managing advertising, low product image in foreign markets, inability to develop high-quality new products, inability to meet packaging standards, unfamiliar distribution channels overseas, and unfamiliarity with overseas distribution channels.

H4: Procedural barrier have a significant effect on export business engagement

According to the study's finding, the standardized coefficient (Beta = 0.011) indicates that a one standard deviation increase in procedural barriers is associated with a 0.011 standard deviation increase in export business engagement. Procedural barriers have a positive statistically insignificant effect on export business engagement. The p-value (0.863) suggests the effect is not statistically significant at the 5% level. Therefore, there is no sufficient evidence to reject the hypothesis. This finding contrasts with those of Morgan & Katsikeas (1997), Leonidou et al. (1998), and Leonidou (2004), who noted procedural obstacles such as lack of knowledge with export documentation and processes, sluggish payment collection, and shattered communication channels.

H5: Governmental barrier have a significant effect on export business engagement

According to the data, the standardized coefficient (Beta = 0.570) indicates that a one standard deviation increase in governmental barriers is associated with a 0.570 standard deviation increase in export business engagement. Governmental barriers have a positive statistical effect on export engagement. The p-value (0.000) confirms the effect is statistically significant at the 5% level. For this reason, removing these barriers is essential to increase export business involvement. Therefore, the study accepted the above hypothesis. These findings are consistent with those of Owens (2007), who discovered that one of the biggest barriers to SMEs' export activity is a lack of government financial support. In a similar vein, Grimsholm (2010) and Alrashidi (2011) emphasized that obstacles imposed by the government include vague and unjust legislation, protracted administrative procedures, a dearth of official support, and insufficient funding.

Table 20 Summary of Hypothesis Testing

Hypothesis	Reason	Result
H1: Informational barrier have a significant effect on export business engagement	$\beta=0.230$; T=4.008 P=0.000<0.05	Accepted
H2: Functional barrier have a significant effect on export business engagement	$\beta=0.199$; T=2.910 P=0.004<0.05	Accepted
H3: Marketing barrier have a significant effect on export business engagement	$\beta=-0.053$; T=-0.704 P=0.483>0.05	Rejected
H4: Procedural barrier have a significant effect on export business engagement	$\beta=0.011$; T=0.172 P=0.863>0.05	Rejected
H5: Governmental barrier have a significant effect on export business engagement	$\beta=0.570$; T=7.233 P=0.000<0.05	Accepted

Source: - Researcher's Own Survey Result, 2024

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1. Introduction

The objective of this study was to investigate the effects of export barriers on SMTGEs in selected sub-cities of Addis Ababa. The major findings, conclusions and recommendations are presented in this chapter.

5.2. Summary of Major Findings

In the following section, the key findings of the research are summarized. The study conducted on the export business activities of SMTGEs within particular Addis Ababa sub-cities indicated a number of significant barriers that hinder their engagement in foreign markets. These findings provide a solid foundation for developing effective support systems and policies while providing insightful information about the difficulties experienced by SMTGESs. The following are the major findings are:-

- The study demonstrated that export business engagement is significantly affected by informational barriers. With a coefficient of 0.230 and a Sig-value of 0.000, which is less than 0.05, this hypothesis was supported at the 5% significance level. Similar findings were obtained by Gunaratne (2009), who identified one of the main information-related barriers as the absence of trustworthy data regarding market potential. Furthermore, Nwachukwu et al.'s (2006/7) findings indicate that non-exporting enterprises are discouraged from exporting due to a lack of knowledge about the advantages of performing export business.
- The research findings indicate that functional barriers have significant effects on export business engagement. This hypothesis was supported at the 5% significance level with a coefficient of 0.199 and a Sig-value of 0.004, which is less than 0.05. Similar results were found in a previous study by Khattaket al. (2011), which identified functional barriers as inadequate production capacity, untrained or inadequate personnel for exporting, lack of excess production capacity for exporting, and inadequate management time to deal with exports. Additionally, in terms of exporting, this result is consistent with what Vozikis and Mescon (1985) described as inefficiencies of the major company functions, including finance, production, and human resources.

- The research findings indicate that marketing barriers have an insignificant effect on export business engagement. This hypothesis was not supported at the 5% significance level with a coefficient of -0.053 and a Sig-value of 0.483, which is greater than 0.05. This finding is inconsistent with the finding of Ahmed et al. (2004) and Tesfom and Lutz (2006) and Gunaratne (2009 identified barriers such as inability to develop high quality new products, inability to meet packaging standards, unfamiliar distribution channels overseas, difficulty in managing advertising and low image of products in foreign markets as marketing barriers.
- The findings of the research show that procedural barriers have an insignificant effect on the engagement of export businesses. At the 5% significance level, this hypothesis was not supported by a coefficient of 0.011 and a Sig-value of 0.863, which is greater than 0.05. This result dispute with that of Morgan & Katsikeas 1997; Leonidou et al. 1998; Leonidou 2004, who identified barriers to procedure that included inexperience with export paperwork and procedures, slow payment collection, and broken lines of communication.
- The research findings suggest that governmental barriers significantly affect engagement in export business. This hypothesis was validated at the 5% significance level, with a coefficient of 0.570 and a p-value of 0.000, indicating strong evidence against the hypothesis. These results align with Owens (2007), who found that insufficient government financial support is a major obstacle for SMEs in export activities. Similarly, Grimsholm (2010) and Alrashidi (2011) highlighted that government hindrances include unclear and unfair laws, lengthy administrative processes, lack of governmental assistance, and inadequate financial support.

The findings of the study have important implications for support organizations, SMEs, stakeholders, and policymakers as follows:-

- For policymakers, the study highlights the necessity of wide-ranging reforming policy that generates an environment that is more conducive to SMTGEs internationalization. Critical initiatives involve simplifying export regulations, establishing clearer rules, and maintaining uniform policy enforcement. Governmental barriers can also be minimized by providing support programs, financial incentives, and support services that are specifically designed to meet the needs of SMTGEs.

- For SMEs, the study emphasizes that investing in internal competencies is essential to overcome functional hurdles. Enhancing SMEs' competitiveness in global markets can be achieved through training programs, capacity-building efforts, and adoption of best practices in production and quality management. Overcoming informational and marketing obstacles also requires creating efficient marketing plans and facilitating access to market data.
- Support organizations, governmental and non-governmental organizations are important providers of resources and assistance for SMTGEs. These consist of offering financial support, making market research and export promotion programs accessible, and providing training and advising services. Together, these stakeholders can build an ecosystem that is more conducive to SMEs' growth and helps them play a more active role in global trade.

5.3. Conclusion

This study aims to examine the effect of various barriers on the export activities SMTGEs in Addis Ababa, Ethiopia. The main objective is to identify and analyze the significance of informational, functional, marketing, procedural and governmental barriers that hinder the export engagement of these SMTGESs.

In conclusion, the results of demographic characteristics of respondents' profile highlight a significant gender disparity, with over two-thirds of respondents being male who predominantly own or manage SMTGEs. Middle-aged men, benefiting from stability and experience, dominate these enterprises. Moreover, a substantial number of respondents hold degrees, reflecting high educational attainment and technical proficiency, coupled with significant work experience that aids in achieving business objectives. The prevalence of small-scale enterprises underscores a focus on specialized markets and signifies sectoral growth. However, their limited engagement in exports points to potential barriers like reliance on local markets or resource constraints hindering international expansion.

Most participants find it difficult to enter foreign markets due to inadequate market data, emphasizing the need for understanding foreign opportunities and challenges. Accessing overseas customers is a major issue, highlighting the necessity for clear export procedures. Enterprises need to improve managerial skills, particularly in export marketing, and address financial constraints by securing sufficient working capital. Access to modern technology and effective supply chain management are crucial for competitiveness and product quality.

Product innovation to meet diverse international demands, maintaining quality control, tailored pricing strategies, and securing reputable overseas representatives are critical. Optimizing logistics and investing in market research and flexible promotional strategies are essential for overcoming export challenges. Exporters face issues with paperwork, customs procedures, and delays, impacting market access. Efficient communication is vital for negotiating contracts and supporting customers despite time zone, cultural, language, and technology barriers. Customized financial strategies and strong credit management systems are necessary to handle delayed payments and ensure financial stability.

Complex regulations and restrictive licensing processes hinder market access and successful export activities. Most agree that government support is crucial for overcoming global challenges and boosting competitiveness, with policy reforms needed to address bureaucratic hurdles and corruption. Sustainable foreign exchange availability and political stability are essential for fostering export growth, necessitating proactive business strategies and supportive government policies.

The study identifies significant correlations between informational, functional, marketing, procedural, and governmental barriers and export business engagement, with coefficients ranging from 0.285 to 0.754. Higher perceived barriers in these areas correspond to lower levels of engagement in export activities. Addressing these challenges through targeted interventions and policy improvements is crucial for enhancing international business operations and competitiveness. The multiple regression analysis confirms that governmental barriers ($\beta = 0.570$, $p < 0.001$), informational barriers ($\beta = 0.230$, $p < 0.001$), and functional barriers ($\beta = 0.199$, $p = 0.004$) significantly affect export business engagement. Marketing and procedural barriers do not show significant coefficients ($p > 0.05$). The model demonstrates a strong fit ($R = 0.802$, Adjusted $R^2 = 0.631$), highlighting the importance of addressing governmental, informational, and functional barriers to improve international business performance effectively.

5.4. Recommendation

The findings from the study highlight several barriers faced by SMTGEs in Addis Ababa's selected sub-cities in exporting their products. In order to create an environment that is more favorable for SMTGEs export engagement, this section offers particular recommendations to support organizations, SMTGEs, and government bodies.

- Enhance access to reliable foreign market research and insights into global market opportunities. Initiatives should deliver comprehensive information and guidance on export procedures, to Support SMEs with critical market knowledge.
- Address problems arising from inadequate managerial capacity and the lack of skilled personnel in export marketing. Prioritize training programs to improve managerial skills and hire qualified staff to strengthen export capabilities.
- Given the substantial effect of governmental barriers, efforts should aim to improve government incentives, reduce bureaucratic obstacles, and ensure a stable foreign exchange supply. Anti-corruption measures and a stable political environment are vital for creating a favorable business environment.
- Implement focused interventions to address specific barriers, such as facilitating access to modern technology, boosting production capacities, and ensuring adequate working capital. These initiatives are crucial for overcoming operational challenges and supporting sustainable export growth among SMEs.
- The executive bodies of the government must appropriately coordinate and implement the laws, regulations, and instructions regularly issued. Moreover, control and monitoring mechanisms must to be improved in a way that creates responsibility at each level of executive bodies.
- Centralized online platforms with the most updated export procedures, market opportunities, laws and regulations, technology tools, and resources should be made available by Customs as well as applicable government entities.

5.5. Future Research Directions

Future research may focus on several essential areas to expand on the results of this study, improve our understanding of the barriers affecting export operations, and develop practical solutions:

- This study found that 63.1% of the barriers for SMTGEs' export business engagement are related to informational, functional, marketing, procedural, and governmental issues. Future research should investigate the remaining 36.9% of barriers in more detail to identify other influential barriers.
- As this study focused only on small and medium textile and garment enterprises, it is recommended to conduct similar research with large enterprises in the same sector. A comparative analysis can provide insights into how barriers differ by enterprise size.
- Broaden the analysis to include other sub-sectors such as handicrafts, metal and woodworking, leather products, agro-processing, construction inputs, chemicals and detergents, and minerals. This will help determine if the barriers identified in the textile and garment sub-sector also affect these other sub-sectors, facilitating the adaptation of interventions to address specific challenges in each sub-sector.

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APPENDIX

Appendix I: Questionnaire

Addis Ababa University School of Commerce Marketing Management Graduate Program

Questionnaire to be filled by Small and Medium Textiles and Garments Enterprise Owners or managers in the sub-cities, Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada, Addis Ababa.

Dear Valued Respondents,

I am Mejdia Habib, a Master's student of Marketing Management at Addis Ababa University School of Commerce. Currently, I am undertaking a research paper entitled **“The Effect of Export Barriers on Small and Medium Textile and Garment Enterprises in Bole, Kirkos, Nifas-Silk Lafto, Lideta and Arada Sub-Cities, Addis Ababa”**. You are one of the respondents selected to participate for this study. I understand that your time is valuable, while the successful accomplishment of this study relies on your honesty and kindness cooperation, genuine and loyal response of this questionnaire. Therefore, I kindly request you to genuinely fill and return this questionnaire. All information you provide and results was recorded anonymously, and confidentiality is maintained. It is only for academic purpose.

If you have any questions or want further explanation, please contact me at Cell Phone: - 09-46-38-44-03 or through E-mail:- ishalsamih@gmail.com

Thank you in advance for your Space Time and Cooperation!

General Instructions:

- Please do not write your name anywhere on the questionnaire.
- Instruction is given at the beginning of each part of the questionnaire.

Part I: Demographic Profile of Respondents

Please put the tick “√” mark under the choice, write your opinion on the blank space

1. **Gender:**
Male Female
2. **Age:**
18-29 30-45 years 46-60 years Over 60 years
3. **Educational Status:**
Certificate/Diploma Degree Masters PHD Other
4. **Experience in the Enterprise:**
≤ 1 years 2-5 years 6-10 years over 10 years
5. **Enterprise Size:**
Small Medium
6. **How many employees your Enterprise has:**
≤ 10 11-40 41-60 61-85 over 85
7. **Total Asset of your Enterprise (In ETB):**
≤ 600,000 600,001-20,000,000 20,000,001-50,000,000
50,000,001-90,000,000 Over 90,000,000
8. **Legal Form of the Enterprise:**
Private Limited Company Share Company Partnership Other
.....
9. **Did your Enterprise involved in exporting business:**
Yes No

Part II: Export Barriers Related Questions

Please indicate how much you agree or disagree with each of the following statements on a five-point Likert scale, 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Atrongly Agree. Rate your agreement by ticking “√” with each of the statements from the options.

A. Internal Export Barriers Related Questions

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
13	Informational Barriers					
13.1.	Limited access of reliable foreign market research and information cause difficulties to engage in overseas markets.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13.2.	Absence of knowledge about overseas market opportunities cause challenges for your exporting.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13.3.	Difficulty in identifying and contacting overseas customers was encounter barriers for your export business engagement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13.4.	Lack of sufficient guidance and awareness about the procedures and requirements cause difficulties for entering in export markets.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14	Functional Barriers					
14.1.	Inadequate managerial capacity makes it challenging for your enterprise to deal with exports.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.2.	Absence of qualified and experienced personnel in export marketing as a challenge for your overseas markets.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.3.	Lack of working capital to finance your export business affects your export activities.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.4.	Limitation of production capacity is challenging for meeting your export market demand.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.5.	Limited access to modern technology and machinery hinders your enterprise's ability to innovate and compete in overseas markets.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.6.	Lack of adequate raw materials/inputs poses a challenge for your overseas markets.					
15	Marketing Barriers					
15.1.	Difficulties of developing new products was challenging for your foreign market engagement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.2.	Difficulty of meeting export product quality standards was challenging for your export markets engagement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.3.	Lack of products' competitive price in overseas markets was make your exporting difficult.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.4.	Difficulty in obtaining reliable agents/representative abroad is a hindrance for your exporting business.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.5.	A high transportation cost is a significant challenge for your exporting products to foreign markets.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.6.	Adjusting export promotion activities is challenging for your export markets.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

B. External Export Barriers Related Questions

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
16	Procedural Barriers					
16.1.	The complexity of customs procedures for exporting is a challenge for foreign market.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.2.	Poor communications with overseas customers hinder your export activities.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.3.	Delayed payment collection from oversea market affects your export business operations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.4.	Bureaucratic hurdles or strict requirements for obtaining an export license hinder your export markets engagement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.5.	Getting the documentation and certification requirements for export is challenging for your overseas markets.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17	Governmental Barriers					
17.1.	Inadequate government incentives or support programs as a challenge for overseas market.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.2.	Unfavorable government policies, rules and regulations toward exporters affect your export business.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.3.	Too much corruption in the government administration affects your foreign market operations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.4.	Shortage of foreign exchange affects your export operations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.5.	Political instability in home country affects your export business.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

C. Export Business Engagement Related Questions

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
18	Export Business Engagement					
18.1.	Your enterprise lacks sufficient market intelligence to engage in export business	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.2.	Your enterprise struggles to identify international market opportunities for its products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.3.	Complex export regulations and procedures discourage enterprise from engaging in export activities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.4.	Lack of government support affects enterprise's ability to engage in export business	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.5.	Your marketing strategies are not tailored to international markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.6.	Your enterprise faces difficulties in promoting its products to foreign customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.7.	Your enterprise lacks the necessary skills and expertise to manage export processes effectively	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Thank you for your cooperation!



Appendix II: በአማርኛ የተዘጋጀ መጠይቅ አዲስ

አበባ ዩኒቨርሲቲ የንግድ ስራ ት/ቤት

የማርኬቲንግ ማኔጅመንት የድህረ-ምረቃ ፕሮግራም

በአዲስ አበባ ከተማ አስተዳደር ቦሌ፣ ቂርቆስ፣ ንፋስ-ሰልክ ላፍቶ፣ ልደታ እና አራዳ ክፍለ ከተሞች በጨርቃጨርቅ እና አልባሳት ዘርፍ ላይ የተሰማሩ የአነስተኛ እና መካከለኛ ኢንተርፕራይዝ ባለቤቶች ወይም አስተዳደሮች የሚሞላ መጠይቅ።

ውድ የጥናቱ ተሳታፊዎች

ስሜ መጅዲያ ሐቢብ ይባላል። በአዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ት/ቤት የማርኬቲንግ ማኔጅመንት የድህረ-ምረቃ ተማሪ ነኝ። በአዲስ አበባ ከተማ አስተዳደር ቦሌ፣ ቂርቆስ፣ ንፋስ-ሰልክ ላፍቶ፣ ልደታ እና አራዳ ክፍለ ከተሞች በጨርቃጨርቅና አልባሳት ዘርፍ ላይ የተሰማሩ አነስተኛና መካከለኛ ኢንተርፕራይዞች ምርታቸውን ወደ ውጭ ሀገር ገበያ ለማቅረብ ተጽዕኖ የሚያሳድሩ የኤክስፖርት እንቅፋቶች/መሰናክሎች ዙሪያ የመመረቂያ ጽሁፌን እየሰራሁ እገኛለሁ። እዚህ ጥናት ላይ ለመሳተፍ ከተመረጠት ምላሽ ሰጪዎች አንዱ እርስዎ ሲሆኑ ጊዜዎ ጠቃሚ እንደሆነ እረዳለሁ። ሆኖም ለዚህ ጥናት ስኬታማነት የእርስዎ እርዳታ በጣም አስፈላጊና ዋጋ ያለው ሲሆን በእርስዎ ታማኝነት፣ ቀና ትብብር እና ትክክለኛ ምላሽ ላይ የተመሰረተ ነው። ስለሆነም፣ ለተነሱት ጥያቄዎች ትክክለኛውን ምላሽ በመስጠት የበኩልዎን ድርሻ እንዲወጡ በታላቅ አክብሮት እየጠየኩ የምትሰጡት መረጃ ሚስጥራዊነቱ ተጠብቆ ለዚህ መመረቂያ ፅሁፍ መረጃነት ብቻ የሚያገለግል መሆኑን አረጋግጣለሁ።

እባክዎን ስለ መጠይቁ ምንም ዓይነት ጥያቄ ወይም በተጨማሪ እንዲብራራ የምትፈልጉት ካለ በስልክ ቁጥር 09-46-38-44-03 ወይም በኢሜል አድራሻ ishalsamih@gmail.com ሊያገኙኝ ይችላሉ።

ውድ ጊዜዎን ሰጥተው በጥናቱ ለመሳተፍ ለፍቃድኝነቶ እና ለትብብርዎ በቅድሚያ አመሰግናለሁ!

አጠቃላይ መመሪያዎች:

- እባክዎን ስምዎን በየትኛውም ቦታ መጠይቁ ላይ አይጻፉ።
- በእያንዳንዱ የመጠይቁ ክፍል ላይ የተቀመጡ መመሪያዎችን ይከተሉ።

ክፍል 1: የተሳታፊዎች አጠቃላይ መረጃ

እባክዎ በምር ጫዎ ላይ “√” ምልክት ያድርጉ፣ ባዶ ቦታ ላይ አስተያየትን ይጻፉ

1. **ጾታ:**
ወንድ ሴት
2. **እድሜ:**
ከ18-29 ዓመት ከ30-45 ዓመት ከ46-60 ዓመት ከ60 ዓመት በላይ
3. **የትምህርት ደረጃ:**
ስርተፊኬት/ዲፕሎማ ዲግሪ ማስተርስ ፒ.ኤች.ዲ ሌላ ካለ
4. **በኢንተርፕራይዙ ውስጥ ያለዎት የሥራ ልምድ:**
≤ 1 ዓመት ከ2-5 ዓመት ከ6-10 ዓመት ከ10 ዓመት በላይ
5. **የኢንተርፕራይዙ ደረጃ:**
አነስተኛ መካከለኛ
6. **ኢንተርፕራይዙ ምን ያህል ሠራተኞች አሉት**
≤ 10 ከ11-40 ከ41-60 ከ61-85 ከ85 በላይ
7. **የኢንተርፕራይዙ ጠቅላላ ሃብት (በብር)**
≤600,000 ከ600,001-20,000,000 ከ20,000,001-50,000,000
ከ50,000,001-90,000,000 ከ90,000,000 በላይ
8. **የኢንተርፕራይዙ ህጋዊ ሰውነት:**
ኃላፊነቱ የተወሰነ የግል ማህበር አክሲዮን ማህበር የህብረት ሽርክና ማህበር
ሌላ ካለ
9. **ኢንተርፕራይዙ ኤክስፖርት ላይ ይሳተፋል:**
አዎ ይሳተፋል አይሳተፍም

ክፍል 2: ከኤክስፖርት እንቅፋቶች/መሰናክሎች ጋር የተያያዙ ጥያቄዎች

እባክዎ በሚከተሉት እያንዳንዱ አማራጮች ምን ያህል እንደሚስማሙ ወይም እንደማይስማሙ በአምስት-ነጥብ የሊከርት ሚዛን /five-point Likert scale/ መሰረት 1 = በጣም አልስማማም፣ 2 = አልስማማም፣ 3 = ገለልተኛ፣ 4 = እስማማለሁ እና 5 = በጣም እስማማለሁ ያመለክቱ። ከእያንዳንዱ መግለጫዎች የእርስዎ የስምምነት ምርጫ የሚወክለው ሳጥን ላይ የ“√” ምልክት በማድረግ የስምምነትዎን ደረጃ ይግለጹ። መምረጥ የሚችሉት አንድ አማራጭን ብቻ ነው።

ሀ. ከውስጣዊ የኤክስፖርት እንቅፋቶች/መሰናክሎች ጋር የተያያዙ ጥያቄዎች

ተ.ቁ	መግለጫዎች	በጣም አልስማማም (1)	አልስማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
13	የመረጃ እንቅፋቶች/መሰናክሎች					
13.1.	አስተማማኝ የውጭ ሀገር ገበያ ጥናትና መረጃ የማግኘት ውስንነት የኢንተርፕራይዝዎ ኤክስፖርት ተሳትፎ ላይ ችግር ይፈጥራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13.2.	ስለተመቻቹ የውጭ ሀገር ገበያ እድሎች እውቀት አለመኖር ኤክስፖርት ለማድረግ ኢንተርፕራይዝዎ ላይ ፈታኝ ሁኔታን ይፈጥራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13.3.	የውጭ ሀገር ደንበኞችን ለይቶ ማወቅና ማግኘት አስቸጋሪ መሆን የኢንተርፕራይዝዎ ኤክስፖርት ተሳትፎ ላይ እንቅፋት ይሆናል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13.4.	ወደ ውጭ ሀገር ገበያ ለመግባት ስለሚያስችሉ አሠራሮችና መስፈርቶች በቂ መመሪያና ግንዛቤ አለመኖር ኤክስፖርት ላይ ለመሰማራት ለኢንተርፕራይዝዎ ፈታኝ ይሆናል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14	የስራ/የአፈጻጸም እንቅፋቶች/መሰናክሎች					
14.1.	የኢንተርፕራይዝዎ አስተዳደራዊ አቅም/ችሎታ በቂ አለመሆን ኤክስፖርት ላይ ለመሳተፍ እንቅፋት ይሆናል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.2.	በውጭ ሀገር ንግድ ላይ ብቁ የሆኑና እና ልምድ ያላቸው ሰራተኞች አለመኖር ለኢንተርፕራይዝዎ የኤክስፖርት እንቅስቃሴ ፈተና ነው።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.3.	የውጭ ሀገር ንግድን ለመደገፍ የሚያስችል የስራ ማስኬጃ/ካፒታል አጥረት የኢንተርፕራይዝዎ ኤክስፖርት እንቅስቃሴ ላይ ተጽዕኖ ያሳድራል ።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.4.	የኢንተርፕራይዝዎ የማምረት አቅም ውስንነት የውጭ ሀገር ገበያ ፍላጎትን ለማሟላት እንቅፋት ይሆናል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.5.	ዘመናዊ ቴክኖሎጂ እና ማሽነሪዎችን የማግኘት ውስንነት የኢንተርፕራይዝዎን አዳዲስ ነገሮችን የመፍጠርና በውጭ ሀገር ገበያ ላይ የመኖክር አቅም ያደናቅፋል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.6.	የጥሬ ዕቃ/ግብዓት አቅርቦት በቂ አለመሆን የኢንተርፕራይዝዎ የውጭ ሀገር ገበያ ተሳትፎ ላይ ፈታኝ ሁኔታ ይፈጥራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15	የግብይት እንቅፋቶች/መሰናክሎች					
15.1.	ኢንተርፕራይዝዎ በውጭ ሀገር ገበያ ተፈላጊ የሆኑ አዳዲስ ምርቶችን አለማምረቱ በኤክስፖርት ገበያ ተሳትፎ ላይ ተጽእኖ ይፈጥራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.2.	ኢንተርፕራይዝዎ የውጭ ሀገር ምርት ጥራት ደረጃዎችን አለማሟላቱ የኤክስፖርት ገበያ ተሳትፎን ፈታኝ ያደርገዋል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.3.	የውጭ ሀገር ገበያ ላይ የተወዳዳሪ ምርቶች ዋጋ ማነስ የኢንተርፕራይዝዎን ኤክስፖርት ተሳትፎ አስቸጋሪ ያደርገዋል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.4.	በውጭ ሀገር ገበያ ታማኝ ወኪሎችን/ወክልና አለማግኘት ለኢንተርፕራይዝዎ የኤክስፖርት እንቅስቃሴ እንቅፋት ይሆናል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.5.	የትራንስፖርት ወጪ ከፍተኛ መሆን የኢንተርፕራይዝዎ ምርቶችን ወደ ውጭ ሀገር ገበያ መላክ ላይ ተጽእኖ ያሳድራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.6.	የውጭ ሀገር ንግድ ላይ ለመሰማራት የኤክስፖርት ፕሮሞሽን ስራዎችን ማከናወን ለኢንተርፕራይዝዎ ፈታኝ ነው።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ለ. ከውጭዊ የኤክስፖርት እንቅፋቶች/መሰናከሎች ጋር የተያያዙ ጥያቄዎች

ተ.ቁ 9	መግለጫዎች	በጣም አልሰማማም (1)	አልሰማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
16	የአሰራር እንቅፋቶች/መሰናከሎች					
16.1.	ኤክስፖርት ለማድረግ ያለው የጉምሩክ የአሰራር ውስብስብነት ለኢንተርፕራይዝዎ የውጭ ሀገር ገበያ ተሳትፎ ፈታኝ ነው።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.2.	ኢንተርፕራይዝዎ ከውጭ ሀገር ደንበኞች ጋር ያለው ግንኙነት ደካማ መሆን የኤክስፖርት እንቅስቃሴዎን ያደናቅፋል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.3.	ከውጭ ሀገር ገበያ የሚሰበሰብ ክፍያ መዘግየት በኢንተርፕራይዝዎ የኤክስፖርት እንቅስቃሴ ላይ ተጽዕኖ ያሳድራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.4.	የኤክስፖርት ፈቃድ ለማግኘት ያሉ የቢሮክራሲ መሰናከሎች ወይም ጥብቅ መስፈርቶች የኢንተርፕራይዝዎ የኤክስፖርት ተሳትፎ ላይ ተጽዕኖ ይፈጥራሉ።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.5.	የውጭ ሀገር ገበያ ላይ ለመሳተፍ የኤክስፖርት ሰነድ እና የምስክር ወረቀት መስፈርቶችን ማግኘት ለኢንተርፕራይዝዎ ፈታኝ ነው።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17	መንግስታዊ እንቅፋቶች/መሰናከሎች					
17.1.	በቂ የሆነ የመንግስት ማበረታቻ ወይም ድጋፍ አለመግኘት የኢንተርፕራይዝዎ የኤክስፖርት ተሳትፎ ላይ ተጽዕኖ ይፈጥራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.2.	በኤክስፖርት ዙሪያ ያሉ አመቺ ያልሆኑ የመንግስት ፖሊሲዎች፣ ህጎችና ደንቦች የኢንተርፕራይዝዎ የኤክስፖርት እንቅስቃሴ ላይ ተጽዕኖ ያሳድራሉ።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.3.	በመንግስት አስተዳደር ውስጥ ያለው ሙስና የኢንተርፕራይዝዎ የኤክስፖርት እንቅስቃሴ ላይ ተጽዕኖ ያሳድራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.4.	የውጭ ምንጫ እጥረት የኢንተርፕራይዝዎ የኤክስፖርት እንቅስቃሴ ላይ ተጽዕኖ ያሳድራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17.5.	በሀገር ውስጥ ያለው የፖለቲካ አለመረጋጋት የኢንተርፕራይዝዎ የኤክስፖርት እንቅስቃሴ ላይ ተጽዕኖ ያሳድራል።	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ለ. ከኤክስፖርት ንግድ ተሳትፎ ጋር የተያያዙ ጥያቄዎች

ተ.ቁ	መግለጫዎች	በጣም አልሰማማም (1)	አልሰማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
18	የኤክስፖርት ንግድ ተሳትፎ					
18.1.	ኢንተርፕራይዝዎ ወደ ውጭ ንግድ ለመሰማራት የሚያስችል በቂ የገበያ እውቀት የለውም	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.2.	የእርስዎ ድርጅት ለምርቶቹ ዓለም አቀፍ የገበያ እድሎችን ለመለየት ጥረት ያደርጋል	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.3.	ውስብስብ የኤክስፖርት ደንቦች እና ሂደቶች ኢንተርፕራይዝዎ ወደ ውጭ በሚላኩ ተግባራት ላይ እንዳይሳተፍ እንቅፋት ሆኖበታል	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.4.	በቂ የመንግስት ድጋፍ አለመኖር የኢንተርፕራይዝዎ ወደ ውጭ ንግድ የመሰማራት አቅም ላይ ተጽእኖ ያሳድራል	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.5.	የግብይት ስልቶችዎ ለአለም አቀፍ ገበያዎች ምቹ አይደሉም	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.6.	ኢንተርፕራይዝዎ ምርቶቹን ለውጭ ደንበኞች በማስተዋወቅ ረገድ ችግሮች ያጋጥሙታል	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18.7.	ኢንተርፕራይዝዎ ወደ ውጭ ለመላክ ያሉ ሂደቶችን በብቃት ለማስተዳደር አስፈላጊው ክህሎት እና እውቀት የለውም	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ለትብብርዎ አመሰግናለሁ!