



Micro Enterprise Development and Income Sustainability for Poverty Reduction: A Literature Investigation

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ABSTRACT

The academicians and policy makers already declared that micro enterprise have significant positive role for reducing poverty specifically emergent economic nations. The micro entrepreneurs face lots of obstacles considering personal qualifications, start-up the business and most importantly survival and growth issues. Therefore, this study contemplates micro enterprise development, income up-liftment and its impact on poverty alleviation. It also concentrates on personal entrepreneurial competencies, venture initiation and success with survival and growth competencies. The authors proclaimed that the three competency of a micro entrepreneur have significant positive effects on alleviating poverty. It needed to applied different dimension of statistical analytical tools for presenting descriptive as well as inferential results. Moreover, this study has manifold contributions considering micro enterprise developments, poverty alleviation and most importantly policy level discussions.

Keywords: Micro Enterprise Development, Income Sustainability, Poverty Alleviation, Emergent Market Economy.

1. INTRODUCTION

The problem of eradicating poverty actually begins with the correct identifications of the poor. Over the years the matter of poverty has assumed a universal status both in dimension and efforts to decrease it. As of 2013, there were almost 2.47 billion people around the globe living below poverty line with earnings of USD 2 or less a day, and most of them from developing or undeveloped countries which is to be found in African and Asian continent (Bruton, Ketchen, & Ireland, 2013). Meanwhile, poverty is defined as require of command over basic expenditure needs, that is, a condition of inadequate level of consumption; giving rise to insufficient food, clothing and shelter (Ravillion&Bodani, 1994; Lawanson, 2016). The experience of poverty may also be defined as lack of income or shortage of assets; the lack of competence,

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confidence, disempowerment, etc.; has also deprivation of national currency; it is also common to speak of a poor understanding, or culture, or spirit (Singer, 2006).

Besides, poverty is beyond lack of income, Wright & Rowe (1999) drew attention to the shortcomings of seeing generated income as the sole measure of the effect of micro enterprise on poverty. He argued that a significant difference exist between increased income and poverty alleviation. He argued further that by increasing the incomes of the poor, micro sectors are not necessarily eradicating poverty (Lawanson, 2016). On the other hand, the entrepreneur and labour with all income earners become more economically independent and confident to confront the challenges of life and it can, therefore, be stated that entrepreneurship endorses income empowerment in an economy and in the modern world; entrepreneurship provides a new approach for fighting poverty and stimulating economic growth in developing nations (Adenutsi, 2009).

According to Alan E. Singer in 2006, the best cure for poverty alleviation in any region of the world lies in encouraging more on enterprise activity and start-up the new enterprises through entrepreneurship development. Moreover, entrepreneurship presents a basis for economic change through new application and knowledge creation (Hussain, Bhuiyan, & Bakar, 2014).

The main objective of this paper is justifying the linkage between micro enterprise development and poverty eradication. This paper is displayed into five sections. Section one is the introductory part of the paper. It provides a concise overview on the paper. Section two describes the methodology of the study to display the techniques and procedure used to obtain in this study. Section three, discusses on findings from the previous literature consists of; the concept of poverty, micro enterprise development and eradicating poverty through micro enterprise development. Section four concludes and provides recommendation for effective utilization of micro enterprise development as tools for eradicating poverty.

2. METHODOLOGY

This study follow narrative literature review process, the review of this study which has examined the determinants of micro enterprise development, income sustainability and poverty eradicating from the flow of existing literature. In this study, we conducted general search by the name of micro enterprise development and poverty eradication in different online database sources such as Google Scholars, JSTOR, and Emerald full text, EBSCO HOST, Science Direct, Springer Link, Wiley, Science Direct, and Scopus etc. From this search we found number of journal articles, conference and different types of generic works, which have been ascertain to determine those articles need to be included in the

review of this paper. After reading thoroughly most relevant articles have collected those were found as the best fit within objectives of the present issues about micro enterprise development as well as poverty eradication. The review have examined on the basis of objectives, methods and findings accordingly of the all collected empirical studies.

3. FINDINGS FROM THE PREVIOUS LITERATURES

This section narrates the review of past studies, discusses the concept of poverty and micro enterprise development, as well as relationship between micro enterprise development and poverty alleviation.

3.1 Conception of Poverty

One of the major challenges faced by the developing and under developing countries of the world is poverty. It has been a common problem for all where the high rate of unemployment has become the major obstacle of the developing and under developing countries of the globe. Although the level and extent of poverty and unemployment has been observed to be different within and across the nations and it is still remains the major obstacle to the optimum utilization of human resources for both social and economic development of the nations (Hussain et al., 2014).

However, poverty results consists of lack of basic securities, which not only include financial resources, but also education, employment, housing, health care and other related aspects leading to deprivation (Misango&Ongiti, 2013). The World Bank indicated that poverty is categorized as both absolute and relative (Hussain et al., 2014). Besides, absolute poverty can be defined as a condition of severe lack of basic human needs, such as safe drinking water, food, health, shelter, sanitation facilities, information and education. Absolute poverty is a function of not only income but also of access to services (United Nations, 1995). Moreover, relative poverty is defined as the condition characterized by lack of the minimum amount of income necessary to sustain an average standard of living. Social exclusion, a complex multi-dimensional process, is the lack/denial of goods and services resources, rights and ability to partake in normal relationships and activities accessible to the majority in the society, whether in political, social, economic or cultural arenas (Levitas, 2007).

3.2 Conception of Micro Enterprise

The term ‘micro enterprise’ has been realized since the 1990s. Micro enterprise’ known as small businesses owned and operated by poor people or groups of poor people with the support of sponsoring organizations (Midgley, 2008). However, micro enterprises may be owned or operated by individuals, and often their

family members are also involved. Otherwise, they may be owned and operated cooperatively by groups of people. Furthermore, the numbers of participants are usually small and some experts believe that to be defined as a micro enterprise, no more than five people should participate in the enterprise (Jurik, 2005).

Besides, micro enterprises are engaged in a great variety of small-scale vending, services, and repair and enterprise activities. It is important to recognize that, by definition, micro enterprises are established with technical assistance from external support enterprises and that they should be distinguished from regular, small-scale enterprises which are not supported by these sponsors (Midgley, 2008). Furthermore, it has to be part of a comprehensive plan for growing the standard of living of the people. In a world where eradicating poverty still remains one of the greatest worldwide challenges, the linkage between training and increasing income generating opportunities is generally acknowledged (Hussain *et al.*, 2014).

3.3 Eradicating Poverty through Micro Enterprise Development

The central to the problem of poverty is the availability of employment (Vandenberg, 2006). Work allows people to produce for themselves (i.e. food) and generating the income needed to buy goods and services. It is also from work that wealth is created which, through taxation, allows governments to fund pro-poor services such as health care, clean water and education. For many poor people, work means being the owner of, or an employee in, a micro or small enterprise. The poor often work individually, as the owner, manager and sole employee of their enterprise, or they involve their family members, casual laborers and permanent workers (Vandenberg, 2006). However, entrepreneurship is defined as the identification of a start-up opportunities and the mobilization of economic resources to initiate a new enterprise or regenerate an existing enterprise, under the conditions of uncertainties and risks, for the purpose of creating profits under private ownership (Adenutsi, 2009).

Again, M. Coulter in 2001 tried to find out the definition of entrepreneurship "entrepreneurship is the process whereby an individual or a group of individuals use organized efforts and means to pursue opportunities to create value and grow by fulfilling wants and needs through innovation and uniqueness, no matter what resources are currently controlled" (Coulter, 2001). On the other hand, entrepreneurship development contributes to poverty reduction when it creates employment through the new enterprise of entrepreneurship or the expansion of existing ones and they growths social wealth by creating new markets, industries, technology, institutional forms, jobs, opportunities and net increases in real productivity, increases income which culminates in upper standards of living for the people then it is sensibly to state that if the number of entrepreneurs of any given country raises the poverty indicators will decrease (Ali & Ali, 2013).

Besides, poverty reduction has developed around the idea of entrepreneurial activities in the form of start-up formation, innovation and high-growth firms (Mitra, Abubakar, & Sagagi, 2011). Entrepreneurship is viewed today as a key driver of economic development (Mitra et al., 2011). However, development and growth require shifts from low to high productivity, the creation and adoption of new goods, services, skills and knowledge (Mitra et al., 2011). According to Hussain et al., (2014) there are four main dimensions involved entrepreneurship development consists of; social entrepreneurship, women entrepreneurship, and micro enterprises is the key tool for entrepreneurship development which is stimulating employment are eventually alleviating poverty.

Besides, micro sector has been played an importance role for development of the economic growth of a nation as well as eradicating poverty through new jobs creation and generating income for the people (Hisrich, Peters, & Shepherd, 2008; MohdShariff, Peou, & Ali, 2010). Micro enterprises not only help during the period of economic growth but also in economic recession (Hussain et al., 2014). On the other hand, a major review of studies of this kind by Hulme and Mosley (1996) found that the incomes of households engaged in micro enterprise activities increased more rapidly than those of control groups. These studies, they concluded, showed that the incomes of poor people had been raised by micro enterprise sectors (Midgley, 2008). Some researcher also agreed, Hussein claim that this is because small rapidly growing firms started by entrepreneurially minded individuals, create wealth and a significant number of jobs in particular economies, thereby impacting greatly on social and economic development (Hussain et al., 2014).

Kanitkar in 1994 used case survey method conducting case studies from 86 village-based entrepreneur and micro enterprise owners in different regions of rural India. He examined the process of emergence of successful entrepreneurs and owners of micro-enterprises by collected data with a semi-structured questionnaire followed by an open-ended interview from the entrepreneur. He found that based on socio economic profile of entrepreneur's they were motivated for shifting from an agriculture-based occupation to a non-farm activity, raising resources for their enterprises and entry of the village-based entrepreneurs into a business activity (Kanitkar, 1994).

Bekele and Worku in 2008 identified key predictors of long term survival and viability in micro, small and medium enterprises in Ethiopia. They utilized Kaplan-Meier survival probability curves and the Cox proportional hazards model. They found that the majority of businesses that failed were operated by women (78%). Female headed firms that ceased operation had an average lifetime of 3.2 years, while male-headed firms that ceased operation had an average lifetime of 3.9 years. Businesses that failed were characterized by inability in obtaining loans from formal money lending institutions such as commercial banks (61%), inability to convert part of profit back into investment

(46%), poor managerial skills (54%), shortage of technical skills (49%), and low level of education (55%). Based on hazard ratios estimated from Cox regression, businesses operated by women were 2.52 times more likely to fail in comparison with businesses operated by men (Bekele&Worku, 2008).

Mensah& Benedict in 2010 conducted desk research and quantitative analysis from the poorest regions of South Africa for found out the impact of government initiative for alleviating poverty through entrepreneurship development. They found out that the training in entrepreneurship and provision of other facilities could give poor owners of micro and small enterprises opportunities to grow their businesses and get themselves and other out of poverty (Mensah& Benedict, 2010). Inmyxai& Takahashi in 2010 examined and compared the performance contrast between male and female headed firms in Lao MSMEs by using Ordered Probit Models. They observing 840 wherein 493 are male -headed firms and 347 are female-headed. The results confirmed previous studies that female entrepreneurs relatively underperform compared to male entrepreneurs (Inmyxai& Takahashi, 2010).

Njanja&Pellisier in 2011 conducted fourteen towns from the eight provinces in Kenya using Stratified Random Sampling Method to highlight the integrative effects of management strategies and their effect on performance of MSMEs. They applied management strategies model and found that some strategies do contribute more to the performance of the enterprise. Some strategies combined with other strategies actually gave a negative contribution. This implied that the different combinations of strategies and other inputs need to be at a certain level to produce optimum performance (Njanja&Pellisier, 2011). Gugloth& Kumar in 2011 investigated the incidence of sickness and causes of in MSMEs in India many traditional and modern industries are now being affected by industrial sickness. The study used secondary data, Annual Report 2009–2010 from Government of India, Ministry of Micro, Small and Medium Enterprises. The study found that most of the MSMEs established in India are confronted with the delay in supply of raw material, delay by bankers in sanctioning working capital and poor selection of entrepreneurs (Gugloth& Kumar, 2011).

Naidu & Chand in 2011 conducted 300 owners/managers of MSMEs in VitiLevu and Vanua Levu. They adopted the questions on a five point Likert scale to provide some recommendations for change in government policy and regulation in assisting MSMEs in the South Pacific. The study found that financial obstacles which are of less significance to the owners/managers are heavy advertising and promotional costs; and training and development costs (Naidu & Chand, 2011). Sathish&Tarpe in 2012 analyzed the performance of MSME in Goa. Conducted both primary and secondary data; Primary data is collected from the semi structured interviews conducted on SSIs managers and Government officials. Secondary data is collected from the Directorate of Industries Trade and Commerce, Panjim, MSME Margao. The study revealed that MSME in the State

of Goa has shown a remarkable and significant growth in last six years. As with the increase in these units there have been also increase in employment and investment level in the plant and machinery in the State, one of the reason could also be attributed to enactment of MSME Act, 2006, Which has brought more celerity and simplicity in various procedures and processes relating to starting and operation (Sathish&Tarpe, 2012).

Gupta in 2012 studied the factors that influence the tactical and technological development of MSMEs exploiting Principal Component Analysis (PCA). 55 questionnaires were distributed to those units with their minimum annual turnover of 10 lakh rupees. He found that the ability of MSMEs to compete in the global market place depends on their access to resources and those MSMEs that have better access to these resources are able to exhibit better innovative and economic performance. External linkage of MSMEs with large enterprises is an important source for transfer of technologies, technical guidance and human and financial capita leading to innovative performance of MSMEs (Gupta, 2012).

Lahiri in 2012 critically analyzed the definitional aspect of MSMEs and explored the opportunities enjoyed and the constraints faced in the era of globalization. The study using secondary data from the Annual Reports published by the Ministry of Micro, Small and Medium Enterprises and covers a period from 1973-74 to 2009-10. He found that marginal increase in growth rate in employment generation, the growth rate in other parameters is not encouraging during the liberalization period. Panigrahi in 2012 conducted Secondary data, Annual Report, 2008-09 from Ministry of Micro, Small and Medium Enterprises of Indian to investigate the risk management practices MSMEs. The study applies management process concept. He found that the attitudes of the owner managers and their knowledge towards risks play an essential role in how systematically risks are handled (Panigrahi, 2012). Shiralashetti in 2012 examined the growth and performance MSMEs in India. The study conducted both primary and secondary data. He found that MSMEs educate and empower them to make optimum utilization of the resources, both human and economic, to achieve success (Shiralashetti, 2012).

Mshenga& Richardson in 2013 examined micro and small enterprise (MSE) contribution in tourism and the linkages between tourism businesses and MSEs in the coastal region of Kenya. They collected data by using structured questionnaire from two surveys involving 449 MSEs and 49 hotels. They used Tobit regression model to estimate the determinants of MSE participation in tourism, as well as the proportion of products purchased by hotels from MSEs. They found that older, larger MSEs and those that were members of associations were more likely to participate in tourism. They also found that the elements of hotel procurement from MSEs included age of the hotel, bed capacity, and management characteristics (Mshenga& Richardson, 2013).

Ali Yassin & Ali Abdel in 2013 identified the relationship between entrepreneurship development and poverty reduction at Benadir region in Somalia. They utilized the Correlation research design comprised of 80 participants of micro and small enterprises in Benadir region. The study found that Sig. or P-value was less enough, suggesting that the two variables indicated that the computed R-value was -0.195; this indicates that there was weak positive correlation between entrepreneurship development and poverty reduction (Ali & Ali, 2013).

Odhiambo in 2013 investigated the factors that affect the performance of youth owned micro, small and medium enterprises (MSMEs) in Kenya. By using a descriptive survey and primary data was obtained through questionnaires targeting 43 MSMEs owned by youths in the target area. The study conducted; Entrepreneurship training, Leadership style used, Use of social networks, the business owner or leader's managerial skills. He found that all these factors under study had an effect on the overall entrepreneurial venture at various degrees. However, managerial skills were realized to be the most significant variable in this study followed by networking, then entrepreneurial training and lastly leadership skills employed (Odhiambo, 2013).

Kiraka, Kobia, & Katwalo in 2013 conducted Stratified random sampling (the strata being the borrowing stream) in fourteen constituencies in four regions in Kenya; Kakamega, Nairobi, Nakuru and Nyeri were purposively. They examined the growth and innovation in micro, small and medium enterprises by assessing the performance of the Women Enterprise Fund (WEF) on these dimensions. The result found that the general indicators reflect positive growth among women owned businesses in terms of total business worth, turnover, gross profit and number of employees; they obscure incidences of stagnation or decline in growth. Incidences of decline or stagnation were significant at between 15 to 30 percent across the four measures (Kiraka et al., 2013).

Olusola & Anenge in 2013 conducted stratified random sampling technique to select a representative sample of one hundred MSMEs from Lagos state in Nigeria to identify and consequently analyze the financial incentives available to MSMEs. They found that MSMEs finds it difficult to expand their productive capacity to grow into large corporations. This hinders them from employing more labour and capital thereby creating more employment opportunities for the country (Olusola & Anenge, 2013). Ghouse in 2013 examined the different challenges in the sector and overcoming them to make the MSMEs competitive. The study used non-probability judgment sampling method and the sectors chosen for the research were handicraft. He conducted 178 MSMEs exporters in the sampling frame. The result found that the sector has performed well and better in the recent downturn than the other sectors involving large enterprises, and export competitiveness of Indian MSMEs can be promoted by overcoming the key challenges/barriers to them, whether it is technology obsolescence, high

cost of credit, collateral requirements, raw material costs, improper infrastructural facilities, lack of skilled manpower, etc (Ghouse, 2013).

Mwaanga in 2014 conducted questionnaire interviews through the face-to-face method. The study investigated the business development services (management skills and practices) provided to MSMEs, who is providing better services, the impact of training on the business performance, the benefits of training and the business development services needed by MSMEs. He found that most of the MSMEs are not aware of the business development services indicating that business service providers have not advertised their services and are not able to reach most of the MSMEs (Mwaanga, 2014). Dangi&Ritika in 2014 conducted Compound Annual Growth Rate (CAGR) Technique to analyze the growth, performance, problems and challenges which are faced by women entrepreneurs in India. They found that women Entrepreneurs who were traditionally kept behind the four walls of their houses, now in modern society are capable of managing both their family and business. Though they face many problems and challenges in their path of becoming a successful entrepreneur but the government has taken many initiatives for the growth of women entrepreneurs (Dangi&Ritika, 2014).

Ellen, Anantadjaya, & Saroso in 2014 evaluated the relationships among variables; entrepreneurial mindset and entrepreneurial characteristics toward performance management practices and business performance on Indonesian food service MSMEs. 97 out of 100 questionnaires collected from MSMEs business owners in food services in Serpong. They found that entrepreneurs' mindsets and entrepreneurs' characteristics have a positive influence towards performance. The results also show that along with the increase of performance management practices, the business performance improves. It is important for entrepreneurs to possess the proper combinations of entrepreneurial competencies to maintain performance, which enhances the possibilities on business success (Ellen et al., 2014).

Jaswal in 2014 examined the growth and performance of MSMEs in India. The study conducted secondary data from Annual Reports on MSMEs which has been collected from the various issues and Handbook of Statistics on the Indian Economy published by Ministry of MSMEs and Reserve Bank of India (RBI). He found that MSMEs have emerged as an engine of growth in Indian economy. They have emerged as a vibrant and dynamic component of the economy by virtue of their significant contribution to GDP, industrial production and exports (Jaswal, 2014).

Opong, Owiredo, & Churchill in 2014 examined whether MSMEs can bring about economic growth and national developments in Ghana. They conducted primary data were acquired through the use of questionnaire, 100 respondents from 10 districts randomly selected. They found that financial constraints and

lack of management skill hamper the efficient performance of micro and small scale enterprises in Ghana.

Abeysekera in 2015 used multiple case study method, conducting 51 in-depth interviews with microfinance officers, owner managers and with an external trainer and a BDS consultant. The study examined on how the microfinance institutions (MFIs) in Sri Lanka use BDS to support the aspirations of entrepreneurs and employs the lens of co-production to analyse how the parties work together to support microenterprises. He found that MFI counsellors and owner managers of microenterprises use BDS to co-produce generating outcomes that help them both improve their performance. The findings also revealed that a number of contextual factors, such as client selection, social mobilisation programmes, planning, performance evaluation and financial sustainability influence co-production in BDS (Abeysekera, 2015).

Hadiyati in 2015 reviewed marketing aspect specifications and government policy on SMEs to analysis results in government policy implementation toward the MSMEs development and empowerment in Indonesia. She conducted secondary data in 2010–2011 including enterprise unit growth, PDB data, employment and non-oil export data from the Cooperation Ministry and MSMEs. She found that in conducting its business performance, MSMEs faces several problems, one of the problems encountered is the field of marketing (Hadiyati, 2015).

Rahman in 2016 examined on the difficulties faced by micro and small enterprises in accessing markets in sustaining and expanding the operation and the survival of their businesses. By applied research exploratory with conducted 45 micro and small business owners (UMK) through depth interviews. He found that skills principals UMK on marketing management are generally very low, quality of the resulting product is still low so as to make their difficulties in dealing with competitors in the market, continuity in serving customers/partner has yet to be secured, difficulty in using modern production technology, because of lack of capital, slow in doing the response to changes in the market (Rahman, 2016).

Taiwo, Alege, & Olokoyo in 2016 assessed the impact of micro financing on the growth of micro and small entrepreneurs in Southwest Nigeria through questionnaires administered to 198 MFBs in Lagos and Ogun State Nigeria. They found that the enterprises owned by male micro entrepreneurs generate more employment than those owned by their female counterparts while employment declined in the enterprises owned by those with no formal education (Taiwo *et al.*, 2016). Maziriri & Chinomona in 2016 examined 231 SMMEs managers on how relationship marketing, green marketing and innovative marketing influence the business performance of Small, Medium and Micro Enterprises (SMMEs) in the Southern Gauteng region of South Africa by using quantitative research

paradigm. Smart PLS was used to analyze the data. They found that there are positive relationships between the posited research variables (Maziriri&Chinomona, 2016).

Civelek, Rahman, &Kozubikova in 2016 investigated and explored the dissimilarities of gender orientation (EO) in the segment of micro enterprises. The data was collected by a structured questionnaire during 2015 in Czech Republic, and consists of 740 of micro enterprises and 1141 small and medium-sized enterprises (SMEs). The results do not show any significant differences between men and women in relation to the all components of EO. However, they explained by having higher percentage of university educated women micro entrepreneurs comparing with their men counterparts and education may have a substitution effect on the gender based differences in the segment of micro firms (Civelek *et al.*, 2016).

Williams, Shahid, & Marti in 2016 examined the determinants of their degree of informality micro enterprises from the city of Lahore in Pakistan. The study conducted survey of 300 informal micro enterprises in September 2012. They found that the key predictors of their level of informality are the characteristics of the entrepreneur and enterprise, rather than their motives or the wider formal and informal institutional compliance environment. Lower degrees of informality are associated with women, older, educated, and higher income entrepreneurs and older enterprises with employees in the manufacturing sector (Williams *et al.*, 2016). Chen in 2016 investigated the different strategies employed by micro-enterprises supporting by the government funding with different developmental stage of industrial life cycles. He used a multiple-cases study method to analyze, and 48 cases micro-enterprises were selected. He found that micro-enterprises tend to need government guidance in five respects at their different growth stages: product packaging, design and promotion; introduction of external resources; commercial community operation; new products/services delivery; and objective-oriented marketing (Chen, 2016).

Universidad & Bautista in 2016 proposed a novel and practical method of classifying micro, small and medium enterprises (MSMEs) based on their available levels of knowledge. They conducted 2698 Mexican MSMEs to identify operational problems. They found that nearly half of the MSMEs are classified as having a lower level of available knowledge, and only 10% are classified with the highest level. No difference is observed between the size of the company and the level of available knowledge. This meaning the number of employees and sales of MSMEs is not necessarily accompanied by an accumulation of knowledge that companies can use to improve their operations (Universidad & Bautista, 2016).

Andruhina *et al.* in 2016 investigated the current issues aspects of pedagogical learning situation of a potential employee an experienced professional when

using the internal resources of micro-enterprises. The study conducted both methods; qualitative and quantitative. The study involved 379 people, and 52 micro-enterprises of the Sverdlovsk region were selected. The result found that the process of training and professional interaction of the micro-enterprise employees to be effective if educational-vocational. Interaction of the micro-enterprise employees will be considered as a productive mutual agreed actions of subjects of labour, aimed at solving educational and professional problems in the process of joint labour activity (Andruhina et al., 2016).

4. DISCUSSION AND CONCLUSION

From the review of this study we found that micro enterprise development were significant to micro entrepreneurs. The enterprise success is the important driver of generating income and poverty reduction. On the other hand the entrepreneur needs certain skill to sustain. The impact of enterprise performance was related to the educational level, managerial skill, entrepreneurial characteristics, entrepreneurial competencies, leadership skills, technologies, and networking of the entrepreneur; most of micro enterprises have poor academic knowledge.

We also found that the direct positive correlation between the micro enterprise development with the economic growth and alleviating poverty. Government policies also have significant effect on the development of micro enterprise performances in the nation and mostly the beneficiaries do not fully supports from government programs and policies. The training in entrepreneurship development and provision of other facilities could give to micro enterprises opportunities to grow their enterprises. Furthermore, most of micro enterprise operated by female entrepreneurs, we found that higher number of female entrepreneur's university educated comparing to men entrepreneurs. However, female entrepreneurs have poor level of performance than men entrepreneurs. Besides, female entrepreneurs have lack of investment, management and technical skills.

Most importantly, micro enterprise development is a key tool for nation development and eradicating poverty; providing knowledge, training, good policy with fully supports from government is significant impact on enterprise success, generating income uplift-man and reducing poverty. Finally, we found that both the academic and policy community in regards to the financial obstacles faced by owners/managers of micro enterprises. It should assist the policy makers in designing and implementing specific and well-targeted policies for the overall benefit of micro enterprises.

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