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ARE PEOPLE IN IFUGAO, PHILIPPINES ENTREPRENEURIAL?

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ABSTRACT

A person's target and option depend on different processes of thought. These cycles of thinking and motives either drive or drag the participant to the creative exercises of entrepreneurship. This research explored the entrepreneurial traits, reasons, difficulties, and obstacles faced by Ifugao citizens in the Philippines while doing business. The relationship between the above variables and the entrepreneurial aspirations of Ifugao individuals was also calculated. Data were collected from 263 Ifugao, both beneficiaries and non-beneficiaries of the programs of various government agencies in the province using snowball sampling through a research questionnaire and semi-structured interview. Using means, the Mann-Whitney U test, and the rank order correlation of Spearman, this paper finds that considering the difficulties and obstacles they face, Ifugao individuals retain the character of becoming an entrepreneur. Overall, five traits that are common to respondents have been identified. Ifugao people stay inspired, and it motivates them to persevere constantly in carrying out entrepreneurial practices. Finally, the findings of this study indicate that training, seminars, and workshops, the positive perceived image of entrepreneurs, and motives have a significant impact on the entrepreneurial purpose of Ifugao people, which is essential for entrepreneurial success.

Keywords: Entrepreneurial Characteristics, The Perceived Image on Entrepreneurship, Motivations, Problems and Challenges, Entrepreneurial Intention, Ifugao People, Philippines.

INTRODUCTION

All United Nations Member States adopted the 2030 Agenda for Sustainable development in 2015. At its heart are the 17 Sustainable Development Goals (SDGs). They recognize the importance of ending poverty and other deprivations for all. Anchored with it is the Ambisyon Natin by 2040 of the Philippines. By 2040, Filipinos enjoy Matatag, Maginhawa at Panatag na Buhay. It contains strategies that fall under three pillars of (1) "Malasakit" (enhancing the social fabric), (2) "Pagbabago" (inequality-reducing transformation), and (3) "Patuloy na Pag-unlad" (increasing growth potential of the economy). Under Pillar 3 on inequality-reducing transformation, expanding economic Opportunities in Industry and Services through Trabaho at Negosyo is one way to achieve it. Based on the Ambisyon Natin 2040 or the Philippine Development Plan, part of its long-term vision is that 70% of its countrymen must have a stable job in their own country (National Economic and Development Authority, nd).

The economic driver of any economy is entrepreneurship. It is necessary for economic growth and essential for the owners of businesses to generate and increase profits to provide a return on investment. The backbone of economic growth has been known to be entrepreneurship. It has been well-founded that, to a large extent. The degree of economic development of a country depends on the level of the region's entrepreneurial activities. In many nations, business activity is the key to growth and prosperity (Lv et al., 2011; Dvorsky et al., 2018).

The strategic advantage comes from its creative talents, managerial experience, technological know-how, and adaptability to its managers/owners' internal and external market environments. It is now well known that entrepreneurs can be created and nurtured through practical entrepreneurship skills learning programs. According to studies, entrepreneurs must have distinctive features, behaviors, and principles to be competitive in the business world that offers an incentive for them and separates them from others. Entrepreneurs have to be devoted to what they do (Bosire & Nzaramba, 2018; Harper, 2003).

Ideally, an entrepreneur is someone who plays a vital role in a country's economic growth. An entrepreneur can be considered a person who has the initiative, capacity, and drive to set up his own business or company and always look for high achievement. They are the social impact catalyst who works for the common good. They are consistent in searching for possibilities, discovering them, and seizing them primarily for economic gains. An entrepreneur is a person who, alone or in partnership with his friends, can articulate and execute the desire, skill, inspiration, and creative ability to create a company or industry of their own. Their goal is to gain profit by manufacturing or selling products or services that are socially beneficial. They are enriched by the intrinsic qualities of adventurism, the ability to face risks, the desire to innovate, and imagination. They are ready to make dynamic improvements in the manufacturing process, incorporate technologies, and find new uses for raw materials (Kanchana et al., 2013). They are bound to weaknesses as an entrepreneur. That is the more significant reason why an entrepreneur wants to mask their vulnerabilities. And, to overcome these vulnerabilities, primary education and ongoing on-the-job investment are therefore essential for the development of entrepreneurial skills. Entrepreneurship skills are vital to the company's creation and survival (Amatori, 2016). Although there is no blueprint for becoming a successful entrepreneur, entrepreneurial success is correlated with specific skills and characteristics. Skills are, therefore, the knowledge displayed in some circumstances by acts or a particular result. Skills are gained and improved by training (Zehra, 2016).

Entrepreneurs need to be self-reliant, concentrated on the opportunity, able to take chances, and need to prosper in competition. According to the research undertaken by renowned authors, the attributes capable of reflecting the entrepreneurial actions of individuals are the need for success, locus of control, risk-taking tendency, tolerance for uncertainty, innovativeness, and self-confidence. In addition, an entrepreneur must be sufficiently creative to produce new technologies or new quality products, develop new manufacturing processes, reach a new market, create a new supply source, or establish a new organization or company structure. An entrepreneur must also have a deep need to do something, who, with their initiative, tries to solve challenges themselves, set expectations, and aim for these goals. As a result, they display higher success in complex tasks and be creative in the sense of searching for fresh and improved ways to enhance their performance (Gurol & Atsan, 2006). Another is that entrepreneurs need not be averse to risk-taking. In general, entrepreneurs are described as being more likely to take chances than other groups (Entrialgo et al., 2000). Therefore, entrepreneurs' personality characteristics concerning entrepreneurial orientation are an integral part of the whole entrepreneurial environment of enterprises (Kozubikova et al., 2018).

A company can prosper if business owners have ample entrepreneurship expertise, interest, and business capabilities. These skills support start-ups and are also beneficial during a company's life cycle. Moreover, the role of an entrepreneur in the growth of an economy cannot be overlooked. Therefore, the growth of an organization depends on the development of the skills necessary to carry out a smooth running of day-to-day business operations. However, the biggest hurdle to economic development is the lack of dynamic entrepreneurs who can introduce markets and processes to promote economic growth (Abdul, 2018).

In the Philippines, universities and colleges have empowered entrepreneurs to expand their educational and civic services to the communities. The social duty of state universities and colleges is to educate communities and improve lives through the transmission of information and technology through instruction, conferences, lectures, and professional advice (Dugyon, 2016). Also, in cooperation with the local government unit, the Department of Trade and Industry is accountable for the country's objective of an internationally competitive and creative industry and services that lead to sustainable development and job creation. Continuous learning to supervision and assistance is then built to keep the company competitive both locally and internationally. Ifugao State University and the Department of Trade and Industry, in collaboration with the Local Government Unit of Lagawe, with their extension programs and services, are making efforts to promote and track programs empowering local entrepreneurs and businesses town.

A current competitiveness indicator framework in the Philippines is used to shape the structure behind the Index. It aims to measure how many final products can be produced using a limited number of inputs. Local economic growth and competitiveness at regional, national and global levels are incorporated into the system. Economic Dynamism as part of its pillar is generally correlated with activities that stabilize market and industry growth and increase jobs. It is a concrete representation of productivity since it compares the production of the local economy to the resources available in the region. In terms of concept, Dynamism would be channeled into a blend of entrepreneurial spirit and financial institutions. Localities are understood to be the hubs of economic activity. It can be noted that when grouped according to 3rd and 4th municipality classification, the municipality of Lagawe ranked 369th, 16th, 182nd on local

economic growth in the year 2018, 2019, 2020, respectively (Cities and Municipalities Index, 2020).

Lagawe, Ifugao, known as Burnay, is a fourth-class municipality and the capital of Ifugao Province in the Cordillera Administrative Region. Lagawe, Ifugao, with God-loving and inspired citizenship, is working for a better business hub in Cordillera, Philippines, living in an environmentally balanced and prosperous environment, improving and cultivating a sensitive and resilient business community under the stewardship of local governance. Nevertheless, for Ifugao Chapter, there are only 43 companies from the Philippine Chamber of Commerce and Industry. In Lagawe, Ifugao, there is a business or market day transaction (Saturday, Tuesday, and Thursday). It shows that enterprises in the municipality are still on the road to growth (See, 2015).

In the study conducted by Dugyon (2016), extension program beneficiaries have modest participation. While attempts are carried out, the continuity of businesses in the municipality is still fading. Given the Government's interventions with its member institutions, the new venture's failure rate should not be overlooked. Although programs to mitigate ignorance is running a company, entrepreneurs still face growth obstacles. Despite the efforts made, the number of failed businesses has not decreased (Fong, 2018). Therefore, this research seeks to uncover the reasons behind the city's limited business transactions.

Furthermore, this research aimed to assess the entrepreneurial side of Ifugao individuals. Specifically, this study seeks to uncover the entrepreneurial characteristics, motives, problems, and challenges, the perceived image of entrepreneurs, and the business intentions of Ifugao individuals. Behind the small number of entrepreneurs in Lagawe, Ifugao, this research could dig deeper into the root cause. It will be a good starting point to determine if they are actually in the field of business. Furthermore, this research would make it possible for the government agencies to formulate programs to be extended to the entrepreneurs. Finally, in the research literature, the existence of Ifugao people on entrepreneurship is considered a missing item, which is a field that has not yet been explored. The conduct of this study is, therefore, considered essential.

METHODOLOGY

Using the mixed approach, both quantitative and qualitative, was more effective with the subjects of the paper. Among the styles of Quantitative Research Design, three were applied to examine the goals and address the hypotheses: Descriptive, Comparative, and Correlational Research. And to verify the information obtained in the descriptive process, qualitative design was used to generate more detailed and practical data through personal interviews. The investigator, therefore, used a questionnaire and a semi-structured interview.

Non-beneficiaries and recipients of DTI/LGU/IFSU Extension programs for 2019 were respondents to the report. DTI was not, however, able to supply the data requested last September 21, 2019. In this analysis, a snowball sampling design was used to assess the unknown population size. The researcher used a modified questionnaire in a close-ended form using the 4-point Likert scale to collect relevant data for defined research problems, given the number of populations covered under this analysis. The questionnaire developed was tested for validity and reliability. Two sets of questionnaires were prepared during this review. For the non-beneficiaries, one was for the beneficiaries of the 2019 DTI/LGU/IFSU Extension programs. The instrument consisted of multiple parts responding to the study's problems. The

research instrument test was performed as a preliminary test with entrepreneurs from Kiangan and Lamut, Ifugao, for the final version of the questionnaire. Via Cronbach alpha, the reliability test was determined. The outcome is demonstrated below:

Table 1
Cronbach Value of Six Attributes about the Perceptions of Entrepreneurs in Lagawe, Ifugao, Philippines

Attributes	Cronbach Alpha	Remarks
Entrepreneurial Characteristics	.92	Excellent
Perceived image on Entrepreneurship	.71	Good
Motivations	.93	Excellent
Barriers in pursuing business	.91	Excellent
Challenges	.90	Excellent
Entrepreneurial Intent	.91	Excellent

Except in section B, all of the 121 metrics composed of six attributes have outstanding findings on internal consistency. Due to a high Cronbach value, which suggests that specific metrics are redundant, some elements have been excluded. Jozsa and Morgan (2017) noted that the development of scales is not harmed by duplicated items, although most writers say that the scale needs to be shortened or certain items excluded with very high alpha. While many writers preferred a maximum alpha of .90, some authors propose .91-.94 depending on the field of research. In this analysis, Cronbach alpha parameters of .91-.93 used by Nilsson et al. (2017) were used to prevent repetition and omission of several objects. Means, the Mann-Whitney U test, and Spearman's rank-order correlation were used in this study through the help of SPSS.

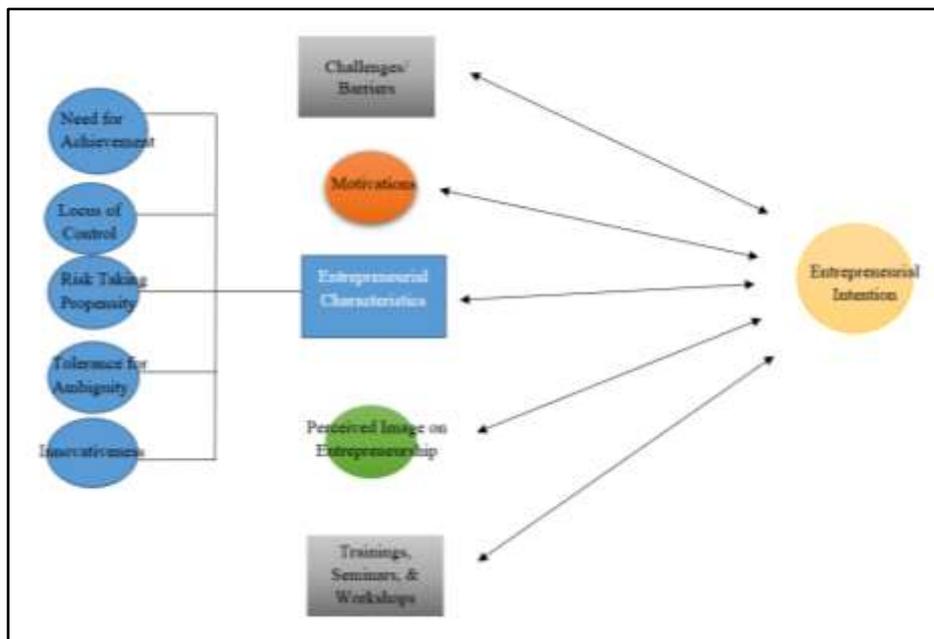


Figure 1. Schematic diagram of operational framework

The variables in the study are entrepreneurial characteristics (need for achievement, locus of control, risk-taking propensity, tolerance for ambiguity, innovativeness), motivations, the perceived image of entrepreneurs, problems and challenges, training, seminars, and are considered independent variables while Entrepreneurial intention as the dependent variable. Fig. 1 displays the relationship between the variables.

RESULTS AND DISCUSSION

Entrepreneurial Characteristics, Perceived Image, Motivations, Problems, and Challenges

Table 2

Descriptive Statistics

Indicators	Mean	Descriptive Interpretation
Entrepreneurial Characteristics	2.96	Agree
Perceived Image on Entrepreneurs	2.86	Agree
Motivations	2.98	Agree
Barriers in Doing Business (Non-Beneficiary)	2.74	Agree
Challenges Encountered (beneficiary)	2.98	Agree
Training, Seminars, and Workshops (Beneficiaries)	3.02	Agree

Results from the study assert that people in Ifugao possesses the characteristics to be a good entrepreneur. Results reveal that Ifugao individuals think their skills/competencies would help them to operate an organization effectively. Respondents claimed that it is essential to have a creative mind, pursue good opportunities from unsatisfied needs. Proper preparation and hard work are necessary to be efficient. Ifugao individuals have unique ideas and turn these concepts into tangible goods and services that the market will access. They view themselves as risk-takers, but the number of rivals in the market quickly discourages them. Findings show that respondents believe that ignorance, laziness, and failure to enhance skills/competencies are sources of organizational misfortunes.

Ifugao People's perceived images on entrepreneurship are all perfect except that entrepreneurs are stressed people who are constantly under struggle. Therefore, it can be construed that the respondents hold a sturdy perception of the image they want to become.

Autonomy and flexibility, wealth creation, a sense of achievement, and ambition are the primary reasons behind people in the Ifugao venture and wanted to pursue business.

No definite plan, stiff market competition, creating a compelling product, pricing, promotional strategies, good location, distribution channels, supply chain, the low purchasing power of consumers, partnership, and networking, technological advancement, greater distances to markets and areas of production and additional capital for expansion are the significant challenges that the respondents or beneficiaries of different extension programs of the various government agencies have identified.

Non-beneficiaries are still afraid of venturing into business because it is excessively risky. They are scared to fail because they don't have enough knowledge and skills to run a business. More so, the lack of support from relatives, experts, and the Government makes them hesitant to start their business. The difficulty of processing business permits and enough capital are the identified barriers to start-up.

Also, respondents who are beneficiaries of various government programs firmly claim that training, seminars, and workshops helped them manage their business. However, as they grow their business and expand their markets, problems and challenges are becoming more complex than before.

The outstanding idea for an entrepreneur is a solid focal point for discussion: they are responsible individuals who can be role models for young people. They are the wealthy individuals who live extravagantly, and they are the noble individuals who play a critical role in society. As eminent scholars have already said, role models play an influential role in developing human attitudes. Therefore, it is plausibly argued that these ideas, values, and

perceptions of these prospective entrepreneurs are essential factors in developing one's entrepreneurial character, potential career attitude, and entrepreneurial intentions.

Socialization can be seen to have a significant effect and influence on the entrepreneurial aspirations of the respondents. An individual may be socialized formally and informally at home, at school, and in other spheres of interaction. The most significant influences influencing early socialization were family history, parental role-modeling, formal schooling, and education, thus developing an attitude towards entrepreneurship.

In the mainstream, the mindset regarding the probability of action and subjective assessment of the consequences and rewards of that outcome affect behavioral intentions.

The Theory of Expected Actions describes this phenomenon better. Although one's decision to become an entrepreneur may be believed to be premeditated by his desire to do so, this intention is only formulated soon before the final decision is made in most situations.

Mann-Whitney U Test on Significant Differences

Table 3

Significant Differences in Entrepreneurial Characteristics Perceive Image on Entrepreneurship, Motivations, Entrepreneurial Intent of People in Ifugao when Group according to Beneficiary/Non-Beneficiary.

Category		Mean Rank	Mann-Whitney U	Std. Test Statistic	Asymptotic Sig. (2-sided test)	Remarks
Entrepreneurial Characteristics	Beneficiary	42.735	480.500	-0.922	0.357	Not Sig.
	Non-Beneficiary	39.250				
Perceived Image	Beneficiary	37.853	563.500	0.544	0.587	Not Sig.
	Non-Beneficiary	40.589				
Motivations	Beneficiary	44.088	457.500	-1.052	0.293	Not Sig.
	Non-Beneficiary	38.879				
Entrepreneurial Intent	Beneficiary	45.118	440.000	-1.223	0.222	Not Sig.
	Non-Beneficiary	38.597				

Since the decision to reject the null hypothesis is violated, it is therefore concluded that the perception of beneficiaries and non-beneficiaries in Lagawe, Ifugao, Philippines do not differ in terms of entrepreneurial characteristics, perceived image, motivations, and entrepreneurial intent.

Spearman's Rho Test on Significant Relationships

Table 4

Significant Relationship between Variables

Variables		Sig (2-tailed)	Correlation Coefficient	Interpretation (Correlation)	Decision
Entrepreneurial Characteristics	Entrepreneurial Intent	.140	.167	Insignificant	Accept Ho
Entrepreneurial Characteristics	Perceived Image	.000	.40**	Moderate Positive	Reject Ho
Perceived Image	Entrepreneurial Intent	.011	.29*	Low Positive	Reject Ho
Perceived Image	Motivations	.000	.39**	Moderate Positive	Reject Ho

Motivations	Entrepreneurial Intent	.044	.28*	Low Positive	Reject Ho
Challenges/Barriers	Entrepreneurial Intent	.125	.147	Insignificant	Accept Ho
Trainings, Seminars and Workshops	Entrepreneurial Characteristics	.000	.45**	Moderate Positive	Reject Ho
Trainings, Seminars and Workshops	Entrepreneurial Intent	.000	.42**	Moderate Positive	Reject Ho

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

* . Correlation is significant at the 0.05 level (2-tailed).

The result indicates that there is no correlation between entrepreneurial characteristics and intent. However, there is sufficient evidence to suggest a weak relationship between perceived image and entrepreneurial intention. It is also the same on the relationship between motivation and intent. Lastly, training, seminars, and workshops initiated by the different government agencies are significantly correlated to the Ifugao people's entrepreneurial characteristics and intentions to do business.

CONCLUSION AND RECOMMENDATION

Generally, this study assesses whether people in Ifugao are entrepreneurially inclined by determining their entrepreneurial characteristics, motivations, problems, challenges, and perceived image on entrepreneurship. Also, this paper establishes the relationship between entrepreneurial factors, causes, the perceived image of entrepreneurs, training, seminars, and workshops on entrepreneurial intent among people in Lagawe, Ifugao, Philippines, using Spearman's Rho Test. Based on the findings, the following are concluded: Ifugao people possess the characteristics to be a good entrepreneur, they are highly motivated, and they see entrepreneurs positively. Lastly, the perceived image of entrepreneurs, motivations, training, seminars, and workshops is significantly correlated to Ifugao people's intentions to be an entrepreneur.

Hence, this paper recommends that government agencies pay particular attention to positively influencing Ifugao's attitudes towards entrepreneurial activity and increasing their self-efficacy for creating a new firm. Business mind setting and business start-up should be the starting point of extension programs of the Government and the university. In building, upgrading, and expanding infrastructural facilities such as rural highways to facilitate the transport of products, the Government and the private sector could join hands. The majority of the respondents are still selling, promoting and persuading, developing ideas, managing, organizing, leading and captaining, computing, planning. Hence, different government agencies should strengthen training and workshops on business planning, management, marketing, and technology integration. Regular monitoring and impact assessments are needed to ensure the success of businesses assisted by the different government agencies. The Government must guarantee access to funds for small and midsize enterprises by offering government subsidies and support through the development of a credit guarantee system, the settlement of collateral problems, and the provision of start-up processing and bureaucracy for young SMEs and local raw materials suppliers. The Government should continue to subsidize the establishment of a standardized start-up and improve the growth capacity of businesses within the municipality.

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Conflict of Interest Statement

The authors have declared no conflict of interest.

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