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Article in *International Journal of Entrepreneurship and Small Business* · January 2013

DOI: 10.1504/IJESB.2013.055305

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Challenges associated with the Greek SMEs in the basin of Athens-Greece: an exploratory study

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Abstract: The paper attempts to identify the motivation for business ownership, the factors contributing to success and problem areas and developmental issues attached to entrepreneurship related to small medium enterprises (SMEs) particularly in Athens, Greece. The first phase of the study attempted to identify the problem areas of entrepreneurs by an extensive review of the existing literature. The second phase incorporated a ground survey with groups of entrepreneurs ($n = 113$) for assessing the factors related to entrepreneurship. The prime motives for starting a business were to increase income, to obtain job security, and to secure independence. The entrepreneurs identified problems in the areas of securing long term and short term finances for establishing and running SMEs, confusing and complex tax structure, too much competition, government bureaucracy, and a weak economy as major bottlenecks. The paper is an important study taken in the entrepreneurship context in Athens, Greece.

Keywords: entrepreneurship; entrepreneurs; small and medium sized enterprises; motivation; success; Athens; Greece.

Reference to this paper should be made as follows: Katsioloudes, M.I. and Jabeen, F. (2013) 'Challenges associated with the Greek SMEs in the basin of Athens-Greece: an exploratory study', *Int. J. Entrepreneurship and Small Business*, Vol. 19, No. 3, pp.309–324.

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1 Introduction

Earlier researches (Carree et al., 2002; van Stel et al., 2005) showed that the significant brunt of entrepreneurship on economic augmentation has repeatedly been highlighted. According to Orhan and Scott (2001), the entrepreneurship is encouraged by the governments and academics worldwide as it is closely related to innovation and contributes to the economy through employment and wealth creation.

SMEs play a pivotal role in the national economies of countries all around the world. Industry is moving away from large vertically integrated firms. Flexible value chains are replacing them. Rivera (2007) in his study stated that SMEs are recognised as key, not peripheral component of the value chain, as previously thought. On the other hand, it is striking how young the field of entrepreneurial studies is and much remains to be understood about entrepreneurs' success factors (Benzing et al., 2009; Cooper and Gascon, 1992).

According to a Fact Sheet by European Commission Enterprise and Industry (2005); Greece is considered as the country of SMEs with 99.9% of its firms in the non-primary sector (see Table 1). According to the data for the Greek economy there are approximately 73 SMEs per 1,000 inhabitants in Greece. More than 97% of all Greek enterprises are micro companies. Hyz (2011) in her study discussed that the small size of Greek SMEs is due to their strong domestic market orientation and small market size, in general, the low GDP per capita, tendency to the self-employment and so on.

Table 1 Characteristics of the SME sector in Greece

	<i>Number of enterprises</i>		
	<i>Value</i>	<i>%</i>	<i>EU-26 average</i>
Micro	796.454	97.1	91.8
Small	21.235	2.6	6.9
Medium	2.496	0.3	1.1
SMEs	820.185	99.9	99.8

Source: Eurostat SBS database, 2005 data

However, the financial crisis with its global repercussions could not have left Greek SMEs unaffected. The Small-Industry Chamber of Thessaloniki, Greece, issued a pessimistic report, according to which “seven out of ten SMEs suffer a noticeable decrease in their turnover, while 90% of them expect even worse days in the future” (EOMMEX, 2009).

The structure of the paper is as follows: the first section will give a general introduction and background about the SMEs in the Greek context. The second section will focus on the literature review. The third section will discuss the methodology and results. The paper concludes with a discussion of the implications and limitations of this study and by providing directions for further research. The paper contributes to the literature by being among the first ones to explore the challenges associated with the Greek SMEs in Athens, Greece.

2 Literature review

Literature relevant to Greek entrepreneurship is limited. It is necessary to rely on studies of small businesses in other countries to have a more complete understanding of the motivations, perceived success factors and problems encountered by small business owners in Greece.

According to Acs (1992) small firms play an important role, serving as agents of change by virtue of their entrepreneurial activity, constituting a source of considerable innovative activity, stimulating the evolution of industry and creating an important share of the newly-generated jobs. In several countries, with Greece among them, females are less often self-employed (Bird and Brush, 2002), and in order to improve the economic conditions of Greece, both male and female entrepreneurial development is vital. This can only be achieved by better understanding their motivations in starting their own businesses and how best to support them in their endeavours. According to DeMartino and Barbato (2003), family and lifestyle are considered far more important for females than for males, who are primarily concerned with financial rewards.

In Greece, entrepreneurs indicate the economic environment and the Greek policies in the last 25 years have not encouraged entrepreneurial activity at all. However, despite prevailing entrepreneurship barriers, as to mention bureaucracy as strongest start-up hindering, an increasing trend of self-employment exists. But many of the nascent entrepreneurs waive financial assistance to prevent being controlled by the state (Karagiannis, 1999; Sarri and Trihopoulou, 2004), instead they benefit from their strong-tied network activities regarding resource acquisition (Tiessen, 1997; Drakopoulou and Patra, 2002). As bureaucracy constitutes one of the most important problems they face not only in starting-up their business, but in developing it too. As a result a great number of businesses who manage to overcome the initial difficulties and started their activities do not survive more than two years (Katsaris, 2001). This 'negative' picture is compounded by the very limited support offered to them by the public sector and the almost non-existent support from other related chambers of commerce, trade associations and similar institutions. Entrepreneurship in Greece is led by opportunity recognition, embeds risk, requires flexibility, suffers from a lack of well trained and specialised personnel, is financed mainly by family, is positively recognised by society, but is not facilitated by the state. It is further argued that entrepreneurship potential in Greece could be dominantly affected by the increasing interest in entrepreneurial education, in parallel with positive attitudes of society towards entrepreneurship. In addition, focus on the development of programmes financing entrepreneurial efforts and the abolition of the existing restrictions to female entrepreneurship, such as societal perceptions of entrepreneurship as a male dominated field, work-family conflict, etc., are listed as additional facilitating mechanisms (Greek Observatory for SMEs, 2006). The Greek economy and society with a high preference for independence and a strong entrepreneurial spirit (Maggina, 1992) is characterised as relatively open to entrepreneurial activities of many so-called 'self-made' Greek entrepreneurs (Karagiannis, 2003).

SMEs funding sources are determined by their level of development, which might have an effect on their creditworthiness (Hyz, 2011). At the initial development stages, SMEs have to depend on funds coming from the owners, their families, friends, and sometimes from venture capitalists. In later development stages, SMEs are primarily funded from their own financial surpluses or any other means of external capital. At the

maturity stage, SMEs (primarily medium-sized), have access to bank loans and other groups of companies from the SME sector.

External acquisition of capital by the SMEs is what allows them to finance investment projects for further development and growth, especially when their internal capabilities are limited. The main sources of these external sources of capital for the SMEs are non-banking sources, such as: trade credit, lease, factoring, franchising, etc., and bank loans which could be short-term and/or long-term.

Surveys conducted among entrepreneurs in developing countries provided some interesting information. In a study conducted by Chu and Katsioloudes (2001) and Swierczek and Ha (2003) on Vietnamese small business owners, it was found that challenge and achievement are more significant and more important motivators than are necessity and security. A study of motivation discovered some economic discrepancies among regions of Vietnam. It was found that entrepreneurs in Ho Chi Minh City were motivated by personal satisfaction and growth, while business owners in Hanoi cited the need to create jobs for themselves and family members. Compared to Hanoi, Ho Chi Minh City is more prosperous. The economic landscape in the Southern part of Vietnam is brighter, which affords people the opportunity to pursue higher levels of need such as 'personal satisfaction and growth' (Benzing et al., 2005). Pistrui et al. (2001) in his study of entrepreneurship in China reported that personal and family securities were the primary motives for people to start a business.

Robinson (2001) referred the push and pull factors. He stated that while the push factor is associated with negative conditions, the pull factor is attributed to positive developments. The push factor may result from low income, job dissatisfaction, strict working hours or even lack of job opportunities. The pull factor, however, may result from the need for self-accomplishment and the desire to help others. The push factor was found to be evident in the developing countries. It should be emphasised that the push and pull factors are not mutually exclusive. An entrepreneur can have a low income but is capable to take on a challenging job opportunity (Dhaliwal, 1998). Related studies (Alsos and Ljunggren, 1998; Bates, 2002) illustrated that, due to socio-economic factors, the impact of the pull/push factors vary between developed and emerging economies. They can also vary among individuals within the same country. In the same token, Wu et al. (2007) found a positive relationship between the need for achievement and entrepreneurship determination.

Scheinberg and Macmillan (1988) in their findings from a study of new business start-up in 11 countries suggested six motives that lead people to become business owners. This include the need for approval, the perceived wealth, the degree of communitarianism, the need for personal development, the need for independence, and the need for escape. These findings indicate that business owners in different countries have different motives for business ownership. US entrepreneurs considered the need for independence the most crucial reason for starting a business. Italian business owners, however, ranked communitarianism high on the list of motivators. Entrepreneurs in Australia and Great Britain cited money as the reason for business ownership, while the Scandinavians rated this same factor the least significant (Mitchell, 2003).

On the other hand, Asian entrepreneurs tend to think 'making more money' is the most important force leading to business ownership. White entrepreneurs, however, were motivated by a desire for independence via business ownership (Mann and Thorpe, 1998). Turkish entrepreneurs cited financial security and high income as reasons for opening and running their business (Ozsoy et al., 2001). Female business owners in

Turkey, however, reported that meeting the family needs, establishing social contact and fulfilling self-actualisation need are their primary motives (Ufuk and Ozgen, 2001).

Chu et al. (2007) in their study of entrepreneurs in Kenya and Ghana found that the two most critical motivators were to increase income and to provide themselves with job. Ugandan entrepreneurs reported that 'making a living' or 'making money' is the most important reason for starting their own business (Bewayo, 1995). Findings from the study also showed that a majority of entrepreneurs (61%) preferred business ownership over working for a corporation, because of autonomy, freedom, and independence (Bewayo, 1995). Similarly, findings from a study of micro-entrepreneurs in West Africa suggest that basic physiological need, namely food and shelter is their foremost reason for business ownership. Asked to indicate their motivation for becoming business owners, Nigerian entrepreneurs reported monetary rewards and profits as the most important factors. Assertiveness and personal liberty were also ranked high on the list. Being accountable only to oneself was cited as one of the crucial motives for opening and running a business (Akande, 1994). Woldie and Adersua (2004) surveyed Nigerian women entrepreneurs and found that their main reasons for engaging in business are to reduce poverty and to reverse the deteriorating economic conditions. In congruence with this study, Pingle (2005) indicated that in a country of entrenched poverty as Nigeria, people have fewer choices other than self-employment.

Factors contributing to business success are varied, but a few sets of factors seem to be more commonly agreed upon by researchers. These factors may be grouped into the following categories:

- 1 the psychological and behavioural traits of entrepreneurs
- 2 the managerial skills and training of entrepreneurs
- 3 the external environment.

Regarding the effect of psychological and behavioural traits on entrepreneurial success, the success of a business depends on its owner's ability to engage in strategic planning (Frese et al., 2002). While supporting the importance of psychological traits to business success, other researchers argue that experience and training, specific managerial skills and the environment of business may moderate the effect of psychological attributes (Covin and Covin, 1990; Covin and Slevin, 1989; Dess et al., 1997; Rauch and Frese, 1998).

Previous studies (Kiggundu, 2002; Pope, 2001; Stevenson, 1998) reported that the challenges faced by entrepreneurs in developing countries are monumental and quite similar. Commonly found among these is the unstable and highly bureaucratic business environment. Contract and private property laws are often poorly designed and/or enforced. The unfavourable institutional/regulatory environment is often accompanied by the added expenses of corruption and bribery. Other problems encountered by entrepreneurs in transition economies include poor macroeconomic policies, limited access to short-term and long term financial capital, and a lack of managerial experience.

Kisunko et al. (1999) in their survey study of more than 3,600 entrepreneurs in 69 countries showed that the most critical problems faced by business owners in South Asia and Southeast Asia were the high taxes and tax regulations. Inadequate infrastructure, inflation, labour regulations, and regulations governing the starting and running a business were also considered obstacles preventing entrepreneurs from achieving their goals.

Furthermore, it has been widely agreed that there is a positive correlation between economic growth and entrepreneurship (GEM, 2001; Carree et al., 2002; Audretsch and Keilbach, 2003). Empirical researchers indicate that the contribution of entrepreneurship to economic development is very significant, especially in the area of employment creation. The importance of small firms to the strength of economies in the USA, Europe and the emerging countries of the Far East is also increasingly acknowledged. In Europe, small businesses employ 60% of the workforce (Wintermantel, 1999). Dana (1998) stated that Japan has six million small- and medium-sized enterprises (SMEs) which account for 99% of all businesses in the country and 60% of the total labour forces. Similarly, Lin (1998) said that Taiwan's 96% firms are SMEs that employ 78% of the nation's work force. The South Korean SMEs provide more than 70% of all jobs in the country (Lee, 1998). Ozsoy et al. (2001) reported that approximately 98.8% of businesses in Turkey are SMEs, and they create 45.6% of all the jobs in the country.

The contribution of the SMEs in the development, the employment and social coherence in the European Union (EU) and in Greece is substantial. About 92% of the enterprises in the EU are very small and family businesses which employ up to ten people whilst 6% are medium-sized enterprises.

In Greece, enterprises employing 50 persons and below form about 99.55% of the total number of enterprises and they employ 74% of the work force of the private sector (EOMMEX, 2009). Apart from the above mentioned data, the SMEs provide 70% of the new jobs, reinforce the regional development and financial balance of the regions and make part of a cohesive financial and social link in Greek society.

It is anticipated that results of this study would provide more insight into the ongoing obstacles faced by entrepreneurs so that a more conducive environment can be created to promote the development of entrepreneurship.

3 Methods

3.1 Data and sample

The survey took place over the period between October and December, 2008. Two hundred and fifty SMEs were contacted, with 113 accurate responses giving a response rate of 45.2%. These SMEs were located mainly in the Greater Athens Metropolitan Area. Among them, 40% were service providers, 38% retail businesses, while product manufacturers were represented by 13.8% and wholesale enterprises by 3.6%.

3.2 Research instrument

The instrument used for this study was a survey questionnaire comprising of 24 questions. Native speakers translated these 24 items into the Greek language.

4 Analysis of research findings

As evident from Table 2, the male entrepreneurs outscore females with a percentage of 71.7% against 28.3%. Also, the average age of Greek entrepreneurs is 44.6 years, which indicates SMEs in Greece are managed by relatively young people. The

developing-country literature identifies numerous gender-related challenges to SME growth. Women typically face asymmetrical rights and obligations limiting their labour mobility and burdening them with disproportionate household responsibilities (Downing and Daniels, 1992). One econometric study based on Guatemalan data suggests that the high marginal value of home time for women during certain periods of their lives is the principal constraint to the growth of female-owned firms (Kevane and Wydick, 2001). In some countries, women face relatively greater problems with innumeracy, illiteracy, and a lack of business skills (ILO, 1999). In addition, women commonly have unequal access to markets. For example, research in Gujarat, India found that 36% of female entrepreneurs sell to purchasers who come directly to their homes, compared to 20% of their male counterparts (Kantor, 2005). As a result of such factors, women also frequently focus their SMEs on a relatively narrow range of industries.

Table 2 Entrepreneurs and enterprise characteristics

<i>Entrepreneurial characteristics</i>		
<i>Gender</i>	<i>Frequency</i>	<i>%</i>
Male	81	71.7
Female	32	28.3
<i>Mean age of entrepreneurs: 44.06 years</i>		
<i>Level of education</i>	<i>Frequency</i>	<i>%</i>
Completed Lyceum	45	41.7
Completed University	39	36.1
Graduate degree	10	9.3
Completed grade school	8	7.4
Completed grade school	6	5.6
<i>Enterprise characteristics</i>		
<i>Type of business ownership</i>	<i>Frequency</i>	<i>%</i>
Established by you	68	51.1
Partnership	24	18.0
Sole proprietorship	18	13.5
Bought from another	10	7.5
Inherited	8	6.0
Incorporated	4	3.0
Franchised business	1	0.8
<i>Type of business</i>	<i>Frequency</i>	<i>%</i>
Service	53	40.7
Retailing	50	38.4
Wholesaling	18	13.8
Manufacturing	4	3.6
Agriculture	2	1.5
<i>Average age of business: 13.67 years</i>		

Note: Respondents could select more than one answer.

As far as the educational level of the survey participants is concerned, 41.7% of them were high school graduates, 36.1% were university graduates, while 9.3% also had a post-graduate diploma. Intuitively, one might expect higher levels of formal education to spur SME growth by enhancing firm capabilities. For example, formal education may provide entrepreneurs with a greater capacity to learn about new production processes and product designs, offer specific technical knowledge conducive to firm expansion, and increase owners' flexibility. While most empirical evidence indeed suggests that firms with better educated owners and managers are more efficient, greater complexity emerges when one examines the relationship between education and SME growth in developing countries (Burki and Terrell, 1998; Tan and Batra, 1995). Developing-country SME owners and workers often have relatively low levels of education. One reason is that despite recent advances, primary education completion rates remain at only 60% in Sub-Saharan Africa, 80% in South Asia and 90% in the Middle East and North Africa (World Bank, 2009). In addition, SMEs tend to have less-educated owners and workers than do larger firms (Orlando and Pollack, 2000; Soderbom and Teal, 2001). Educational disparities across firm size are especially striking at the university level: for example, 21% of microenterprise owners in Chile have Bachelor's degrees, compared to 42% of small firm and 55% of medium-firm owners (Alvarez and Crespi, 2003).

When asked about the establishment of the enterprise in Greece, 51% of the participants stated they founded their business themselves, 7.5% said they bought it out, while a mere 6% admitted their business was inherited.

The main reason that drives Greeks to create a business seems to be the effort to increase their income, combined with the need for job security. Being 'one's own boss' comes third among the answers to the corresponding question. Other reasons, like offering jobs to other family members or establishing a business to pass on to the next generations, also came up, however, further down on the list. Previous research undertaken supported to some extent the above findings (Kandasaami and Tibbits, 1993).

Table 3 Mean score for motivation of Greek entrepreneurs

<i>Motivational factors</i>		<i>Mean</i>
1	To increase my income	4.37
2	So, I will always have job security	4.30
3	To be my own boss	4.17
4	Other	4.17
5	To be able to use my own past experience and training	4.11
6	For my own satisfaction and growth	4.06
7	To maintain my personal freedom	3.86
8	To prove I can do it	3.49
9	To be closer to my family	3.07
10	To build a business to pass on	3.10
11	To provide jobs for family members	3.00
12	To gain public recognition	2.63

Notes: 5 = extremely important, 4 = very important, 3 = mildly important, 2 = not very important, 1 = unimportant.

Table 4 Factors contributing to business success

<i>Success factors</i>	<i>Mean</i>
1 Good customer service	4.79
2 Hard work	4.72
3 Charisma: friendliness	4.66
4 Good business management skills	4.33
5 Good product at competitive price	4.29
6 Reputation for honesty	4.09
7 Good location	4.02
8 Appropriate training	4.00
9 Support of family and friends	3.98
10 Previous business experience	3.95
11 Ability to manage personnel	3.95
12 Maintenance of accurate records	3.79
13 Community involvement	3.76
14 Access to capital	3.20
15 Marketing/sales promotion	3.11
16 Political involvement	1.59
17 Satisfactory government support	1.49

Notes: 5 = extremely important, 4 = very important, 3 = mildly important,
2 = not very important, 1 = unimportant.

It should be noted that the majority of Greek entrepreneurs works 57.4 hours weekly, on average, while only 44% work less than 50 hours. Also, 77% of them declared the course of their business successful or very successful. In securing this success, 89% of the surveyed entrepreneurs stated that support from family and friends, is an important or very important factor.

Business and communication skills, combined with hard work, good customer service and selling quality products in competitive prices, were all stated as the most important factors that contribute to the success of an enterprise.

According to the findings of the survey, the four most critical issues that Greek entrepreneurs are faced with are: the complicated taxing system, excessive competition, bureaucracy, and the weak economy. Next on the list of problems are: the difficulty in securing short-term and long-term funding, as well in finding skilled and trustworthy personnel. What Greek entrepreneurs need is radical structural reforms that will help them to rebuild the country's wobbly foundations of productivity. They need reforms that will promote entrepreneurship and generate new ideas.

They need a new set of rules that will allow for the smooth transition from the informal to the formal economy. One example is through the simplification of the process and deregulation of markets – a simple and fair taxation administration system would be more efficient and would create a friendlier business environment. This would increase the investment possibilities in Greece not only for foreign investors, but also for local ones.

Table 5 Problems faced by small businesses

<i>Problems</i>	<i>Mean</i>
1 Complex/confusing tax structure	4.22
2 Too much competition	4.08
3 Non reliable government	3.95
4 Too much government bureaucracy	3.94
5 Weak economy	3.84
6 Unable to obtain long-term financial capital	3.44
7 Unable to obtain short-term financial capital	3.42
8 Unreliable and undependable employees	3.29
9 Limited parking	3.26
10 Lack of management training	3.09
11 Other problems	3.00
12 Lack of marketing training	2.99
13 Inability to maintain accurate accounting records	2.76
14 Poor roads/transportation	2.76
15 Foreign exchange limitations	2.11
16 Unsafe location	2.10

Notes: 5 = very serious problem, 4 = serious problem, 3 = problem, 2 = minor problem, 1 = not a problem.

Success depends on how well Greece can reform its existing state. What they need to do is simplify judicial services and enforcement of rules and laws. They also need to apply quality control on goods and services, eliminate organisations with overlapping mandates and rationalise the public sector.

The result is in line with the findings from an earlier study (Newberry, 2006). These challenges might have accounted for the high rates of failure among SMEs, ranging from a high of 80% in the first three years of operation in the USA to over 50% in Australia, France and New Zealand (Mason, 2007; Switzer, 2007).

Table 6 Reasons entrepreneurs do not like being self-employed

<i>Reasons</i>	<i>Mean</i>
1 Too much responsibility and stress	4.04
2 No time for family	3.81
3 Too much work	3.60
4 Difficult to hire and retain good employees	3.16
5 No opportunity to use my education and skills	2.83
6 Have to deal with government and regulatory agencies	2.56
7 Too lonely	2.56
8 Fear of crime	2.23
9 Unfriendly customers	2.19

Notes: 5 = extremely important, 4 = very important, 3 = mildly important, 2 = not very important, 1 = unimportant.

As apparent from Table 6, 97% of the surveyed entrepreneurs reported high levels of work-related stress. Not surprisingly, Greek entrepreneurs also reported that too much work and too many responsibilities, as well as high stress levels, combined with restricted time for family and friends, are the main reasons of discontent over being self-employed.

5 Discussion and policy implications

In this study, increase one's own income combined with the need for job security was the major motivators to start the business in the Greek context. By this finding we can interpret that Greek entrepreneurs are more influenced by 'push' factors of motivation which includes elements of necessity such as insufficient family income, dissatisfaction with a salaried job, difficulty in finding work and a need for a flexible work schedule due to family responsibilities. Whereas, among the entrepreneurial motivations found in most surveys carried out in industrialised countries, independence and the need for self-achievement, both pull factors, are always ranked first (Orhan and Scott, 2001).

Previous researchers have also highlighted that the image of entrepreneurship in the Greek society is currently weak, and in need of reinforcement, change and improvement, and therefore there is a high need for SMEs to adapt to the demands of our time (Katsaris, 2001).

However, there are significant forces of inertia, associated with personal and job insecurity, excessive work and focusing on the urgent rather than on the important, which hinder any significant change. Some of those forces are stemming from the broader economic and entrepreneurial environment, as well as from Greek culture and historical course. Others are internal and more connected with the mentality of management within SMEs, which suggests that there is no need for a change in direction, and that a simple boost of the effort made by the company members should suffice, meaning that everyone should just do better and more of what they have already been doing.

The strategies that have contributed to the relatively successful course of SMEs so far are not necessarily the ones that will walk them through any serious crisis. Otherwise talented young entrepreneurs are proven ineffective, as they take on the risks of business endeavours, but fail to adapt their management style to the emerging needs, not only amidst a crisis, but also during periods of great success. It has been proven, in fact, that the more successful a business has been (or was thought to have been) in the past, the harder it is for it to embrace change.

According to the survey, the vast majority of Greek entrepreneurs develop their business plans by discussing them with their friends and family, rather than with an expert business consultant, who might have provided them with expert knowledge regarding ways to work more efficiently and to deal with stress more effectively.

The promotion of cooperation between Greek entrepreneurs and the state would also function positively towards stress reduction. Some of the goals could be: training on management issues, easier access to funding, negotiation concerning the simplification of the operational processes and the reform of business tax law.

Furthermore, the basic reason for hiring new personnel should not be the mere replacement of employees leaving the business. On the contrary, entrepreneurs should aim at proactively finding high potential staff with the right attitude, which will receive regular further training and will help the business grow and become more competitive.

Finally, the survey results suggest that the main reason for establishing a personal business is securing a professional future for the entrepreneur. This means that the entrepreneurs' pursuit is mostly the survival of their enterprises, rather than their long-term growth and the development of exportation activity. However, the owners of Greek SMEs should be more assertive in the face of ongoing challenges, by implementing strategic corrective actions and internal reforms, by creating an environment open to change, by establishing priorities and processes for monitoring the performance of employees and strategies. The most crucial factor, however, are the overall leadership qualities that the SMEs management will be able to exhibit, which will establish the enterprise's vision for the future.

6 Conclusions, limitations and directions for future research

In this study, an attempt was made to investigate motivation and success factors for entrepreneurial growth in the Geek context and obstacles that may prevent Greeks from becoming entrepreneurs. It was evident from the analysis that males are comparatively more engaged in entrepreneurial activities than the females. The analysis also revealed income enhancement, job security and independence are the major factors that motivate people in Greece to become entrepreneurs. The reason that appeared to influence Greek entrepreneurs decision on not to be self employed was too much responsibility and stress and no time for family. The major problem faced by SMEs was complex tax structure and stiff competition.

This study has various limitations. First, the study was limited to the Greater Athens Metropolitan Area and the response rate was low. This is also attributed to the fact that demonstrations and political unrest were prevalent during the time of the research. Second, the sample did not include ventures that had failed. In addition, the results provided are descriptive in nature.

In the light of daunting problems faced by Greek entrepreneurs, various initiatives should be launched to support and develop SMEs, such as the New Ventures Investor Forums, that bring together financial, government, and business communities to generate mechanisms to actively support SMEs. Business plan mentoring and management training for owners of SMEs should be explored. It is also suggested that the Greek entrepreneurs should be provided with right type of training which can increase the likelihood of recognising the right opportunities and thus increase the success of their ventures.

The problems facing entrepreneurs in emerging markets are often quite similar (Benzing et al., 2009) the same study can be applied to SMEs in other emerging markets with some modifications. Comparative studies in different emerging markets would be interesting.

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